

# End of April Real Estate Market Update for 2025 South West FL Housing

Written by  
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“SW Florida’s Housing Expert with over 6372 transactions  
and over \$337mil+ in SOLD Real Estate”

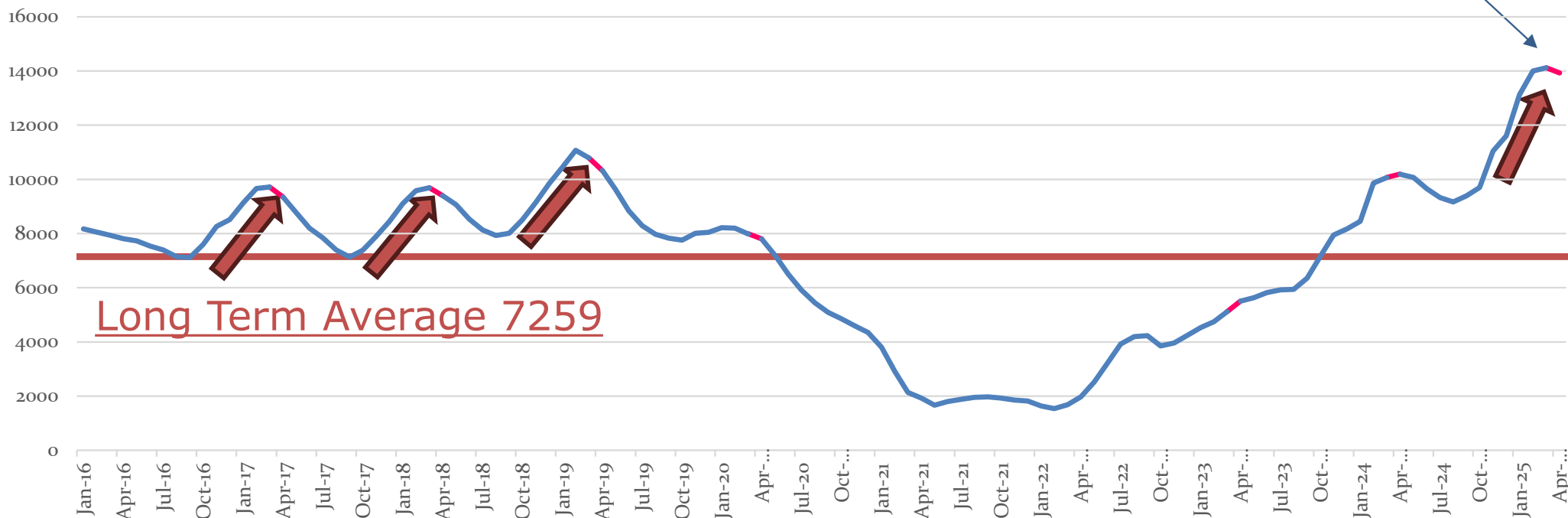
5/1/2025

[www.Leecountymarketupdate.com](http://www.Leecountymarketupdate.com)

