

Clark County Market Report

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New sales activity in Clark County slowed again in September. You could see that in the 445 *New Pending Residential Sales* reported to RMLS, down 19.2% from 551 in August. Interestingly though, that reflected the normal seasonal pattern. In fact, new pending sales declined from August to September in every year since 2010, and in nine of those years the decline has been more than 11%. And the declines in 2013 and in 2011 were substantially larger. Even so, *New Pending Residential Sales* were down 21.1% from September 2022, down 49.9% from September 2021, and down 56.2% from September 2020, which was this market's record high. That was also the fewest *New Pending Residential Sales* for the month since 2010. As a result, the backlog of residential pending sales shrank 11.1% from August to 795. That was down 7.6% from September 2022, down 54.1% from September 2021, and it was the smallest backlog of pending sales in September since 2007. Even at the rate sales closed in September, that represented just 1.67 months of closings.

Closing activity also weakened in September, with 476 *New Closed Residential Sales* reported, down 20.1% from August. That reflected weaker summer sales. In fact, residential closings were down 26.1% from September 2022, down 48.1% from September 2021, and down 49.4% from the September 2020 record. That was by far the smallest number of residential closings for the month since 2012. As a result, at the end of September there had been just 4,927 *Solds Year to Date* reported, down 29.0% from September 2022, and down 41.0% from the September 2021 record. That was significantly fewer *Solds Year to Date* reported in August than in any year since 2012.

More significantly, listing activity continued to weaken in September, with just 631 new residential listings submitted. That was down 11.9% from August's anemic production, down 15.5% from September 2022, and down 36.9% from September 2021. In fact that was the weakest listing activity for the month since 2012. Yet with slowing new sales activity, the number of *Active Listings* grew to 1,502, up 2.0% from August. That was down 3.7% from September 2022, but up 48.7% from the September 2021 record low, and up 20.0% from September 2020. Still, that was much less inventory than in any other year this century. As a result, there was just 1.4 new residential listings for each new pending residential sale in September. And based on the number of closed residential sales in September there were only 1.96 months of standing residential inventory available.

Unsurprisingly, with slower new sales average prices showed little change in September. For example, *Average Sale Price-All MLS* was \$581,064, down just 0.1% from August and down 2.2% from September 2022. More significantly, *Median Sale Price-Residential* fell 2.4% from \$538,400 in August to \$525,600, but that was still up 0.1% from \$525,000 in September 2022. And interestingly, the average residential sale price was \$586,700 in September, down 2.7% from August, but that was still up 0.5% from \$584,000 in September 2022.

	SEPTEMBER 2023	Change from Sept. 2022
Active Listings	1,502	-3.7%
Solds Year To Date	4,927	-29.0%
New Closed Residential Sales	476	-26.1%
New Pending Residential Sales	445	-21.1%
Average Days on Market-Res. Solds	38	8.6%
Average Sale Price- All MLS	\$581,064	-2.2%
Median Sale Price-Residential	\$525,600	0.1%

The fact that sales followed the seasonal pattern in September indicates there was still demand. You can see that in Solds Year To Date, which was 79% of listing activity year to date. That is a high conversion rate. The issue is that through September this year there were just 6,260 new residential listings submitted, down 26.2% from 8,479 in 2022, and down 32.6% from 9,284 in 2021. That was fewest new listings year to date since 2012. Add to that interest rates in the 7% range, which make selling a house with a lower interest mortgage much less attractive, thus further constraining new listing activity. So even though demand may hold up because buyers are willing to accept current rates, the lack of inventory continues to be the albatross around the neck of this market.