

Coldwell Banker Schmitt's Real Estate Report

Vol. 23 No.1

Winter 2023

KEYS-WIDE COMPARISON: JANUARY-DECEMBER 2022 VS. 2021

Year over year, the number of sales in 2022 declined 31% – progressively during the year – down 15.5% at the end of Q1 to 25.2% at midyear and 26.8% at the end of September. These progressive declines occurred as average sale prices increased 25.5% by July 1, ending at 18.4% in December reflecting a cooling of price increases along with sales declines as the year progressed. While the sales side declined in 2022, the supply side increased incrementally starting the year with 1,156 active listings and ending at 1,364, and 18.4% increase. Pending sales also declined starting the year with 475 and ending up with 163 – a 65% decrease which reflects the reduced number of sales we will experience in the first quarter of 2023. All these metrics reflect a return to a more “normal” market rather than a downturn toward a recession as the record-setting sales experienced as a consequence of COVID coupled with very low interest rates in 2020 and 2021 have never before been experienced in the Keys or elsewhere for that matter. Even with these declines in 2022, it was the second-best year on record for real estate sales after 2021. We forecast similar trends in 2023 as we experienced in 2022 with up to 25% fewer sales while average sale prices should hold steady as inventory levels remain historically low. While February 2023 started with over 1,500 listings, we do not anticipate it reaching the tipping point for inventory levels of 2,500 active listings in 2023 that would historically begin to send prices downward. With limited inventory, buyers will have limited choice serving to continue to maintain prices. Even with a 25% decline in sales, 2023 would likely be the third-best year on record for the dollar volume of sales thanks to an average sale price of approximately \$1 Million. As inflation is tamed and interest rates subside we may even see an increasing number of buyers starting to appear by the year's end as there appear to be no other economic fundamentals slowing sales. 2023 will be a very interesting year as the Rate Of Growth Ordinance will expire and future building permit allocations may be in jeopardy based on the existing 24-hour and 48-hour hurricane evacuation models.



Keys-wide Sales

decreased
31.2% from
4,325 to
2,976



Average Sale
Price (ASP) was
up 18.4% to
\$1,038,652 from
\$877,423



Average List
Price (ALP) was
up 12.0% from
\$1,403,754 to
\$1,572,613



Days On
Market (DOM)
was down 34.1%
going from 85 to
5 days



Properties
For Sale
increased
18.4% from
1,156 to 1,369

Based on All Property Types

KEYS-WIDE COMPARISON: SALE PRICE-TO-LIST PRICE RATIO

Sales Price % vs
Original Listed
Price for properties
sold after price
reductions

92.75%
*Down 0.6%
from 2021*

Sales Price % vs
Listed Price at
the time the
property
obtained a
contract & sold

96.49%
*Up 0.6%
from 2021*

Avg List
Price
reduction
during
listing term
for sold
properties

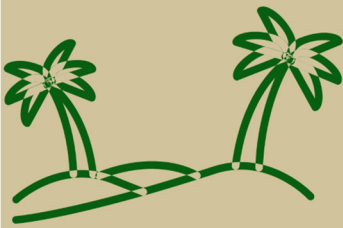
3.7%
*Down 0.9%
from 2021*

2022 VS 2021 BY PROPERTY TYPE FOR MONROE COUNTY



Residential

- 79% of all sales and 88% of the total dollar volume of sales
- 2,360 residential properties were sold in 2022 vs. 3,509 in 2021, a drop of -32.5%
- The average sale price was \$1,162,663, up 19% over 2021
- The dollar volume of sales was \$2,743,885,434, -19% lower than in 2021
- Sale prices averaged 97% of the final list price which meant no change from 2021
- There were 3,281 new listings, down -12% from 2021
- The 3,854 active listings over the course of the year was -20% fewer than in 2021



