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Market Update

NAPLES:

180 9th Street S. (U.S. 41)
 Naples, FL 34102

3620 Tamiami Trail N. Ste.101
 Naples, FL 34103

MARCO ISLAND:

719 Bald Eagle Drive
 Marco Island, FL 34145

BONITA SPRINGS:

23421 Walden Center Drive
 Bonita Springs, FL 34134

REALTRENDS
 FIVE HUNDRED

VOTED THE BEST

BEST REAL ESTATE OFFICE IN NAPLES
 BY READERS OF THE NAPLES DAILY NEWS
 BEST REAL ESTATE OFFICE IN BONITA
 PAST WINNER 7 YEARS IN A ROW
 BY READERS OF THE FT. MYERS NEWS PRESS

DOWNING-FRYE: PENDING SALES UP OVER LAST YEAR

"The real estate market is poised for a good year," said Mike Hughes, General Manager for Downing-Frye Realty, Inc. "The economy is doing much better and many Americans have seen their financial picture improve, which should translate to increased sales. During March 2018, we had 402 pending sales contracts turned in, which was a 15 percent increase over March 2017 pending sales and a 32 percent increase in pending sales volume. March's pending sales contracts for high end properties were up 12 percent, the below \$250,000 market was up 15 percent, and the \$250K-\$500K market was up 21 percent. With Downing-Frye's current listing inventory of over 1,400 properties, one of the highest inventories in the area, we are positioned well for the summer season."

NAPLES AREA: HIGH END IN DEMAND

Buyer interest in homes over \$1 million in Naples continued to climb during February as overall closed sales increased 10 percent to 672 homes sold compared to 613 homes sold in February 2017. Inventory continued to rise for the fifth straight month, but it decreased in February by 3 percent to 6,286 properties compared to 6,466 properties in February 2017. Overall pending sales in February decreased 3 percent, but it increased 14 percent in the \$1 million and above price category and 39 percent in the \$2 million and over price category. Geographically, sales activity in the Naples Beach single-family homes market outpaced all other areas. Increased buyer interest in luxury properties located in this highly valued location resulted in a 33 percent uptick in closed sales, yet the heightened attention also influenced median closed prices, which rose 52 percent in February to \$1,350,000 from \$860,000 in February 2017.

FLORIDA: MORE SALES & HIGHER PRICES

Florida's housing market reported more closed sales, more new listings and higher median prices in February. Sales of single-family homes statewide totaled 18,620 last month, up 3.3 percent compared to February 2017. Meanwhile, the statewide median sales price for single-family existing homes was \$246,500, up 9.6 percent from the previous year. Looking at Florida's townhouse-condo market, statewide closed sales totaled 8,457 last month, up 6.4 percent compared to February 2017.

"Sales of existing homes rose modestly in February, while sale prices continued to climb at a very brisk pace," said Florida Realtors' Chief Economist Dr. Brad O'Connor. "Year-over-year sales growth for single family homes checked in at 3.3 percent in February – the largest such gain we've seen since last June.

BONITA / ESTERO: PENDING SALES UP

Properties in Bonita Springs and Estero that have been updated are seeing more activity, better offers and quicker closings. Homes that have been updated within the last three years are commanding higher prices and are competing against new construction homes. The Bonita Springs and Estero markets are seeing fair market value year over year, with a 3 percent increase in the median price. Single-family homes for February 2018 saw a 14 percent increase in pending sales versus February 2017, while overall closings saw just a 4 percent decrease year over year. The average days on the market were 104, an increase of 6 percent from February 2017 to February 2018. The median closed sales price for February 2018 was \$295,000. The average month's supply of inventory was 3.4 months. "Interest in the Bonita Springs and Estero markets is still high," stated Jerry Murphy, Broker, Downing-Frye Realty, Bonita Springs.

USA: PENDING SALES SNAP BACK

Pending home sales snapped back in much of the country in February, but weakening affordability and not enough inventory on the market restricted overall activity compared to a year ago. Lawrence Yun, NAR chief economist, said, "The expanding economy and healthy job market are generating sizeable home buyer demand, but the miniscule number of listings on the market and its adverse effect on affordability are squeezing buyers and suppressing overall activity." With the start of the spring buying season in full swing, Yun believes that one of the top wild cards for the housing market in coming months will be how both buyers and potential sellers adjust to the steady climb in mortgage rates since late last year. For the year, Yun forecasts existing-home sales to be around 5.51 million – flat from 2017.