



For release March 6, 2020

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Southern Nevada home prices finally break all-time record while supply keeps shrinking
LVR housing statistics for February 2020

LAS VEGAS – Existing local home prices finally broke their all-time record, while the housing supply keeps shrinking. So says a report released Friday by Las Vegas REALTORS®.

LVR (formerly known as the Greater Las Vegas Association of REALTORS®) reported that the median price of existing single-family homes sold in Southern Nevada through its Multiple Listing Service (MLS) during February 2020 was \$316,000. That was up 3.6% from January and up 6.7% from February of 2019, passing the previous record of \$315,000 set in June of 2006.

“We’ve been waiting for this milestone for a long time,” said 2020 LVR President Tom Blanchard, a longtime local REALTOR®. “While it’s interesting to talk about how we finally broke the record, it’s important to remember that it took us more than 13 years to get here. If you account for inflation, you could argue that home prices should actually be much higher than they are today.”

Meanwhile, LVR reported that the median price of local condos and townhomes sold in February was \$175,000, the same as January and up 6.1% from February of 2019.

After seeing the median local home price in December 2019 come within a few thousand dollars of its all-time peak, Blanchard said he expected that price record to fall in 2020. Before slowing down last year, local home prices had been soaring since early 2012, posting double-digit gains from year to year while climbing back from their post-recession low point. According to LVR, the median price of existing single-family homes sold in Southern Nevada peaked at \$315,000 in June of 2006 before falling during the recession. Local home prices hit a post-recession bottom of \$118,000 in January of 2012.

Blanchard said he’s also encouraged to see home sales increasing to start 2020. The total number of existing local homes, condos and townhomes sold during February was 3,089. Compared to the same time last year, February sales were up 25.7% for homes and up 14.0% for condos and townhomes.

That year-over-year sales increase reverses last year’s trend. According to LVR, the total number of existing local homes, condos and townhomes sold in Southern Nevada during 2019 was 41,269. That was down from 42,876 total sales in 2018 and from 45,388 in 2017.

As for headwinds in the housing market, Blanchard said the local housing supply continues to shrink to historically low levels. The current sales pace equates to less than a two-month supply of homes available for sale. A six-month supply is considered a more balanced market, he said.

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“I think it’s now safe to say that we’re dealing with a housing shortage,” Blanchard said. “This is also true in other parts of the country, where people are staying in their homes longer and home building is simply not keeping up with demand, especially in growing areas like Southern Nevada.”

By the end of February, LVR reported 4,240 single-family homes listed for sale without any sort of offer. That’s down 40.6% from one year ago. For condos and townhomes, the 1,214 properties listed without offers in February represented a 30.8% drop from one year ago.

LVR reported that 25.1% of all local properties sold in February were purchased with cash. That compares to 26.2% one year ago. That’s well below the February 2013 peak of 59.5%, indicating that cash buyers and investors are still active in the local housing market, but are playing a much smaller role than they were during and just after the recession.

Meanwhile, the number of so-called distressed sales remains near historically low levels. The association reported that short sales and foreclosures combined accounted for 2.5% of all existing local property sales in February. That compares to 2.6% of all sales one year ago, 3.8% two years ago and 10.6% three years ago.

These LVR statistics include activity through the end of February 2020. LVR distributes statistics each month based on data collected through its MLS, which does not necessarily account for newly constructed homes sold by local builders or homes for sale by owners. Other highlights include:

- The total value of local real estate transactions tracked through the MLS during February was nearly \$918 million for homes and more than \$116 million for condos, high-rise condos and townhomes. Compared to one year ago, total sales values in February were up 33.1% for homes and up 21.2% for condos and townhomes.
- Homes and condos are selling at a slower pace than last year at this time. In February, 68.5% of all existing local homes and 66.9% of all existing local condos and townhomes sold within 60 days. That compares to one year ago, when 69.3% of all existing local homes and 69.7% of all existing local condos and townhomes sold within 60 days.

About LVR

Las Vegas REALTORS® (formerly known as GLVAR) was founded in 1947 and provides its more than 15,000 local members with education, training and political representation. The local representative of the National Association of REALTORS®, LVR is the largest professional organization in Southern Nevada. Each member receives the highest level of professional training and must abide by a strict code of ethics. For more information, visit www.LasVegasRealtor.com.

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