

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

Written by
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“SW Florida’s Housing Expert with over 6390
transactions and over \$342mil+ in SOLD Real Estate”

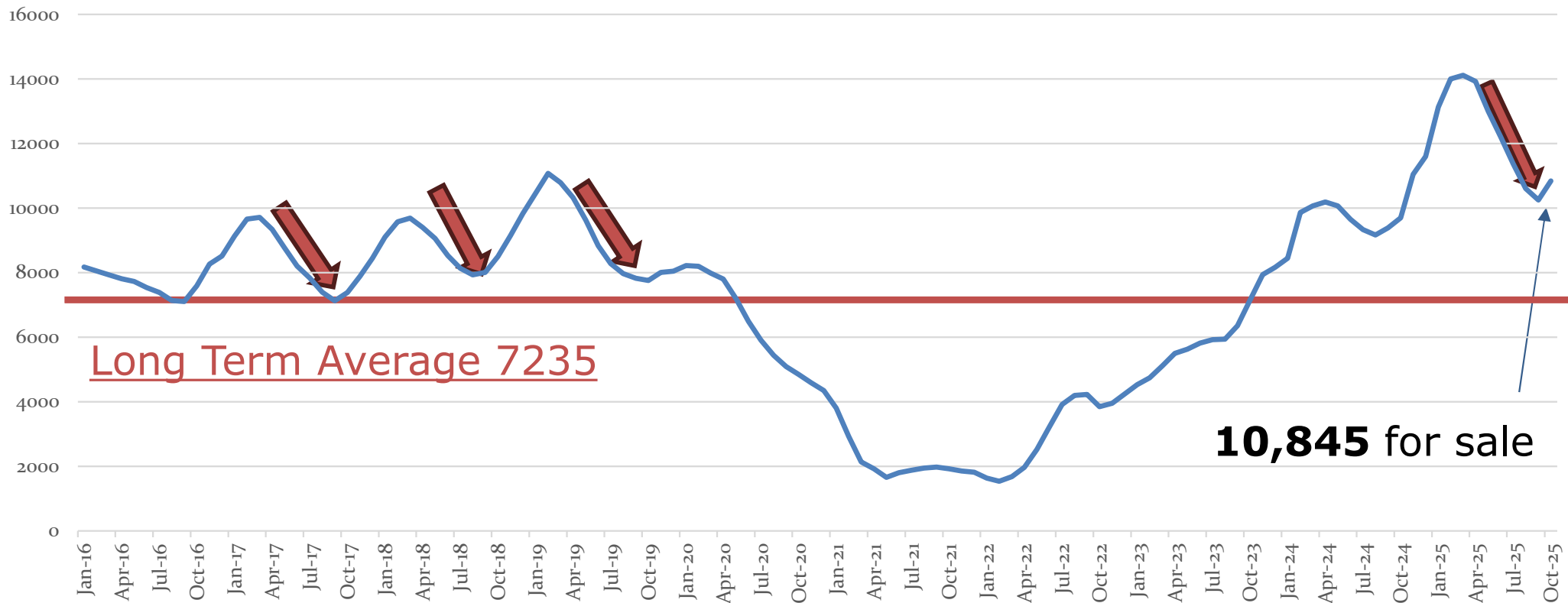
11/1/2025

www.Leecountymarketupdate.com

Supply of Inventory for sale in SW Florida

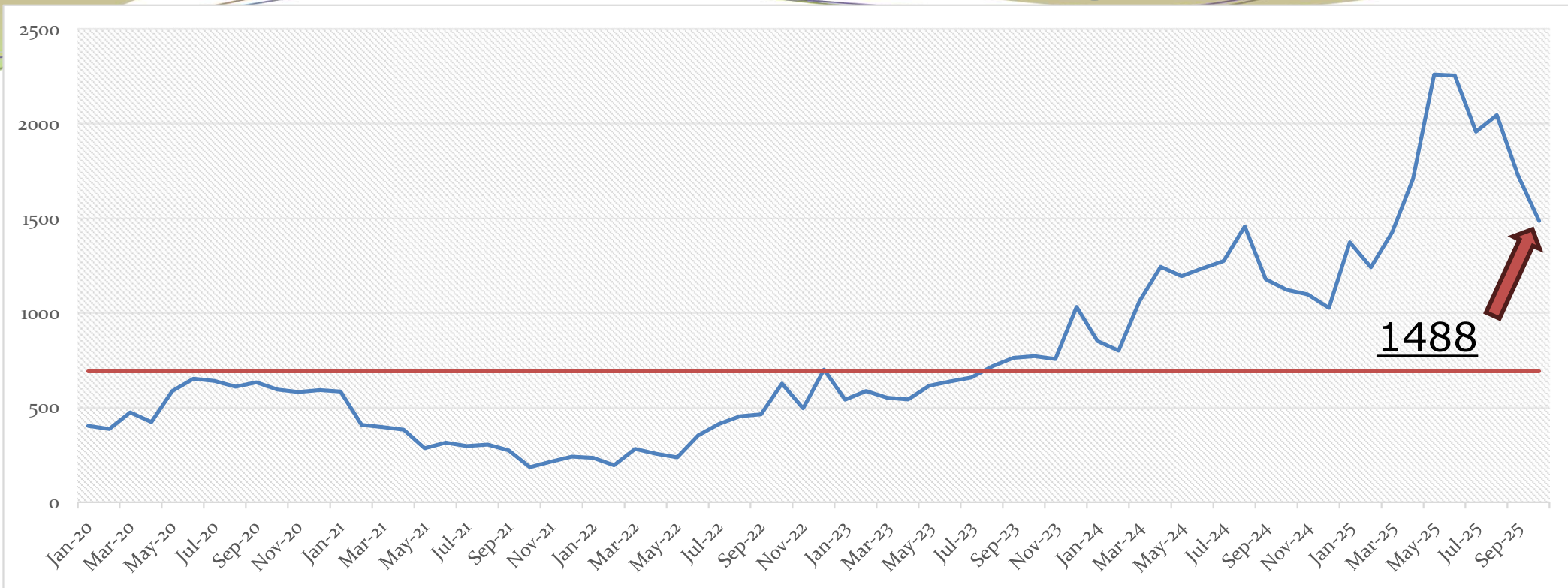
Source MLS

Inventory in Lee County



Inventory went up in October by 5% **showing an increase of inventory no different than every October from 2016-2019** Funny how we predicted that as it happens every year (except for COVID) Looking at the graph, any guess what will happen next few months? Inventory going up? Probably. We will have to see. More inventory means lower prices, means patience yet again until January as every year from 2016-2019 it will start to go down after January when it hits a peak. Technical analysis works! Only issue is where we are starting from. Previous years we start at 8000 units for sale and this year it starts at 10,000. 2k more homes than any other previous year (1 guess when this happened before...2007?) means we could very well see 14,000+ units of inventory. This stops the 6 **consecutive** drops in inventory out of the historic consecutive drops we have seen in previous years. This is the most inventory we have had in over 20 years in October. In the next graph, you can also see the amount of homes withdrawing from the market. Using this graph, we can predict the increase of inventory just due to the slowing of how many are coming on. Year over Year **our inventory is 12% higher than last year