



## Home sales strong in Cape Coral

Written by

**MAE YOUSIF-BASHI**  
mbashi@news-press.com

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Homes are selling in Cape Coral.

Inventory for single-family homes is down more than 4,300 homes compared to four years ago, said Paula Hellenbrand, past president of the Cape Coral Association of Realtors.

In fact, there aren't enough homes to keep up with interested buyers.

"We have made a major impact on the market," said Hellenbrand, who also is the broker/owner of Encore! Realty Services. "It's all about supply and demand. There is a higher demand and lower supply ... The market is fantastic, it's the best it's been in five years."

Steve Koffman, a broker and Realtor with Century 21 Sunbelt, believes the lower inventory is partly due to banks having pulled 22 percent of foreclosed homes off the market in the fall to go back through the process and ensure all procedures were followed correctly.

He said the question is whether those homes will be placed back on the market all at once, or if they'll trickle in a few at a

time. Either way, business in the Cape has been good, he said.

Koffman's Century 21 team was ranked third in the country and first in Florida last year for sales within the company. Over the past few weeks, his agents have sold three million-dollar homes. Normally, only one sells each month in all of Cape Coral, he said.

"There are definitely a lot of people looking for homes right now," Koffman said. "... Price is driving everything ... Foreclosures are selling twice as fast as regular home sales."

About 60 percent of homes that have been selling recently are foreclosures and short sales, Koffman said.

But that doesn't mean other homes aren't selling, too. Hellenbrand said it's definitely a seller's market on the lower end of the price spectrum and that well-priced listings are selling quickly.

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The market of homes priced under \$150,000 is strongest right now. And the market moving up toward \$250,000 also is strong, but not as strong, she said. Homes priced in the \$250,000 to \$500,000 range have about five to six months of inventory, Hellenbrand said, while homes from \$500,000 to \$1 million have more inventory than there is demand.

“Every buyer, no matter what market, is buying below replacement cost,” Hellenbrand said, noting that it’s less expensive to buy an existing home than it would be to build a new home.

### Sellers market

The most popular area to buy a home with boat access is in the Southeast or Southwest Cape, while the hottest otherwise is in the Southwest Cape.

But the key is to get residents moving into the homes rather than investors buying homes and renting them out, Koffman said.

“When we can occupy these houses, we’ve done a good job of absorbing the inventory,” Koffman said. “Investors don’t help because they just rent them back. When we have residents moving here, we’re healing.”

That includes potential buyers such as Uli and Ralph Meserth, of Baltimore, who were recently in Cape Coral looking for a vacation home. The couple, originally from Germany, said Germany’s housing market can’t touch the great prices they’ve been

seeing in the Cape.

Their goal was to find a home priced under \$100,000 with two to three bedrooms and preferably a pool.

“I can’t imagine at that price range to see a home like that,” Uli Meserth said, walking out of a home that immediately became her favorite of the day. “... I was impressed that I found prices in that range in good shape. I was expecting to put more money and work into it.”

The home was priced at \$119,000. Ralph Meserth said in Germany, the home would easily be priced around \$300,000 euros, which equals roughly \$423,000 U.S. dollars. The key, they’ve found, is to act quickly. Many homes are already pending an approval for purchase by the time they make it back to the office to do the paperwork.

Hellenbrand said she’s very happy with the market in the Cape.

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Both real estate agents agree that with low interest rates and low property taxes, this is the perfect time to buy a home.

“I hope and pray inventory stays low,” she said. “... I hope we continue to have a market that keeps moving, that there's appreciation, but not like boom years because that was just too much.”

In 2005, many waterfront homes saw 25-35 percent appreciation in one year.

“It became unaffordable for an average working class person,” she said.

## BY THE NUMBERS

- 78 percent: of active homes for sale in the summer of 2008 in Cape Coral were distressed properties, such as foreclosures and short sales
- 24.6 percent: current percentage of distressed homes for sale in the active market
- 1,969: current number of single-family homes on market in Cape Coral
- 6,300: number of single-family homes on market in Cape Coral in 2007
- 1,265: year-to-date number of homes sold in the Cape (499 foreclosures, 258 short sales)
- 1,427: number of homes sold by last year this time (at quarter end, which would include about two more weeks of data) (627 foreclosures, 303 short sales)

## TIPS

For sellers:

- The most important thing is to price property where the market is at by looking at what has sold on the market and what is now on the market. Hellenbrand said sellers will most likely get their asking price or more.

For buyers:

- Be prepared, do your homework, and be ready to act on an interested property or you'll lose the purchase. Don't wait two to three days to see a house or make an offer.

For real estate agents:

- Adapt to the market and younger potential clients by using social media, the Internet and creative marketing. Treat your customers right — they're No. 1. Keep up with technology and follow market trends.

Sources: Steve Koffman and Paula Hellenbrand

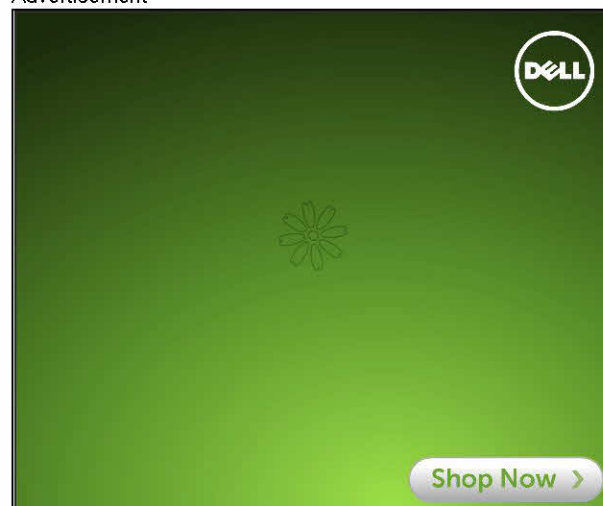
## CAPE CORAL SINGLE-FAMILY HOME SALES

- March (to date): 426
- February: 421
- January: 418
- December: 519
- November: 401
- October: 439

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