

Clark County Market Report

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Sales in the Clark County real estate market slowed dramatically in June. That was best seen in the 674 *New Pending Residential Sales* reported to RMLS, down 23.2% from May, and down 32.7% from June 2021. In fact the number of new pending sales reported in June was the smallest for the month since June 2012. To put that in a different perspective, the change in June was smaller than the 29.9% decline in new pending sales from December to January this year, but changes like that are not unusual in December and January. But since 2010 this was the largest change in new pending sales recorded for any June. As a result, at the end of the month there were 1,197 pending sales waiting to close, down 13.3% from May, and the smallest backlog of pending sales for the month since June 2011. At the rate sales closed in June that represented just 1.3 months of closings.

Closing activity also slowed in June, although not as much as new pending sales because those closings largely reflect new sales activity in May. You could see that in the 780 *New Closed Residential Sales* reported, down 1.5% from May, and down 19.3% from the June 2021 record. Yet except for June 2020, *New Closed Residential Sales* in June were weaker than in any other June since 2014. As a result, *Solds Year to Date* began to fall behind 2021 for the first time this year. At the end of June there were 4,695 *Solds Year to Date*, down 9.3% from the June 2021 record, but up 17.4% from June 2020. That was also up 2.7% from June 2018, which was the best June for *Solds Year to Date* between 2005 and the 2021 record. Still, with the backlog of pending sales slipping, total sales year to date will continue to lag 2021's record pace.

In contrast to the weaker sales in June, listing activity remained strong, with 1,165 new residential listings submitted, down just 4 listings from May, and up 3.5% from June 2021. In fact, listing activity was much better than in any June since 2010 except for June 2018, and it was down just 5.4% from that month. And with weaker new sales activity, the number of *Active Listings* rose to 1,551, up 33.9% from May and up 91.7% from June 2021. Yet the number of *Active Listings* was still down 7.1% from June 2020, down 53.1% from May 2019, and down 39.7% from June 2018. Even so, growing inventory meant there were 1.73 new residential listings for each new pending residential sale. And based on the number of closed residential sales in June there were 1.7 months of standing residential inventory available. That was the first time there has been more than a month of standing inventory since July 2020.

Predictably, average prices began to moderate in June. For example *Average Sale Price-All MLS* was \$595,429, up just 0.5% from June 2021. *Median Sale Price-Residential* was \$533,800, down 1.6% from May, but still up 12.0% from \$476,800 in June 2021, and up 33.8% from \$398,900 in June 2020. That was also up 101.1% from the previous high in June 2007, and up 196.6% from the June 2011 low during the downturn. And the average residential sale price rose only 1.2% from May to \$611,400, up 15.4% from \$530,000 in June 2021.

	JUNE 2022	Change from June 2021
Active Listings	1,551	91.7%
Solds Year To Date	4,695	-9.3%
New Closed Residential Sales	780	-19.3%
New Pending Residential Sales	674	-32.7%
Average Days on Market-Res. Slds	16	0.0%
Average Sale Price- All MLS	\$595,429	0.5%
Median Sale Price- Residential	\$533,800	12.0%

While the change in sales activity in June was significant, it was not unprecedented. In fact, new sales activity in June was better than it was in any June between 2008 and 2012, and it was down only 3 pending sales from June 2013. Furthermore, as of July 18th new sales in July are up compared the same time in June. That, and the healthy level of listing activity suggest the up and down and up sales activity we have seen since March reflects a market that is recalibrating. Mortgage interest rates have had something to do with that, but limited inventory and buyer fatigue have also been factors. It is noteworthy though that as inventory has grown, and prices have begun to adjust, anecdotal evidence indicates that buyer activity has begun to pick up. And that is despite still historically low levels of inventory . . .