Vacant Land

- 9% of all sales and 3.8% of the total dollar volume of sales
- 282 vacant land listings were sold in 2022 vs. 475 in 2021, a decline of -40%
- The average sale price was \$416,606, a 14% jump over 2021
- The dollar volume of sales was \$117,482,855, down -32% from 2021
- Sale prices averaged 96% of the final list price, up from 2021's 93%
- There were 531 new listings, off -12% from 2021.
- The 691 active listings over the course of the year was -19% lower than in 2021



Commercial

- See our Commercial Newsletter for a more detailed analysis
- 5% of all sales and 6.9% of the total dollar volume
- 168 commercial properties were sold or leased in 2022 vs 170 in 2021.
- The average sale price was \$1,265,559, down -7% from 2021
- The dollar volume of sales was \$212,613,968, -8% lower than in 2021
- There were 287 new listings, virtually unchanged from 2021's 291.
- The 454 active listings was an -8% drop from 2021's 494



Boat Slips

- 3% of sales and 0.08% of the total dollar volume
- 93 boat slips were sold in 2021 vs. 97 in 2021, down -4%
- The average sale price was \$278,718, up 44% from 2021
- The dollar volume was \$2,592,800, an increase of 38%
- Sale prices averaged 96% of final list price, flat from 2021
- There were 110 new listings, 4 more than 2021's 106.
- The 135 total active listings represented a -17% decrease from 2021

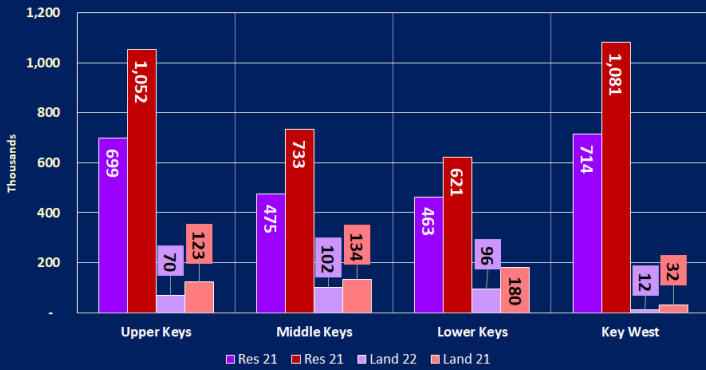


Business Opportunities

- There were 14 sales in 2022, more than doubling 2021's six sales
- The average sale price was \$172,571, a decrease of -40% from 2021
- The dollar volume was \$2,416,000, a 39% increase over 2021
- Sale prices averaged 84% of final list price, essentially flat from 2021
- There were 40 new listings in 2022 vs. 35 in 2021
- The 65 total active listings was an 18% increase over 2021

THE KEYS SUBMARKETS REPORT

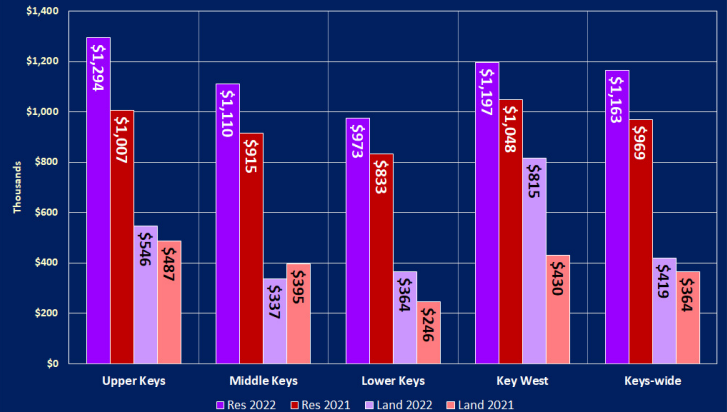
TOTAL SALES SIDES FOR RESIDENTIAL & VACANT LAND



The number of residential sales sides was down -32.5% vs. 2021's total Keys-wide while vacant land sales were down -40.3%. The residential decline was fairly evenly distributed.. The Lower Keys was least affected at -25% in the Lower Keys while the remaining areas came in between -32.5% and -35.2%. Key West was most affected by lower vacant land sales at -62.5% and the Middle Keys the least at -24%.