for October. Single Family Homes constitute 65% of total inventory, condos represent 21% of total inventory, and the rest are Townhomes/Villas. Of this inventory, 2025 of the existing inventory are New Construction or a 4.2% increase breaking the 2 consecutive months inventory of new constructions went down. Could this be the start to a trend and we go for builder increased inventory?**

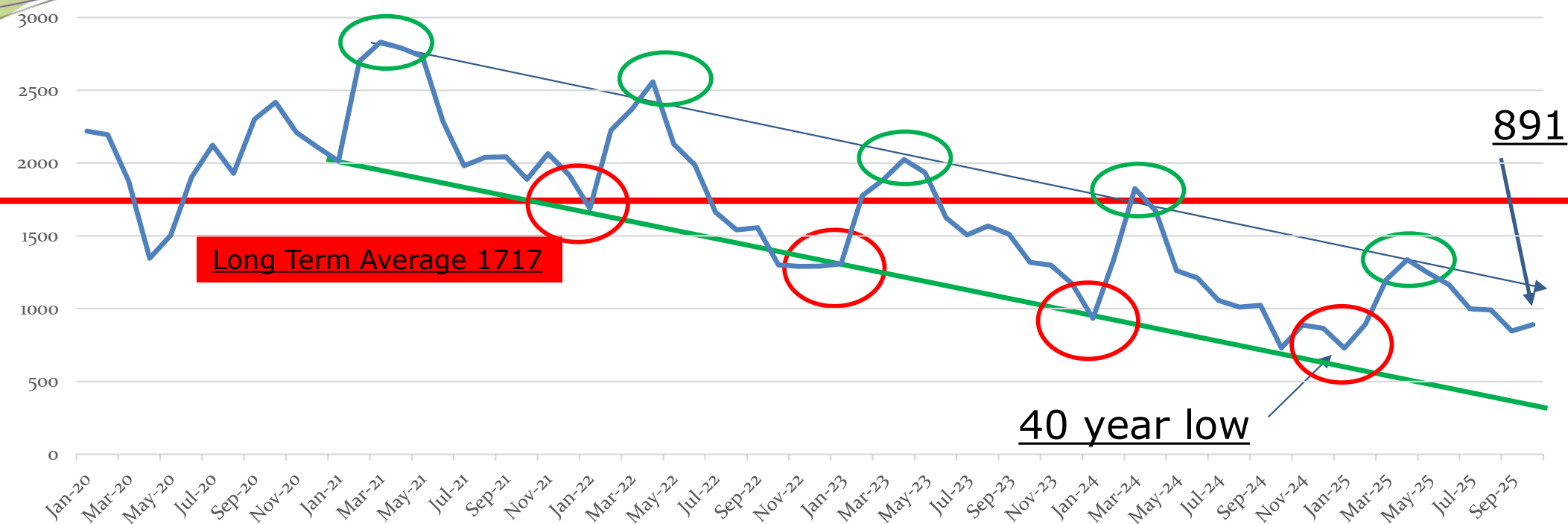
Where did 300+ homes go?



This graph shows you the amount of monthly **Withdrawn, Expired, and Terminated** listing since 2020. As you can see, we spiked starting this year, and hit triple digit percentage increase over average since March. Compared to long term average of homes leaving the market, we are 198% over that number. **Of these 1488 homes giving up, 245 of them were new construction, but only 6 were National Builders! Meaning hundreds of investor built homes are cancelling!** If the amount of people giving up selling their home drops, this is a signal of the start of a new trend. Not close to ending, and getting further away currently. When sellers give up or take themselves off the market, they can terminate the listing all together meaning it no longer is for sale. Withdrawn is the same, but the listing agent is holding the listing hostage from being listed by anyone else until their time frame expires, and expired means the contract end date happened and the listing was not relisted, yet, if at all. **This is what our market needs**, is to get most of the overpriced/upsidedown/and unrealistic sellers off the market, thus lowering inventory.

SW Florida Demand (Solds)

