

The Real Scoop: Advice on the Local Estate Market

With the national and local media coverage regarding real estate during the past few months, it is often difficult to ascertain the true picture. Since John R. Wood has been in the SW Florida real estate market for almost 50 years, our clients often ask us—What is the real story?

The media often mistakenly compare current conditions to the abnormal real estate market sales levels that were experienced in 2005. Instead, market activity should be compared to the average for the past 5 years. Doing so indicates that Southwest Florida real estate markets are experiencing healthy, normal levels of activity.

SELLERS. Many sellers have been pushed into a panic mode. There are people that must sell and they will offer some bargains. But most sellers need to think twice before jumping. Since there are so many listings currently on the market, you need to have

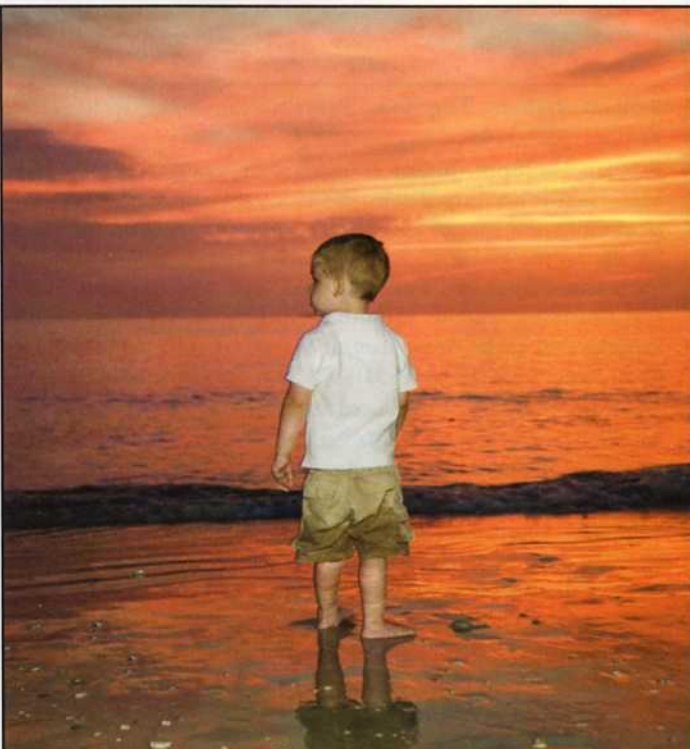
your home priced in the lower 25 percent of the comparable properties in your neighborhood. If you are not willing to be competitive in this manner, then wait awhile; most sellers will be able to sell their property at a higher price in the near future. The exceptions will be in large developments or condo complexes where many investors have purchased and are all attempting to immediately resell their properties creating a glut of almost identical inventory.

BUYERS. The market in most areas is experiencing a temporary plateau, maybe a slight dip. For the past five decades, this is a normal situation and has always been followed by a period of increases. Now is a great time to buy. The selection is excellent, and there are bargains available. Our experience indicates that you will never again have the vast selection of properties that are available at the current prices. You can enjoy

the great lifestyle, and your property will increase in value at the normal appreciation rates in the area, which are usually in the 10% to 20% per year range, depending on the particular neighborhood.

SUMMARY. The economy is very healthy. Real estate activity in many of our feeder markets has been stronger than in previous years, and interest rates continue to hover around the 6.5 percent level, historically a very low rate. For Southwest Florida, when compared with the average market levels of 2001 through 2005, the current real estate market is quite healthy. Enjoy the buying opportunities while they last!

Mara Muller has lived in Naples since 1996 with her husband and two daughters. She is a CRS. Please contact her at www.MaraSellsNaples.com or 272-6170 with all your real estate questions.



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