

Clark County Market Report

October 2011

Mike Lamb
Associate Broker

Www.MikeLamb.info
Windermere Vancouver

MLamb@windermere.com
360-694-4050

While September was not a blockbuster month like August, it was another good month for the Clark County real estate market. New sales activity reflected this, with 480 *New Pending Residential Sales* reported, down 32.5% from August, but up 20.3% from September 2010. And even though this was down 17.7% from 2009, it was up 9.8% from September 2008, and up 18.5% from September 2007. So while it was not as exciting as August, in terms of recent history it was a good, solid month for new sales activity.

Interestingly, despite the good new sales activity in August, which would normally increase closing activity in September, closings were down 6.8% from August. Still, except for September 2009, closing activity this September was better than any other September since 2006. This was best seen in the 441 *New Closed Residential Sales* reported, up 22.8% from September 2010, but down 6.2% from September 2009, up 12.8% from September 2008, and up 15.5% from September 2007. And despite the slightly slower pace of closing activity compared to August, *Solds Year To Date* finally moved ahead of 2010, with 4,264 *Solds Year To Date*, up 0.7% from September 2010, up 17.0% from September 2009, and up 10.7% from September 2008. Furthermore, with a large backlog of pending sales waiting to close, 2011 will almost certainly be the best year for total sales since 2007.

While sales activity remained strong in September, listing activity was still relatively weak, down 11.9% from August, but up 0.6% from September 2010. In September there were just 1.4 new listings for each new pending sale reported. As a result, at the end of September there were 4,374 *Active Listings*, down 1.0% from August, down 19.2% from September 2010, down 18.4% from September 2009, and down 40.2% from September 2008, which was the record high for the month. This was the smallest number of *Active Listings* available in the month since 2005, and there were just 6.4 months of inventory available based on the number of new pendings reported in September. Most significantly, the lack of inventory in the lower price ranges is increasingly becoming an issue.

Even though the market continued to be relatively strong, and inventory continued to shrink, price changes were mixed with some increases, and some declines. For example, *Average Sale Price-All MLS* was \$207,431, up 12.1% from August, but down 10.6% from September 2010. And *Median Sale Price-Residential* fell 8.8% from August to \$188,000, down 10.1% from September 2010, and down 29.7% from the September high in 2007. In contrast, the average residential sale price rose to \$218,700, up 5.6% from September 2010. So while changes in prices were mixed, it is not too difficult to see the first indications of upward movement.

	DATA FOR SEPTEMBER 2011	Change from Sept. 2010
Active Listings	4,374	-19.2%
Solds Year To Date	4,264	0.7%
New Closed Residential Sales	441	22.8%
New Pending Residential Sales	480	20.3%
Average Days on Market-Res. Solds	138	0.7%
Average Sale Price-All MLS	\$207,431	-10.6%
Median Sale Price-Residential	\$188,000	-10.1%

The best thing about this market is the fact that it continues to normalize, which means that inventories have fallen, and negotiations between buyers and sellers are more balanced. But now the developing challenge is having sufficient available inventory to sustain reasonable sales activity. And that is a critical component in recovery. Fortunately, as prices rise inventory should increase, which will fuel more sales. As my mentor used to say, "All we need is a few more good listings . . ."