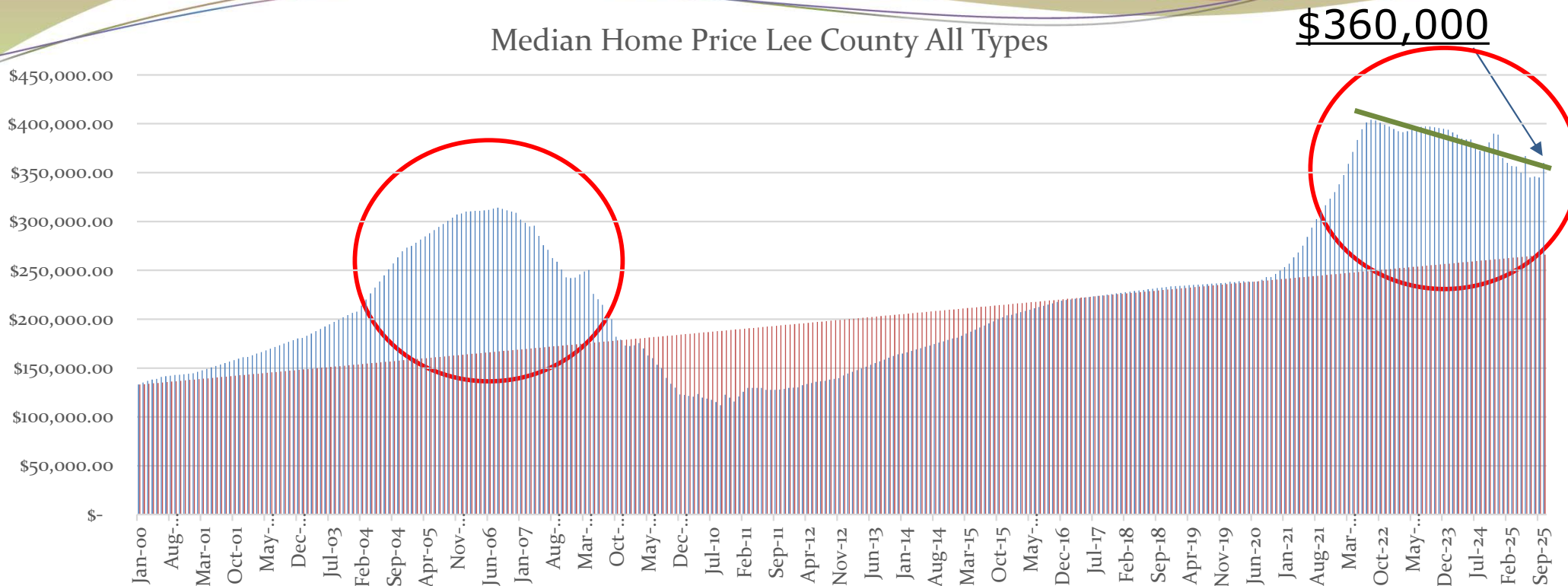
SW Florida Closed Sales Single Family Residential



Last month in October, Sales went **UP 5%** Breaking a 5 consecutive drop in sales volume. Looking at the graph, you can see that historically, it will continue going down, BUT promising data shows we did not make a 40 year low for October as that number last year was 731 so that broke the current trend of 9 consecutive months of 40 year lows for that month. Each peak is March/April and each bottom is January. If this trend continues, then we are in a world of hurt and might break record lows toward the end of year and beginning of next year 2026. My fear is thaty this is a blip and that the demand will continue to follow the downward channel drawn. The trendline shows lower lows and lower highs which is a bearish downward trend. Compared to the long-term average, it is **49% lower** than the average. The common factor is demand goes down from May to January every year so will it be different than previous years? Doesn't look like it. Rates are sitting at the time of writing this at **6.27 6.38** which is than the 6.38 of last month. This is a positive trend just not as much as we expected from the Feds doing another ¼ pt drop **Of the 891 Sales for October, (an increase from last month of 5%) 263 were new construction, down 7% from last month. This represents 30% of the total sales are New construction which is lower meaning builders sold less regardless of incentives given.**

