



Bring Your Highest Expectations™

ANNUAL MARKET REVIEW FOR 2017

Naples / Bonita Springs / Estero / Marco Island Market Area



Bring Your Highest Expectations™

NAPLES, BONITA SPRINGS AND ESTERO

Closed Sales

The overall number of closed sales remained relatively stable compared to 2016, up just 2% to 11,872 sales. Properties priced above \$5 million rebounded after a pull-back in 2016 and finished the year with 70 sales, a 13% year-over-year increase. Generally, all price segments performed well, with properties priced under \$250,000 showing the only decrease from the prior year.

Inventory Levels and New Listings

The supply of condominiums available for sale remained approximately the same as last year with 3,504 available on January 1, 2018 vs. 3,479 a year ago. Single family supply fell by 10% to 3,220 units. The largest decreases occurred in the segments of single family homes priced under \$250,000, down 56% to 47 properties, and those priced above \$5 million, down from 142 units a year ago to 107 available units at the beginning of 2018. Condominiums priced above \$5 million declined 42% to 18 properties. This decline was offset by increases in the price ranges under \$500,000 and those priced between \$2 million and \$5 million, keeping the overall inventory stable with prior year.

The number of new listings placed on the market in 2017 declined 5% from the prior year to 19,307. This is very close to the average of the past seven years and representative of the historical norm for the years 2011 – 2017.

Pended Sales

There were 15,294 sales that pended during the year, approximately the same as 2016. With the exception of the peak years of this cycle of 2013, 2014 and 2015, pended sales have been stable since 2010. Although not all pended sales close, they are a leading indicator of buyer activity in the market.

Summary

Closed sales, newly pended sales, and average sales price have remained stable over the past two years. At the end of 2016, inventory was trending toward an oversupply with increases in every price segment for both single family homes and condominiums and 7.3 months of supply in the overall market. By the end of 2017, inventory had decreased by 5% while demand remained high, resulting in a more balanced market with 6.8 months of supply. The Southwest Florida market can sometimes shift quickly from a balanced state to one that favors the buyer or seller, depending upon the dynamics that change. If inventory continues to decrease, and buyer demand remains strong, it could shift to favor sellers and push prices higher. Alternatively, if inventory remains stable or grows and buyer demand decreases, the shift could favor buyers. The outlook for 2018 is for the market to continue the stable trend of the past two years, with moderate price appreciation and an ample supply of product from which buyers can choose.



Bring Your Highest Expectations™

MARCO ISLAND

Closed Sales

There were 853 closed sales in 2017, down from 861 in 2016. Properties priced above \$1 million increased 4% year-over-year with 155 sales in 2017 vs. 149 during the prior year.

Marco Island real estate is distinguished by its views and open water access. The following summary provides insight into the availability and pricing of single family homes and condominiums based on their view. The snapshot is as of January 1, 2018 and will have changed some as of the date of publication of this report.

On January 1, 2017, single family homes with Direct Waterfront and Indirect Waterfront views comprised most of the single family inventory. On this date, there were 149 Direct Waterfront and 110 Indirect Waterfront properties available for sale. By January 1, 2018, Waterfront supply had decreased by 29% (149 to 106) and Indirect Waterfront was down 6% (110 to 103).

The views comprising most of the condominium inventory are Beachfront, Direct Waterfront and Inland. Beachfront inventory declined 13.6% to 140 units, while Direct Waterfront was down from 92 a year ago to 66 this year. Inland view supply increased 10.5% to 84 units, up from 76 a year ago. Overall, the combined single family and condominium inventory declined by 14%.

Pended Sales

The number of sales pended during the year increased 18% over 2016 with 1,036 pended vs. 879 during the prior year. The Marco Island real estate market is heavily influenced by second home buyers, and the strengthening of pended sales is an indication of the overall market strengthening. Although not all pended sales close, this is often the first indicator of future market direction.

