



2nd Quarter Market Report 2012



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Market Review – Second Quarter 2012

for Naples, Bonita, Estero Market Areas



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CLOSINGS AND INVENTORY

Second quarter closings continued to increase over same period, prior year, for the fifth consecutive year. Sales of properties priced above \$1,000,000 remained strong with 309 closings, up 12% from Q2 2011.

Available inventory decreased 16% from its Q2 2011 level and is down 55% from its highest point for the period, which occurred in 2007. Months of supply has declined from 30 months in Q2 2007 to its current level of seven months.



CURRENT INVENTORY BY PRICE SEGMENT

PRICE SEGMENT	2007	2008	2009	2010	2011	2012
\$0 – \$250,000	1,984	4,063	3,917	3,776	2,830	2,184
\$250,000 – \$500,000	6,500	4,767	3,429	2,727	2,190	1,943
\$500,000 – \$750,000	2,454	1,815	1,309	1,076	901	824
\$750,000 – \$1,000,000	1,174	980	876	679	540	432
\$1,000,000 – \$2,000,000	1,361	1,132	1,055	884	670	607
\$2,000,000 – \$5,000,000	730	662	680	506	376	308
Over \$5,000,000	131	132	128	96	82	87

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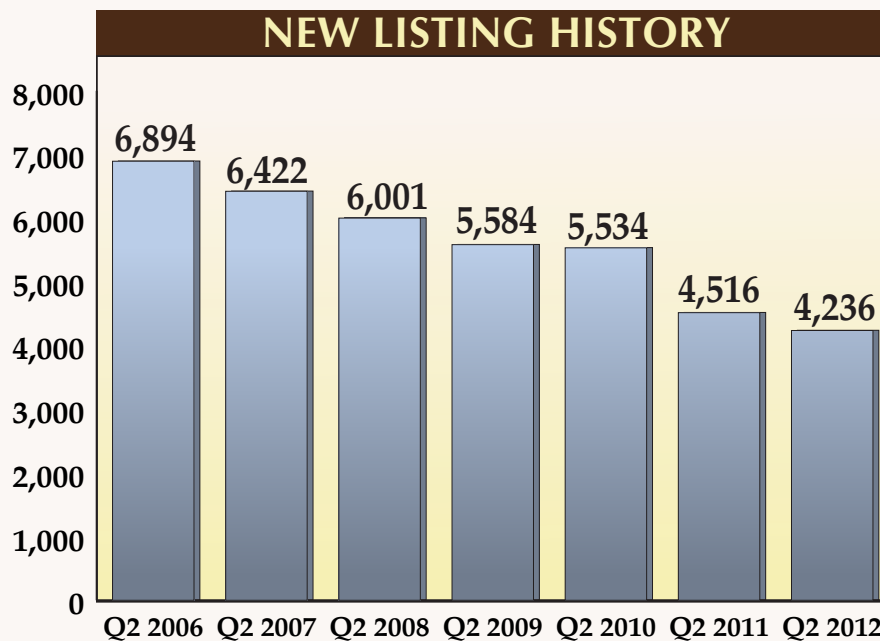
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NEW LISTINGS AND PENDED SALES

The number of properties placed on the market during the second quarter continued to decline and is the lowest for the quarter since 2004. Among the 27 neighborhoods in John R. Wood Realtor's sample, 19 have less than a one year supply of single family homes inventory. Of the 21 communities that offer condominiums, 14 are below a one year supply based on closed sales for the past 12 months.



The ratio of pended sales to new listings placed in inventory has almost reached the level of one pended sale for each new listed property. In some areas, the ratio of pended sales exceeds newly listed units, resulting in shortages of supply.

PENDED SALES/NEW LISTINGS HISTORY		
YEAR	NUMBER PENDED	RATIO: NEW LISTINGS: PENDED SALES
Q2 2006	1,894	3.6 : 1
Q2 2007	1,988	3.2 : 1
Q2 2008	2,449	2.5 : 1
Q2 2009	4,124	1.3 : 1
Q2 2010	4,086	1.3 : 1
Q2 2011	3,643	1.2 : 1
Q2 2012	3,805	1.1 : 1

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SUMMARY

The story remains the same as sales remain stable and inventory continues to diminish. More and more neighborhoods are achieving a balanced market (a one year supply), with a growing number moving into a shortage of supply. Sales above the million dollar mark remain robust, achieving their highest level for second quarter since 2005. At the same time, properties priced below \$250,000 are steadily decreasing and at the end of Q2 2012 comprise only 57% of closed sales for the year.

Stable prices (for now, at least!), along with low mortgage rates create a favorable environment for the astute buyer. Both buyers and sellers should seek specific information on changing market conditions in areas in which they have an interest.

This report is intended to give the reader a macro-view of the current market in the Naples, Bonita Springs, Estero area. Contact your John R. Wood Sales Professional for additional information or call our Customer Service Department at (239) 262-1900 or (877) 262-1300.

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