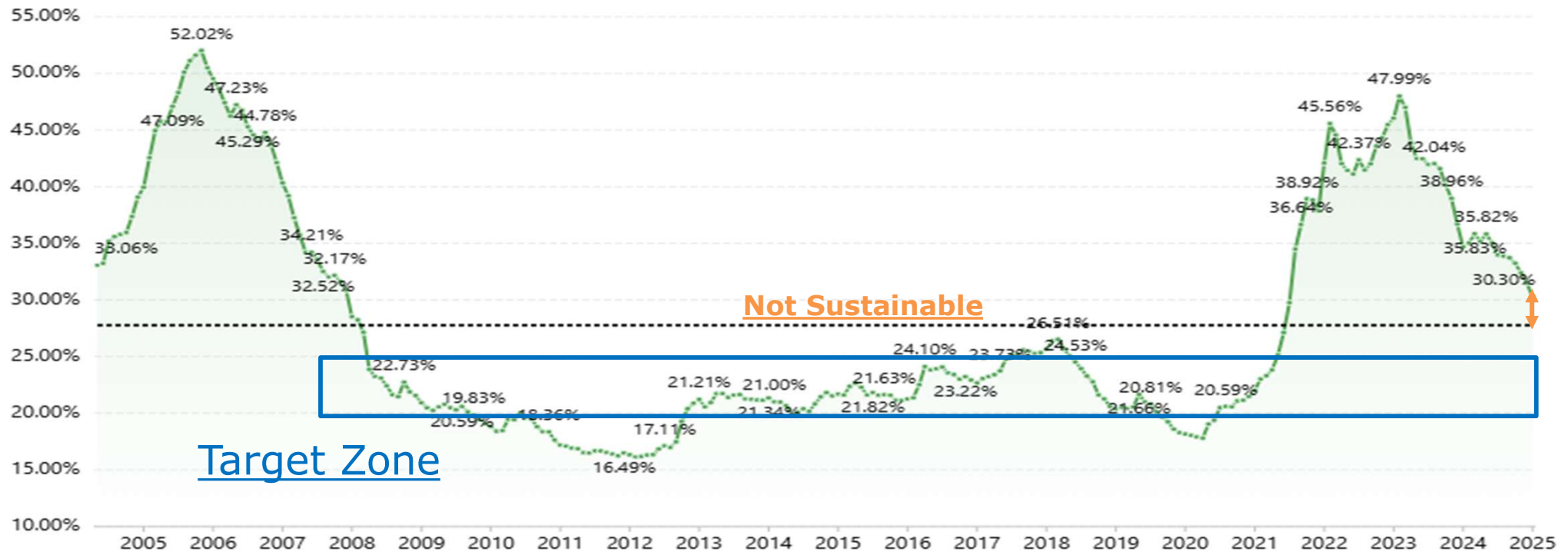
Median Home price

Median Home Price Lee County All Types



Compared to last month, Median home value went up 4.3% meaning this crisis is being prolonged yet again. Expect this graph to show these months of stubborn behavior. Taking the low sales in October, this number is not as relevant as to when we sell 2x to 3x as much normally. There were 58 Homes that sold for over \$1mil. The highest home sold was **\$6.9 Mil home on Bonita Beach** on the Gulf with over 4300 sq ft under air this month. The more \$1mil homes that sell, the higher this median home price is overinflated. I look at this graph to show trends, and the trend being stubborn. **263 home sales were new construction** constituting for over 30% of all sales. This month I saw some builders reconfigure their incentives while others still complained of margins and profit. Even with most builders increasing their incentives, it did not gain them any momentum this month, actually lost momentum. Price remains in its downward channel. **This signals a weakening of the market for next month. Increased Inventory even though we have over 2x expirations is not data bullish people want to see.** The secret for buyers is waiting and having patience to get a monthly payment like you were buying at the orange trend line in price. That Orange line depicts what the homes prices should be if we didn't have the COVID/05 BOOM since 2000. Prices have to do with affordability, people, and income. Based on those factors, the median selling home price should be \$265,970.

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



NOT Affordable Yet but getting closer to long term average of 27%! 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 31.33%** of a household's gross income going toward mortgage. **This month it went down to 30.30%** The interest rate drop of 25 basis points was the whole reason for the slight drop here. The Median household income went up from **\$84723 to \$84,864, an increase of .1% of household** What perfect storm would set us back on track to recovery? Is it all price? All about interest rate? Or is it somewhere in between? With this household income now the average household in Lee County can afford **\$1909/month** if we take long term average of 27%. In reality, the Target zone box is where people could afford for over a decade. That puts the realistic monthly payment to 23% or **\$1,626/month**. Which sounds more realistic to you? Right now, the mortgage payments for the average home is **\$2121/month**. Either way it is way to expensive still.

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 and WHEN STABILIZATION OCCURS! 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 **-0.93** and last months we were at **-1.17, -1.28, 1.27, -1.22 -1.04, .085, 0.69%, -0.65%, and -.62%** so that is **27 consecutive months of negative home value** so far, **BUT** This is the 2nd month the market shows slight signs of getting back to stabilization. it didn't get further away! Now it is still really low and negative. A pessimist would say, it lost the same amount as we did 5 months ago, and an optimist would say, Hey...It just reversed a negative trend for the 2nd consecutive month. It still lost .93% of value this month and that's 11% if it continues at this rate. As this graph makes it way to 0, and shows support, then we can say the market finally stabilized. Do look left on the graph to see this happened in 2007 as well, where it increased a few times then dropped further. So even with the household income going up, interest rates slightly lower we are still not affordable. NOT STABILIZED YET!

Statistics as compared to last month

October 1st 2025

- Total Housing for sale 10,247
- Total SF Homes Sold 847
- Total Sales Pending 1316
- **New construction 4sale 2051**
- Average Time on Market 90
- Median Asking Price \$359,990
- Median Selling Price \$345,000
- % of asking price sold 95.8%

November 1st 2025

- Total Housing for sale 10,845  5%
- Total SF Homes Sold 891  5%
- Total Sales Pending 1357  3%
- Total New construction 2025  1%
- Average Time on Market 101  12%
- Median Asking Price \$369,000  2%
- Median Selling Price \$360,000  4%
- % of asking price/sold 97.56%  1%

In Summary: Inventory went up 5% ☹ even with over 1400+ expired houses leaving the market. Sold inventory (Demand) went up 5% ☺ breaking a downward trend for at least 2 consecutive months. Pending sales went up 3% ☺ showing what to expect next month for closed sales. New construction homes for sale dropped 1% but remains over 2000+. The % of new homes for sale is 30% of our total inventory but 1/3rd of our sales. Average time on market increased 12% as homes sit longer and longer. Median asking went up as well as median selling price. Something has to give. October did exactly what we predicted last month and expect inventory to exceed 11k next month. With this data, it still seems buyers will have the advantage for the rest of the year and into next. With this data we predicted October to be a dead month, and it was. Now we can predict next month even slower than that especially for the builders unless they start giving homes away.

Total Days on Market ranked in US for population over 100k

RK	Metro	Days on Market	Home Value Growth (YoY)	Overvalued %	Value / Income Ratio	Price Cut %	Population
1	Naples, FL	114	-7.8%	-0.3%	5.7	15.8%	416,233
2	Punta Gorda, FL	110	-12.5%	2.3%	4.0	23.0%	212,122
3	Panama City, FL	107	-3.9%	0.0%	4.3	23.4%	199,718
4	Crestview, FL	104	-4.3%	7.5%	5.2	22.1%	310,149
5	Houma, LA	101	-4.2%	-20.3%	2.8	18.9%	199,206
6	Cape Coral, FL	101	-10.3%	-5.7%	4.0	22.1%	860,959
7	Corpus Christi, TX	100	-3.4%	-2.9%	3.1	23.7%	424,592
8	North Port, FL	100	-9.1%	1.7%	4.8	22.9%	934,956
9	Waco, TX	95	-1.9%	16.1%	3.6	24.2%	270,358
10	Bend, OR	94	-3.1%	11.8%	6.8	25.3%	211,535

Days on Market (DOM) measures how long a property sits on the MLS from the day it's listed until it goes under contract. In simple terms, it's the "clock" that starts ticking the moment a home hits the market — and stops once a buyer and seller agree on a deal. A **low DOM** (for example, under 30 days) usually signals that homes are **selling quickly**, demand is strong, and buyers need to act fast. A **high DOM** (say, 60–90+ days) can mean **slower buyer activity, overpricing**, or shifting market conditions. Over 100 days means an overall crisis is occurring. As you can see, Cape Coral/Fort Myers is the #6 highest Days on market in the whole country at 101 days. This means buyers have pushed back which explains all the other data we will go over in a bit. You can also see the top 10 cities all have **NEGATIVE Home value Growth** year over year. These could be called **the top 10 homes with the most negotiating power** as well.