Summary

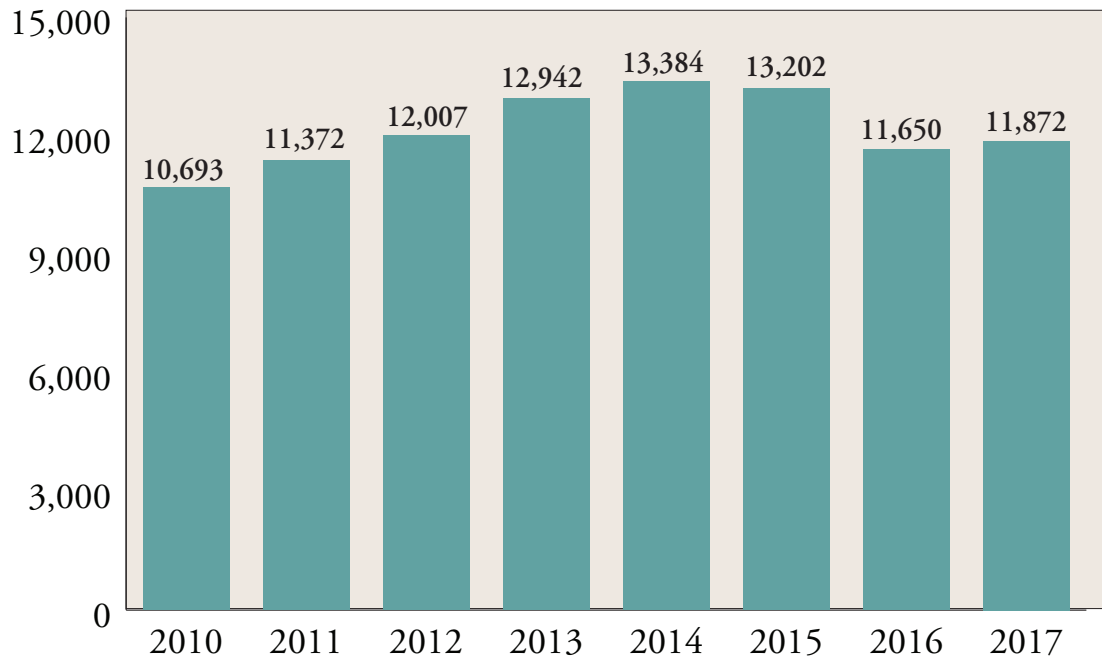
Marco Island, like most other markets in Southwest Florida, should continue to do well during 2018. The overall economy and performance of the stock market are highly influential to real estate activity in this area and will continue to be a key factor in its growth this year.