# Supply of Inventory for sale in SW Florida

Inventory in Lee County

**13924** for sale

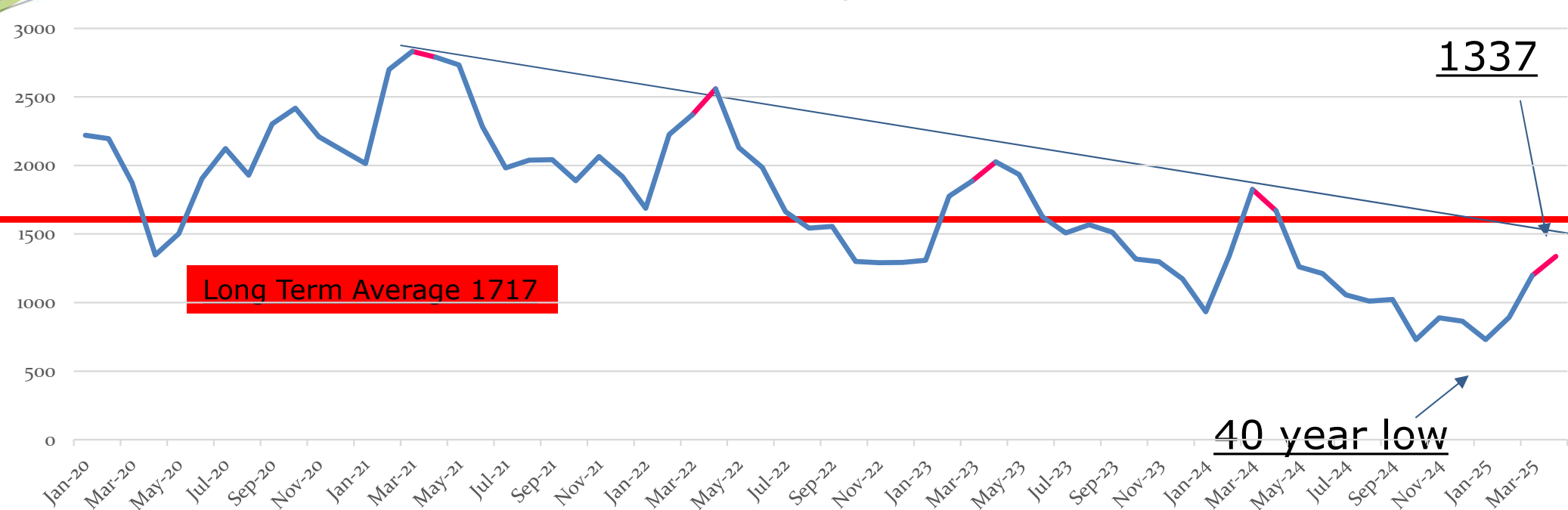


Long Term Average 7259

Inventory went down in April by 1.3% just as it did in 2017, 2018, 2019, and 2020. So this would be maybe a sign toward normalcy. Of course the amount of inventory is no where near long term average of 7259, but this could be a step in the right direction. Year over Year **our inventory is 37% higher than last year for April**. Our long term 10-year average is at 7259 housing units for sale, so comparing the current inventory to that, means we have **a Surplus of homes of over 91%** more than needed. This pinpoints to a price decrease next month as well as the inventory needs to decrease much more than 1.3% to make any change toward stable. **Normally our inventory Peaks in March and drops in April as highlighted in Pink on the graph**. Normally inventory drops for the next 5 months, so lets see if that hold true next month. It looks even more promising to buyers for the near future. Too much INVENTORY MEANS LOWER PRICES and Price reductions, BUT also normally means lower demand. Single Family Homes constitute 61% of total inventory, condos represent 26.0% of total inventory, and the rest are Townhomes/Villas. Of this inventory, 2028 of the existing inventory are New Construction or 14.5% which is down from last month as builders try to sell off their inventory. High Inventory leads to higher days on market. Now let us look at demand.

# SW Florida Demand (Solds)

SW Florida Closed Sales Single Family Residential

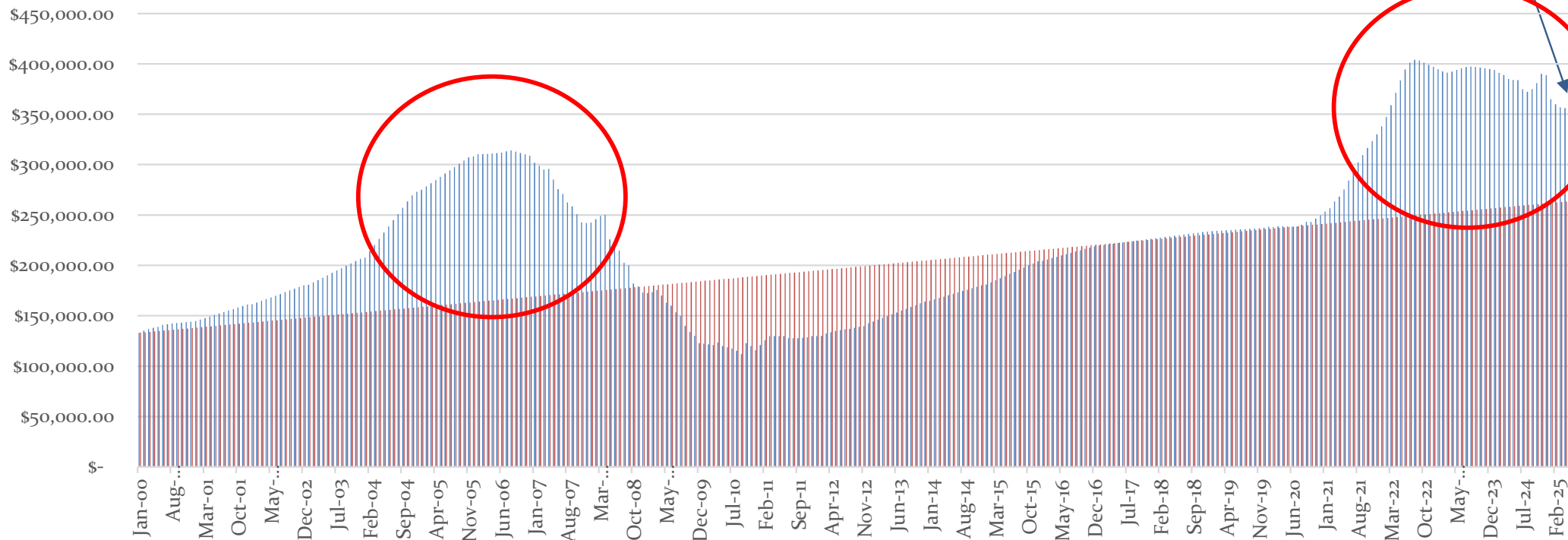


Last month in April, Sales went UP **11%** coming off a 34% increase off of last month. That is 3 consecutive double digit increases of sales! The trend a lows for the year are all January so seeing it increase in February/March/April is a good sign in the right direction. The negative news with this data is that we expected April to be. Our next peak in demand as in previous years. No year has May been better than April in the last 9 years. So the feeling is this summer will be disastrous. Hope not. The trendline shows the decrease in demand over time, and if you look at this, the demand graph continues to make lower lows and lower highs which is a downward trend. Compared to the long-term average, it is **23% lower** than the average and this may well be our peak. Some other data points are year over year demand is down 20%. Looking at past years, in 2024 Our peak demand ended in March. 2022+2023 it continued on to April then dropped, and in 2021 it peaked in March. The common factor is demand goes down from May to January every year so will it be different than previous years? Rates are sitting at the time of writing this at 6.82 which is exactly the same as last months. The ongoing shock for the market is the amount of growing builder inventory we have locally. **Of the 1337 Sales for April, 400 were new construction or 29% of the sales. New construction is 14% of our inventory, and 29% of our sales. It's the incentives that do it. Definitely a slow down of new constructions is going to help this market in the long run**