Pending Home sales source: NAR



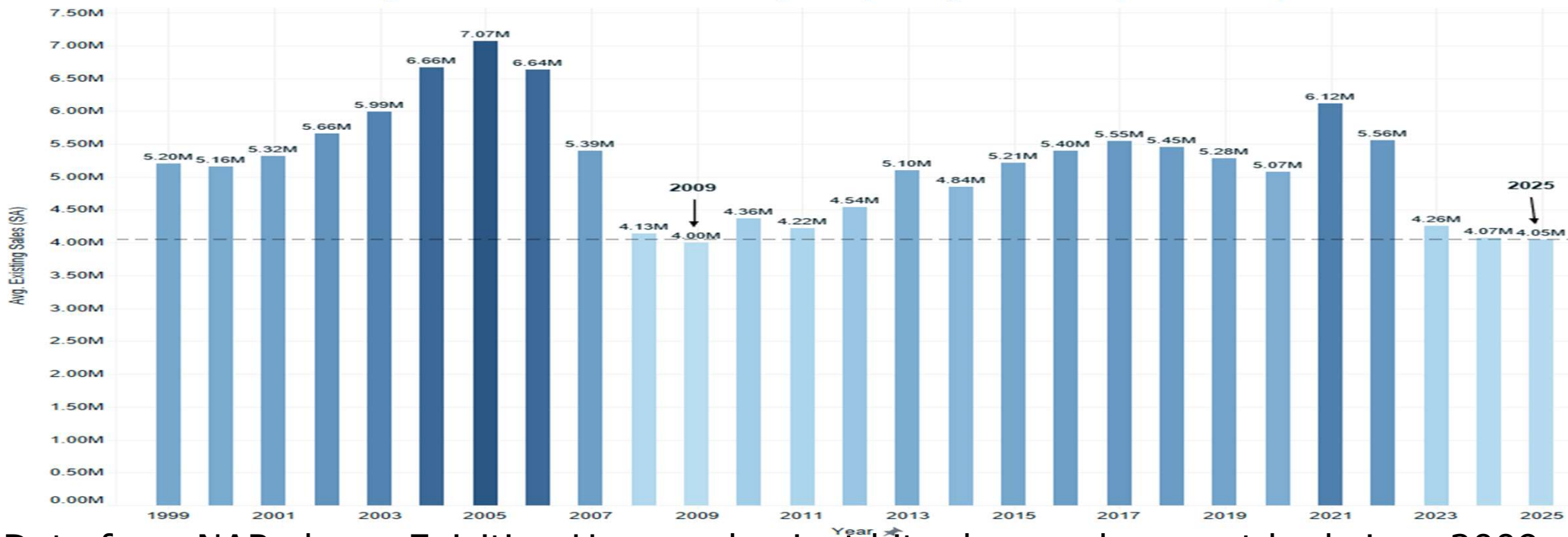
Data from NAR shows Pending home sales data shows us hovering at the bottom of the barrel indicating a slow correcting market to the downside. Mortgage applications upticked but that did not equal buyers actually buying the home. This means buyers wanting to buy a home, find out quick that homes in the country are not affordable for them, so they end up waiting.

Record low Homebuyer Demand for 2025

re:venture
APP

Record-Low Homebuyer Demand to Start 2025

Existing Home Sales Annualized: January to July average 1999-2025 (Source: NAR)



Data from NAR shows Existing Home sales just hit a low we have not had since 2009 and continuing to go down. What you have to figure out is since 2009, we have 20% more population, so shouldn't this number be ever growing? Sales are stalling grinding at bottom in the country based on this data set. People trying to upgrade or downgrade no longer makes sense, as they can't sell their home forcing people to stay in homes longer. This only emphasizes if you are a buyer, you have a ton of options. You actually have leverage if thinking of buying a home. **Regardless of where in the country you want to buy, reach out to me so I can get you a top agent not afraid of making offers. One with experience and has done this before like me.**

New construction are stacking up!

☆ New One Family Houses for Sale for the South Census Region (HNFSS)

Observations ▾

Aug 2025: 295

Updated: Sep 24, 2025 9:02 AM CDT

Next Release Date: Nov 26, 2025

Units:

Thousands of Units,
Not Seasonally Adjusted

Frequency:

