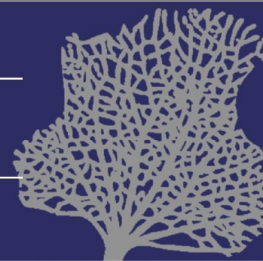




The Most Trusted Name in
Florida Keys Real Estate Since 1955

COLDWELL BANKER SCHMITT'S LUXURY ISLAND PROPERTIES REPORT



Fall 2020

Keys-wide Comparison of October 2019 through September 2020 vs. Prior 12 Months

The luxury residential market has been especially strong since the reopening of the Keys on June 1 as detailed in the charts herein resulting in a year-over-year increase of 24.2% in sales and a strong 78.4% increase in pending sales. The normal annual cycle of listings and sales was disrupted by COVID which delayed the normal sales peak from May to August and resulted in an increase in listings at the end of summer when inventories would typically be at their annual low ebb. Surprisingly, the average sale price and days on market has not changed significantly over the past year as a result of this increased activity. The Fall season is typically the slowest of the year for sales but with 182 pending sales at the beginning of the fourth quarter and continued brisk sales activity we expect the Fall to be one of the busier selling seasons this year. It is noteworthy that while luxury sales have been active in 2020, the margins between list and sale prices have maintained significant spreads and sellers have had to continue to reduce asking prices during the listing term to attract a buyer. The average seller fell short of their initial expectations of price by 13.1% which translates to an average price reduction of almost \$245,000 from the original list price for the average luxury home. Discounts for luxury homes have always been greater as a percentage of the list price than the overall market. The discount from original list price for the overall market is 9.67%. The same holds true for marketing time which is 145 days for luxury and 123 days for the overall market. With 91 pendings representing 21% of year-over-year closed sales the fourth quarter should result in the best year for luxury on record.



Keys-wide sales
increased 24.2% from
347 to 431.



Average Sale Price
(ASP) was flat at
\$1,670,394 compared with
\$1,671,199 one year earlier.



Average List Price (ALP)
was up 2.9% from
\$2,311,511 to \$2,379,696.



Days On Market (DOM)
increased 5.1% from 138 to
145.



Properties For Sale
fell by -2.7% from 449 to
437.

Based on Single Family, Townhouse, Condo, Duplex & Half-Duplex homes listed at \$1,000,000+

Keys-wide Comparison of List Price to Sale Price

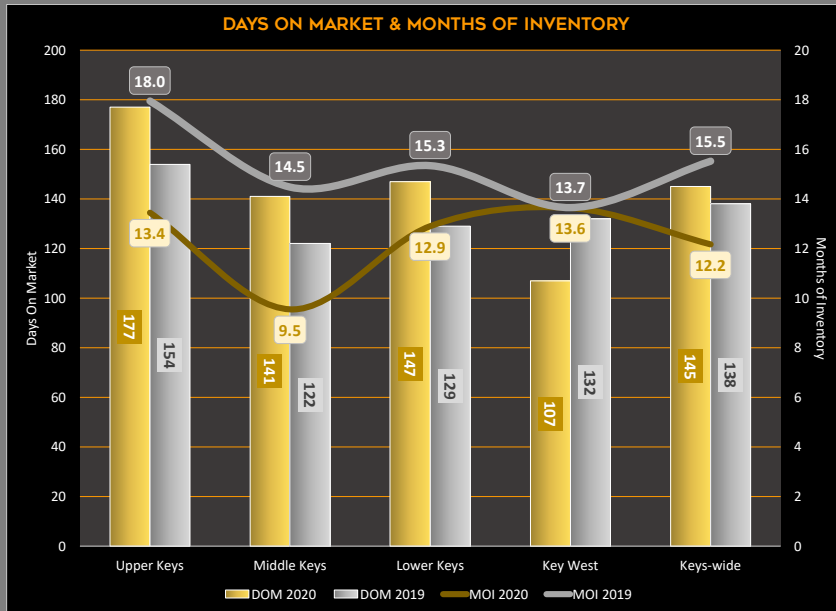
**Sales Price % vs Original
Listed Price for properties
sold after price reductions**

