

October Inventory Expands in Anticipation of Winter Buyers

Naples, Fla. (November 27, 2023) – Real estate brokers reviewing the October 2023 Market Report by the Naples Area Board of REALTORS (NABOR), which tracks homes (excluding Marco Island), were encouraged to see a 31.8 percent increase in new listings to 1,231 new listings from 934 new listings in October 2022. The report also shows Naples during October increased 4.5 percent to \$580,000 from \$555,000 in October 2022. According to broker analysts, these two factors indicate rumors of an extreme market illustrate renewed seller confidence, which will be good news for buyers seeking more options in the coming months.

“October had the highest number of new listings added to the market compared to any October in the last two years,” remarked Dominic Pallini, Broker at Vanderbilt Realty. NABOR’s monthly market reports, October and January have the highest number of new listings. New listings in October for the condominium market shot up 61.9 percent to 378 new condominium listings in October 2022. Single-family home new listings in October also increased at a healthy rate of 11.3 percent to 619 new single-family home listings in October 2022. Obviously though, one factor contributing to a rise in new listings this October was the need for many homeowners to postpone listing their homes damaged from Hurricane Ian could be repaired.

“The value of working with a REALTOR in Naples is priceless,” said Jillian Young, President, Premiere Plus Realty. “Unlike housing markets in other areas of the country, you might think your house is priced right based on a comparison of homes for sale nearby, but without a REALTOR who understands the nuances of the existing home community developments are on the horizon, you might risk your home being overlooked by buyers if it lingers on the market too long because it wasn’t priced right.”

Pent up consumer travel during the summer distracted attention away from home sales as the report showed both pending sales (homes under contract) and closed sales activity reported for an October. This can be traced to lower showing activity during the recent summer compared to summer 2022 levels. As such, overall pending sales in October decreased 12.8 percent to 594 pending sales from 681 pending sales in October 2022.

Higher days on the market also contributed to lower sales in October. For example, in the summer of 2022, days on market were below 20 days. Whereas, this past summer, in October, days on market increased 36.6 percent in October to 56 days from 41 days. Given this data, brokers anticipate healthy pending and closed sales activity in the coming months increased 14 percent to 21,180 showings from 18,654 in October 2022.

The NABOR October 2023 Market Report provides comparisons of single-family home and condominium sales (via the Southwest Florida MLS), price ranges, and geographic overall market summary. NABOR sales statistics are presented in chart format, including these overall (single-family and condominium) findings for 2023: According to NABOR associate at Downing-Frye Realty, “Interest rates are not as much an obstacle in Naples as cash sales continue to exceed 50 percent of all our sales, but they are for many now that require financing. There’s talk that some buyers are also sitting on the fence waiting for rates to drop. But regardless of when and whether the rates drop next year, our level [4.5 months of supply in October].”

Sherry Stein, CRB, Managing Broker, Berkshire Hathaway HomeServices, responded to Bobzien’s comments by stating, “It’s also likely that when rates go down, prices will rise until the Fed lowers the interest rate ignores the real possibility that the home you can finance today might increase in price beyond what you can afford to finance when the nothing is stopping a buyer today from refinancing when the rate drops down the road.”

Incidentally, and according to Cindy Carroll, of Carroll & Carroll Appraisers & Consultants, LLC, a balanced market for Naples is when there is a 12-month supply of homes in the Naples Beach area [34102, 34103, 34108] has a 10-month supply of single-family homes for sale, and that’s even with the average closed price for single family homes decreasing.

Sales of luxury properties continue to drive the metrics for the real estate market in Naples. Looking at October’s market report, Stein said, “The average closed price of all homes over \$1 million. And compared to last October, there are now 275 homes for sale in the \$5 million and above price category, a 55.4 percent increase.”

The good news for buyers is that the percent of list price received has decreased 2.7 percent and 3.5 percent in the single-family and condominium market over the past 12 months. That “there were also 1,004 price reductions in October, basically a third of all homes for sale. If inventory continues to rise at its current pace, there will likely be more opportunities.

If you are considering buying or selling your home, look to a Naples REALTOR who has the ability to provide an accurate market comparison and give you expert advice on market conditions. A REALTOR can ensure your next purchase or sale in the Naples area is a success. Search for your dream home and find a Naples REALTOR on Naplesarea.com

The Naples Area Board of REALTORS (NABOR) is an established organization (Chartered in 1949) whose members have a positive and progressive impact on the Naples community. NABOR is a member of Florida Realtors and the National Association of REALTORS in the United States with more than 1.5 million members and over 1,200 local boards of REALTORS nationwide. NABOR is structured to provide programs and various committees and the NABOR Board of Directors, all of whose members are non-paid volunteers.

The term REALTOR is a registered collective membership mark which identifies a real estate professional who is a member of the National Association of REALTORS and is a member of the local board of REALTORS.