

In this Strong Market, Ian Damaged Homes make Buying/Selling Risky without a Realtor

Most indicators reflect favorably on the market, but challenges exist

BONITA SPRINGS, Fla. (November 3, 2022) – The Bonita Springs- Estero real estate market performance one month after Ian was pleasantly received by local brokers. The jump in the median price in October offset half of the decline experienced in September and even more impressive was that pending transactions increased 45% from the previous month.

“While one month doesn’t make a trend, I was still impressed with the overall October numbers. It demonstrates the resiliency and popularity of our market,” commented Steve Kolenda Managing Broker for Berkshire Hathaway Florida Realty. Kolenda added “I think the key metric was the jump in new transactions which is a great leading indicator for our market. The downside is that it has placed additional pressure on available inventory which saw a 9% decline from September”.

Erin McDonald, Managing Broker at Premier Sotheby's International Realty added “Despite an increase of 112.5% in month's supply from a year ago we are still in a pretty strong seller's market. The significant decrease in days on market YTD shows the continued strength and buyer demand in our markets. While the list to sold percentage is down, 98% is far from distressed and does not indicate falling home values, nor does the YTD trend which shows us at over 100%,”

Local realtors and brokers also agree the level of difficulty in buying and selling homes affected by Hurricane Ian is extremely high. Having updated knowledge of the home buying/selling process, home insurance policies, Federal laws and temporary policies in place since the storm, is vital in any attempt to purchase or sell a home. It is advised that anyone looking into buying or selling seek a professional in the area to help navigate the extra complicated current situation.

“Now more than ever buyers and sellers need a realtor, in these situations it's vital to know the current policies and which questions to ask,” said Jerry Murphy, Managing Broker of Downing-Frye Real Estate's Bonita Springs office.

The Bonita Springs- Estero real estate market's cash sales jumped by 7 points post Ian after some time trending downwards. This puts the percentage of cash sales at 67.7%. This may be explained by the continued rise in interest rates and buyers opting to pay cash and the many damaged properties that are selling “as is” and do not qualify for financing.

Local realtors and brokers have observed that with the large number of damaged properties in the surrounding towns, many displaced locals are searching for new homes further inland and short-term rentals while their properties are being repaired or replaced. Joe Pavich, Broker, Owner and Realtor at J.Pavich Real Estate recalls multiple guests at open houses searching for rentals for their displaced family members.

To which Murphy added, “With the displaced locals looking for rentals, many seasonal renters are accepting annual renters, this has in turn pushed the seasonal renters out or encouraged them to purchase their second home in the area. This has caused a large rental shortage.”

The local market is now seeing the standard buyers and the addition of locals displaced looking to sell “as is” or find a second home, and the seasonal renters who are being pushed to finally make the jump to buy.

The rental shortage has caused many locals to still be displaced from this storm 2 months later. Many who have a home that was damaged and is being repaired may be unable to purchase a second home for many reasons including finances and insurance policies. This means renting is their only option.

With this additional pressure, buyers and sellers are reminded to not rush into anything and to ensure the guidance of a qualified local realtor.

“In this trying time, we have seen many people who have never rented their home out, rent out their second home to a family displaced by the storm. This has helped our area tremendously. If you have a second home here in Southwest Florida and you are willing and able to skip this season and rent your home out or offer your home even for a short time, you would be helping our area. We are here to help you along with many other local professionals to ensure you get qualified renters.” said Suzanne McGuire, Broker and Owner at NextHome Coast2Coast.

Image

To ensure your next real estate transaction in the Bonita Springs or Estero market is a success, contact a Bonita Springs – Estero REALTOR® member by visiting BonitaEsteroRealtors.com.

*Inventory calculations are based on property listings that exist within the Southwest Florida MLS. Only properties in zip codes 33928, 34134 and 34135 are included. Single family homes are tabulated with the building design of single family, villa detached, or manufactured with land conveyed. Condo units are tabulated using properties with a building design of low-rise, mid-rise, high-rise or villa attached.

The Bonita Springs-Estero REALTORS'® Multiple Listing Service (MLS) syndicates to LISTHUB, which distributes to 2,000+ real estate search websites.

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