86.9%
Down 1.5% from
Prior 12 Months

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

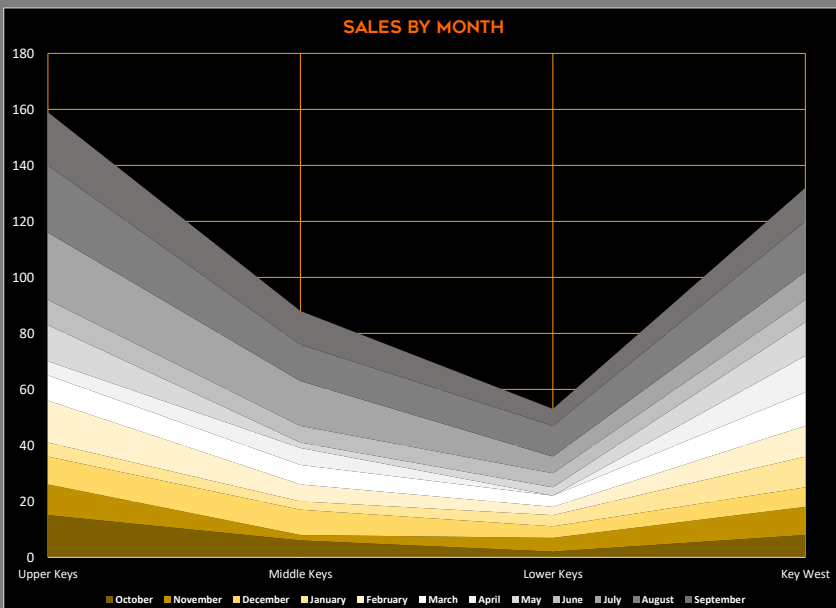
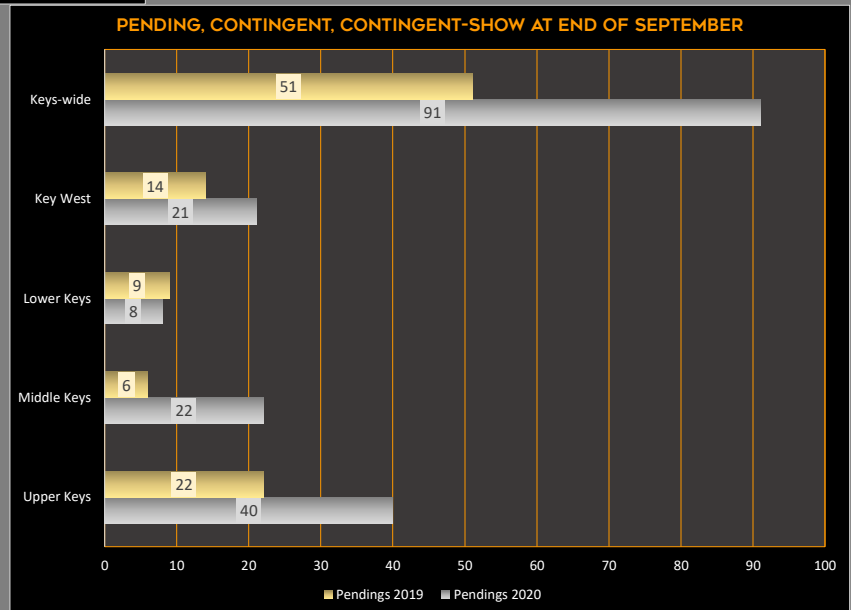
92.7%
Up 0.8% from
Prior 12 Months

Submarket Analysis: October 2019 - September 2020 vs Prior 12 Months



The Days On Market count increased in each submarket except for Key West where it fell -18.9%. They increased 14.9% in the Upper Keys, 15.6% in the Middle Keys, and 14.0% in the Lower Keys leading to a Keys-wide increase of 5.1%. Meanwhile, Months of Inventory (the absorption rate) increased 16% in the Upper Keys and 36% in the Middle Keys. MOI fell -62% in the Lower Keys and 8% in Key West resulting in a Keys-wide decrease of 6%.

