



**BONITA SPRINGS-ESTERO**  
**REALTORS®**

## **FOR IMMEDIATE RELEASE**

### **First signs of season in our Real Estate Market**

*Most metrics see an increase from last year*

BONITA SPRINGS, Fla. (October \_\_, 2023) – September has brought welcome signs of revitalization to the real estate market. When comparing September 2022 to September 2023, various metrics have shown significant improvements: new listings surged by 29.2%, pending sales increased by 36.5%, closed sales grew by 6.3%, and inventory expanded by 38.4%. These figures collectively indicate a promising upturn, with the median price holding steady at \$547,950, representing a \$43,450 increase. It's worth noting that Southwest Florida was contending with the impact of Hurricane Ian during the last three days of September 2022.

Steve Kolenda, Managing Broker for Berkshire Hathaway Florida Realty's Bonita Springs office, stated, "It's not unreasonable to think that the momentum we saw last month could continue through the fourth quarter. The one statistic that stands out is the fact that, despite the ongoing increase in mortgage rates, financed transactions have remained strong; in fact, they decreased by 2.0%. High-interest rates tend to have less impact on this area due to our consistently high percentage of cash transactions."

Last September, the average 30-year mortgage interest rate was 6.1%. At that time, the Bonita Springs-Estero area witnessed 39.0% of transactions conducted in some level of financing. In contrast, the average interest rate for September is now 7.3%, and the % of financed transactions increased to 40.7%

Local realtors and brokers are encouraged by the fact that buyers are not deterred by the current interest rates. They firmly believe that interest rates are a temporary concern and not a long-term issue. Their consensus is, 'Marry the house and date the rate.' Many are curious and advise potential buyers to exercise caution when interest rates finally decrease.

Erin McDonald, Managing Broker at Premier Sotheby's International Realty, expressed her view, saying, "It is essential to emphasize that when we see interest rates drop, we may witness a surge in buyers who were previously on the fence or homeowners who were unwilling to give up their current 3% mortgages. This could potentially create a buying frenzy. I encourage all prospective buyers to take advantage of the current market, where there is less competition, even with higher interest rates, as it might cost you less now than in a scenario with lower rates and higher competition. A current benefit to buyers is also the increase in days-on-market jumping from 33 days last year to 58 days this year. Despite the 75.8% increase, a metric for days-on-market under 60 days still reflects a strong market."

Regarding potential savings from interest rate decreases, Mike Hughes, Managing Broker at Downing-Frye Realty's Naples and Bonita Offices, stated, "If rates come down enough, the potential savings could be offset by an increase in prices due to the influx of buyers entering the market at that time. This could bring back the multiple offer environment."

Kolenda adds, "We are already witnessing a resurgence in the market after a relatively quiet summer. Given this, it is advisable to buy now before interest rates decrease. In the event of interest rate declines, the already limited and gradually improving inventory levels may not suffice for the number of buyers entering the market."

Inventory levels have remained a persistent challenge in the Southwest Florida area, currently standing at 779 units with a 3.2-month supply of inventory. Despite the increase compared to the previous year, the pre-pandemic period maintained a level of 6.0 months.

"I usually see inventory growing around this time, but I am unsure if we will see that this year. This situation could create a tight and interesting market for winter buyers. We hope to see a substantial number of new construction properties entering the market this winter. A drop in interest rates may motivate homeowners who are reluctant to give up their current low-interest rates to list their properties and make a move. " Hughes remarked.

Kolenda also noted, "In terms of new construction, we are not seeing a large influx of properties to help with the inventory situation. Additionally, construction timelines are extended, with some project stretching over 12 months."

September of 2023 shows positive increases in the Bonita Springs-Estero real estate market despite the continued increase of interest rates. Local realtors and brokers encourage buyers to make their move now before interest rates adjust further. They also suggest using an experienced local realtor to help with the process as insurance is currently a battle and can cause unforeseen issues in the buying process.

	<u>Month</u>	<u>Month</u>	
	<u>over</u>	<u>over</u>	
	<u>Month</u>	<u>Month</u>	<u>% Change</u>
	<u>Sep-22</u>	<u>Sep-23</u>	
New Listings	202	261	29.2%
Pending Sales Units	148	202	36.5%
Closed Sales Units	160	170	6.3%
Median Closed Price	\$504,500	\$547,950	8.6%
Average Days on Market	33	58	75.8%
Months Supply of Inventory	2.0	3.2	60.0%
Active Inventory	563	779	38.4%
Sales Price as a % of List	97.7%	96.8%	-0.9%
Cash % of Total Sales	61.1%	59.5%	-2.6%
	<b>YTD 2022</b>	<b>YTD 2023</b>	<b>% Change</b>
New Listings	3,290	3,124	-5.0%
Pending Sales Units	2,610	2,309	-11.5%
Closed Sales Units	2,600	2,318	-10.8%
Median Closed Price	\$525,005	\$557,500	6.2%
Average Days on Market	16	42	162.5%

*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](http://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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### **About Bonita Springs- Estero REALTORS®**

Founded in 1966, the Bonita Springs-Estero REALTORS® is a local trade organization of over 1,000 REALTORS® and more than 120 affiliated industry members. Bonita Springs-Estero REALTORS® is part of the National Association of REALTORS® and Florida REALTORS® and provides its members with a wide range of services designed to educate and empower members and consumers alike through the opportunity to sell or purchase real property. It also provides the public with up-to-the-minute real estate reports, trends and information about the Bonita Springs and Estero real estate market. For more information visit <https://www.bonitaesterorealtors.com/>.

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