

Home resales rose 50 percent over the past year in the Naples area, NABOR reports

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The psyche of buyers in Naples has changed.

So say local Realtors, who report having one of their busiest winter seasons in years.

A year ago, house hunters in the Naples area had more of a wait-and-see attitude. Now, they're more determined to buy.

"With the sales going up and with the inventory decreasing at the same time, it's almost giving buyers a sense of urgency that we've not seen them have," said Steve Barker, administrative broker for Amerivest Realty in Naples. "I think many buyers have arrived at the conclusion that now is a good time to buy."

Also giving some prospective purchasers a sense of urgency is a first-time homebuyer credit that is set to expire April 30.

In February, there were 542 resales in the Naples area, up more than 27 percent from 425 in the same month a year ago, according to a monthly report by the Naples Area Board of Realtors.

NABOR's report tracks sales made by Realtors through the multiple listing service, or MLS, in Collier County, excluding Marco Island.

About half the resales last month were condos. There were 270 sold, up from 188 in February 2009.

Pending sales – sales that have yet to close – grew to 1,122 in February. That was up from 691 in the same month last year.

Condos, in particular, are attracting more interest. Pending sales rose 76 percent in February to 544 contracts, up from 309 in the same month a year ago.

Most of the sales in February were made for less than \$300,000. There were 386 sales in this lowest-priced market last month.

Geographically, the most active area in February was North Naples, where there were 131 sales. Coming in second was central Naples, with 118 sales. Another 115 sales were reported in East Naples.

Home resales grew by 50 percent over the past year in the Naples area, according to NABOR.

There were 7,426 single-family and condo sales in the year ending in February. In the same 12 months a year earlier, there were 4,951 sales.

The inventory of homes up for resale decreased to 9,682 last month. A year ago, there were 11,427 on the market.

Lower prices are a driving factor in the market. Foreclosures and short sales continue to attract bargain-hunting buyers. In the year ending in February, there were 5,307 sales made in the under \$300,000 market, compared to 2,942 in the same 12 months a year earlier.

The median price for resales made in February was \$179,900. That was down more than 3 percent from \$185,000 in February 2009.

At the peak of the market in 2005, the median home price reached more than \$500,000 in the Naples area.

Typically, the inventory of homes rises in the winter season when there are more prospective buyers coming in from out of town.

While new listings are being added to the MLS, brisk sales are keeping the inventory from growing, Barker said.

“One thing we all noticed in looking at the February numbers is that the high-end has picked up quite a bit and that is very encouraging,” said Mike Hughes, vice president of Downing-Frye Realty in Naples.

In the \$1 million to under \$2 million market, there are 46 sales pending, compared to 25 a year ago.

In the \$2 million and up category, there are 35 sales pending, up from 15 a year ago.

In February, closed sales were up in every price category, except the \$2 million and up where there were six sales, compared to 13 a year ago.

“There are so many people in town,” Hughes said. “I think a lot of them see the value right now and a lot of them are starting to jump off the fence. The market doesn’t stay the same forever.”

The variables, he said, could soon change. Financing could get more expensive and the first-time homebuyer tax credit will expire soon, Hughes pointed out.

His company, he said, has experienced a “phenomenal” start to the year.

“If I throw out the bubble years, which is 2004 and 2005, this is our best start over the last 10 years,” he said.

His company was involved in more than 400 transactions in January and February as listing and selling agents. “That is big for us,” Hughes said.

“We had a lot of momentum going into 2010 and that momentum has not slowed down,” he said. “I think if anything it’s building steam.”

With Easter coming early this year, he expects March to be strong too.

“Everything is looking quite nice at the moment – quite impressive,” Barker said.

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To view the entire NABOR report, visit <http://www.NaplesArea.com>.

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