

Market Update – *Buyers Market Continues in SW Florida!*

Current Conditions

I am constantly amazed at the amount of e-mail I receive as a REALTOR. On any given day I must get at least 40-50 e-mails from other agents with new listings, price drops, or notifications of short sales or pre-foreclosures. There is still a large imbalance of sellers trying to actually sell their homes and those staying on market hoping to get values from the boom 2 years ago. Those really hoping to sell their homes have “gotten real” about home values and dropped their prices to pre-boom days still providing modest gains. I continue to receive e-mails with price changes with words like: “reduced \$75,000”; “lowest priced home in development”; and “price dropped \$45,000”. One home priced in the mid-300’s, started out priced \$105,000 higher – and it still hasn’t sold.

Yesterday I was reading the Fort Myers News-Press and saw some interesting statistics. For June 2007, existing home sales were 558 and the median home sales price was \$253,900. The trend has shown a relatively small decline for the last year. However, by comparison to September of 2005, the number of existing home sales is down 48% and similarly, the median home sales price is down 12%!

Back in late 2005, homes were selling in days rather than months and sellers were getting close to their asking prices – and sometimes over asking price as buyers engaged in bidding wars. Now, as days-on-market soars for most active homes, the realization is sinking in for some sellers that price adjustments are needed if they are truly interested in selling their property. This is a very encouraging sign.

MarketWatch: 8/27/2007	
New:	<u>144</u>
Expired:	<u>43</u>
Price Change:	<u>180</u>
Pending:	<u>26</u>
Back on Market:	<u>10</u>
Sold:	<u>15</u>
Extended:	<u>92</u>
Withdrawn:	<u>19</u>
Terminated:	<u>49</u>

The Silver Lining

As a REALTOR, I am also privy to the real-time statistics available to me through my local Multiple Listing Services or MLS. To further demonstrate the market conditions here in Southwest Florida, there are currently 16,922 active on market residential homes listed in the MLS. The MarketWatch graphic here shows that for yesterday alone there have been only 15 homes sold, while 144 new homes were listed and a whopping 180 homes had price changes. The price changes are a strong indicator that sellers are indeed “getting real” about the market.

So it appears buyers are still hesitant, but there are extraordinary deals to be had and an amazing inventory of homes to choose from. It’s time to start thinking about getting the home you’ve always dreamed about to at least get that second home to winter in paradise while you start planning your retirements and enter the next phase of your life!