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

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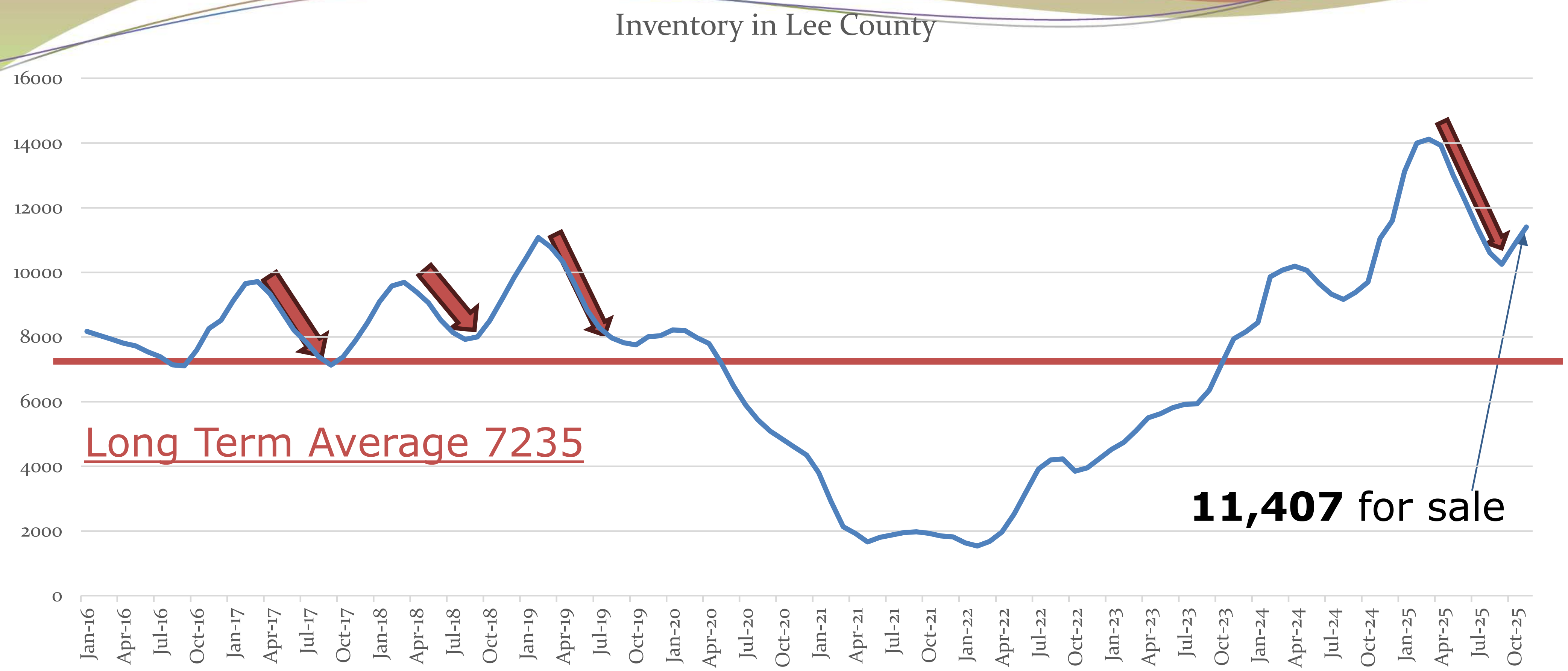
"SW Florida's Housing Expert with over 6395 transactions and over $344mil+ in SOLD Real Estate"

