

Clark County Market Report

January 2024 (Year End 2023)

Mike Lamb

Broker at Windermere Northwest Living, Vancouver, WA

Mike@MikeLamb.info

360-921-1397

The Clark County real estate market warmed up a bit in December, which was unusual for the season. You could see that in the 382 *New Pending Residential Sales* reported to RMLS, up 3.8% from November, and more significantly up 3.0% from December 2022. To put that in perspective, *New Pending Residential Sales* were down 33.9% from December 2021, and down 39.6% from the December 2020 record. And while that was less than in any December between 2013 and 2019, it was more than in any December between 2006 and 2012. Yet despite the improvement in new sales activity, improved closing activity in December shrank the backlog of pending residential sales from 750 in November to 648, down 13.6% from November 2022. That was the smallest backlog of pending sales in December since 2008. At the rate sales closed in December that represented just 1.7 months of closings.

Closing activity also improved in December with 381 *New Closed Residential Sales* reported. That was up 15.5% from November, but it was down 15.5% from December 2022, and down 54.5% from the December 2021 record. That was also down 52.6% from December 2020, down 44.8% from December 2019, and it was the fewest residential closings for the month since 2010. As a result, at year end there had been just 6,240 *Solds Year to Date* reported, down 27.0% from December 2022, down 44.1% from the December 2021 record, and down 37.7% from December 2020. Other than the five years between 2008 and 2012, that was the fewest *Solds Year to Date* reported since 2005.

In contrast to sales activity, listing activity continued to weaken in December, with only 313 new residential listings submitted. That was down 31.2% from November's anemic listing activity, down 14.7% from December 2022, and down 38.1% from December 2021. In fact that was the weakest listing activity for the month since at least 2000. As a result the number of *Active Listings* fell to 1,300, down 11.1% from November. That was up 13.9% from December 2022, up 119.6% from the December 2021 record low, and up 81.3% from December 2020. But that was much less inventory than in any other December this century. As a result, there was just 0.8 new residential listing for each new pending residential sale in December. And based on the number of closed residential sales in December there were still only 2.4 months of standing residential inventory available.

Interestingly, the improved sales activity appeared to strengthen sales prices in December. For example, *Average Sale Price-All MLS* was \$581,637, up 0.1% from November and down just 1.5% from December 2022. More significantly, *Median Sale Price-Residential* rose 4.0% from \$500,000 in November to \$520,000, up 8.4% from \$479,900 in December 2022. And the average residential sale price was \$597,000 in December, up 3.9% from November, and up 9.7% from \$544,200 in December 2022.

	DECEMBER 2023	Change from Dec. 2022
Active Listings	1,300	13.9%
Solds Year To Date	6,240	-27.0%
New Closed Residential Sales	381	-15.5%
New Pending Residential Sales	382	3.0%
Average Days on Market-Res. Solds	57	9.6%
Average Sale Price- All MLS	\$581,637	-1.5%
Median Sale Price-Residential	\$520,000	8.4%

The dominant feature shaping this market has been listing activity. You can see that in the 7,675 new residential listings submitted in 2023, which was down 23.3% from already weak listing activity in 2022. That was easily the fewest listings submitted in any year this century. In fact, in the 18 years between 2002 and 2019 the average number of listings submitted was 9,676. Furthermore, in 13 of those years there were more than 10,000 listings submitted, and as recently as 2019 there were 11,354 listings submitted. Interestingly though, the ratio of sales to listings in 2023 was 75%, which was statistically the same as the average between 2010 and 2019. Yet if there are fewer listings available there will be fewer sales. So the reduced listing activity in December, coupled with increased sales tells us we urgently need more listings.