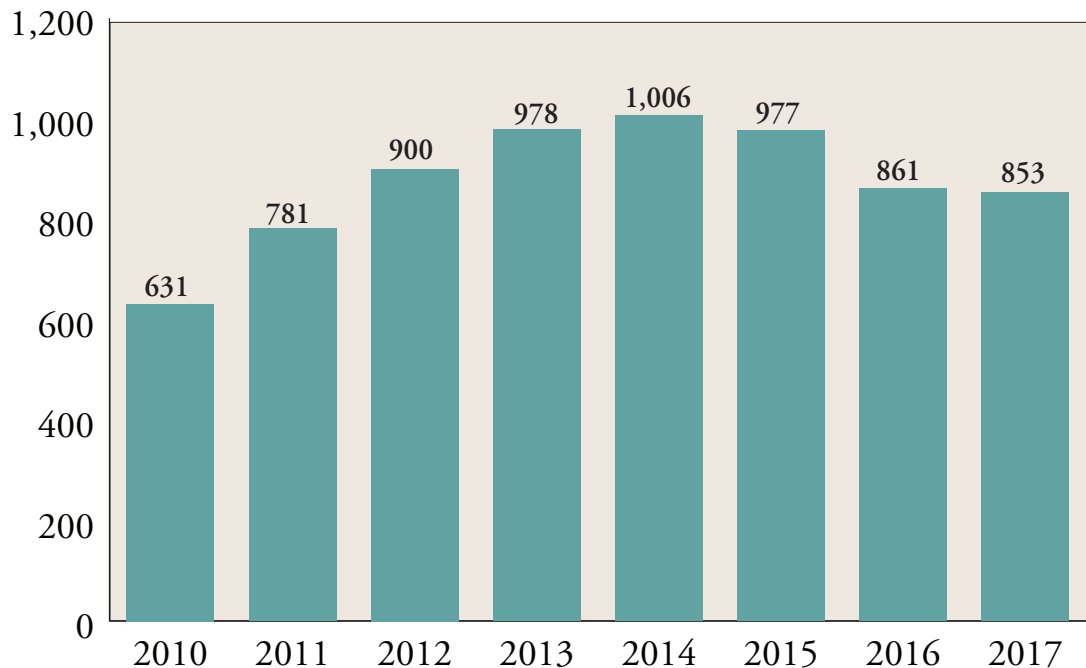
Bring Your Highest Expectations™

ANNUAL CLOSED SALES UNIT HISTORY

Naples, Bonita Springs, Estero



Marco Island



John R. Wood Properties, *Bring Your Highest Expectations.*

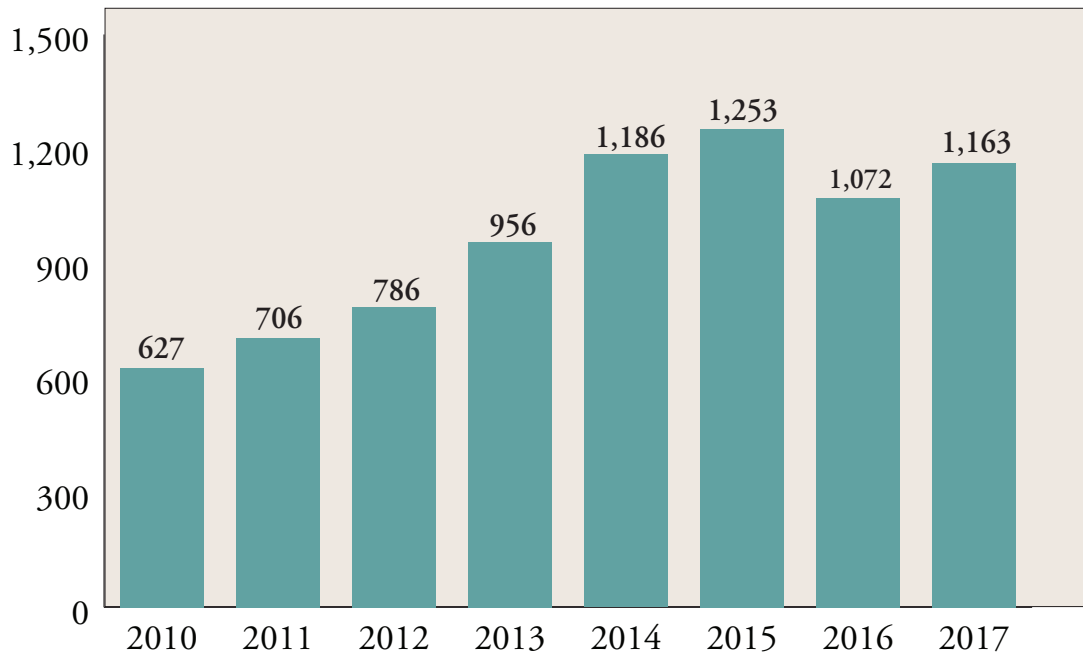
"The source of this real property information is the copyrighted and proprietary database compilation of Southwest Florida MLS, Marco Island MLS, Copyright 2017, and the proprietary compilation of that data by John R. Wood Properties, its employees, and professional statisticians hired by the Wood firm. Accuracy of the information is not guaranteed; it should be independently verified if any person intends to engage in a transaction, relying on such data."



