

Clark County Market Report

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Sales activity continued to improve marginally in the Clark County real estate market in July. You could see that in new sales activity, with 650 *New Pending Residential Sales* reported to RMLS. That was up 1.7% from June, and it was the most new pending sales recorded since August 2022. Even so, that was still down 7.4% from July 2022, down 32.9% from July 2021, and down 36.8% from July 2020, which was this market's record high. That was also the fewest *New Pending Residential Sales* for the month since 2012. And despite the modest improvement in new sales activity, the backlog of residential pending sales shrank 3.8% from June to 909. That was down 17.4% from July 2022, down 50.4% from July 2021, and it was the smallest backlog of pending sales in July since 2008. At the rate sales closed in July that represented 1.56 months of closings.

Closing activity also continued to improve in July, with 551 *New Closed Residential Sales* reported. That was up 2.8% from June, and it was the largest number of *New Closed Residential Sales* reported since September 2022. Still that was down 17.3% from July 2022, down 44.5% from the July 2021 record, and it was the smallest number of residential closings for the month since 2011. As a result, at the end of July there had been just 3,738 *Solds Year to Date*, down 31.1% from July 2022, and down 40.3% from the July 2021 record. That was the fewest *Solds Year to Date* reported through July since 2011, although it was better than in any year between 2008 and 2011.

In contrast to the improvements in sales activity, listing activity weakened significantly in July, with just 767 new residential listings submitted. That was down 12.4% from June, down 21.6% from July 2022, and it was the weakest listing activity for the month since 2012. Yet despite that, the number of *Active Listings* grew to 1,402, up 7.0% from June. That was down 12.2% from July 2022, but up 47.9% from the July 2021 record low. To put that in perspective, it was down 11.7% from July 2020, down 33.7% from July 2005 which was the last significant low, and it was much lower than in any other year in recent memory. As a result, there was just 1.18 new residential listings for each new pending residential sale in July. And based on the number of closed residential sales in July there were only 1.5 months of standing residential inventory available.

Despite the modest improvement in sales activity, average prices moderated a bit in July. For example, *Average Sale Price-All MLS* (this includes all property types) was \$579,986, up just 0.2% from June and up 2.6% from July 2022. More significantly, *Median Sale Price-Residential* fell slightly to \$550,000, down 0.3% from \$551,900 in June, but it was up 3.9% from \$529,400 in July 2022. Similarly the average residential sale price was \$592,900 in July, down 3.6% from June, but still up 1.7% from \$582,800 in July 2022.

	JULY 2023	Change from July 2022
Active Listings	1,402	-12.2%
Solds Year To Date	3,738	-31.1%
New Closed Residential Sales	551	-17.3%
New Pending Residential Sales	650	-7.4%
Average Days on Market-Res. Solds	34	41.7%
Average Sale Price- All MLS	\$579,986	2.6%
Median Sale Price-Residential	\$550,000	3.9%

The fact that sales activity has increased this year is good news, but sales are only increasing marginally and are still well below historical averages. And that is especially interesting given the strong demand. So why? The explanation is in year to date listing data. This year through July there were just 4,881 new listings submitted to RMLS, down 29.3% from 6,901 in 2022, and down 31.7% from 7,141 in 2021. In fact, excluding 2020 with it's COVID lockdowns, that was fewest new listings year to date since 2018. The differences between 2018 and 2023 help tell the story. For example, there were 2,460 Active Listings in July 2018, 75.5% more than in July 2023. And there were 5,497 Sales Year To Date through July 2018, 47.1% more than this year through July. The result of such limited inventory is the dysfunctional equilibrium in which we find ourselves. Clearly, if we are going to see any significant improvement in this market we must have more good listings.