Monthly,
End of Month

1Y

5Y

10Y

Max

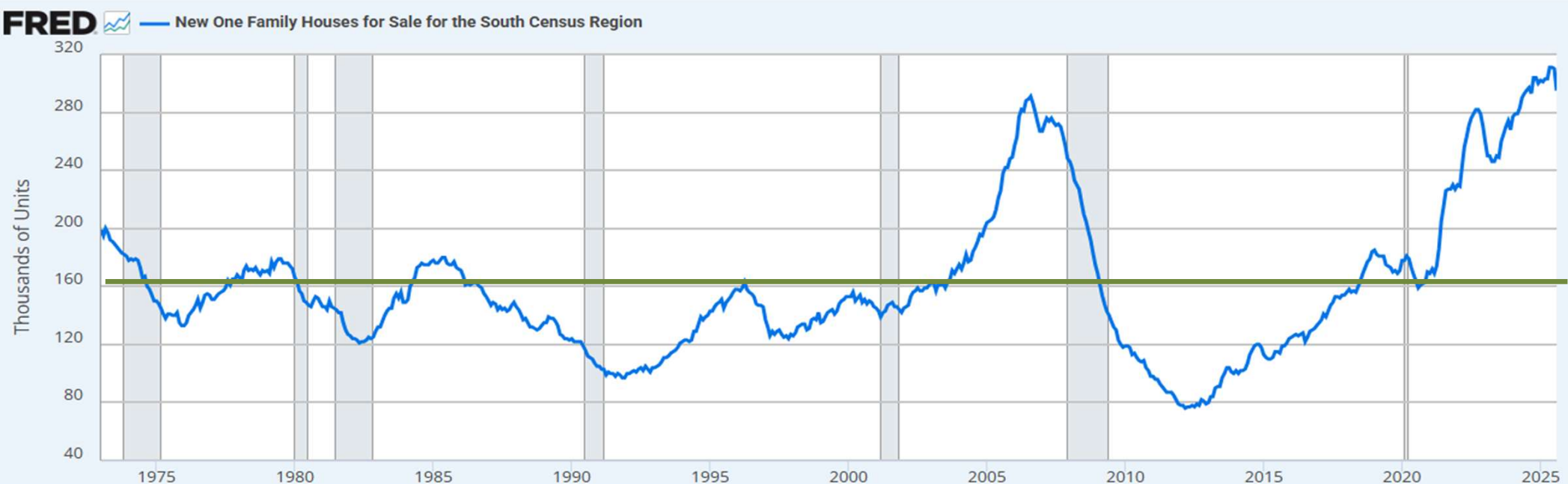
Edit Graph 

1973-01-01

to

2025-08-01

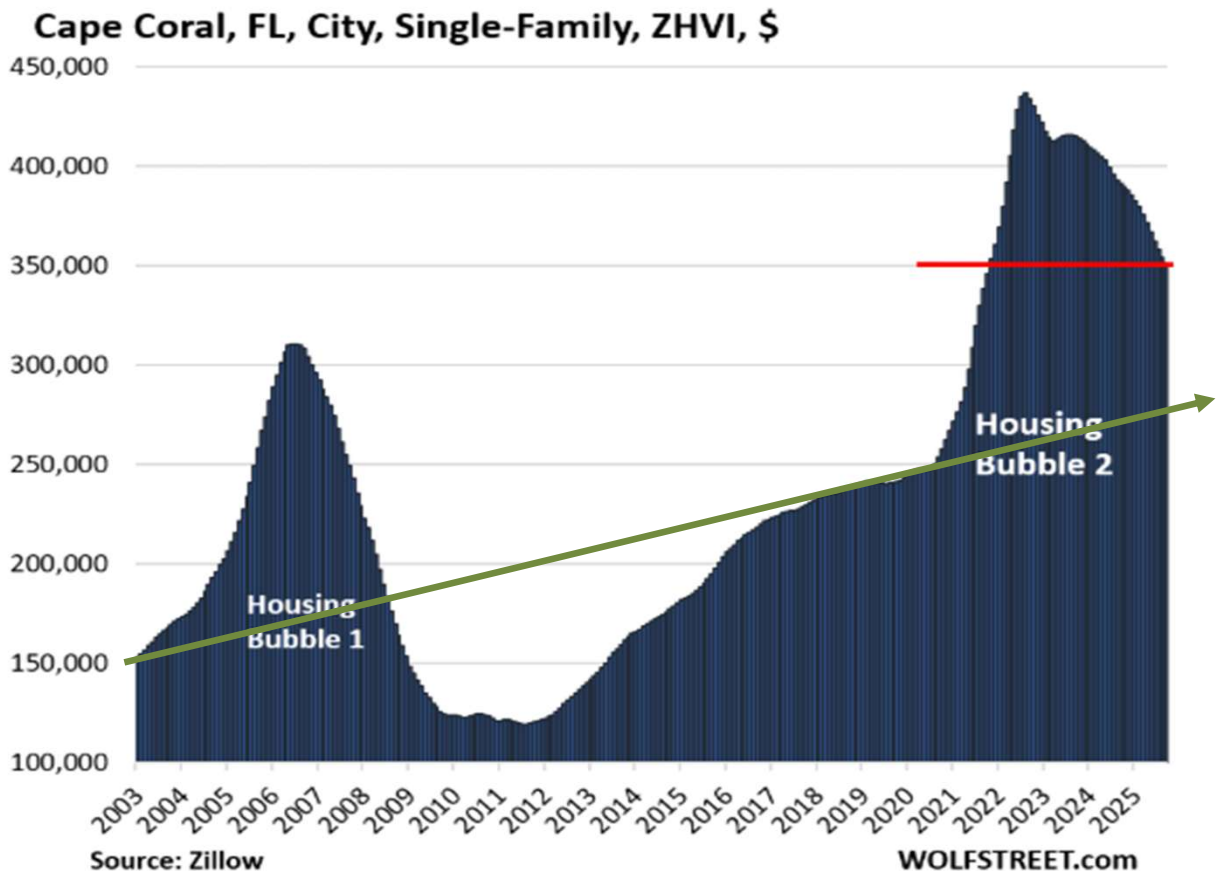
Download 



Builders are slashing prices and offering as much as \$100k worth of incentives to liquidate their growing inventory they are left and stuck with. This is leaving the resale market further behind the 8 ball. Data from FRED shows in the Southern part of the US builders have 295,000 new construction homes for sale which is 4k higher than August 2006's all time high. It does show it going down which is a step in the right direction, and in the future these numbers will go down to average, but that is going to take some time.

The 15 Bigger Cities with the Biggest Price Declines of Single-Family Homes

1. Oakland, CA: -24% (2022)
2. Austin, TX: -24% (2022)
3. Cape Coral, FL: -20% (2022)
4. New Orleans, LA: -19% (2022)
5. San Francisco, CA: -16% (2022)
6. Birmingham, AL: -15% (2022)
7. Fort Myers, FL: -13% (2022)
8. Washington, DC: -13% (2022)
9. Sarasota, FL: -12% (2022)
10. Denver, CO: -11% (2022)
11. Hayward, CA: -11% (2022)
12. Portland, OR: -10% (2022)
13. Phoenix, AZ: -10% (2024)
14. Naples, FL: -10% (2024)
15. St. Petersburg, FL: -10% (2024)



These top 15 larger cities have had the biggest Price declines from peak COVID pricing, and as you can see Cape Coral/Fort Myers ranks 3rd most at 20% in the country. Funny thing is Cape Coral/Fort Myers leads the country in Year over Year decrease in price at 10.6% with Oakland in 2nd place at 10.2%. This means price drops are more recent. Looking at the graph to the right, you can see the rapid escalation in price between 2020-mid 2022 were prices **exploded 76%**. I drew a trend line showing that if you look since 2003, real estate doesn't drop, but twice it can explode and correct as we have been predicting. Steep rises are followed by steep falls.