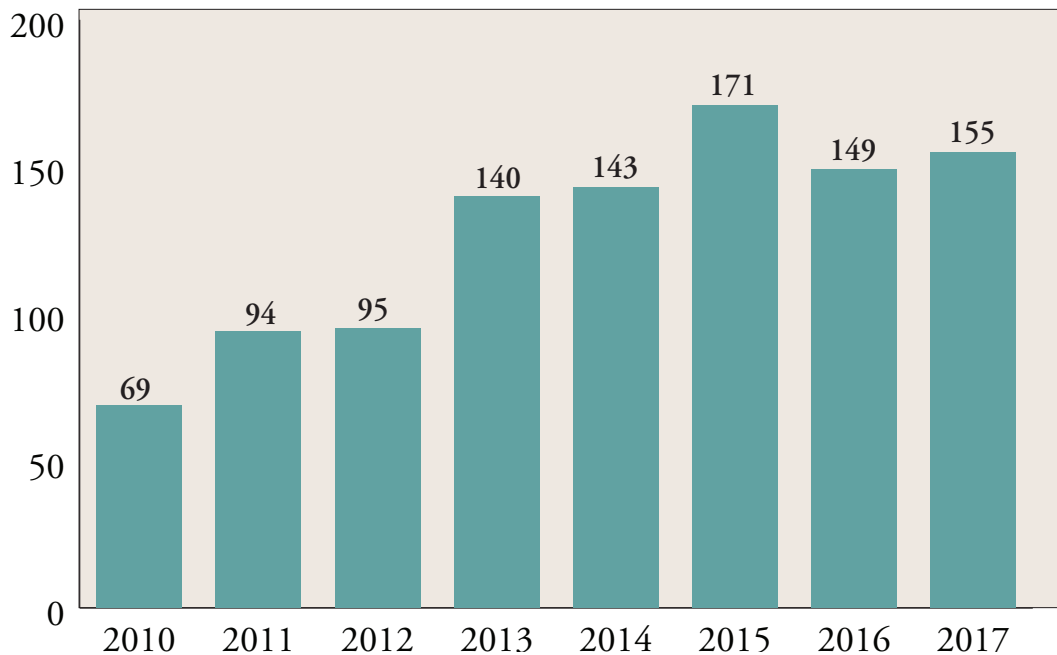
Bring Your Highest Expectations™

ANNUAL CLOSED SALES UNIT HISTORY OVER \$1 MILLION

Naples, Bonita Springs, Estero



Marco Island

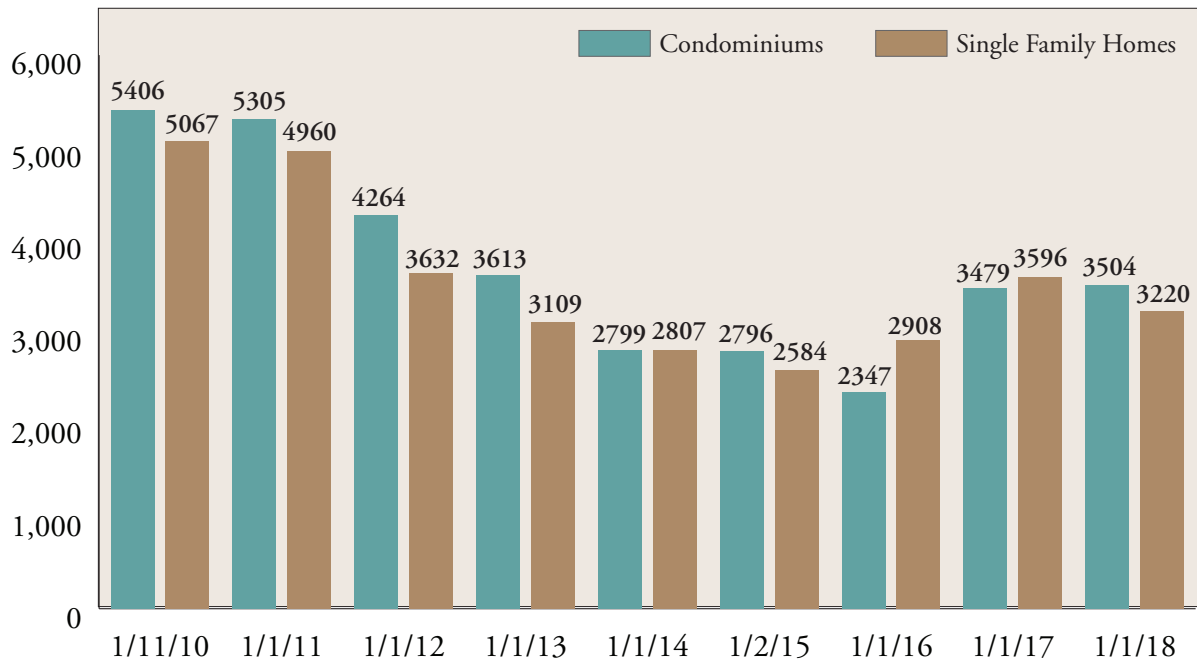




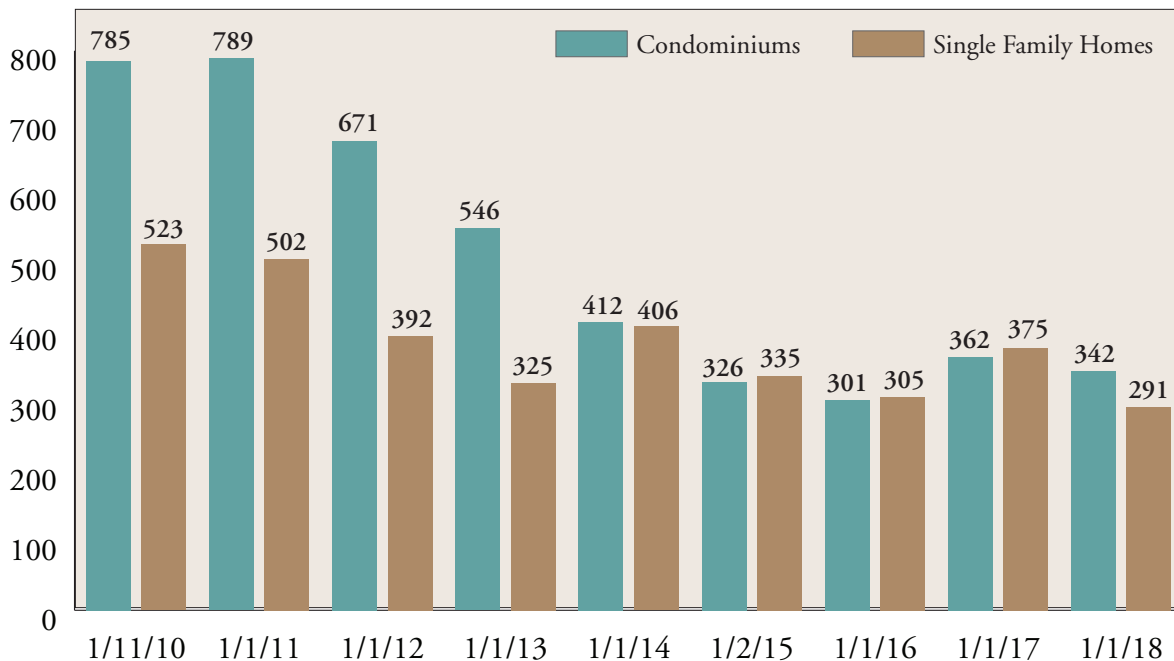
Bring Your Highest Expectations™

ANNUAL INVENTORY LEVELS

Naples, Bonita Springs, Estero



Marco Island



John R. Wood Properties, *Bring Your Highest Expectations.*

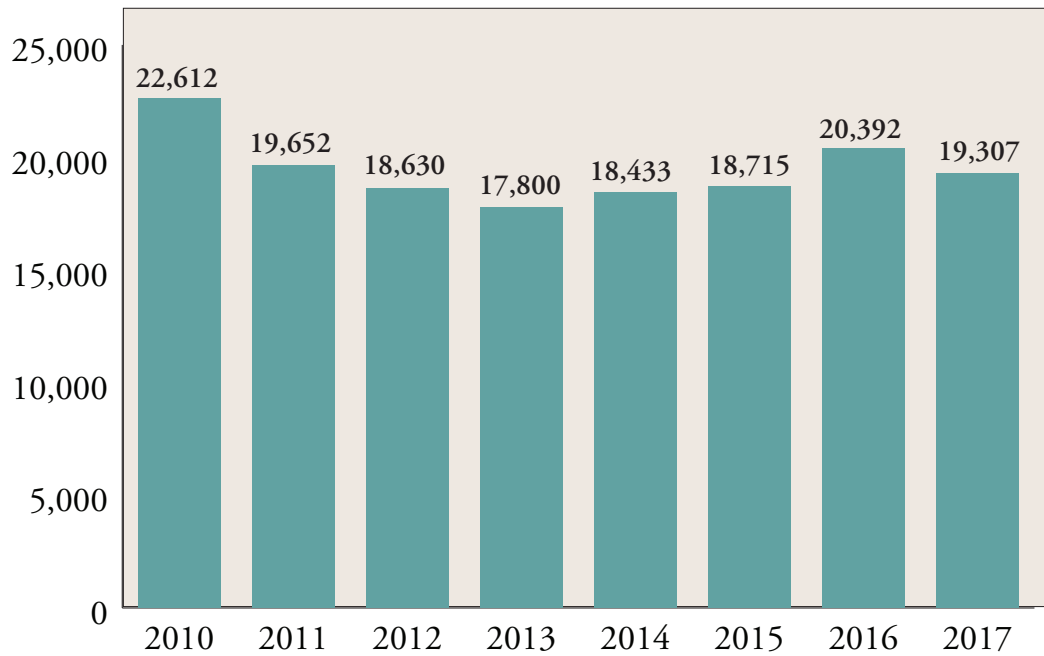
"The source of this real property information is the copyrighted and proprietary database compilation of Southwest Florida MLS, Marco Island MLS, Copyright 2017, and the proprietary compilation of that data by John R. Wood Properties, its employees, and professional statisticians hired by the Wood firm. Accuracy of the information is not guaranteed; it should be independently verified if any person intends to engage in a transaction, relying on such data."



