

Clark County Market Report

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The Clark County real estate market slowed in September compared to its record pace in July and August. You could see that in new sales activity, reflected in the 700 *New Pending Residential Sales* submitted to RMLS. That was down 21.4% from August, down 13.9% from a very strong September 2016, and down 14.0% from September 2015. Even so, it was still the third best new sales activity in September since 2005, up 3.6% from September 2014, and up 23.5% from September 2013. Additionally, with the weaker new sales activity, the backlog of pending sales waiting to close ended the month at 1,529 pendings, down 7.7% from August. Still, at the rate sales closed in September that represents 2 months of closings, a very good pipeline of pendings.

Closing activity was also weaker in September, although it held up better than new sales activity. You could see that in the 750 *New Closed Residential Sales* reported, down 11.7% from August, and down 2.7% from a very good September 2016. Interestingly despite the decline from 2016, this was the second best closings in September since 2005, and it was up 11.3% from September 2015, up 16.3% from September 2014, and even up 14.2% from September 2006. As a result, at the end of September there had been 7,263 *Solds Year To Date* reported, down just 0.4% from September 2016 and still the second best since 2005. And even though *Solds Year To Date* fell behind 2016 again after edging ahead in August, if sales activity improves even slightly it is still possible for this year's sales to beat the 2016 totals.

Listing activity also slowed in September, although it was actually better than the typical seasonal pattern. You could see that in the 958 new residential listings reported, down 14.8% from August, but up 7.2% from September 2016. And with the weaker new sales activity there were an improved 1.37 new listings for each pending sale reported. As a result, at the end of September there were 2,177 *Active Listings* available, up 0.1% from August and making it the largest inventory this year. Still, that was down 5.1% from September 2016, down 6.6% from September 2015, and down 34.9% from September 2015. This was easily the fewest listings available in September since at least 1990. And as a result, based on the smaller number of pending sales, and taking into account only standing inventory, there were just 1.9 months of residential inventory available.

Surprisingly, given the slower sales activity, average prices pushed significantly higher in September. For example, *Average Sale Price-All MLS* was \$356,878, up 11.4% from September 2016 and up 21.9% from September 2015. Similarly, *Median Sale Price-Residential* was \$334,300, up 13.3% from September 2016, and up 25.0% from the previous high in September 2007. This was the twenty-eighth month in a row that *Median Sale Price-Residential* has been higher than the previous peak. And the average residential sale price was \$373,400, down 1.9% from August, but up 10.9% from September 2016, and up 24.8% from September 2015.

	DATA FOR SEPTEMBER 2017	Change from Sept. 2016
Active Listings	2,177	-5.1%
Solds Year To Date	7,263	-0.4%
New Closed Residential Sales	750	-2.7%
New Pending Residential Sales	700	-13.9%
Average Days on Market-Res. Solds	44	4.8%
Average Sale Price-All MLS	\$356,878	11.4%
Median Sale Price-Residential	\$334,300	13.3%

It is too soon to know whether the slower sales in September were merely a blip or the beginning of a trend. While it was a dramatic change compared to July and August, it may have been nothing more than a pause to refresh. Or it may have been due to the Gorge fires. Whatever the reasons, the market was still good compared to most Septembers. Furthermore, new sales activity in October is on pace to be more like August, which is encouraging. It is also encouraging that listing activity is continuing to improve, albeit slowly, and that the number of Active Listings has increased for four months in a row. These factors suggest September may have been a blip. Still, for the market to grow long term we need more good listings.