NAHB Buyer Traffic Hits low 20's

NAHB/Wells Fargo Traffic of Prospective Buyers (I:NAHBWFTP)

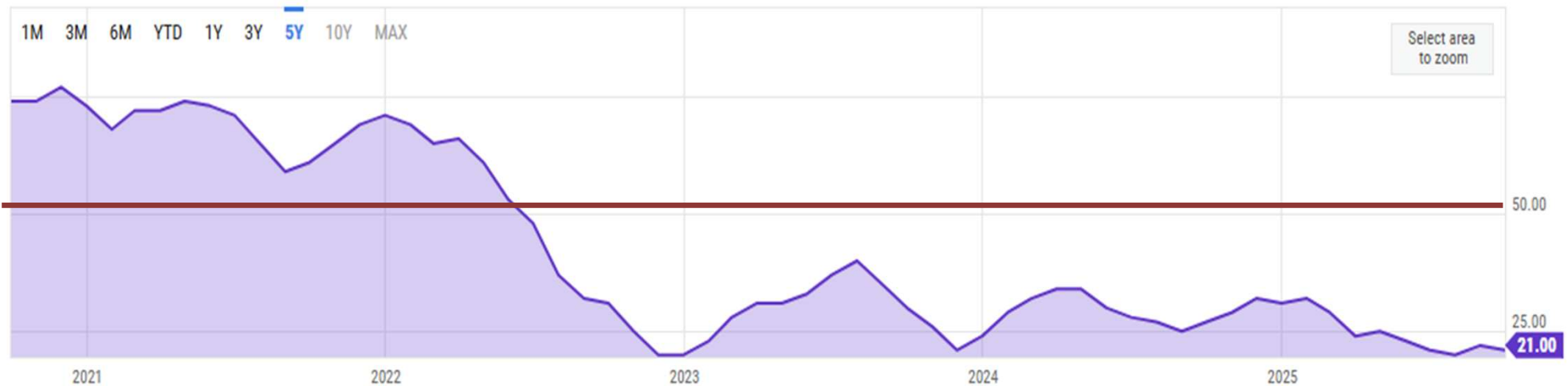
21.00 for Sep 2025

Overview

Interactive Chart

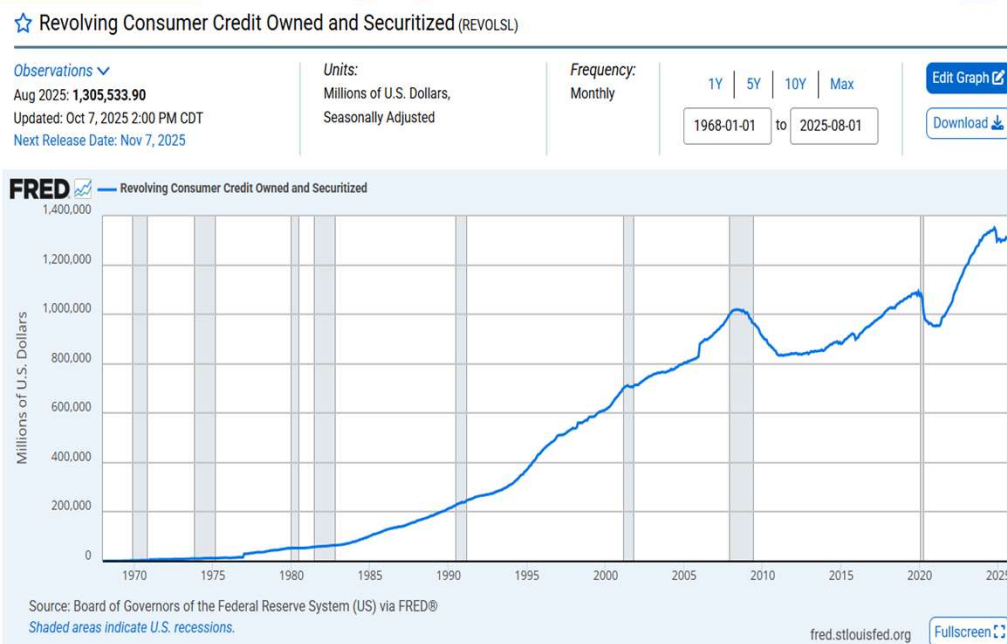
Level Chart

[VIEW FULL CHART](#)

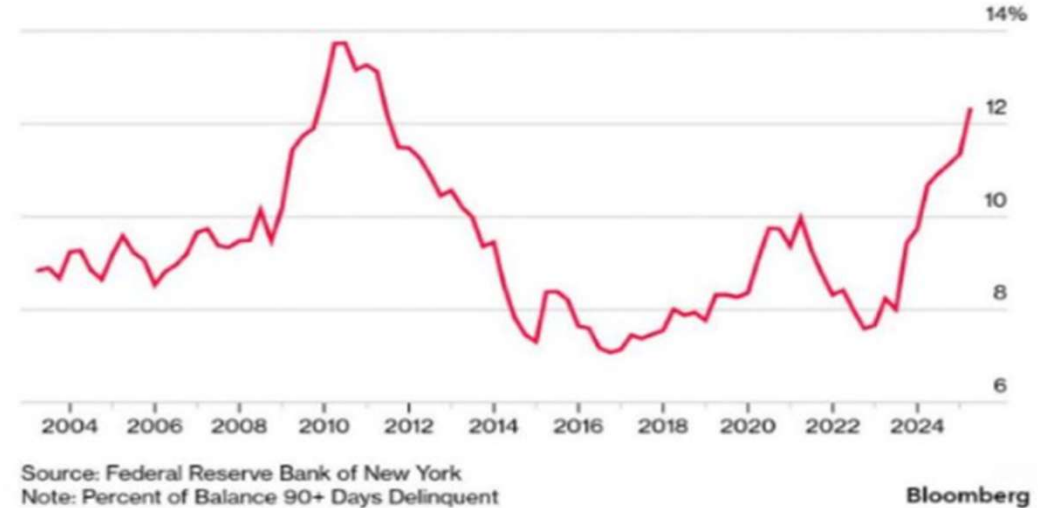


What we're seeing right now is the NAHB (National Association of Home builders) buyer traffic index at a record low of just 21. This index measures **how much foot traffic builders are getting**—basically, how many people are walking into new home sales offices to look at houses. **A score of 50 means traffic is balanced**, anything above that means demand is strong, and anything below it means demand is weak. So at 21, we're not just below average—we're deep into the territory where builders are struggling to get buyers through the door. For the future, it means that the homes already built and sitting on the market may take longer to sell, which puts pressure on prices and forces builders to offer bigger incentives. Fewer buyers showing up today means more inventory sitting around tomorrow, and that can create opportunities for buyers who are ready, but also challenges for the overall housing market in places like Southwest Florida. This number is a warning sign of slowing demand, and it's something we'll want to keep a close eye on as 2025 unfolds.

