

# Newsletter



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## WEATHERING THE STORM ON A SEA OF UNCERTAINTY:

The housing market is in the early stages of recovery, according to Lawrence Yun, chief economist for the National Association of Realtors® (America's largest trade association with 1.1 million members). "A housing recovery is taking place but will be choppy at times depending on the duration and impact of a foreclosure moratorium. But the overall direction should be a gradual rising trend in home sales with buyers responding to historically low mortgage interest rates and very favorable affordability conditions," he said.

## NATIONWIDE:

Total housing inventory at the end of September fell 1.9 percent to 4.04 million existing homes available for sale, which represents a 10.7-month supply at the current sales pace, down from a 12.0-month supply in August. Raw unsold inventory is 11.7 percent below the record of 4.58 million in July 2008.

"Vacant homes and homes where mortgages have not been paid for an extended number of months need to be cleared from the market as quickly as possible, with a new set of buyers helping the recovery along a healthy path," Yun said. "Inventory remains elevated and continues to favor buyers over sellers."

## NAPLES:

For properties priced under \$300,000, the median closed sales price decreased by 3 percent in the third quarter 2010 compared to the previous year. Closed sales from \$300,000 to \$2 Million increased by an average of \$48,000 each.

For the twelve months ending September 2010, overall closed sales of single family homes increased by 19 percent and condos by 45 percent compared to the previous twelve months.

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.

## BONITA SPRINGS:

Continuing the trend from the previous month,

the under \$300,000 market captured 75 percent of the closed sales during September 2010. The Bonita Springs-Estero Association of Realtors® reported 121 overall closed sales and only 30 of those were \$300,000 or over. There continues to be a steady number of luxury properties (\$1 million+) sold with the top five sales reported in The

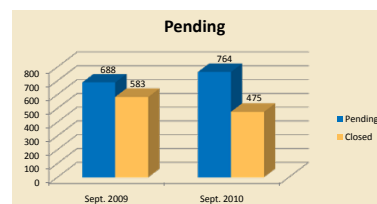
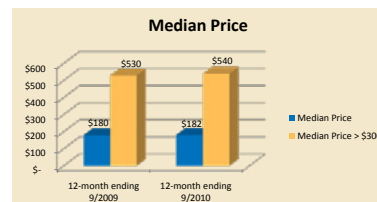
Brooks, Bonita Bay, Grandezza and Pelican Landing.

The number of single-family homes and condos coming on the market in September 2010 increased by 14 percent from the previous month, while closed sales of condos decreased by eight percent and single family closed sales decreased by 16 percent.

## INTEREST RATES REMAIN LOW

In September, the interest rate for a 30-year fixed-rate mortgage averaged 4.35 percent, significantly lower than the 5.06 percent average during the same month a year earlier, according to Freddie Mac.

### NAPLES AREA MARKET:



## DOWNING-FRYE REALTY, INC. ON TRACK

"Closings were down this September compared to the same time last year," said Mike Hughes, Vice-President of Downing-Frye Realty, Inc. "Keep in mind that last year in the second half of the year, we saw our closings go up quite a bit. Part of this was due to the first time home buyer credit. Anyway, we are still on pace to exceed \$1 billion in closed sales volume for 2010."

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