



df DOWNING-FRYE REALTY, INC.

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Key Interest Rates:

- 30-year Fixed 4.74 %
- 15-year Fixed 4.02 %
- 5/1-year ARM 3.42 %
- 1-year ARM 3.17 %
- 30-year Fixed Jumbo 5.56 %
- 15-year Fixed Jumbo 4.92 %
- 5/1-year ARM Jumbo 4.10 %
- Prime Rate 3.25 %

Inside the Numbers:

Jan. 1—Dec. 31, 2011
 (Naples Only)

Single Family Homes

Total # Sold **3,871**
 Avg. Sale Price **\$465,131**
 Currently Listed **3,607**
 Currently Pending **913**

Condos (all types)

Total # Sold **3,888**
 Avg. Sale Price **\$282,880**
 Currently Listed **4,485**
 Currently Pending **715**

Monthly Quote:

Be yourself...
 An original is
 always worth more
 than a copy!

~ Unknown

Nick Bobzien's Real Estate Review

Happy New Year! Welcome to my January 2011 Real Estate Review. If you know someone else who would like to receive my newsletter, please email or call me with their contact information, & I would be happy to include them in all future emailings. I hope you continue to find this newsletter entertaining, useful & informative. Please feel free to send me your comments.

If you have Children, Grandchildren, or just looking for a great kids book for a present, check out this brand new book called "Welcome to Waycool School!" just published by one of Naples greatest Dad's, Dr. Michael Frino. You can review and buy this excellent book by [CLICKING HERE](#)

Naples Real Estate Market: Reviewing 2010 & Predicting 2011

As we begin a New Year, I want to wish each of you a healthy, prosperous, & exciting year! May it be filled with joy & wonderful memories.

Reviewing 2010—In my [January 2010](#) Newsletter, I predicted we would continue to see a decrease in our inventory, a decrease in our "months supply of inventory", an increase in sales activity, & a slight decrease in Short Sales & Foreclosures coming onto the market.

Well, our inventory did not decrease from the beginning of 2010 (7,837 listings) to the beginning of 2011 (8,092 listings). It actually increased 3%. Although this is not the ideal direction, it is not necessarily a bad thing because our "months supply of inventory" decreased. At the beginning of 2010, we had approximately a 13-month supply of inventory on the market, but at the beginning of 2011 we have a 12.5-month supply. Though not a significant amount, it is still a decrease. This goes along with the increase in sales activity. For 2009, we averaged 583 sales per month in Naples. That increased 11% in 2010 to an average of 647 sales per month. Based on these numbers, we should be able to show a decrease in inventory from the beginning of 2010 listings by the end of April 2011. Inventory does need to continue to decrease, but even if it doesn't, the increase in sales activity & decrease of "months supply of inventory" will more than counteract it, thus continuing to help in the recovery of our Real Estate Market.

The last topic to review is the Short Sales & Foreclosures. In my [November 2010](#) Newsletter I discussed the impacts of Short Sales & Foreclosures, & towards the end of that report I discussed those numbers. They made up about 3% of closed sales in 2008 (SunshineMLS began tracking them in 2008 so this number may not be entirely accurate), 40% in 2009, & 42% in 2010. So far, they make up 20% of the properties listed (1,596 of 8,092) & a whopping 71% of the properties pending (1,159 of 1,628). To clarify, 832 of the 1,159 pending sales (71%) are short sales, which usually take months to be approved & continue towards closing. I still think we will finish 2011 somewhere in the 40-49% range overall. If there is an increase, I believe it will come from the improvement the banks have made in the short sale process. I believe we will see a decrease in the foreclosures, & an increase in the short sales, as they relate to closings.

As we turn & look forward into 2011, I believe we will continue to see very similar statistics as 2010, with slight improvements. I think our inventory will decrease overall by Jan. 2012 to around 7,400 homes on the market. This would be quite a "feat", but I strongly believe there is still such pent-up demand by many buyers this will be achievable. Every buyer wanted to "time it right", & I think with the prices at their lowest point since 2002-2003, & the interest rates bot-

tomed out & now rising, we have begun our ascent to the peak once again.

Another very interesting topic is the rise in interest rates over the past few weeks. Going back to Oct. 2010, the interest rates for a 30-year fixed (most common conventional loan) was 4.27%, in Nov. it increased to 4.43%, & in Dec. it increased further to 4.97%. Even though it decreased slightly to its current rate of 4.74%, I still expect them to increase steadily throughout 2011, finishing in the mid-high 5% range—still very good rates! The 15-yr fixed rates have increased along the same lines as the 30-year fixed, from 3.75% in Oct., to 4.32% in Dec., then back down to its current rate of 4.02%. Two other important rates to watch are the 1-year ARM's & the 30-year fixed Jumbo's. The 30-year fixed Jumbo has increased similarly along the lines as the conventional rates; 5.26% in Oct., up to 5.51% in Dec., but it increased even more to 5.56% currently. The 1-year ARM is most common for short-term investors looking to renovate & flip properties, & those rates have decreased from 3.15% in Oct., to 3.07% in Dec., though increase to 3.17% currently. Again, overall I expect the rates to continue to slightly increase throughout 2011, so those buyers looking to purchase & lock in your interest rates should do so in the very near future!

