



January 2023

**BROKER BRINK'S**

# **MONTHLY REAL ESTATE REPORT**

**John Brink**  
**OWNER-BROKER**

# A LOOK BACK ...

## 2019 TO 2023

**A**fter sorting through the past 4 years statistics from the Realtor Association of Sarasota and Manatee (RASM), I find it important to look back beyond the pandemic years because statistics show that when the recent pandemic struck, sales practically stopped and then just a few months later, Florida became the fastest growing state in the United States. Therefore, 2020 was an anomaly of sorts and shouldn't be used as a valid comparable year. Whereas 2020 was an "anomaly", 2021 became an "aberration" as Sarasota's real estate sales were fueled by a fear of missing out (FOMO). Seems that everyone wanted to be where out-door living was the best. Similarly, recreational vehicles (RV's) and boat sales were also off the charts.

I would like to report that 2022 was a return to normal, but the effects of a low stock market and rising interest rates curbed the enthusiasm for both home buyers and home sellers. Sarasota has always had a large pool of cash buyers. When stock portfolios are low, the cash buyer tends to sit on the sidelines. Interest rate hikes caused would be sellers to also sit on the sidelines saying; "why would I sell my home with a 3% mortgage interest rate?" "If I wanted to move up to a better home, my purchasing power is down 50% because now, the average mortgage interest rate doubled and is currently 6%".

The following is a chart comparing the Realtor Association of Sarasota & Manatee (RASM) sales statistics from February 2019 until January 2023.

## 2019 - 2023 SALES AND INVENTORY HISTORY COMPILED FROM MONTHLY SALES AND INVENTORY REPORTS

### Four Year Sales and Inventory History 2019 - 2023. Compiled from Monthly Sales and Inventory Reports

Month	Monthly Sales	Average List Price	Average Sales Price	% List to Sell	AVG DOM	Inventory	Months Inventory
02/28/2019	1086	399,965	379,522	95%	96	7608	7.01
03/31/2019	1561	384,532	366,932	95%	89	7383	4.73
04/30/2019	1697	407,276	389,243	96%	88	7039	4.15
05/31/2019	1803	409,601	389,198	95%	91	6555	3.64
06/30/2019	1589	395,425	376,258	95%	95	6151	3.87
07/31/2019	1420	383,428	365,175	95%	87	5825	4.10
08/31/2019	1393	413,926	392,575	95%	85	5455	3.92
09/30/2019	1233	376,511	358,268	95%	91	5554	4.50
10/31/2019	1221	388,372	368,561	95%	84	5763	4.72
11/30/2019	1167	411,054	391,303	95%	82	5812	4.98
12/31/2019	1496	438,401	420,102	96%	83	5800	3.88
01/31/2020	1170	438,127	421,718	96%	85	6189	5.29
02/29/2020	1236	430,737	412,916	96%	85	6231	5.04
03/31/2020	1686	407,455	392,336	96%	78	6316	3.75
04/30/2020	1202	413,849	393,971	95%	71	5939	4.94
05/31/2020	980	400,595	378,749	95%	71	5406	5.52
06/30/2020	1470	431,657	408,755	95%	80	4826	3.28
07/31/2020	1795	456,383	436,973	96%	89	4508	2.51
08/31/2020	1761	474,555	455,894	96%	80	4177	2.37
09/30/2020	1720	474,269	455,622	96%	75	3965	2.31
10/31/2020	1799	496,119	477,711	96%	74	3758	2.09
11/30/2020	1702	510,475	488,289	96%	72	3535	2.08
12/31/2020	1933	508,891	489,635	96%	60	3258	1.69
01/31/2021	1393	521,770	505,182	97%	58	2772	1.99
02/28/2021	1588	564,923	548,319	97%	61	2169	1.37
03/31/2021	2522	584,535	573,277	98%	57	1867	0.74
04/30/2021	2277	607,548	595,118	98%	44	1762	0.77
05/31/2021	1950	582,031	574,958	99%	34	1631	0.84
06/30/2021	2149	576,067	570,434	99%	27	1632	0.76
07/31/2021	1723	554,190	552,800	100%	19	1813	1.05
08/31/2021	1559	543,470	541,015	100%	22	1815	1.16
09/30/2021	1527	547,521	541,346	99%	22	1869	1.22
10/31/2021	1501	554,324	548,465	99%	20	1688	1.12
11/30/2021	1595	547,775	543,881	99%	19	1656	1.04
12/31/2021	1693	582,422	577,864	99%	21	1459	0.86
01/31/2022	1337	641,453	632,853	99%	21	1383	1.03
02/28/2022	1318	630,220	627,445	100%	22	1399	1.06
03/31/2022	1739	637,502	641,767	101%	18	1649	0.95
04/30/2022	1751	669,760	674,603	101%	15	1974	1.13
05/31/2022	1811	654,177	656,657	100%	15	2453	1.35
06/30/2022	1613	660,394	657,481	100%	14	3209	1.99
07/31/2022	1344	662,161	649,614	98%	16	3489	2.60
08/31/2022	1369	634,267	613,714	97%	21	3528	2.58
09/30/2022	982	630,141	610,680	97%	27	3458	3.52
10/31/2022	1155	683,487	655,336	96%	34	3647	3.16
11/30/2022	905	616,356	596,613	97%	42	3753	4.15
12/31/2022	1118	589,222	567,378	96%	41	3704	3.31
01/31/2023	838	673,366	644,482	96%	46	3930	4.69

Pay close attention to the last column **"Months Inventory"** (A.K.A. *Absorption Rate*): A "Balanced Market" is 6 months. Over 6 months inventory is a "Seller's Market", lower than 6 months inventory is a "Buyer's Market". Prices traditionally rise in a "Seller's Market", but prices have become stabilized. This dichotomy is caused by low inventory with less demand. Economists have never seen this before. The fact that so few homeowner's are willing to sell (because they cannot get the same low mortgage rate) coupled with a low

stock market, has created a declining number of home sales nationwide. Locally, as we move into our “peak” season, more buyers are in Sarasota than were here just a few months ago. So, more prospective buyers are here and sales are rising thus keeping prices from going down.

## WHAT GOES UP WILL COME DOWN...

Another interesting column to pay attention to is the “% **List To Sell**” column. The lesson here is that local home sellers rarely allow a discount of more than 4% off of the asking price. However, it could be said that when sellers lower their asking price down a “Fair Market Value” the home will sell very quickly. Unfortunately, home sellers will typically chase the market downwards when prices begin to go down.

In summary, this is one of the most unusual real estate markets we have ever seen. If you are a serious buyer, this is a great time to make an offer. If you are a serious seller, you’d best get ahead of what is coming next. Feel free to call me if you have questions or would just like to know more about the Sarasota Real Estate Market.

John Brink, Owner-Broker  
SRQ Premier Realty