



Clark County Market Report



Mike Lamb, Associate Broker
Windermere Vancouver, 360-694-4050

www.MikeLamb.info

May 2009

April was the best month for the Clark County real estate market in a very long time, but you couldn't tell that by looking at the number of closed sales. In fact, based on new sales activity, April was the best month since August 2007 with 552 *New Pending Residential Sales* reported, up 22.7% from March, up 17.5% from April 2008, and down just 15.6% from April 2007. This was the fourth month in a row in which the number of *New Pending Residential Sales* reported has increased over the prior month. Even better, the increase in new sales activity from March to April this year was by far the best it has been this decade.

Even though new sales activity improved, closed sales did not reflect that improvement. In part this was because the backlog of refinances has caused the time needed to close sales to increase dramatically. As a result, closing activity was down slightly in April compared to March. Indicative of this, there were 333 *New Closed Residential Sales* reported, down 3.8% from March, down 13.7% from April 2008, and down 39.3% from April 2007. Yet despite this decline in new closings, the difference in *Solds Year To Date* relative to recent years continued to improve. At the end of April there were 1,249 *Solds Year To Date* reported, down 16.7% from April 2008 and down 45.2% from April 2007.

One of the more significant developments in April was a significant increase in the backlog of pending sales waiting to close. By the end of the month there were 960 residential pendings in the pipeline, an increase of 12.5% from March. This was the largest backlog of pendings this market has seen since May 2008. Furthermore, as these pendings begin to close, the *Solds Year to Date* numbers will improve dramatically.

Listing activity also began to improve in April. There were 854 new residential listings submitted in April, up 6.8% from March, but still down 30.1% from April 2008, and down 40.4% from April 2007. At the end of the month there were 6,007 *Active Listings*, down 0.8% from March, down 15.6% from April 2008, and up just 1.0% from April 2007. This was the eighth month in a row in which the total number of *Active Listings* has fallen from the previous month.

Despite the improvement in new sales activity, and the decline in the number of listings, RMLS reported that at the rate sales closed in April there were 11.9 months of available residential inventory. This significantly overstates the inventory available. In fact, based on the number of new pending sales reported in April, there would be only 7.5 months of inventory. Furthermore, because many of the active short sale listings have offers on them, even this overstates the available inventory.

Interestingly, even though the market improved, prices still fell in April. For example, *Median Sale Price-Residential* fell 1.3% from March to \$217,300, down 13.1% from April 2008 and down 18.0% from April 2007. *Average Sale Price-All MLS* fell 1.3% from March to \$242,622, down 15.3% from April 2008 and down 19.5% from April 2007. And most dramatically, the average residential sale price was down 4.8% from March, down 17.3 from April 2008 and down 23.3% from April 2007.

April's strong increase in new pending activity, on the heels of three months of improvement, is the bellweather indicator for the direction of this market. Clearly the market is recovering. Now the critical issue will be inventory. The fact that the level of inventory is almost down to six months suggests that in some market segments, available inventory may soon become an issue. For now though, there are still great opportunities for buyers.

	April 2009	% Change from April '08
Active Listings	6,007	-15.6%
Solds Year To Date	1,249	-16.7%
New Closed Residential Sales	333	-13.7%
New Pending Residential Sales	552	17.5%
Average Days On Market-Residential Solds	159	This data was not collected last year
Average Sale Price - All MLS	\$242,622	-15.3%
Median Sale Price-Residential	\$217,300	-13.1%