# Average Home price

Median Home Price Lee County All Types

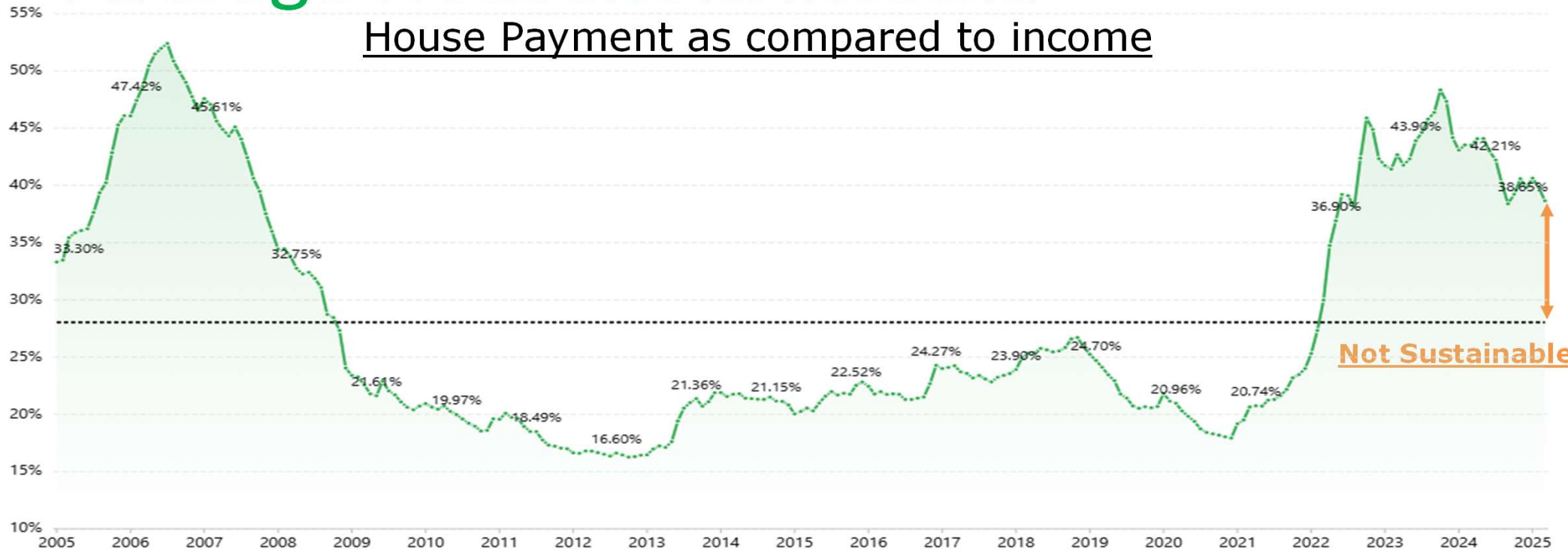
\$356,158



Compared to last month, Average home value went down .15% to the price being \$356,158. The downward trend continues. Taking the low sales in April, this number is not as relevant as to when we sell 2x to 3x as much normally. There were quite a few (over 110) \$1mil+ homes that sold this month inflating this number a bit, even a \$4.8mil Home at Wild Blue in Fort Myers this month. 400 home sales were new construction constituting for almost 30% of all sales. Told you the incentives these builders are giving are astronomical but also they are having HUGE price reductions now. Super Stubborn graph showed another consecutive month of weakness. The trend we will talk about coming up is the HUGE price drops the Builders are currently doing. This signals a weakening of the market for next month. Last month I said with all the new construction, the builders are trying like mad to keep price points higher by offering up MEGA incentives totaling over **\$50k-\$90k** to buy down rates. This month AND last month they have given up on this and are now forced to drop their prices SIGNIFICANTLY which will bring downward pressure on the used market. It wasn't going to take long before they could not offer anymore incentives and price HAD to come down! With an inflated amount of inventory, and low sales continuing, I would not be surprised to see next month average home price drop further by a lot as we come off our season. It really needs to anyway since Taxes, interest rates, and insurance premiums are still elevated.

