

FOR IMMEDIATE RELEASE

*Contacts: Nick Bobzien, NABOR® Media Relations Committee Chair, (239) 597-1666
Marcia Albert, NABOR® Director of Marketing, (239) 597-1666*

Naples Housing Inventory on the Rise

Naples, Fla. (December 22, 2022) – According to the November 2022 Market Report by the Naples Area Board of REALTORS® (NABOR®), which tracks home listings and sales within Collier County (excluding Marco Island), there were 552 overall closed sales in November, which is a 41.4 percent decrease from 942 closed sales recorded in November 2021. The post-pandemic home buying surge that took place when mortgage rates were historically low has ended. Housing inventory in Naples is on the rise but remains low at just 2.8 months of inventory reported in November (a balanced market has a six-month supply of inventory). As expected, the limited inventory environment in Naples is restricting sales and increasing prices. Though broker analysts reviewing the report pointed out that cash sales accounted for 62.3 percent of closed sales in November; it is an indication that the Naples housing market remains a solid investment.

While optimistic, Budge Huskey, CEO, Premier Sotheby's International Realty, said, "Things are moving in the right direction, but it will take time to return to what most would consider normal market conditions."

Even new legislation passed last week to stabilize the property insurance market, reduce protracted litigation, and speed up the claims process will take time before it is enjoyed by Florida homeowners.

Huskey added, "Inventory in Naples is increasing, but there may be a bifurcation coming as newer homes are more insurable than older ones. This may begin to affect home prices next year because newer homes and their ability to obtain insurance will become more desirable and increase in price; whereas older homes that need attention will struggle to find a willing insurer and may become less desirable and decrease in price."

The November report showed inventory rose in all price categories except the \$300,000 and below category, which decreased 14.2 percent from 127 to 109 properties. Overall inventory in November rose 96.8 percent to 2,478 properties from 1,259 properties in November 2021. Comparatively, in November 2019 there were 5,563 properties in inventory, which was split between 2,771 single-family homes and 2,792 condominiums. Today, the inventory is single-family home heavy, which accounts for 63 percent of all homes for sale in Naples.

November's overall median closed price increased 20.4 percent to \$600,000 from \$498,500 in November 2021. But "the season for aspirational pricing is over," said Jillian Young, President of Premiere Plus Realty. "The economy is very different from where we were during the frenzied buying activity experienced in the year following the pandemic. Sellers can no longer expect multiple offers that are significantly over the listed price. We had less inventory then, which drove prices higher, and mortgage rates were at 2 and 3 percent, which gave buyers more room to make concessions."

November's report also showed sellers are more willing to negotiate again as the overall percent of list price received decreased 3.3 percent compared to last November. "A slowdown in sales started to occur during this past summer when COVID restrictions were lifted in foreign countries and people began to travel again," said Jeff Jones, Broker at Keller Williams Naples. "The opportunity to travel safely means homeowners aren't here to sell their homes."

The NABOR® November 2022 Market Report provides comparisons of single-family home and condominium sales (via the Southwest Florida MLS), price ranges, and geographic segmentation and includes an overall market summary. NABOR® sales statistics are presented in chart format, including these overall (single-family and condominium) findings for 2022:

CATEGORIES	NOV 2021	NOV 2022	CHANGE (percentage)
Total showings (month/month)	31,291	20,091	-36%
Total closed sales (month/month)	942	552	-41.4
Total pending sales (homes under contract) (month/month)	1,138	767	-32.6
Median closed price (month/month)	\$498,500	\$600,000	+20.4
New listings (month/month)	982	926	-5.7
Total active listings (inventory)	1,259	2,478	+96.8
Average days on market	24	46	+91.7
Single-family closed sales (month/month)	477	286	-40.0
Single-family median closed price (month/month)	\$620,000	\$820,000	+32.3
Single-family inventory	842	1,561	+85.4
Condominium closed sales (month/month)	465	266	-42.8
Condominium median closed price (month/month)	\$375,000	\$448,250	+19.5
Condominium inventory	417	917	+119.9

As to whether Hurricane Ian impacted the Naples housing market, Mike Hughes, Vice President and General Manager for Downing-Frye Realty, Inc., said, "There's a considerable number of homeowners tied up in insurance disputes right now. Once they are resolved, we may see a slight increase in new listings." Young added that, "Many homeowners are still displaced from the storm as they weigh their options." Huskey responded by adding, "There's also a percentage of homeowners that don't want to go through the renovation process, especially west of 41, and are instead selling their damaged homes to builders who are eager to buy and tear down a \$2 million home to build a \$6 million home." Jones quipped, "Despite whether a homeowner spends the money to renovate or sells to a builder, the average list price of a home for sale in a desirable neighborhood west of 41 is likely to increase."

If you are considering selling your home, look to a Naples REALTOR® who has the ability to provide an accurate market comparison and give you expert advice on how to capitalize on today's 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 local board of REALTORS® and real estate professionals with a legacy of over 60 years serving 7,900 plus members. NABOR® is a member of Florida Realtors® and the National Association of REALTORS®, which is the largest association in the United States with more than 1.4 million

members and over 1,200 local boards of REALTORS® nationwide. NABOR® is structured to provide programs and services to its membership through 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 who subscribe to its strict Code of Ethics.