We had some predictable issues occur in 2010 that affected the Real Estate Market... the First Time Home Buyer Tax Credit expired April 30th, & the recent rise of interest rates. We also had some interesting, yet unpredictable issues occur which might have affected the Real Estate Market... the BP Oil Spill in the Gulf of Mexico in late April, & the moratorium put on foreclosures in late Sept.

As discussed in my [June 2010](#) Newsletter, though the BP Oil Spill did not physically affect SW Florida, many believe it did have an impact on our market. Buyers waited to see the extent of the effects, & unfortunately many national publications didn't clearly explain the impacts. The oil spill never reached our beaches according to reports, & apparently never reached our "target zone" (94 miles from shoreline).

The Foreclosure Moratorium, which started on Sept. 20th when Ally Financial (GMAC) halted their foreclosures in 23 states. JP Morgan Chase joined in on Sept. 29th, & Bank of America on Oct. 1st. This moratorium basically stopped listings, pendings, & closings of all foreclosures from further action; many pulled from the closing table that day! This obviously had an impact, but more short term impact because it only lasted a few weeks. Bank of America resumed its foreclosure process nationwide on Oct. 18th, & the other banks followed shortly thereafter. This helped the conventional sellers, but only for a brief amount of time.

As always, please feel free to email me your thoughts & opinions on the Florida &/or Naples Real Estate markets!!

The figures for "Inside the Numbers" are derived from SunshineMLS on January 15, 2011. They are deemed accurate, but are not warranted or guaranteed. All interest rates are derived from [Bloomberg.com](#) on January 15, 2011.

Current Listings, Pendings & Recent 6 Month Sales



Saturnia Lakes—4+Den, 3.5 baths, 3 car garage, 3,773 sqft. under air, marble floors, granite counters, tropical pool, lake views, Turnkey Furnished! [Click Here](#) **\$689,900**



Harbourside @ Wiggins Bay—2 beds, 2 baths, 2nd floor, completely remodeled w/ new maple wood cabinets, granite counters, & SS appliances! [Click Here](#) **\$175,000**



Village Walk—3+ Den, 2 baths, 2 car garage, nearly 2,000 sq ft. under air, custom pool, crown molding, plantation shutters, impeccable condition! [Click Here](#) **\$380,000**



Calusa Bay—2+Den, 2 baths, 1 car garage, 2nd floor, nearly 2,000 sq ft. under air, beautiful lake views, electric hurricane shutters, Excellent condition! [Click Here](#) **\$269,000**



Golden Gate—2.80 acres of wooded land backing up to Twin Eagles Golf Club. Neighbor has a 1+ acre lake for your added viewing benefit! [Click Here](#) **\$150,000**



Saturnia Lakes—3 bedrooms, 2 baths, 2 car garage, granite counters w/ tumbled-stone backsplash, tile & wood floors, southern lake views, Furnished! [Click Here](#) **\$349,000**



Cypress Woods—2 bedrooms plus Den, 2 baths, 2 car garage, 1st floor coach home with golf course views, turnkey furnished, great location!! [Click Here](#) **\$1450/mo.**



Port Charlotte—Gulf Access vacant lot, 1/4 acre parcel, located in very popular area of Port Charlotte for boaters. Build your dream home! [Click Here](#) **\$125,000**



Firano—4+Den, 3 baths, 3 car garage, 3,000+ sqft, gourmet kitchen w/ granite counters & SS appliances, Huge backyard w/ private preserve views! [Click Here](#) **\$599,999**



Golden Gate Estates—3 bedrooms, 2 baths, 2 car garage, over 1,500 sq ft. under air, 2.73 acres, and a 2 bed, 1 bath guest house w/ 720 sq ft., Close-in! [Click Here](#) **\$165,000**



Huntington Lakes—2 bedrooms, 2 baths, 1 car garage, 2nd floor, over 1,100 sq ft. under air, beautiful western lake views, looks brand new! [Click Here](#) **\$129,900**



Imperial Golf Estates—3 bd, 3 ba, 2 car 2,700+ sqft, remodeled w/ granite & hickory maple wood cabinets, pool, tile, new roof, new carpet, corner lot! [Click Here](#) **\$399,900**

Current Listings, Pendings & Recent 6 Month Sales



Milano—3 bedrooms, 2.5 baths, 1 car garage, beautiful lake views, nearly 1,600 sq ft., nice upgrades, great school districts, freshly painted, new carpets! [Click Here](#) \$1,200/mo.