# Home Payment as a % of SW Florida's Average Household income

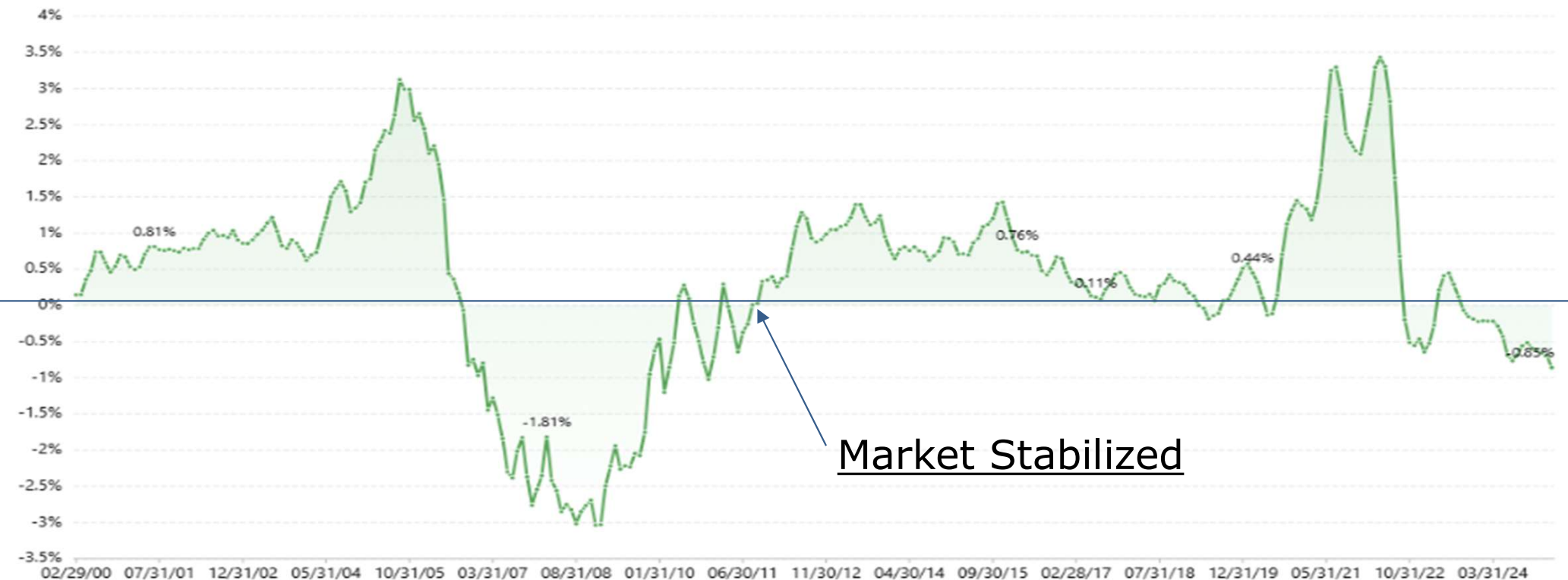
House Payment as compared to income



NOT Affordable Yet! This graph factors in the mortgage payment which includes Property Taxes, insurance, interest rate, and average home price for the month and divides the areas median household income. This is a measure of relative homebuyer affordability given the prevailing home values and current rates. Last month we were at 39.45% of a household's gross income going toward mortgage. **This month it went down to to 38.65 from 39.45% last month!** The rate stayed identical to last month, price went down and income went down from \$74,501 to \$74,051. Tincome going down \$450 doesnt mean tha tis a trend. Just data, but with interest rates staying the same and prices going down made it a bit more affordable than last months crazy 39+%. To figure out what home mortgage prices should be is taking household income and multiplying it by long term average which for us is 28%. To reach affordability off of these new numbers, the average monthly payment that is affordable is \$1727 a month. So buyers can afford more of a home but the market has to come down significantly. Right now the mortgage payments for the average home is \$2606/month or 51% overinflated. Looking at this graph, we have a lot of work to do to get this market stabilized and we need a combination of interest rate drops, insurance drops, and of course price drops to get back to this.



# Home Value Growth Month over Month for Lee County



Market Stabilized









Tracking Month over Month home value growth helps pin point changes in the market and signals a crash and/or bottom. As you can see from this graph the years from 2013-2021 shows a steady line of positive growth with a rapid escalation in 2022 and part of 2023 which is almost identical to that seen in 2005-2006. The bubble popped last time in February 2006/2007, which signaled the start of the crash when this graph first hit negatives. It remained negative until January 2012 or **59 consecutive months** until it stabilized late 2012. Currently **The Zillow Home Value index** is at **-0.85%** and last month we were at **-0.69%, -0.65%, and -.62% the previous month** so that is **21 consecutive months of negative home value** so far. -.85% doesn't sound like a lot but multiplied by 12 is 10.2% drop per year. The trend is getting further away month over month, so even with the price drop and interest staying the same, we are less affordable than when we were in 2011. Buyers should pay attention when it starts showing a reversal pattern. If I was asked the question are we stabilized? Answer is not even bottomed yet and has a long way to go AND it is getting further away, further supporting we have an affordability problem.

# Statistics as compared to last month

April 1st 2025

- Total Housing for sale 14177
- Total SF Homes Sold 1199
- Total Sales Pending 2064
- **New construction 4sale 2136**
- Average Time on Market 81
- Median Asking Price \$365,000
- Median Selling Price \$356,700
- % of asking price sold 96.2%