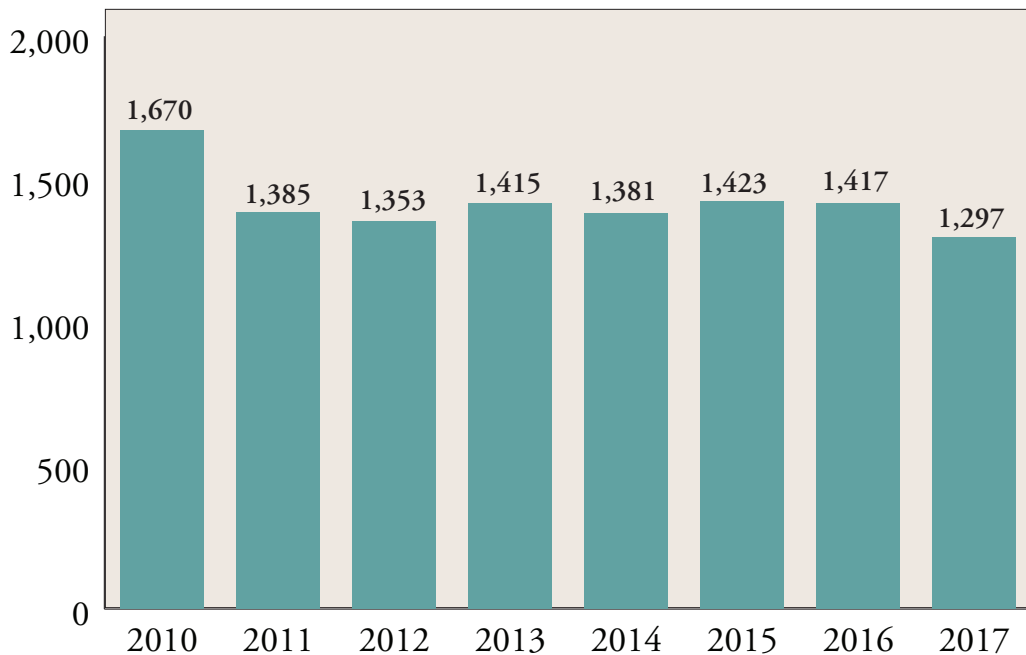
Bring Your Highest Expectations™

ANNUAL NEW LISTING HISTORY

Naples, Bonita Springs, Estero



Marco Island



John R. Wood Properties, *Bring Your Highest Expectations.*

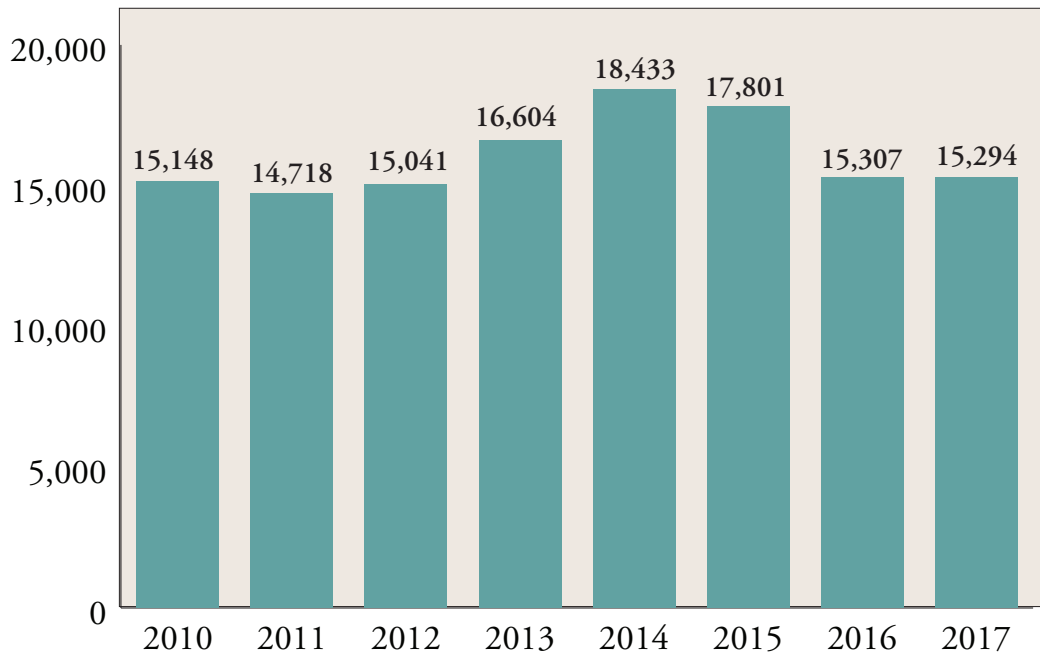
"The source of this real property information is the copyrighted and proprietary database compilation of Southwest Florida MLS, Marco Island MLS, Copyright 2017, and the proprietary compilation of that data by John R. Wood Properties, its employees, and professional statisticians hired by the Wood firm. Accuracy of the information is not guaranteed; it should be independently verified if any person intends to engage in a transaction, relying on such data."