Sherwood—2 bedrooms + Den, 2 baths, 1 car garage, beautifully Turnkey furnished, stunning lake views, hurricane shutters, Great Location!! [Click Here](#) \$169,900



Pelican Isle—3+Den, 3.5 baths, 2,800+ sq ft, 3rd floor w/ SW views of the Bay, Electric shutters & more. Offered for Sale or Rent! [For Sale](#) [For Rent](#) \$924,900 / \$2,995/mo.



Fairway Preserve—3 bedrooms, 2 baths, 1 carport, 1,500 sqft under air, 2nd floor, screened lanai, great amenities, great investment opportunity! [Click Here](#) \$95,000



Golden Gate Estates—3 bedrooms, 2 baths, 2 car garage, recently remodeled with all new SS appliances, granite counters, tile & carpet. [Click Here](#) \$109,100



Sherwood—3 bedrooms, 2 baths, 1 car garage, 1st floor end unit, beautiful long lake views, granite counters, diagonal tile, & electric hurricane shutters! [Click Here](#) \$159,900



Commercial—Office/Medical space in North Naples available for lease. 1st & 2nd floor units still available, General Impact Fees paid. [Click Here](#) \$18/sqft.



Heritage Greens—2 bedrooms plus Den, 2 baths, 1 car attached garage, nearly 1,700 sq ft, 2nd floor overlooking western lake & golf course views! [Click Here](#) \$199,000



Fairway Preserve—2 bedrooms, 1 bath, 1 car garage, 1,045 sqft under air, private & peaceful preserve view, screened lanai, great amenities! [Click Here](#) \$92,500



San Carlos Park—3+Den, 2 baths, 2 car garage, over 2,000 sqft under air, Custom built home, maple wood cabinets, granite counters, and more! [Click Here](#) \$119,900



Falling Waters—2 bedrooms, 2 baths, 1 car garage, 1,500+ sqft, Private & Peaceful Preserve Views, outdoor kitchen, immaculate condition! [Click Here](#) \$175,000



Sherwood—2 + Den, 2 bath, 1st floor, 1 car garage, over 1,600 sq.ft, & beautiful Sunset lake views! Completely remodeled in 2009, plantation shutters. [Click Here](#) \$164,900

Current Listings, Pendings & Recent 6 Month Sales



Heritage Greens—3 bedrooms plus Den, 2 baths, 1 car garage, 2,050 sq ft. under air, western lake & golf course views, new carpet, wood floor & paint. [Click Here](#) \$229,000



Milano—3 bdrms, 2.5 baths, 1 car garage, 1,580 sqft., lake views, granite counters, maple cabinets, SS appliances, & mahogany wood floors. [Click Here](#) \$1,400/mo.



Summit Place—3 bedrooms, 2.5 baths, 2 car garage, beautiful lake view, nearly 2,300 sq. ft. under air, large Master Suite, and lots of upgrades. [Click Here](#) \$159,000



Golden Gate Estates—3 bedrooms (each w/ a walk-in closet), 2 baths, 2.73 acres of land, split floor plan, tiled kitchen counters, and wood floors! [Click Here](#) \$90,352



Sherwood—2 bedrooms plus den, 2 baths, 1 car garage, 1st floor with private preserve views, granite counters, screened lanai plus stone paver patio. [Click Here](#) \$164,900



Port Charlotte—2 vacant neighboring lots in Port Charlotte—1 corner lot, 1 with Gulf Access! Each lot is nearly 1/4 acre in size! [Corner Lot](#) [Gulf Access Lot](#) \$125,000/both



Milano—3 bedrooms, 2.5 baths, 1 car attached garage, nearly 1,600 sq ft., beautiful kitchen, many upgrades, very private view from lanai. [Click Here](#) \$115,000



Golden Gate—3 bedrooms, 2 baths, 2 car garage, split floor plan, private wooded/preserve views, granite counters, custom built in 2007. [Click Here](#) \$125,000



Heritage Greens—2+Den, 2 baths, 2 car garage, over 1,700 sq ft, endless & private lake/golf views, upgraded cabinets & countertops, Priced right! [Click Here](#) \$249,000



Sherwood—2 bedrooms, 2 baths, 1 car garage, over 1,100 sq ft, nice upgrades including Plantation Shutters, and beautiful western views over a lake! [Click Here](#) \$99,900



Lehigh Acres—1/4 acre of land in a great location in popular area of Southwest Lehigh. Surrounded by established homes & shopping centers! [Click Here](#) \$3,999



Terra Vista—2+Den, 2 baths, 2 car garage, over 1,700 sq ft., granite counters, 42" cabinets, crown molding, diagonal tile, lake view from extended lanai. [Click Here](#) \$129,800