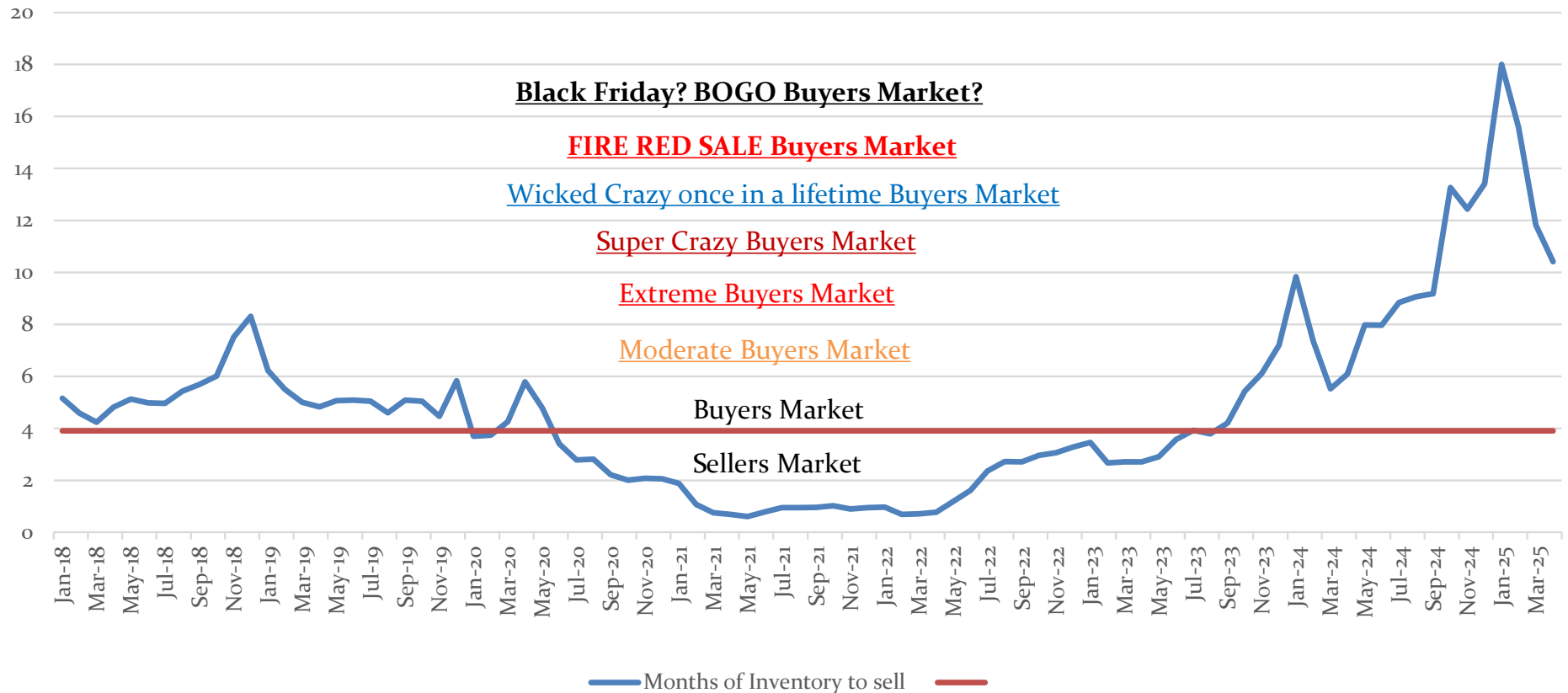
May 1st 2025

- Total Housing for sale 13924  1.7%
- Total SF Homes Sold 1337  11%
- Total Sales Pending 1854  10%
- Total New construction 2150  .6%
- Average Time on Market 82 
- Median Asking Price \$379,000  3%
- Median Selling Price \$356,100  .1%
- % of asking price/sold 93.95%  2%

**In Summary: Inventory decreased 1.7% this months showing slight drop off of inventory from previous month, and is something the grpahs predicted as it SHOULD start going down for the rest of the year. Sold inventory went up 11% from last month but falls way short of what we expected. Trend analysis shows a downward slope. With Pending sales dropping 10% doesn't seem like we will see an increase of sales in the next month for May. The % of new homes for sale is 30% of our total inventory which is lower than last month but builders put up for sale more homes than they sold last month. Average time on market went up 1 more day than last month. Asking price went up as selling price went down from last month BUT biggest change is the % asking price to selling price. This is caused by sellers having to offer concessions and incentives to make their home marketable. No different than the builders, buyers still cannot afford our homes so buying down rates, and offering closing costs is what sellers have to do to stay relevant. We are not affordable and getting worse off. Something has to give. April was a continuation of season but only the first half. The second hald of the month was incredibly slow. May should be even slower.**

# Buyers or Sellers Market?

Months of Inventory to show Buyers Market vs. Sellers Market



3 months ago I had to name 2 new buyer's markets. With inventory down slightly and sales increased we are now sitting in the Super Crazy Buyers Market still. Anything over 8 months is still crazy and now we sit above 10 months of existing inventory. If projections are accurate, we may see inventory sit put but demand will go down shooting us back up into the over 1 year of sitting inventory. I expect buyers market to last the entire year and into next year where buyers are in control. A buyer's market occurs when supply exceeds demand. When inventory is high, and there are plenty of homes for sale, but there is a low number of interested home buyers, then we call that a buyer's market. Anytime we hit over 3.9 months of standing inventory, then I call that a buyer's market. Currently, we have over 11 months of inventory. That is a signal we have not had nationwide since 2006. The higher the severity, the more leverage buyers have over Sellers who really need to sell and **price reduce** so expect this next graph to be high.



# Price Cut % Lee County

Long Term Average 22.5%



In April 2025 Lee County broke a record again. The highest price reductions ever recorded since 2010. That is not good. It should give you indicators of what we expect prices to do in the next quarter of the year. 39.9% of all listings dropped their price in the month of April. Many of them numerous times, as sellers struggle to find what it takes to sell their home. This is also the first April that % price cut hit a peak as previously all peaks on this graph happened in March. Funny thing is we are not even the worst ranked in Florida for this. Take a look

RK	Name	Price Cut %
1	Wildwood-The Villages, FL	42.6%
2	Punta Gorda, FL	41.8%
3	Cape Coral, FL	39.9%
4	North Port, FL	38.7%
5	Tampa, FL	37.5%

Lee County ranks 3<sup>rd</sup> in most price drops in Florida.



# The Builder Desperation is at an all time high!!!

Remember last month I talked about the lengths builders will go to get a buyer to buy their homes? For those of you who missed last months here is a brief recap.

