

Clark County Market Report

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May epitomized the hot spring in the 2021 Clark County real estate market. And even though it was not hard for this May to be better than May 2020 due to last year's COVID shutdown, this was easily the best May for sales activity since 2005. You could see that reflected in the 1,039 *New Pending Residential Sales* reported to RMLS, up 13.4% from April, up 16.5% from May 2020, and up 14.9% from May 2019. In fact, new sales this May were much better than in May 2018, and they were up 6.1% from May 2017, which until now was the best new sales activity for the month since 2005. More significantly, new sales in May were down just 8.1% from the May 2005 record. As a result, by the end of May there were 2,052 pending sales waiting to close. That was down marginally from 2,062 in April, but it was up 21.1% from May 2020, up 26.4% from May 2019, and it was the largest May backlog in at least a decade. At the rate sales closed in May that represents 2.1 months of closings.

May was also a very good month for closing activity, reflected by the 832 *New Closed Residential Sales* reported. That was up 0.7% from a really good April, up 44.2% from May 2020, and up 4.7% from May 2019. More significantly that was better than in any May since 2005, and it was up 3.2% from the May 2005 record. As a result, at the end of May there had been 4,104 *Solds Year To Date* reported, up 29.6% from May 2020, and up 18.8% from May 2019. That was also up 11.1% from May 2018, which until now had been the best since 2005. But most impressively total sales year to date were up 4.1% from the May 2005 record.

Unfortunately listing activity was weaker than it was in April, with 1,055 new residential listings submitted, down 6.1% from April, but up 8.7% from May 2020. Still, that was the fewest new residential listings reported in any other May since 2014, down 6.9% from the average in that period. Interestingly though, the number of *Active Listings* grew 25.9% from April. Even so, that was still down 53.8% from May 2020, a new low for the month. To put that in historical perspective, in May 2005 there were 1,724 *Active Listings*. In fact in May there was just 1 new residential listing for each new pending residential sale. And based on the number of closed residential sales in May there was just 0.51 of a month, or 16 days, of standing residential inventory available.

Predictably, prices surged higher in May. For example the *Average Sale Price-All MLS* was \$485,842, up 13.9% from April and up 18.2% from May 2020. More importantly *Median Sale Price-Residential* was \$465,000, up 4.5% from April, up 20.8% from May 2020, and up 24.8% from May 2019. That was also up 74.2% from the previous high in May 2007, and up 136.0% from the April 2011 low during the downturn. And the average residential sale price grew from \$501,100 in April to \$520,600 in May. That was up 3.9% from April, up 24.5% from May 2020, and up 26.9% from May 2019.

	MAY 2021	Change from May 2020
Active Listings	807	-53.8%
Solds Year To Date	4,104	29.6%
New Closed Residential Sales	832	44.2%
New Pending Residential Sales	1,039	16.5%
Average Days on Market-Res. Slds	18	-62.5%
Average Sale Price-All MLS	\$485,842	18.2%
Median Sale Price-Residential	\$465,000	20.8%

The significant price increases in May were the result of record demand that significantly exceeded supply. But that was not because there was no supply. New listings were just being absorbed as fast as they came on the market. To put that in perspective, there were more new listings submitted in May this year than during any of the Mays between 2010 and 2014. Yet in May 2010 there were 5,390 Active Listings, and there was more than enough inventory available to satisfy the demand during that whole period. Furthermore, in the last 10 years only 2019 and 2018 had more listings year to date than we have had so far in 2021. So the challenge for continued health in this market is more supply. We still need a lot more good listings . . .