

Clark County Market Report

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The Clark County real estate market slowed in November, and while a decline from October is typical for the season, it is noteworthy that it did not slow as much as it normally does. That was best seen in the 429 *New Pending Residential Sales* reported to RMLS, down 10.6% from October, but significantly less than the average 15.0% decline during the last ten years. Even so, new pending sales were down 48.0% from November 2021, down 42.9% from November 2020, and down 38.5% from November 2019. In fact, that was the fewest *New Pending Residential Sales* for the month since November 2012. And with the weaker sales activity the backlog of pending sales waiting to close fell 11.0% from October to 690 by the end of the month. That was down 11.0% from October and down 100.0% from August. It was also the first time that has been below 1,000 in November since 2012. Even at the reduced rate sales closed in November that represented just 1.5 months of closings.

Unsurprisingly, with the reduced new sales activity in September and October, closing activity also slowed dramatically. You could see that in the 460 *New Closed Residential Sales* reported, down 14.2% from October, down 43.2% from November 2021, and down 44.2% from November 2020. That was also down 32.5% from November 2019, and it was the fewest residential closings for the month since 2013. As a result, at the end of the month there had been 8,063 *Solds Year to Date* reported, down 21.2% from the November 2021 record, down 11.4% from November 2020, and down 7.6% from November 2019. That was also the lowest number of *Solds Year to Date* for the month since 2014. Furthermore, with new sales activity trending lower, total sales for the year will close out 2022 with the fewest sales in at least 7 years.

The most significant change in November was in listing activity, which weakened significantly. There were just 494 new residential listings submitted, down 22.3% from October, and down 33.3% from November 2021. More importantly, that was the weakest listing activity since November 2012 when there were just 473 new residential listings submitted. As a result, the number of *Active Listings* fell to 1,408, down 7.7% from October, but still up 101.7% from November 2021's record low. That was also up 57.0% from November 2020, but it was down 29.5% from November 2019, and was much lower than any other year since at least 2005. In fact, there was just 1.15 new residential listings for each new pending residential sale in November. And based on the number of closed residential sales in November there were only 1.9 months of standing residential inventory available.

Predictably, average prices continued to moderate in November. For example *Average Sale Price-All MLS* was \$590,221, down 0.2% from October but that was still up 12.4% from November 2021. More significantly, *Median Sale Price-Residential* was \$514,000, down 2.1% from October, but still up 6.3% from \$483,500 in November 2021. Interestingly, the average residential sale price rose 2.1% from October to \$577,000, up 5.3% from \$547,800 in November 2021.

	NOVEMBER 2022	Change from Nov. 2021
Active Listings	1,408	101.7%
Solds Year To Date	8,063	-21.2%
New Closed Residential Sales	460	-43.2%
New Pending Residential Sales	429	-48.0%
Average Days on Market-Res. Solds	46	91.7%
Average Sale Price- All MLS	\$590,221	12.4%
Median Sale Price- Residential	\$514,000	6.3%

While sales activity has weakened, this market is different and better in several ways from the other downturns since 1980. One way it is different is that current sales activity is significantly better than it was in other downturns, with the most recent example being from 2007 through 2012. Other ways it is different are the historic lack of inventory, and an average market time that is down 19.3% from 2019 and still significantly less than it was in 13 of the 18 years since 2005. Additionally, while the increase in average prices has moderated, average prices are still up from last year. You can see that in the median residential sale price which is up 6.3% from last November. And finally, demand remains much stronger than it was during other downturns. The challenge is that the lack of inventory is constraining sales. We definitely need more good listings . . .