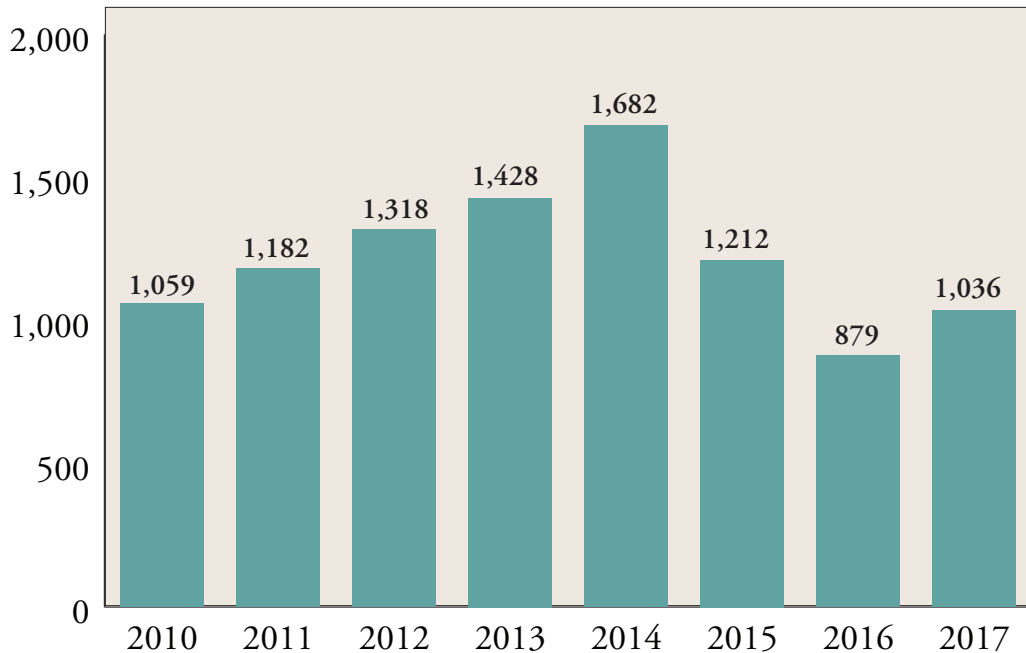
Bring Your Highest Expectations™

ANNUAL PENDED SALES UNITS

Naples, Bonita Springs, Estero



Marco Island



John R. Wood Properties, *Bring Your Highest Expectations.*

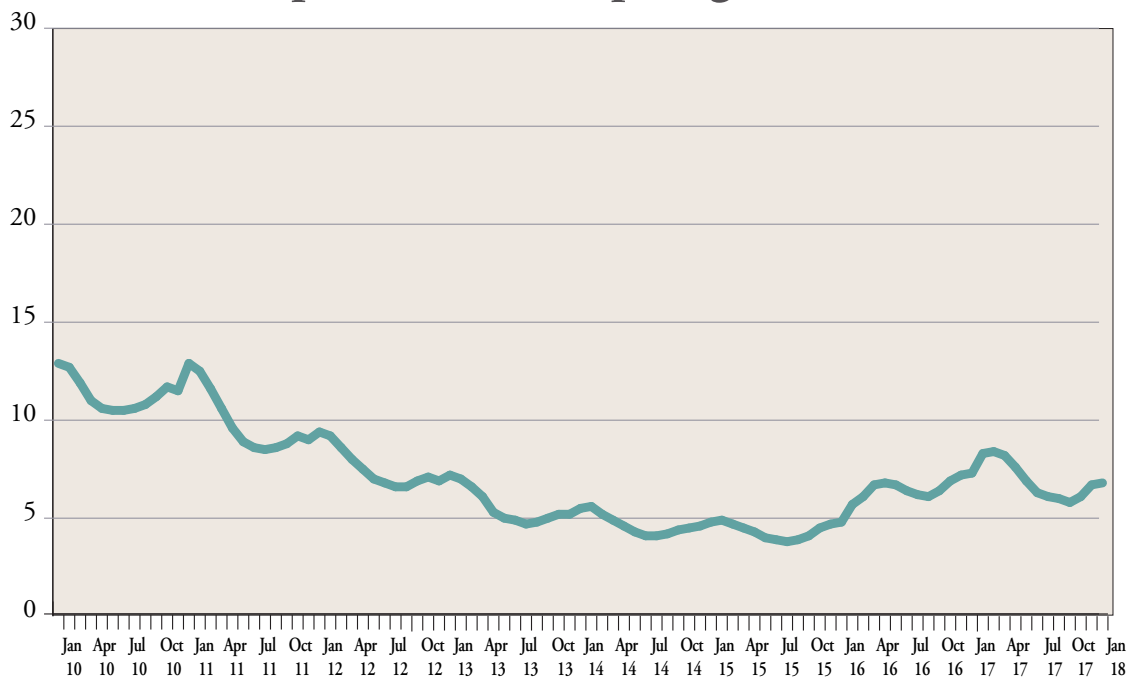
"The source of this real property information is the copyrighted and proprietary database compilation of Southwest Florida MLS, Marco Island MLS, Copyright 2017, and the proprietary compilation of that data by John R. Wood Properties, its employees, and professional statisticians hired by the Wood firm. Accuracy of the information is not guaranteed; it should be independently verified if any person intends to engage in a transaction, relying on such data."



