

Clark County Market Report

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The Clark County real estate market improved a little in January, with the strongest new sales activity since September. You could see that in the 510 *New Pending Residential Sales* reported to RMLS, up 36.7% from December, but that was still down 27.3% from January 2022. Interestingly, the increase from December was significantly better than the average seasonal increase of 29.1% seen over the last ten years, and it was second only to 2016 when the increase was 38.7%. And even though that was still the weakest new sales for the month since 2015, it was much better than in any year between 2008 and 2015. As a result, the backlog of pending sales waiting to close grew 38.6% from 599 in December to 830 at the end of January. Still, that was the smallest backlog of pending sales in January since 2012, but it was up 7.2% from January 2011. At the rate sales closed in January that represented 1.6 months of closings, up from 1.3 months in December.

In contrast to new sales activity, closing activity was weak in January, reflecting the small backlog of pending sales in November and December. You could see that in the 317 *New Closed Residential Sales* reported, down 29.7% from December, down 40.6% from January 2022, and down 45.5% from the January 2021 record. That was also down 35.4% from January 2019, down 33.1% from January 2018, and it was the fewest residential closings for the month since 2012. As a result, at the end of January there had been just 368 *Solds Year to Date* reported (including all property types), down 33.3% from January 2022, down 45.5% from the January 2021 record, and down 32.6% from January 2020. That was the fewest *Solds Year to Date* reported in January since 2012. Even so, January's increased backlog of pending sales should yield improved sales numbers by the end of the first quarter.

Listing activity also improved in January with 535 new residential listings submitted. That was up 45.8% from December, but still down 23.0% from January 2022, and down 37.4% from January 2021. Worse, that was the weakest listing activity for the month since January 2014. As a result, the number of *Active Listings* fell to 1,011, down 11.4% from December, but up 100.2% from January 2022's record low, and up 55.3% from January 2021. Even so that was down 36.3% from January 2020, and it was much lower than any other year since at least 2005. As a result, there was just 1.05 new residential listing for each new pending residential sale in January. And based on the number of closed residential sales in January there were only 1.9 months of standing residential inventory available.

Predictably, average prices continued to moderate in January. For example, *Average Sale Price-All MLS* (this includes all property types) was \$545,943, down 7.5% from December and down 18.1% from January 2022. More significantly, *Median Sale Price-Residential* was \$494,000, up 2.9% from \$479,900 December, and down 1.2% from \$500,000 in January 2022. Similarly the average residential sale price was \$551,400, up 1.3% from December, and down just 0.3% from \$553,100 in January 2022.

	JANUARY 2023	Change from Jan. 2022
Active Listings	1,011	100.2%
Solds Year To Date	368	-33.3%
New Closed Residential Sales	317	-40.6%
New Pending Residential Sales	510	-27.3%
Average Days on Market-Res. Solds	56	124.0%
Average Sale Price- All MLS	\$545,943	-18.1%
Median Sale Price-Residential	\$494,000	-1.2%

The improved new sales activity in January was encouraging, particularly since it switched the trend from the declining new sales activity we had been watching since September. It was also noteworthy that new sales activity was in the 39th percentile of new sales in January since 2005, and it was even better than it was as recently as 2015. Furthermore, brokers were still receiving multiple offers on new listings, and changes in average prices continued to moderate. All of which indicates that short supply continues to limit sales. And the fact that listing activity in January was the weakest it has been since 2014 doesn't help. We definitely need more good listings . . .