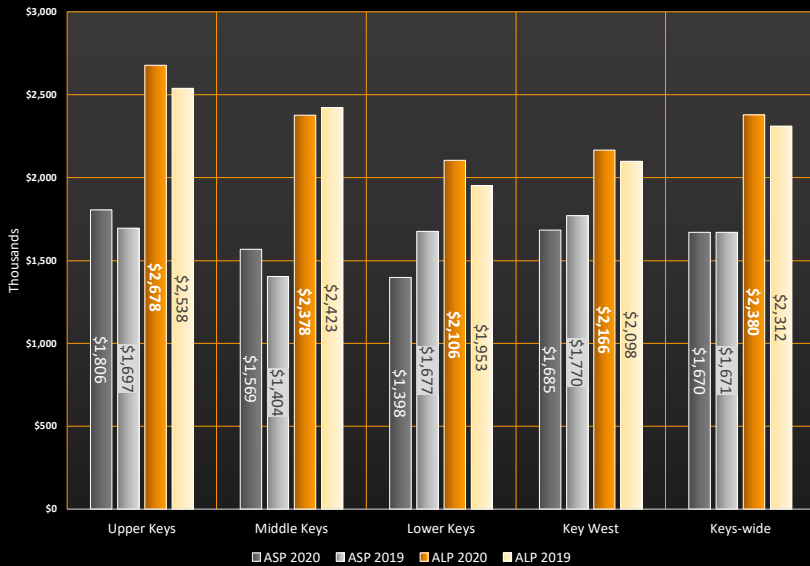
The number of listings with the status of pending, contingent or contingent-show at the end of September 2020 was up 78.4% over September 2019 Keys-wide. The Lower Keys was the only area showing a decrease (-11.1%). The Upper Keys was up 81.8%; the Middle Keys, 266.7%; and Key West increased 50.0%.



Once the Keys emerged from lockdown in June, sales of homes listed at \$1,000,000+ took off in July, August and September posting 12-month totals of 158 in the Upper Keys, 88 in the Middle Keys, 53 in the Lower Keys and 132 in Key West. The Pendings totals immediately above indicate that trend is likely to continue in the months ahead.

Submarket Analysis: (Continued)

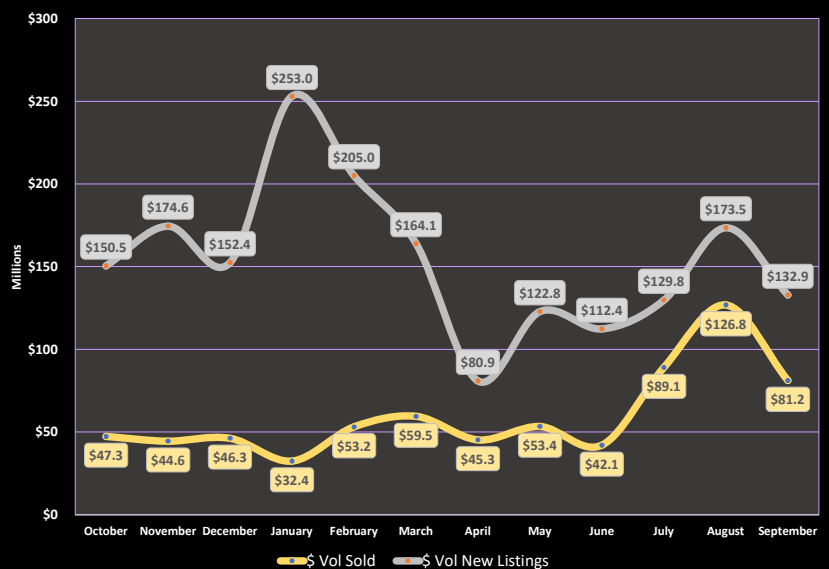
AVERAGE LIST PRICE VS AVERAGE SALE PRICE



