

Clark County Market Report

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The Clark County real estate market in May recorded better closing and listing activity compared to April. And new sales activity was statistically unchanged, with 601 *New Pending Residential Sales* reported to RMLS, down from 607 in April. That was noteworthy because April had the most new pending sales since August 2022. Even so, *New Pending Residential Sales* were down 31.1% from May 2022, and down 42.2% from May 2021, which was the second best on record after May 2005. In fact, that was the fewest *New Pending Residential Sales* for the month since 2012. Still, the new sales activity was enough to increase the backlog of pending sales 5.0% from April. That was down 26.0% from May 2022, and it was the smallest backlog of pending sales in May since 2011. At the rate sales closed in May that represented 1.9 months of closings.

In contrast, closing activity improved significantly from April. You could see that in the 539 *New Closed Residential Sales* reported, which were up 15.7% from April, but still down 31.9% from May 2022. This reflected the improving new sales activity we saw beginning in February. Nevertheless, *New Closed Residential Sales* were down 31.9% from the May 2021 record. In fact, that was the fewest residential closings for the month since 2013. As a result, at the end of May there had been just 2,509 *Solds Year to Date*, down 33.6% from May 2022, and down 38.9% from the May 2021 record. That was the fewest *Solds Year to Date* reported since 2012, but it was up a significant 14.4% from May 2012. Furthermore, the modestly growing backlog of pending sales should continue to result in improving year to date sales in the next few months.

More importantly, listing activity improved in May with 864 new residential listings submitted. That was up 39.6% from April, but the number of new residential listings was still down 26.1% from May 2022, and it was the weakest listing activity for the month since May 2012. Despite that, the total number of *Active Listings* (including all property types) grew to 1266, up 25.7% from April, up 9.3% from May 2022, and up 56.9% from the May 2021 record low. Even so, *Active Listings* were down 27.5% from May 2020, and were much lower than in any other year since 2005. In fact, there was just 1.4 new residential listings for each new pending residential sale in May. And based on the number of closed residential sales in May there were only 1.2 months of standing residential inventory available.

Reflecting the still strong demand and limited inventory, average prices continued to increase modestly in May. For example, *Average Sale Price-All MLS* (this includes all property types) was \$567,493, up 2.0% from April, but down 4.2% from May 2022. More significantly, *Median Sale Price-Residential* rose to \$545,000, up 3.6% from \$525,900 in April, and up 0.4% from \$542,600 in May 2022. Similarly the average residential sale price was \$587,100 in May, up 0.5% from April, but down 2.9% from \$604,400 in May 2022.

	MAY 2023	Change from May 2022
Active Listings	1,266	9.3%
Solds Year To Date	2,509	-33.6%
New Closed Residential Sales	539	-31.9%
New Pending Residential Sales	601	-31.1%
Average Days on Market-Res. Solds	39	116.7%
Average Sale Price- All MLS	\$567,493	-4.2%
Median Sale Price- Residential	\$545,000	0.4%

The best news in May was the significant increase in new listing activity. Yet despite that increase, the number of available listings remained acutely limited. Another way to see that is in the 3,214 new residential listings submitted year to date. That was down 32.0% from the same period last year, and down 36.7% from 2019. Moreover, this was the first time since 2013 there have been less than 4,000 new residential listings submitted in the same period. It is especially noteworthy that the percent difference in listings this year compared to last year is almost the same as the percentage difference in sales from last year. That suggests this market is stuck at the current level by the limited inventory. And that means listing activity must increase in order to fuel any significant increase in new sales activity.