So why are buyers inquiring about homes and not buying them?



US Credit Card Delinquent Balances Continue to Tick Higher Unpaid credit card balances for at least 3 months rose to highest in 14 years



Buyers will always want a home, but economically, as these 2 graphs show, maybe the majority of buyers don't qualify for a loan. Total revolving consumer credit has reached **a record \$1.3 trillion**, reflecting a steady rise in household borrowing since 1970 with rapid increases in 2006 and 2021.

At the same time, **credit card delinquencies over 90 days+ have climbed to their highest level since 2011.**

Together, these indicators suggest that **consumers are increasingly reliant on credit while showing early signs of financial stress**, a trend worth monitoring as interest rates and living costs remain elevated. More debt means affording less of a home and delinquencies means bad credit. That could explain the uptick of applications, but the slow down of demand and closed sales.

Overview of these data points

- End of October showed an increase of inventory as expected from previous years. This should continue for the rest of this year.
- **Pending Sales increased 3%** which means more people are trying to get a house, but the cancellation rate has upticked. Coupled with the uptick of mortgage applications means people are trying but failing to close. Those homes would go back on the market causing more stress to sellers. **Sales increased 5%** last month which makes it much better than last year October. Promising. Every month this year was the worst for that month in a 40 year timespan. This month it broke that trend.
- Median home price increased a bit, but we have $\frac{1}{4}$ of the sales we are used to creating an even bigger disconnect between NEW homes and USED homes.
- Affordability got better but is still over 30%. Target zone is 21-22%.
- Stability has increased slightly reversing the downward trend for the 2nd consecutive month, but Homes are still losing near 1% per month.
- Fed Rate was dropped again but it immediately went up the next day . That is because treasuries also increased which is more related to mortgage rates than Fed Rate.
- New construction still runs the show with their incentives that far exceed anything the used market can offer. Putting this all together, we are getting slightly more stable, not affordable, too much inventory, and low sales and low future sales.
- Standing Builder inventory is still at Record breaking highs especially in the south, at the same time Builder sentiment is at its all time low. Until they are done selling off their enormous inventory, the gap between new and used will continue. Now when builders slow up, then the fun begins as the used market plays catch up.

This months deal!

Residential REALTOR Report

General Information

List Price: \$387,990
MLS#: 225070725
Address: 432 NW 6TH TER
CAPE CORAL, FL 33993
GEO Area: CC41 - Cape Coral Unit 37-43,48,49
County: Lee
Status Type: Under Construction
List Price/Sqft: \$212.25
Property ID: [11-44-23-C1-02559.0230](#)
Furnished: Unfurnished
Approx. Living Area: 1828 - Developer Brochure
Approx. Total Area: 2295 - Developer Brochure
Building Design: Single Family

ML# 225070725

Status: Active (09/13/25)

Property Class: Residential
Subdivision: CAPE CORAL
Development: CAPE CORAL
DOM: 46
CDOM: 47
Bedrooms: 4 Bed
Baths: 2 (2 0)
Den/Flex: No
Year Built: 2025



This brand new construction shown above was sitting at \$387,990 and just this week(end of month) we approached the builder and asked for the following.

\$374,990 price (\$13k off)

4.99% 30 year fixed interest rate (cost of 7% or 26,250)

6% concessions toward further buydowns and closing costs covering everything (Cost 6% or \$22,500)

Asked for an additional 1% toward flooring changeout credit as they didn't like the flooring. (cost 1% or \$3750)

Pay off all utilities assessments for city water and sewer (\$25,800)

Total Incentives = \$91,300 making this house with a total of \$13,125 down and bringing the mortgage payment to \$2425/month as interest rate became 4.5%. If this house was used and we still asked for 6% concessions toward closing costs making the down payment the same a monthly payment of \$2840/month. A savings of \$415/month. That is the equivalent of taking \$83,000 off the price.

Advice for Buyers (Same as last Month)

- Patience Patience Patience to infinity. Wait your time. It's a market of falling daggers! Wait for the savings. Forget the Feds. Get Interest rates of 4% today by waiting for it.
- Pick YOUR Payment and wait until the builders come to you.
- Wait for your deal and DO NOT SETTLE!
- 10,800+ 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
- Builders have way too much inventory on the books to get rid of.
- If we believe home prices are 17% overvalued. Instead of waiting for \$350,000 to drop to \$287,000, you can easily get the monthly payment under that with incentives and buydowns of rate along with price drops

Advice for Sellers

- Season for SWFL is over and won't come back until January. If you ever thought of selling your home, you still have FAKE EQUITY caused by COVID, and most pressing concern is that buyers can get new homes significantly lower from builders, with a much lower monthly payment than used. By the time used catches up to this, it will be too late. Builders will continue to drop putting all the pressure on you to catch up.
- Sellers get a pre-inspection to show buyers that they will not need to do many repairs, AND offer concessions, buydowns, etc to make it more affordable. Every dollar matters now.
- Price yourselves according to the market
- Market your home differently than the competition because 10k homes is a big pile

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**
- **National Association of Realtors**
- **NAHB**

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 and fill in a 3 minute survey to get started.

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www.Leecountymarketupdate.com

Cell phone 1-239-980-2792

Look forward to hearing from you soon