

Clark County Market Report

April 2022

Mike Lamb

Broker at Windermere Northwest Living, Vancouver, WA

Mike@MikeLamb.info

360-921-1397

March was a very good month for the Clark County real estate market. New sales activity was the best example of that, posting its second best March on record. Reflecting that were the 932 *New Pending Residential Sales* reported to RMLS, up 23.0% from February, and up 0.7% from a really good March 2021. More impressively *New Pending Residential Sales* were up 10.2% from March 2019, and up 5.4% from March 2015, which was the best new sales activity for the month between March 2006 and March 2020. In fact only March 2005's record 1,104 *New Pending Residential Sales* were better. As a result, at the end of March there were 1,525 pending sales waiting to close, up 3.5% from February, and the second largest backlog since March 2017. Still, that was down 21.4% from the March 2021 record. At the rate sales closed in March that represented a healthy 2.0 months of closings.

Closing activity in March was also the second best on record. Reflecting that were the 783 *New Closed Residential Sales* reported, up 38.1% from February, and up 3.7% from a very good March 2021. To put that in perspective, *New Closed Residential Sales* were up 12.0% from March 2016, which was the high between March 2006 and March 2020, and down just 3.8% from the March 2005 record. The result of that strong closing activity was that at the end of March there had been 1,976 *Solds Year to Date* reported, the third best on record. That was down 11.4% from the March 2021 record, but up 3.5% from March 2016 which was the best between March 2006 and March 2020. And *Solds Year to Date* were down just 7.5% from March 2005.

Most significantly, listing activity improved dramatically in March with 1,010 new residential listings submitted. That was most new listings in any month since August 2021, and it was up 7.5% from March 2021. Notably, that was down 1.2% from March 2020, and down 1.8% from March 2019, but it was significantly more than in any other March in the last ten years. As a result, the number of *Active Listings* rose 13.1% from February to 630 *Active Listings*, up 2.4% from March 2021, but down 65.6% from March 2020, and down 71.3% from March 2019. Consequently, there was just 1.08 new residential listings for each new pending residential sale. And based on the number of closed residential sales in March there were just 13 days of standing residential inventory available, up 1 day from February and January.

Predictably, low inventory and record demand continued to push prices significantly higher in March. For example *Average Sale Price-All MLS* was \$595,914, up 26.8% from March 2021. More importantly *Median Sale Price-Residential* was \$525,000, up 20.7% from \$435,000 in March 2021, and up 34.0% from \$391,700 in March 2020. That was also up 98.1% from the previous high in March 2007, and up 198.3% from the March 2011 low during the downturn. And the average residential sale price rose 1.1% from February to \$571,700 in March, and it was up 17.5% from \$486,500 in March 2021.

	MARCH 2022	Change from Mar. 2021
Active Listings	630	2.4%
Solds Year To Date	1,976	-11.4%
New Closed Residential Sales	783	3.7%
New Pending Residential Sales	932	0.7%
Average Days on Market-Res. Slds	16	-44.8%
Average Sale Price- All MLS	\$595,914	26.8%
Median Sale Price-Residential	\$525,000	20.7%

The strong listing activity in March, and the resulting increase in inventory were easily the most important changes, and the best news for this market so far this year. And it is noteworthy that sales activity increased with those changes. If listing activity continues near the level we saw in March, more listings will stimulate more sales. Yet, some fear that rising rates could reduce demand. Interestingly though, rising rates typically stimulate demand because consumers anticipate rates will rise even more. Realistically, the more significant issue is that buyers may become more sensitive to prices due to rising rates. If that happens, it could cool the market enough to moderate increases in prices. While that would change the market dynamic it would ultimately lead to a healthier and more sustainable market.