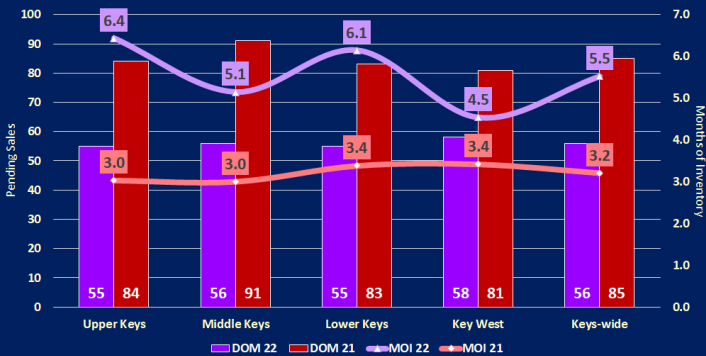
The residential ASP increased 28.5% in the Upper Keys, 21% in the Middle Keys, 17% in the Lower Keys and 14% in Key West leading to a Keys-wide jump of 20%. The Vacant Land ASP declined -15% in the Middle Keys, but increased 90% in Key West (based on a total of only 12 sales), 48% in the Lower Keys, and 12% in the Upper Keys yielding a Keys-wide rise of 15%

AVERAGE SALE PRICE FOR RESIDENTIAL & VACANT LAND



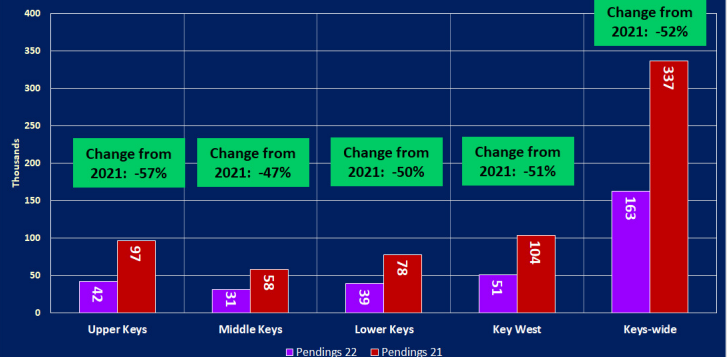
The Days On Market figure continued its downward trend from 2021. DOM in 2022 ranged from 55 days in the Upper Keys and Lower Keys to 56 in the Middle Keys and 58 in Key West. Conversely, Months of Inventory (the absorption rate) increased everywhere ranging from an 112% increase in the Upper Keys to 33% in Key West yielding a Keys-wide increase of 72%.

DAYS ON MARKET & MONTHS OF INVENTORY - ALL PROPERTY TYPES



The number of listings with the status of pending, contingent, or contingent-show dropped by -52% Keys-wide. The Upper Keys total decreased by -57%, Key West, by -51%; the Lower Keys, -50% and the Middle Keys by -47%

PENDING, CONTINGENT & CONTINGENT-SHOW AS OF DECEMBER 31 2022



VISIT REALESTATEFLORIDAKEYS.COM



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Marathon, FL 33050
Toll Free: 800-366-5181
Office: 305-743-5181



