

# February Market Update

2019

## DOWNING-FRYE: OPTIMISTIC AND MOVING FORWARD

"Realtors are optimistic that this is going to be another solid year for sales," said Mike Hughes, General Manager for Downing-Frye Realty, Inc. "Retiring Baby Boomers are arriving, and our tourism numbers were up in 2018. We are ready for them with a solid inventory of over 1,000 available properties that offer buyers an array of options. Our listing inventory has been consistently strong. As soon as one property is listed, another is sold, which indicates the continued desirability of southwest Florida. Last month, we launched our new Bonita Springs office location, and it's been well-received. We're in a good position to close another Billion-plus in sales this year."

### NAPLES AREA: POSITIVE TRENDS

The Naples area housing market ended 2018 with impressive annual activity statistics in all areas of the residential real estate market including an 11 percent increase in total closed sales and a 14 percent increase in inventory compared to 2017. Sales of homes over \$1 million continued to drive the market in 2018, especially in the condominium market where closed sales of condominiums over \$1 million increased 37 percent! Inventory at the end of 2018 was the highest on record in six years. The Ave Maria/Immokalee area reported the highest increase in single-family inventory (40 percent) among all geographic areas tracked, and the single-family home inventory in Central Naples (34104, 34105, 34116) increased 38 percent to 391 homes in 2018 from 283 homes in 2017.

### FLORIDA: INCREASED OPPORTUNITIES

Florida's housing market reported higher median prices and increased inventory (active listings) in December 2018 compared to a year ago. Also, the statewide median sales prices for both single-family homes and condo-townhouse properties increased year-over-year for the 84th consecutive month. The statewide median sales price for single-family existing homes was \$255,000 in December 2018, up 4.2 percent from the previous year. Potential home buyers should note that Florida's active listings have been trending up across the state, according to Florida Realtors Chief Economist Dr. Brad O'Connor, who said, "While there has been a slight softening in the pace of home price growth since mid-2018, there are currently no signs that Florida home values will experience any wholesale declines over the next year."

### BONITA / ESTERO: PRICED TO SELL

"Sellers are re-evaluating their pricing strategies for 2019," said Jerry Murphy, Managing Broker of Downing-Frye Realty, Inc. in Bonita Springs. "Sellers are seeing that priced-to-market homes are netting more offers and seeing less days on the market." Comparing December 2018 with December 2017: The median closed price rose 6 percent to \$333,000; the closed sales unit decreased by 2.3 percent to 215 units; and pending sales units decreased 10 percent to 169 units. In comparing calendar year 2018 with 2017: There were 3,225 pending sales for a 9 percent increase; 3,178 closed sales units for an 8 percent increase; and the median price rose 2 percent to \$300,000. The active listing inventory as of January 24, 2019 was 1,908 properties, which represents 7.15 months supply.

### USA: HOME SALES DECREASE

After two consecutive months of increases, existing home sales declined in the month of December. Sales are now down 10.3 percent from a year ago (5.56 million in December 2017). Lawrence Yun, NAR's chief economist, says current housing numbers are partly a result of higher interest rates during much of 2018. "Now, with mortgage rates lower, some revival in home sales is expected going into spring." Yun also said, "Several consecutive months of rising inventory is a positive development for consumers and could lead to slower home price appreciation, but there is still a lack of adequate inventory on the lower-priced points and too many in upper-priced points." Total housing inventory at the end of December decreased to 1.55 million, an increase from 1.46 million a year ago. Unsold inventory is at a 3.7-month supply at the current sales pace, down from 3.9 last month and up from 3.2 months a year ago.



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Sources: The Bonita Springs-Estero Assoc. of REALTORS®, Naples Area Board of REALTORS®, National Assoc. of REALTORS®, Florida REALTORS®

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