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### Key Interest Rates\*:

• 30-yr. Fixed	4.18%
• 15-yr. Fixed	3.38%
• 5/1-yr. ARM	3.00%
• 1-yr. ARM	2.97%
• 30-yr. Fxd Jumbo	4.75%
• 15-yr. Fxd Jumbo	4.05%
• 5/1 ARM Jumbo	3.19%
• Prime Rate	3.25%

### Inside the Numbers:

Jan. 1—Aug 31, 2011  
(Naples Only)

#### Single Family Homes

Total # Sold **2,829**

Avg. Sale Price **\$492,180**

Currently Listed **2,473**

Currently Pending **1,046**

#### Condos (all types)

Total # Sold **3,144**

Avg. Sale Price **\$300,300**

Currently Listed **3,274**

Currently Pending **667**

### Monthly Quote:

Nothing is more expensive than a missed opportunity!

~ H. Jackson Brown

# Nick Bobzien's Real Estate Review

Welcome to my September 2011 Real Estate Review. If you know someone else who would like to receive my newsletters, please feel free to forward this to them and have them contact me. I am always available to assist you with your Real Estate needs and answer any questions you have, so please feel free to contact me if I can be of service.

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## Naples Real Estate Market: Market Analysis

The Naples Real Estate Market has been seeing some very intriguing changes over the past several months, many of which I have talked about in past newsletters ([CLICK HERE](#) to view my prior newsletters). We are still witnessing what I consider the "Perfect Real Estate Storm" where we have three very important aspects aligned just right—Inventory, Prices/Values, & Interest Rates—but it is all about to change.

Currently, we have 5,700+ homes listed for sale in Naples on the MLS system (excluding Mobile Homes). Approximately 15% (869) are either Short Sales or Foreclosures; & approximately another 10% (570) are over-priced in my opinion, not making them the most marketable & desired homes—such as a listing for \$280,000 when everything comparable in the neighborhood is selling for \$150,000 (yes, this is a true listing!). The homes I am referring to are only "over-priced" in my opinion, as the true value of a home is what someone is willing to pay for it. Some possible reasons homes are listed higher than supporting comps suggest are 1) It is the lowest price the seller can afford in order to sell; 2) The seller does not have to sell, but if a buyer is willing to pay his/her asking price, they will sell; & 3) The seller does not have the most accurate information to determine a fair selling price.

The reason I mention Short Sales & Foreclosures are because many buyer's I work with &/or talk to have no interest in dealing with these types of listings. They almost always: 1) Have multiple offers; 2) Can potentially take months to be approved by banks (short sales); 3) Do not typically "show" very well due to the distressed conditions; 4) Need a lot of repairs—thus cash out of a buyer's pocket; 5) Can create delays at no fault of the buyer.

If you remove these listings from the equation for inventory, you are now looking at only 4,300+ homes for sale. Once you begin to factor in the buyer's criteria of what they want & need, the number of possible homes rapidly is reduced to only a few. I have three buyer's I am currently working with at the moment where we are watching the market daily for new listings to become available, because those currently listed do not fit the criteria—and that includes increasing the price range 20%!! On the flip side, I have both seen & been involved in listings that sell at or above asking price & have multiple offers on the property within 48 hours from being listed—and they are NOT short sales or foreclosures! If you look at my listings a few pages further in this newsletter, you will see a home in Golden Gate Estates I just listed where we had 3 full-price offers on the home within 24 hours of being listed, one of which was sight-unseen! There are many buyers ready & willing to "pull the trigger", but are missing out on the opportunities to other buyers ready to do the same! I do not want to raise your hopes just yet into thinking we are back to the 2005 days of near im-

mediate sales, but I do want you to be aware of the strong recent increase in activity.

One statistic I want to make you aware of & help you keep an eye on are the price ranges. I typically break the price ranges into five sections; \$0—\$250,000; \$250,000—\$500,000; \$500,000—\$750,000; \$750,000—\$1 Million; & \$1 Million plus. Currently, here are their respective percentages of market shares for Active listings: 37%, 28%, 11%, 8%, & 16%. Of course, these market shares fall in line with what is to be expected, including the sudden increase in market share of properties above \$1 Million, this is Naples after all. Where it begins to get interesting is their respective percentages of market share for Pending listings: 73%, 15%, 5%, 2%, & 5%; as well as their respective percentages of market share for Closed Sales in 2011: 60%, 21%, 7%, 4%, & 8%. In reviewing this price range market share, I find it interesting that the Active listings make up a little over 1/3 of the market share, but 2/3 of the Closed sales & 3/4 of the Pending listings market share. That shows us heavy demand in that price segment. Another interesting note is the two segments from \$500,000—\$1 Million. Combined, they make up nearly 1/5 of the Active listings market share, but barely 1/10 of the Closed sales market & less than 1/10 of the Pending listings market. I have talked before about these two price segments, & how important they are to the Naples economy. The markets below \$500,000 will typically consist of 1st time homebuyers & younger families, as well as many retirees. The market over \$1 Million typically consist of those working in Executive positions, Owners of Companies, and those retiring from one of the two. The \$500,000—\$1 Million market is typically some retirees, but the majority are local professional families, such as Doctors, Lawyers/Attorneys, Accountants, small business Executives, Entrepreneurs, etc. This is the market that really needs to see a demand in property for Naples & Southwest Florida to finish its "rebound". I would like to see the Pending listings & Closed sales percentages between 50—75% of the Active listings, especially since it is not a large market to begin with.

I am really excited to see what the upcoming 2012 season has in store for us here in Southwest Florida. I think it is going to be very interesting to see how the market is impacted with the recent increase in demand, while the Interest Rates are still at historical lows & Prices typically ranging in the 2001—2003 year values. All of this occurring while the Inventory & "Months Supply of Inventory" continue to decrease! Even though I do not think values will begin to increase until 2013 (except Waterfront properties, which I think will start to see increases in the next 3-5 months), there will definitely be signs that may lead us to believe they are—such as multiple offers & sale prices above asking price. Remember, buyers from all over the world search for Naples, FL to find property to buy & live in.

The figures for "Inside the Numbers" are derived from SunshineMLS on September 16, 2011. They are deemed accurate, but are not warranted or guaranteed. \*All interest rates are derived from [Bloomberg.com](#) on September 16, 2011, and may contain points.