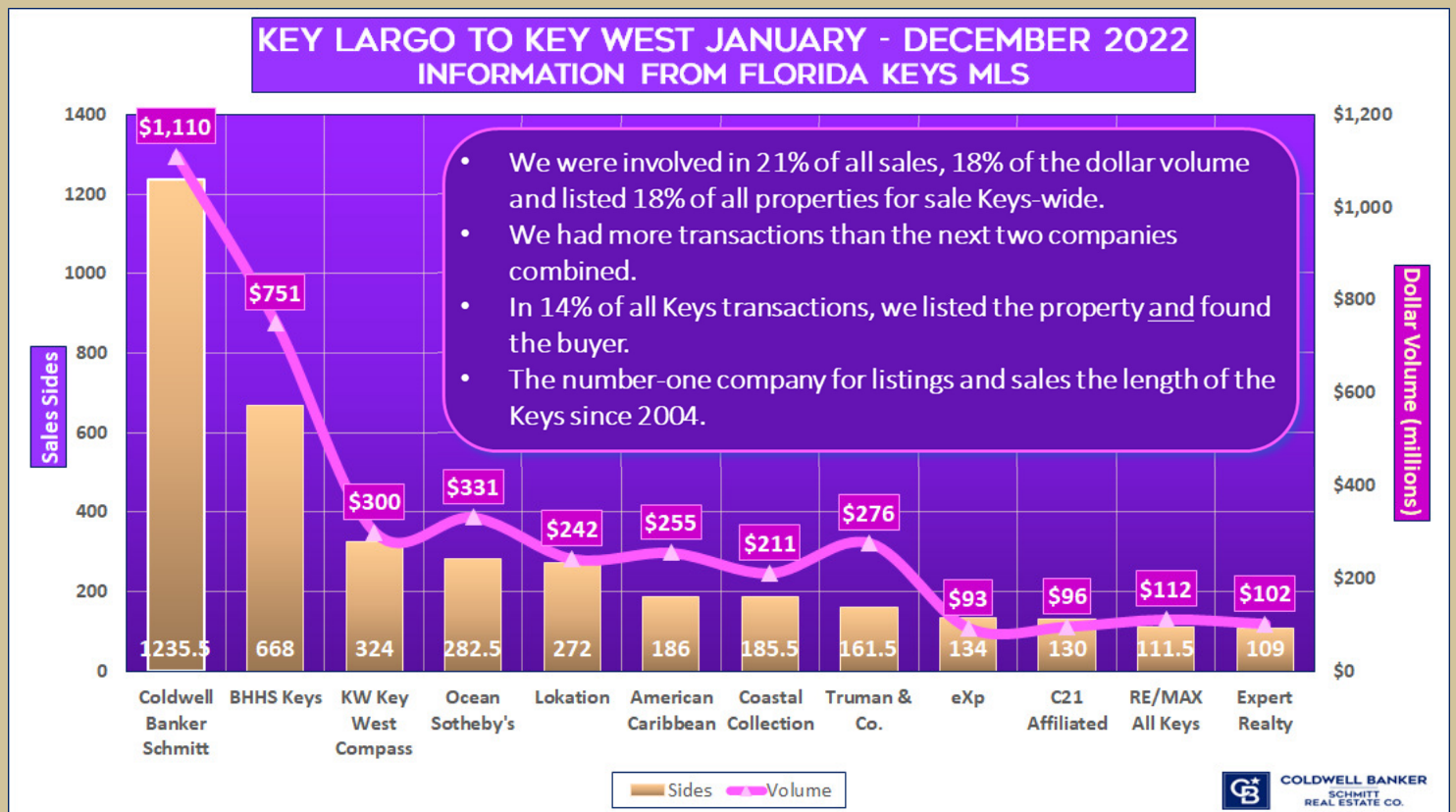
PRESORTED STD.
U.S. POSTAGE
PAID
Marathon, FL
PERMIT NO. 15

AND/OR CURRENT RESIDENT:

If you would like a **FREE** Comparative Market Analysis, contact one of our five offices
at the toll free numbers below. We are *"The Most Trusted Name In Florida Keys Real Estate."*

Key Largo (877) 289-0035 100430 Overseas Hwy. | Islamorada (800) 207-4160 85996 Overseas Hwy. | Marathon (800) 366-5181
11050 Overseas Hwy. | Big Pine (800) 488-3050 29967 Overseas Hwy. | Key West (800) 598-7727 1201 White Street, #101

WHICH COMPANY'S AGENTS WOULD YOU WANT TO SELL *YOUR* PROPERTY?



COLDWELL BANKER SCHMITT IS THE LEADING COMPANY FOR SALES & LISTINGS SOLD KEYS-WIDE