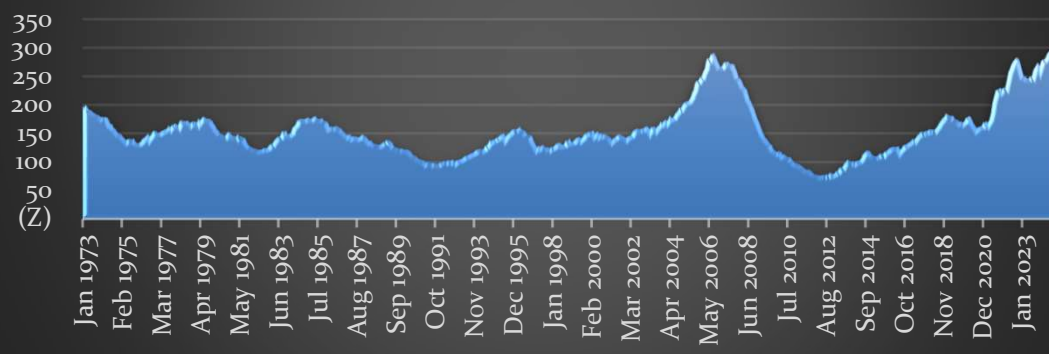
## New Homes for Sale



## New homes for Sale by Builders in the South

### New Homes for Sale by Builders in South 1973-Present





*New homes for sale by builders in 1000's  
(Source: US Census Bureau)*



Builders during COVID went bonkers for building because they lacked inventory for the crazy FOMO buyers we had from 2020-2023. It takes 1 year+ to finish what they started, and as inventory depleted they increased their prices massively. Most of it was their cost for materials and labor during COVID also hit all time highs, but builders must build. This is why you see numerous homes going up, but it is not because they are selling. They are finishing what they started. They came up with the incentives programs to keep monthly payemtns low like offering low interest rates and closing costs. This worked for a bit, but the inventory started to pile on and their ability to sell diminished. Now this year 2025 they started dropping their prices, and even then, they couldn't sell. Now they are dropping prices to the extreme

Then I introduced you to Dave and his family.



	<b>44754 KELSIA ANNE LOOP, BABCOCK RANCH 33982</b> MLS#: <a href="#">224059896</a> County: Charlotte Bldg Design: Single Family Ownership Desc: Single Family Community Type: Gated Bldg Desc: 2 Story GEO Area: BR01 - Babcock Ranch View: Preserve Agent: <a href="#">Non-listing Non-listing agent MLS</a> Office: <a href="#">Non-MLS Office</a>	Status: <b>S SDE</b> Beds: 4 Bed Baths: 4 (4 0) DOM: -- Zoning Cd: -- Short Sale: No	Stat Dt: 09/09/24 Apx Liv Area: 3,439 Year Built: 2024 Waterfront: No # Carport: 0 # Garage: 2 # Floors: 2 Furnished: Unfurnished Phone:	S Price: <b>\$685,065</b> L Price: <b>\$685,065</b> O Price: <b>\$685,065</b> Taxes: \$0.00 Tax Year: 0 HOA: \$0 Land Area: 50 Lot Front: 75
	<b>16023 MULRIION BLVD, PUNTA GORDA 33982</b> MLS#: <a href="#">224102752</a> County: Charlotte Bldg Design: Single Family Ownership Desc: Single Family Community Type: Gated Bldg Desc: 2 Story GEO Area: BR01 - Babcock Ranch View: Lake Agent: <a href="#">Non-listing Non-listing agent MLS</a> Office: <a href="#">Non-MLS Office</a>	Status: <b>S SDE</b> Beds: 4 Bed Baths: 4 (3 1) DOM: -- Zoning Cd: -- Short Sale: No	Stat Dt: 01/15/25 Apx Liv Area: 1,771 Year Built: 2024 Waterfront: Yes # Carport: 0 # Garage: 2 # Floors: 1 Furnished: Unfurnished Phone:	S Price: <b>\$714,358</b> L Price: <b>\$714,358</b> O Price: <b>\$714,358</b> Taxes: \$0.00 Tax Year: 0 HOA: \$0 Land Area: 53 Lot Front: 53
	<b>44784 KELSIA ANNE LOOP, PUNTA GORDA 33982</b> MLS#: <a href="#">224035560</a> County: Charlotte Bldg Design: Single Family Ownership Desc: Single Family Community Type: Gated Bldg Desc: 2 Story GEO Area: BR01 - Babcock Ranch View: Preserve Agent: <a href="#">Kelly Thorson</a> Office: <a href="#">Kelsia Properties, P.A.</a>	Status: <b>S</b> Beds: 5 Bed Baths: 4 (4 0) DOM: 5 Zoning Cd: -- Short Sale: No	Stat Dt: 08/03/24 Apx Liv Area: 3,445 Year Built: 2024 Waterfront: No # Carport: 0 # Garage: 3 # Floors: 2 Furnished: Unfurnished Phone: 813-839-1000	S Price: <b>\$726,900</b> L Price: <b>\$731,900</b> O Price: <b>\$731,900</b> Taxes: \$0.00 Tax Year: 2023 HOA: \$242 Land Area: 67 Lot Front: 67
	<b>44856 KELSIA ANNE LOOP, PUNTA GORDA 33982</b> MLS#: <a href="#">224103271</a> County: Charlotte Bldg Design: Single Family Ownership Desc: Single Family Community Type: Gated Bldg Desc: 2 Story GEO Area: BR01 - Babcock Ranch View: City Agent: <a href="#">Non-listing Non-listing agent MLS</a> Office: <a href="#">Non-MLS Office</a>	Status: <b>S SDE</b> Beds: 5 Bed Baths: 4 (4 0) DOM: -- Zoning Cd: -- Short Sale: No	Stat Dt: 12/20/24 Apx Liv Area: 3,440 Year Built: 2024 Waterfront: No # Carport: 0 # Garage: 3 # Floors: 2 Furnished: Unfurnished Phone:	S Price: <b>\$730,951</b> L Price: <b>\$730,951</b> O Price: <b>\$730,951</b> Taxes: \$1,050.00 Tax Year: 2024 HOA: \$0 Land Area: 50 Lot Front: 80

We went into the builder during a tough time, as sales were super low one week, and when they asked for an offer, we offered low. Like really low. First, they were offering 4.99% interest rate which costs 6% of the loan to get (\$24,780) and asked for an additional \$25k closing costs as they were giving a special on that as well. Then it all came down to what price to offer. The asking price was \$811,000. The last 4 solds were above from \$685k to 724k in which \$711k closed in January 2025. We came in at \$552k and asked for \$50k of incentives. They came back at \$589,000 or \$530,000 net contract to them. That is 35% off asking and 25% lower than the last sale. CRAZY!!! Don't they look happy?