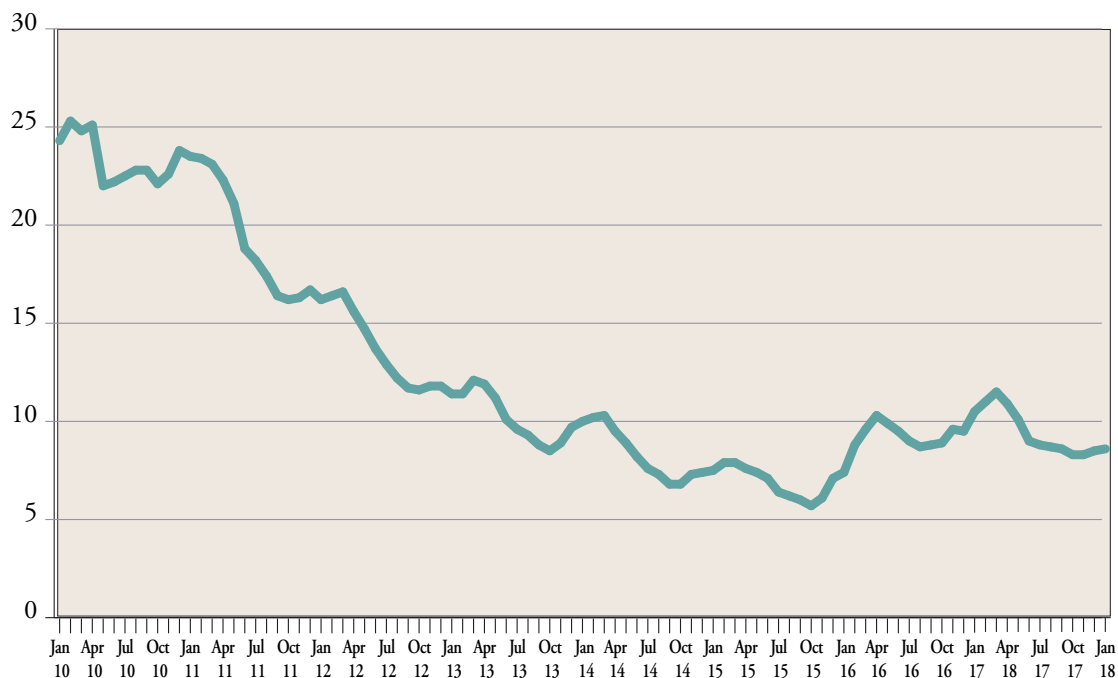
Bring Your Highest Expectations™

MONTHS OF SUPPLY

Naples, Bonita Springs, Estero



Marco Island



John R. Wood Properties, *Bring Your Highest Expectations.*

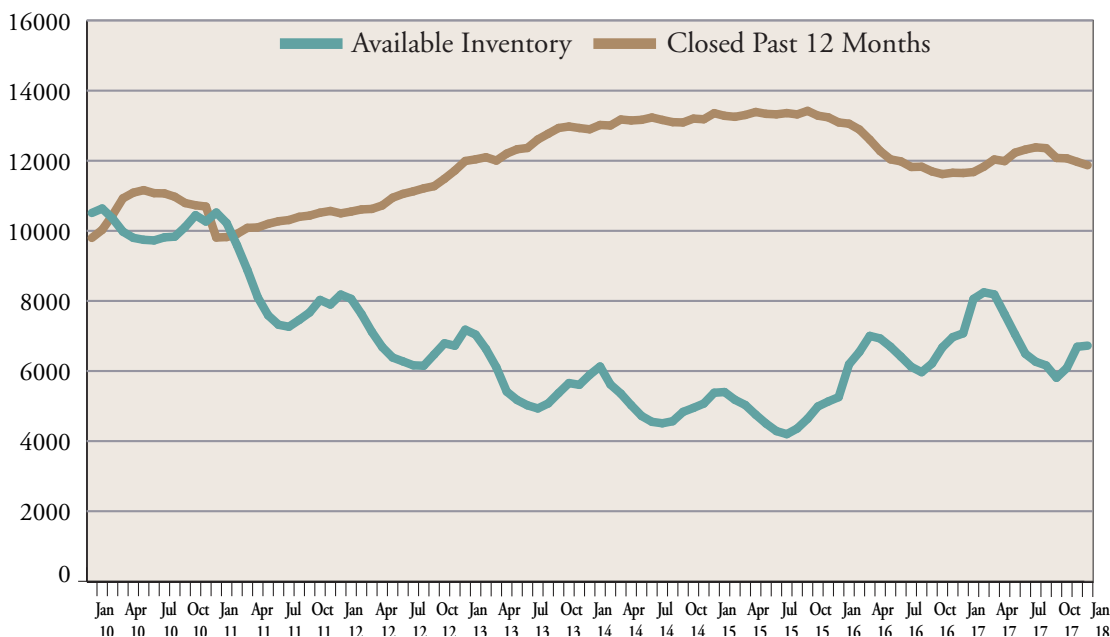
"The source of this real property information is the copyrighted and proprietary database compilation of Southwest Florida MLS, Marco Island MLS, Copyright 2017, and the proprietary compilation of that data by John R. Wood Properties, its employees, and professional statisticians hired by the Wood firm. Accuracy of the information is not guaranteed; it should be independently verified if any person intends to engage in a transaction, relying on such data."



Bring Your Highest Expectations™

INVENTORY AND ABSORPTION LEVELS 2010-2017

Naples, Bonita Springs, Estero



Marco Island

