

Clark County Market Report

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Sales activity in the Clark County real estate market in February was a lot like it was in January, and maybe even a little better when you consider there were fewer days in the month, and that the snow limited activity. You could see that best in the 500 *New Pending Residential Sales* reported to RMLS, down 2.0% from January, but that was still more pending sales than in any month in the last quarter of 2022. Even so, that was down 34.0% from February 2022, down 28.6% from February 2021, and it was the fewest *New Pending Residential Sales* for the month since 2011. Even so the 500 *New Pending Residential Sales* were enough to increase the backlog of pending sales by 1.7% from January to 844. Nevertheless, that was down 42.7% from February 2022, and it was the smallest backlog of pending sales in February since 2009. At the reduced rate sales closed in February that represented 1.9 months of closings.

New closing activity continued it's anemic pace in February, although it was better than in January. You could see that in the 388 *New Closed Residential Sales* reported, up 22.4% from January, reflecting the improved new sales activity in January, but it was down 31.6% from February 2022, and down 36.4% from the February 2021 record. Furthermore it was also down 24.5% from February 2019, and it was the fewest residential closings for the month since 2014. As a result, at the end of February there had been just 817 *Solds Year to Date* reported, down 33.1% from February 2022, down 45.5% from the January 2021 record, and down 28.0% from February 2020. Significantly, that was the fewest *Solds Year to Date* reported in January since 2012. Still, the trend should improve as February's increased backlog of pending sales helps improve March closings.

In contrast to sales activity, listing activity fell off sharply in February with just 461 new residential listings submitted. That was down 13.8% from January, down 42.3% from February 2022, and down 35.2% from February 2021. In fact, that was the weakest listing activity for the month since at least 2010. As a result, the number of *Active Listings* fell to 967, down 4.4% from January, but that was up 73.6% from February 2022's record low, and up 58.0% from February 2021. Even so it was down 38.6% from February 2020, and it was much lower than in any other year since at least 2005. As a result, there was just 0.9 of a new residential listing for each new pending residential sale in February. And based on the number of closed residential sales in February there was only 0.8 months of standing residential inventory available.

Interestingly, despite such limited inventory, average prices continued to moderate in February. For example, *Average Sale Price-All MLS* (this includes all property types) was \$549,600, down 0.33% from January and down 2.9% from February 2022. More significantly, *Median Sale Price-Residential* was \$500,300, down 1.3% from \$494,000 in January, and down 2.3% from \$512,000 in February 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.

	FEBRUARY 2023	Change from Feb. 2022
Active Listings	967	73.6%
Solds Year To Date	817	-33.1%
New Closed Residential Sales	388	-31.6%
New Pending Residential Sales	500	-34.0%
Average Days on Market-Res. Solds	72	166.7%
Average Sale Price- All MLS	\$544,227	-10.4%
Median Sale Price-Residential	\$500,300	-2.3%

This data indicates the lack of inventory has been significantly limiting sales. Recent conversations with brokers provide additional insight. For example, numerous brokers who represented sellers in February reported receiving multiple offers on new listings. And some of those brokers said they think competition for listings is getting as heated as it was in 2021. Other brokers noted they have clients who would list their property if they could find a replacement property, but they have been unable to do so. All of which tells us the shortage of available listings has become especially problematic. Clearly sales activity cannot increase without more good listings . . .