



# Newsletter



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## NATION: HOUSING MARKET POISED FOR SLOW STEADY RECOVERY

Lawrence Yun, Chief Economist for the National Association of Realtors®, said that several factors have been slowing the recovery of the national housing market, including the moratorium on foreclosures. “Nonetheless, there appears to be a pent-up demand that eventually will be unleashed as banks resolve their issues with foreclosures and the labor market improves,” Yun said. He also said that home sales will gradually rise as buyers respond to historically low interest rates and affordable pricing.

## FLORIDA: CONFIDENCE UP

While many parts of the country are experiencing dips in existing home sales (Midwest down 1.1 percent, South down 3.4 percent, West down 1.9 percent, Northeast down 1.3 percent), Florida shows positive momentum. According to a survey conducted by the University of Florida, Florida’s consumer confidence jumped in October to 74, its highest level in six months. A combination of historically low interest rates, bargains on condominiums and a moratorium on foreclosures are factors that have been cited as causes. The survey also concluded that the biggest increase in the five index components (all of which rose compared to previous figures) was consumers’ perception that this was a good time to buy big-ticket items.

A 33 percent rise in year-to-date condominium sales throughout Florida was reported by Florida Realtors®. A total of 59,966 units have been sold. Statewide home sales also showed momentum during October with over 143,000 single-family homes sold for a seven percent increase over the same time period a year ago.

## NAPLES:

For the twelve months ending October 2010, overall closed sales increased by 19 percent compared to the previous twelve months, with an overall median price that remained constant at \$180,000. The median price for properties priced above \$300,000 rose by three percent.

The inventory of available homes and condos in September 2010 was 8,794 units compared to 9,209 units in September 2009, a decrease of five percent.

Generally, real estate activity in the Naples area is steadily rising with pending contracts for single-family homes increasing by 20 percent and for condominiums by six percent. The luxury market experienced a 54 percent increase in pending sales of single family homes between \$1 and \$2 million.

## BONITA SPRINGS:

Bucking the trend from the previous month, the over \$300,000 market captured 35 percent of the closed sales during October 2010. The Bonita Springs–Estero Association of Realtors® reported 79 overall closed sales with 28 of those \$300,000 or over. The top ten sales reported have an average price of just over \$1-million, an increase of 35 percent over the previous month. All but one are located in these gated golf communities: Bonita Bay, Pelican Landing, The Colony, The Brooks, Palmyra Golf and Country Club and Wildcat Run.

## INTEREST RATES HISTORICALLY LOW

In October, the interest rate for a 30-year fixed-rate mortgage averaged 4.23 percent, significantly lower than the 4.95 percent average during the same month a year earlier, according to Freddie Mac.

## DOWNING-FRYE REALTY, INC. ON TRACK

“Although our number of closings was off in October 2010 compared to October 2009, Downing-Frye Realty, Inc. still had more closings in the first ten months of the year than it did for the entire 2009 year,” said Mike Hughes, Vice-President of Downing-Frye Realty, Inc. “We recently went over the \$1-billion mark for closed sales volume, and we did that prior to Thanksgiving. It’s been a good year so far.”

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