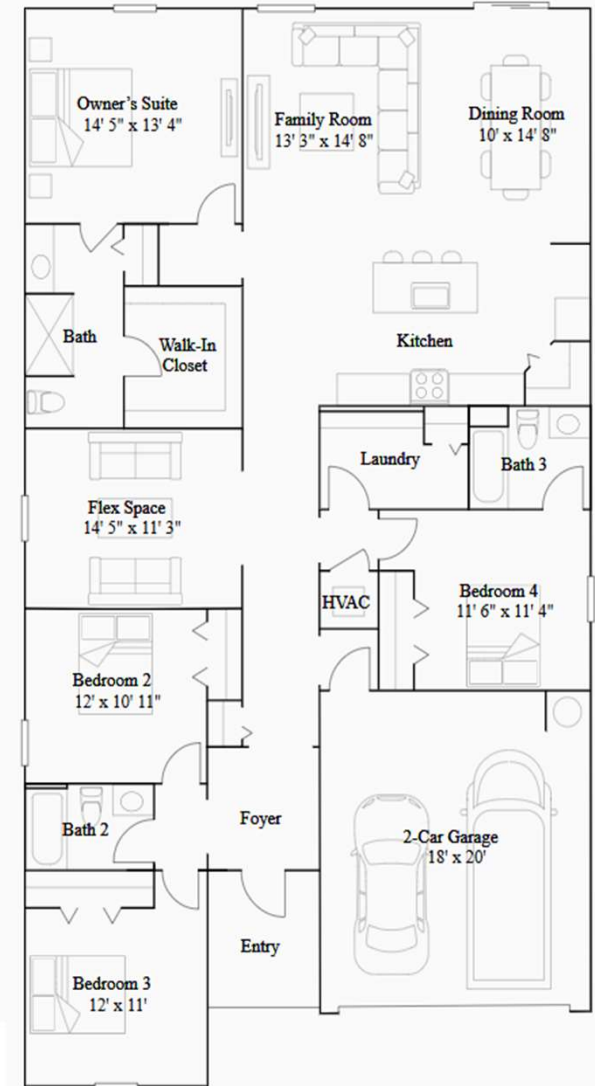


# Current Sale Examples

2,174 / 4 / 3 / 2  
 Square ft. Beds Baths Car Garage

Revenue Subtotal	\$360,597.00
Incentive Price Reduction	\$70,597.00
Option Incentive	\$0.00
Change Order Deposit	
<b>Total Price</b>	<b>\$290,000.00</b>

They just closed a few days ago. Now in the month of April, I had a mother daughter duo looking for a 4 bedroom home in Fort Myers. All the used homes in that area were all way over their budget, so we started looking at homes from builders. They liked 2 models. 1 was a 4 bedroom 2 story home at over 1800 sq ft which we felt we could be patient and get the home down from \$325k to \$290k The other was 2100+ sq ft 4 bedroom single floor, BUT had 3 bathrooms\ which they both wanted. The problem was it was asking \$360,000 which we felt we could get them for \$325,000. Sounds like a deal right? Well patience won again. Instead of jumping on that deal we waited for the builder to have a slow week. Sure enough this week the agent called me and said it is really slow and corporate wants an offer. AND we are giving away epoxy flooring in garage as well as 4.99% interest rate. Red Tag Sale starts Friday. At 3pm we walked in and took a look. Sure enough that first home they brought down to \$290,000 as we thought. We asked about the 2100 sq ft home and presented our offer. 4.99% interest rate, \$17,400 in closing costs, epoxy floor garage, Move in ready with all appliances and blinds and then came our price. \$290,000. It only took an hour for the manager to answer yes.



## Residential REALTOR Report

### General Information

List Price: \$370,597  
 MLS#: 224068918  
 Address: 4102 GRANITA CT  
 NORTH FORT MYERS, FL 33917  
 GEO Area: FN07 - North Fort Myers Area  
 County: Lee  
 Status Type: New Construction  
 Sold Price/Sqft: \$172.00  
 Property ID:  
 Furnished: Unfurnished  
 Approx. Living Area: 1936 - Architectural Plans  
 Approx. Total Area: 2396 - Architectural Plans

ML# 224068918  
 Sold Price: \$333,000  
 Status: Sold (02/24/25)

Property Class: Residential  
 Subdivision: CRANE LANDING  
 Development: CRANE LANDING  
 DOM: 61  
 CDOM: 189  
 Bedrooms: 4 Bed  
 Baths: 2 (2 0)  
 Den/Flex:  
 Year Built: 2024

Building Design: Single Family



That is 20% off asking price, and 13% off last sale 2 months ago for smaller home





# Impact of the Resale Market

- If a builder drops their price \$40-60k for a newer version, what does that do to the same home that was bought 1-2 years ago. Is your house better than a newer version...NO! Imagine buying a home last year for \$420,000, only to find that 1 year later, a builder sells the newer version for \$325,000. That is my example here for Cape Coral.

