

MONEY

Temperatures may have cooled down but SW Florida home prices are heating up in latest data



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Heading into snowbird season, the new arrivals are going to see even higher prices for the most part on Southwest Florida homes.

In the latest data, the Naples Area Board of Realtors and the Bonita Springs-Estero Realtors group showed an overall increased median closed price for housing in October, as compared to a year ago while the Lee County-based Royal Palm Coast Realtor Association was off only slightly, by a third of one percent.

How many more \$5 million homes are on the Collier market?

Sales of luxury properties are one of the drivers of the metrics in Southwest Florida, according to Sherry Stein, managing broker for Berkshire Hathaway HomeServices.

“The average closed price of all properties – year to date – in Naples is 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% increase,” Stein said.

October listings rise ahead of the arrival of snowbird season

Ahead of the return of winter residents, October traditionally is one of the two biggest months for new listings for abodes along with January, and this autumn has been no different, with a slight twist.

“October had the highest number of new listings added to the market compared to any October since the pandemic” in the Naples area, Vanderbilt Realty broker Dominic Pallini

said, noting this will help with negotiations for those wanting to buy. "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 for buyers to negotiate."

How did Hurricane Ian play into the many new listings?

A factor contributing to the significant rise in new listings this October was the need for many homeowners to postpone listing their properties for sale last October until damage from Hurricane Ian could be repaired, according to Realtors.

And while there will be more to choose from for seasonal returnees to purchase, they may not immediately jump right in locally with their checkbooks since some of them haven't been able to sell their northern places in markets that largely haven't been as strong, real estate agents said.

What is the housing forecast for 2024?

However, some strong economic indicators bode well, with National Association of Realtors Chief Economist Lawrence Yun forecasting a 13.5% rise in national 2024 home sales.

As in previous quarters, the economy's annual growth rate continues to handily beat economists' expectations, with a 5% expansion in the most recent third quarter, propelled heavily by consumer spending. Sellers of new housing will also benefit next year thanks to the economy, according to RCLCO Real Estate Consulting, which tracks stats.

"The strength of market demand for new homes tends to move in sync with job growth and the overall economy, so it's worth noting that U.S. job growth has continued at surprisingly healthy levels much of this year," Gregg Logan, RCLCO managing director, said this week.

"Strong demographic fundamentals and expected stronger job growth suggest new home sales could accelerate further by mid to late 2024 or early 2025."

What are 'stronger' economic indicators going into next year?

Manufacturing as a whole has added nearly 900,000 jobs in just over the past two years, employing the most workers since 2008, as other sectors also have been climbing and unemployment hit its lowest point this year in more than a half-century, national data shows.

A surprise to some, the economy has seldom been stronger, according to a new Los Angeles Times report, which analyzed federal data and info from University of Michigan economist Justin Wolfers, a professor of public policy and economics in the Gerald R. Ford School of Public Policy: The country has gotten richer the past two years, and for the first time since before the Great Recession, income distribution has become a bit more equal as the biggest gains have gone to low-wage workers.

“There’s this disjunction between reality and perception that’s as large as I’ve ever seen in my career,” Wolfers said, noting the “difficult” pandemic year of 2020 played a role in that. “If you’d fallen asleep in 2019 and woke up in 2023, you would discover pretty much the sort of economy you would have expected, (and) in fact, we’ve got a stronger economy than we had when we went into it.”

In analytic company WalletHub’s Consumer Spending Report released Thursday, it found Americans spent \$18.86 trillion in October, the most ever for a month in the nation's history.

What is median price for NABOR houses in the Naples area?

The Naples Area Board of Realtors, also known as NABOR, had a 31.8% increase in October new listings to 1,231 from 934 in October 2022. The report also showed the median closed price of homes in Naples during October increased 4.5% to \$580,000 from \$555,000 in October 2022.

Overall closed sales in October decreased 12.8% to 594 closed sales from 681 closed sales in October 2022.

In the Know: Here are some of Collier and Lee's newer, hotter, growing retail corridors for 2024

What is the most expensive house sold in Collier County?

For October, days on market increased 36.6% to 56 days from 41. The percent of list price received has decreased 2.7% and 3.5% in the single-family and condominium market over the past 12 months, respectively.

October's most expensive single-family dwelling in Collier sold for \$12.2 million at 146 Myrtle Road, Naples, after being listed at \$14 million, according to Royal Shell Real Estate.

The 7,238-square-foot house built in 2021 that has six bedrooms and 10 bathrooms sat on the market for 137 days.

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What did Lee-based Royal Palm's housing do in October?

Compared to October 2022's 1,368 new listings, Lee County-based Royal Palm Coast Realtor Association had an 86.4% increase in October new listings to 2,550. The median closed price of homes for Royal Palm during October decreased 0.3% to \$358,950 from \$360,000.

Overall closed sales in October increased 18.5% to 1,106, as compared to a year ago's 933 total.

For October, days on market increased 50% to 36 days from 24. Overall, the percent of list price received has decreased 0.7% from 97.1% a year ago to 96.5% now.

What's most expensive Lee home sold? Could that be topped?

October's most expensive single-family dwelling in Lee sold for \$12.3 million at 27586 Hickory Blvd., Bonita Beach. The 5,771-square-foot house built in 2016 that has five bedrooms and seven bathrooms had belonged to evangelist David Turner, who had acquired it in 2019 for \$7.5 million.

The buyer is Nechadim LLC, which is tied to Southwest Florida-based Advocate Radiation Oncology's Dr. Daniel Dosoretz. He also owns 27350 Hickory and is linked to an LLC that has 27340 Hickory, among about a dozen investments his family is associated with in the region, according to government records.

"We were thrilled to have the highest priced sale on the beach," said Realtor Denise Quinn, who listed it as part of John R. Wood Christie's International Real Estate's The Grant Group. "As a personal accomplishment, it is my highest sale. I have been visiting Naples since 1996, homeowner in 2004 and full-time in 2018. I love the area and the small town feel that comes from the community."

And colleague Doug Grant may just eclipse that deal less than a mile away with the pending 26692 Hickory, listed for \$13.5 million. It features four bedrooms and eight bathrooms in 5,315 square feet and is owned by an LLC connected to Cleveland developer Fred Geis, who

with his family has done more than \$1 billion in construction dating to the 1960s, according to real estate and county records.

Based at the Naples Daily News, Columnist Phil Fernandez (pfernandez@gannett.com) grew up in Southwest Florida. Leading Pulitzer Prize-winning efforts as an editor, he writes In the Know for the USA TODAY NETWORK. Support Democracy and subscribe to a newspaper.