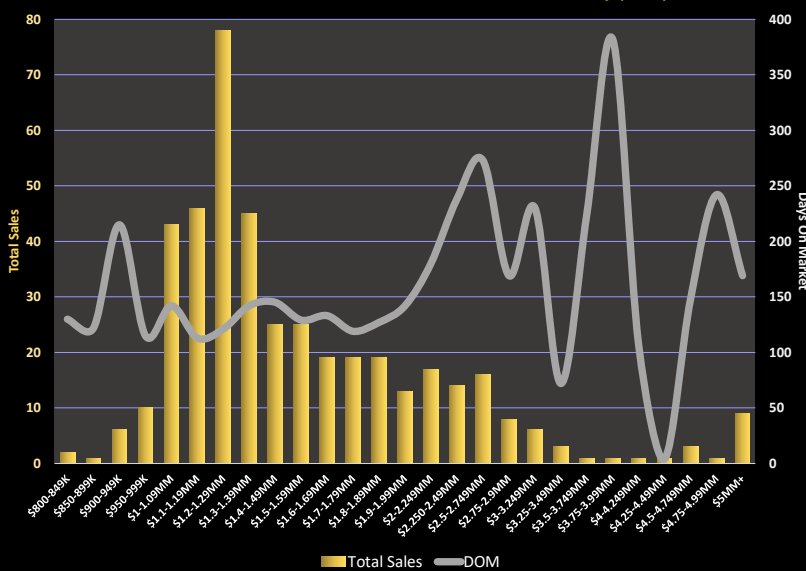
While the average list price posted a 2.9% increase over the previous 12-month period Keys-wide, the average sale price was virtually unchanged. The Middle Keys was the only submarket with a decline in ALP at -1.9%. The Upper Keys increased 5.5%, the Lower Keys was up 7.8% and Key West rose 2.9%. The ASP was up 6.4% in the Upper Keys and 11.8% in the Middle Keys. It fell -16.6% in the Lower Keys and -4.8% in Key West.

The effects of the pandemic are visible in the dollar volume of sold properties and of new listings hitting the market. We started the year strongly with new listings and they declined steadily through the period of the lockdown, climbing once the Keys became accessible to non-residents again. The effect on sales from opening the Keys in June was also very tangible immediately afterward.

DOLLAR VOLUME OF SOLD PROPERTIES & NEW LISTINGS



TOTAL SALES & AVERAGE DOM FOR HOMES LISTED AT \$1,000,000+



Sales of homes listed at \$1,000,000+ are shown here by price range. The average sale price for the 431 properties sold was \$1,670,394. The highest price paid was \$8,600,000. The median price was \$1,361,000. The lowest price was \$800,000. The average number of days to sell was 145.

The Coldwell Banker Global Luxury Program's New Look

Coldwell Banker announced the new global look and logo for **Coldwell Banker Global Luxury**®, aligning with the company's 2019 "Project North Star" rebrand. The integration of the Coldwell Banker Global Luxury program with the new visual identity of the Coldwell Banker brand creates a unified voice in reaching both the mainstream and affluent customer and establishes a modern logo for today's mobile, social and digital marketing environment.

To arrive at the new look, Coldwell Banker Global Luxury conducted a global quantitative survey of potential logos in the top four countries for the program: Spain, France, Italy and the United States. Top terms attributed to the logo were: Modern, Innovative, Unique, Trustworthy, and Stylish.