Address	DOM	Price	Chg Type	Sys Date	Chg Type
4226 NE 23rd AVE	117	\$365,000	Price Decrease	03/26/25	\$368,000->\$365,000
4226 NE 23rd AVE	99	\$368,000	Price Decrease	03/08/25	\$387,900->\$368,000
4226 NE 23rd AVE	87	\$387,900	Price Decrease	02/24/25	\$389,900->\$387,900
4226 NE 23rd AVE	66	\$389,900	Price Decrease	02/03/25	\$399,900->\$389,900
4226 NE 23rd AVE	0	\$399,900	New Listing	11/29/24	->A
↓					
4226 NE 23rd AVE	14	\$379,900	Sold	05/02/22	(\$379,900)
4226 NE 23rd AVE	14	\$379,900	Pending	02/18/22	A->P
4226 NE 23rd AVE	7	\$379,900	Back On Market	02/11/22	P->A
4226 NE 23rd AVE	7	\$379,900	Pending	02/02/22	A->P
4226 NE 23rd AVE	0	\$379,900	New Listing	01/26/22	->A

**\$20k down FHA 6.5% \$2884/month**



**\$260,000**

MLS #	Parcel #	Address	DOM	Price	Chg Type
<a href="#">225021649</a>		1616 NE 37th ST	13	\$314,499	Price Decrease
<a href="#">225021649</a>		1616 NE 37th ST	0	\$329,999	New Listing

**\$11k down 4.99%FHA \$2243/month**



## Residential REALTOR Report

**General Information**  
 List Price: \$299,800  
 MLS#: 225029167  
 Address: 1505 N GATOR CIR, CAPE CORAL, FL 33909  
 GEO Area: CC32 - Cape Coral Unit 84-88  
 County: Lee  
 Status Type: Resale Property  
 List Price/Sqft: \$204.08  
 Property ID: 18-43-24-C2-05734.0780  
 Furnished: Unfurnished  
 Approx. Living Area: 1469 - Property Appraiser Office  
 Approx. Total Area: 1910 - Property Appraiser Office  
 Building Design: Single Family  
 Virtual Tour URL:

ML# 225029167  
 Status: Pending With Contingencies (04/15/25) (Financing)  
 Property Class: Residential  
 Subdivision: CAPE CORAL  
 Development: CAPE CORAL  
 DOM: 27  
 CDOM: 41  
 Bedrooms: 3+Den  
 Baths: 2 (2 0)  
 Den/Flex: Yes  
 Year Built: 2005



**\$243,000**



# Overview of these data points

- End of April was an extension of March “Season” but it only lasted 2 weeks into April. Historically, May will get slower, the question will be will sellers keep coming on the market faster than buyers buy? Data suggests so. Sold homes did go up 11% with a majority of those new construction which is 3 consecutive months of double digit increases in demand, but the high of the season didn’t even get close to long term average and recorded the lowest April ever with only 1300+ sales. Builders are starting to feel the panic and starting to drop their prices dramatically, which should continue until their inventory gets gobbled up. 2000+ of their inventory. If every buyer we had last month bought nothing but new homes we would still have more to sell. Price has gone down again, as well as asking price. Putting this all together, we are not stable, not affordable, too much inventory, and low sales. This is the lowest sales for a April in over a decade and a half. Last month I noticed new construction inventory plummet, but no it has gone back up. Builders are giving their homes away with no profit. We have **over 10 months of inventory still**. Prices are dropping consistently. Builders are continuing to run the show with their 3-4% interest rate buy downs and previous price reductions wasn’t enough to make our homes affordable, so now they can drop their prices 20% more in price. This is putting downward pressure on the used market. **Price Reductions broke decade and a half record and even that wasn’t enough to even be #1 in Florida**
- **Demand increased 11% in March.**
- **Pending sales went down showing a slowing of the market**
- Home Value growth year over year is still **under the stabilization line** showing 21 consecutive months of negative home value growth.
- Big discounts by builders who have the most inventory ever are drawing some eyeballs, BUT at a cost of ALL the builder’s profit.

# Data acquired comes from the following sources

- US Census Bureau
- Zillow.com
- FRED (Federal Reserve Economic Data)
- Realtor.com
- SWFLMLS ( Our local board of realtors)
- Mortgage Brokers Association or MBA
- Bureau of Labor Statistics BLS.GOV
- Zillow
- Reventure APP
- Umich.edu

# Advice for Sellers

- Season for SWFL is almost over. If you ever thought of selling your home, this next month is your time to cash out of the fake equity you gained because of COVID for now the builders are crashing the price.
- Price yourselves according to the market
- Market your home differently than the competition because 14k homes is a big pile
- Open Houses are currently working thanks to the NAR lawsuit
- If you feel you are upside down on your home there is a way to get out from under it without costing you any money. I did 3 of them last year and 2 this year alone

# Advice for Buyers

- Patience
- Patience
- Patience to infinity. Wait your time. It's a market of falling daggers!
- Wait for your deal and DO NOT SETTLE!
- Think about my friend Dave and his family and the mother daughter duo from this month.
- 14k homes is a huge pile of inventory to sell. Sellers are going to be motivated and never be afraid IF you love the home or product to make an offer, but remember how you structure it is more important than the price 5x fold. HINT Ask for my opinion on how to do it

# Call me anytime to discuss anything!!!

To get prepared to be a buyer in this market, you need to get qualified first. I can help. Go to [www.teacherscanbuyhomes.com](http://www.teacherscanbuyhomes.com) and fill in a 3 minute survey to get started.

Ed Zoller

Realtor Villa Realty Group/ Owner Teacherscanbuyhomes

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