

Clark County Market Report

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Mike Lamb

Broker at Windermere Stellar, Vancouver, WA

Mike@MikeLamb.info

360-921-1397

February was another really good month for the Clark County real estate market, although the Valentine's Day weekend snow, and the limited inventory slowed new sales activity. You could see that in the 700 *New Pending Residential Sales* reported to RMLS, down 17.9% from January, and down 2.5% from February 2020, but that was still better than any other February since 2016, and much better than in any other year since 2005. To put that in an historical perspective, losing an extended weekend to snow can easily reduce sales activity more than the 17.9% decline from January, so new sales activity was still really good. And with that strong new sales activity, by the end of the month there were 1,860 pending sales waiting to close. That was up 3.1% from January, up 26.2% from February 2020, and that was perhaps the largest February backlog on record. At the rate sales closed in February that represents 2.77 months of closings.

Closing activity continued to set new records in February, reflected by the 610 *New Closed Residential Sales* reported. That was up 4.8% from a very good January, up 18.7% from February 2020, and easily the largest February closing numbers in recent memory, and that included beating the old March 2005 record by 7.6%. As a result, at the end of February there had been 1,346 *Solds Year To Date* reported, up 19.7% from February 2020, up 12.6% from February 2018, which until now was the best since 2005, and more significantly up 11.1% from the February 2005 record.

Like new pending sales, new listing activity was also down in February. There were just 711 new residential listings submitted, down 16.7% from January, down 8.9% from February 2020, and down 2.9% from February 2019. It is interesting that the reduction from January is so similar to the drop in new pending sales, which also suggests this was weather related. But whatever the reason, listing activity did not keep pace with demand, with the number of *Active Listings* falling to 612 by the end of February. That was down 5.9% from January, and down 61.2% from February 2020, creating another new record low going back at least 40 years. As a result, there was just 1.02 new residential listing for each new pending residential sale. And based on the number of closed residential sales in February there was just 0.41 months of standing residential inventory available.

Not surprisingly, average prices continued to push significantly higher. You could see that in the *Average Sale Price-All MLS*, which was \$471,359, up 1.3% from January, and up 16.4% from February 2020. More importantly *Median Sale Price-Residential* was \$433,100, up 1.9% from January, up 12.0% from February 2020, and up 20.5% from February 2019. That was also up 67.9% from the previous high in February 2007, and up 128.0% from the February 2012 low during the last downturn. And the average residential sale price was \$482,000, up 15.5% from February 2020, and up 21.4% from February 2019.

	FEBRUARY 2020	Change from Feb. 2020
Active Listings	612	-61.2%
Solds Year To Date	1,346	19.7%
New Closed Residential Sales	610	18.7%
New Pending Residential Sales	700	-2.5%
Average Days on Market-Res. Slds	33	-67.0%
Average Sale Price- All MLS	\$471,359	16.4%
Median Sale Price-Residential	\$433,100	12.0%

Even though the February market cooled a bit from January, it was still very good by any historic standard. And that is especially true considering the impact of the weather on real estate activity. Still, the lack of listings undoubtedly slowed new sales as much if not more than the weather, and that is much more problematic for the long term health of the market. It is particularly telling that there were 711 new residential listings and 700 new residential pending sales February. That shows we are literally living hand to mouth when it comes to inventory. Fortunately though, new listing activity appears to be picking up strongly in March, which is very good news. We still need a lot more good listings . . .