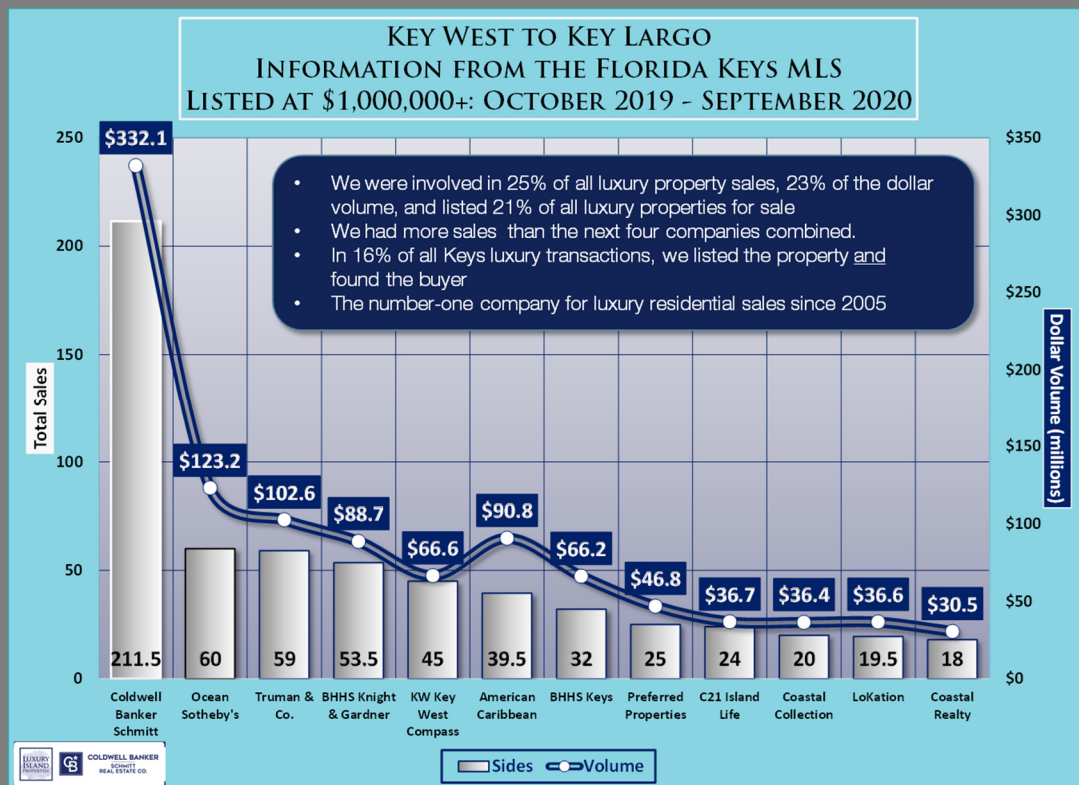
Craig Hogan, vice president of Luxury at Coldwell Banker Real Estate, noted "Research shows consumers closely associate the Coldwell Banker name with luxury real estate – after all, the Coldwell Banker brand sold more \$1M+ homes in 2019 than any other national real estate brand. The Coldwell Banker Global Luxury name aligns the power and recognition of the Coldwell Banker brand with legacy in luxury to truly showcase the program for what it is: a leader in delivering excellence, performance and refinement. And with this rebrand, we proudly continue our service with some of the best affiliated agents in the world."

All luxury listings that qualify for Coldwell Banker Schmitt's *Luxury Island Properties* program also receive the benefits of the Coldwell Banker Global Luxury program including exposure on websites reaching affluent buyers such as WSJ.com, NYTimes.com, RobbReport.com, MansionGlobal.com, UniqueHomes.com, Barrons.com and the ListHub Global Network.



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Coldwell Banker Schmitt, the market share leader for listings and sales of million dollar-plus properties from Key Largo to Key West, publishes the *Luxury Island Properties* newsletter at the end of the first and third quarters of each year.

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