

Clark County Market Report

December 2020

Mike Lamb

Broker at Windermere Stellar, Vancouver, WA

Mike@MikeLamb.info

360-921-1397

The Clark County real estate market continued its record sales pace in November. And even though sales activity reflected seasonal slowing, both new pending sales and closed sales set records. You could see that in the 751 *New Pending Residential Sales* reported to RMLS, down 23.5% from October, but up 7.6% from November 2019 which had set the previous record, and up 33.2% from November 2018. Furthermore, even with record closing activity in November, at the end of the month there were still 1,758 pending sales waiting to close. That was up 33.1% from November 2019, up 72.2% from November 2019, and up 14.0% from November 2016, making this easily the largest November backlog in at least twenty years. At the record rate sales closed in November that represents 1.95 months of closings, a great start for the new year.

Closing activity was also exceptional in November, reflected by the 825 *New Closed Residential Sales* reported. Even though that was down 13.7% from October, reflecting seasonal slowing, it was up 21.2% from November 2019, up 37.3% from November 2018, and up 17.0% from November 2016, which until now had been the best November for closings in more than 20 years. As a result, at the end of November there had been 9,105 *Solds Year To Date* reported, up 4.3% from November 2019, and up 1.7% from November 2017 which until now was the best since 2005. Despite that, total sales were still down 4.6% from the November 2005 record. More impressively, year to date sales by the end of November had recovered from a 6.0% deficit in July. And with the very large backlog of pending sales waiting to close, 2020 may come close to the 2005 record for total sales.

In contrast to the strong sales activity, listing activity in November fell off significantly compared to October. You could see that in the 630 new residential listings submitted, down 37.7% from October, down 1.7% from November 2019, and down 13.5% from November 2018. Still, the number of new listings was not that unusual historically. Yet with the strong demand the number of *Active Listings* fell to 897 by the end of November. That was down 12.7% from October, and down 55.1% from November 2019. In fact, that was by far the smallest number of *Active Listings* since 1990. More significantly, there was just 0.8 new residential listings for each new pending residential sale. And based on the number of closed residential sales in November, there was just 0.45 months of standing residential inventory available.

The hot demand and limited inventory continued to push average prices higher in November. One indication of that was the *Average Sale Price-All MLS*, which was \$440,240, up 0.2% from November, and up 9.2% from November 2019. More importantly *Median Sale Price-Residential* was \$410,000, down 3.5% from October, certainly due to limited inventory, but up 6.6% from November 2019, and up 18.9% from November 2018. That was also up 57.7% from the previous high in November 2007, and up 119.5% from the November 2011 low during the downturn. And the average residential sale price was \$453,000, up 8.9% from November 2019, and up 23.5% from November 2018.

	NOVEMBER 2020	Change from Nov. 2019
Active Listings	897	-55.1%
Solds Year To Date	9,105	4.3%
New Closed Residential Sales	825	21.2%
New Pending Residential Sales	751	7.6%
Average Days on Market-Res. Slds	40	-29.8%
Average Sale Price- All MLS	\$440,240	9.2%
Median Sale Price-Residential	\$410,000	6.6%

The record sales numbers recorded since August, and the fact that strong demand continues unabated in December, tells us inventory will determine how things go in the new year. One indicator of that was the November drop in Median Sale Price-Residential, which was surprising given strong upward price pressure, very short market times, and multiple offers on most listings. That decline was due to the extremely limited inventory, which just happened to be less expensive. That is a classic small sample problem, and it tells us we need more inventory. So if you get a chance to talk to Santa, be sure to ask for a lot more good listings . . .