

Clark County Market Report

April 2023

Mike Lamb

Broker at Windermere Northwest Living, Vancouver, WA

Mike@MikeLamb.info

360-921-1397

Sales and listing activity both improved in the Clark County real estate market in March. One of the best indicators of that was the 585 *New Pending Residential Sales* reported to RMLS. That was up 17.0% from February, and it was more pending sales than in any month since August 2022. Even so, *New Pending Residential Sales* were down 37.2% from the March 2022 record, and down 36.8% from March 2021. In fact, that was the fewest *New Pending Residential Sales* for the month since 2013. Still, the 585 *New Pending Residential Sales* were enough to increase the backlog of pending sales to 901, up 6.8% from February. Nevertheless, that was down 40.9% from March 2022, and it was the smallest backlog of pending sales in March since 2009. At the rate sales closed in March that represented 1.9 months of closings.

Closing activity also improved in March, recording the largest number of closings since November. You could see that in the 473 *New Closed Residential Sales* reported, up 21.9% from February. Yet that was down 39.6% from March 2022, and down 40.5% from the March 2021 record. To put that in the perspective of a more “normal” market, *New Closed Residential Sales* were down 26.0% from March 2019, and it was the fewest residential closings for the month since 2014. As a result, at the end of March there had been just 1,326 *Solds Year to Date* reported, down 32.9% from March 2022, down 45.5% from the March 2021 record, and down 29.1% from March 2020. In fact, that was the fewest *Solds Year to Date* reported in March since 2013. Even so, with new sales activity improving total sales should improve over at least the next two months.

More importantly, listing activity also improved in March, with 701 new residential listings submitted. That was up 52.1% from February, but it was still down 30.6% from March 2022, and down 25.4% from March 2021. In fact, that was the weakest listing activity for the month since 2012. Even so, the number of *Active Listings* grew to 981, up 1.5% from February, up 55.7% from March 2022, and up 59.5% from March 2021's record low. Still, total *Active Listings* were down 46.4% from March 2020, and were much lower than in any other year since at least 2005. As a result, there was just 1.2 new residential listings for each new pending residential sale in March. And based on the number of closed residential sales in March there was only 1.1 months of standing residential inventory available.

Interestingly, average prices began to increase slightly in March, undoubtedly due to the limited inventory. For example, *Average Sale Price-All MLS* (this includes all property types) was \$549,956, up 1.0% from February but still down 7.8% from March 2022. More significantly, *Median Sale Price-Residential* rose to \$513,000, up 2.5% from \$500,300 in February, but still down 2.3% from \$525,000 in March 2022. Similarly the average residential sale price was \$565,100, up 2.8% from February, and down just 1.2% from \$571,100 in March 2022.

	MARCH 2023	Change from Mar. 2022
Active Listings	981	55.7%
Solds Year To Date	1,326	-32.9%
New Closed Residential Sales	473	-39.6%
New Pending Residential Sales	585	-37.2%
Average Days on Market-Res. Solds	60	275.0%
Average Sale Price- All MLS	\$549,956	-7.8%
Median Sale Price-Residential	\$513,000	-2.3%

The improvements in March are encouraging, particularly the increase in new pending sales, which were the best since August. Even so, the 17% increase in pending sales in March was weaker than the average 22.9% seasonal increase we have seen since 2010. In fact, other than in 2020 during the COVID shutdown, the 17% increase was the smallest improvement since 2013. Yet the most needed and significant improvement was in listing activity. Even though new listings improved that was still the weakest listing activity in March since 2012. Consequently, we are left with a continuing and troublesome shortage of inventory. The uptick in sales activity tells us there is still strong demand but the lack of inventory is limiting how much the market can improve.