12/1/2025

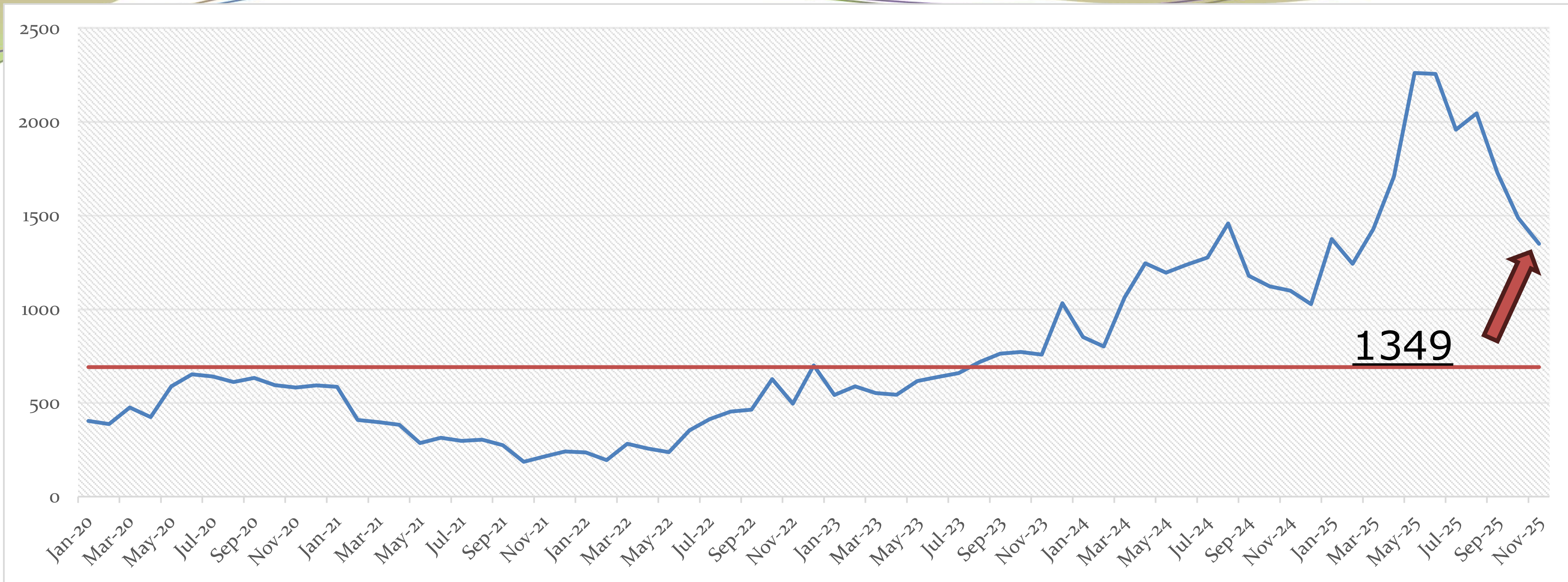
www.Leecountymarketupdate.com

Supply of Inventory for sale in SW Florida



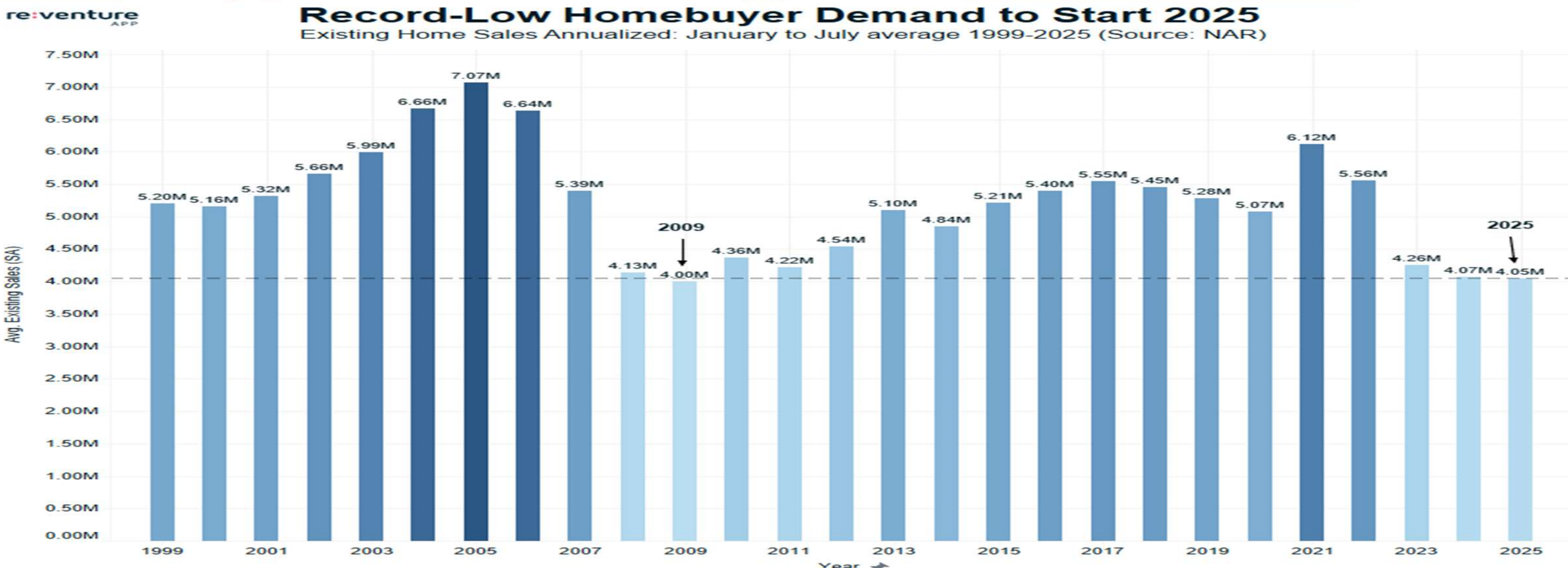
Inventory went up in November by 5% again **showing an upward trend for the 2nd consecutive month AS EXPECTED** after its deep plunge as we have seen in every August except the 2020 COVID crisis. An increase of 562 homes compared to the 598 increase last month! That is 2 **consecutive increases of inventory. Expect 6 of these total**. History shows that this will is hit the peak in March/April, then start to make its way back down. It is the most inventory in November we have had in over 20 years. In the next graph, you can also see the amount of homes withdrawing from the market (Hint over 1300). This means even though we lost 1300+ homes to inventory, we still had a net gain of inventory after all the sales. Using this graph, we can predict the increase of inventory for the next few months. Year over Year **our inventory is 3% higher than last year for November.** If inventory climbs as it should, then it will look even more promising to buyers for the near future. An abundance of INVENTORY MEANS LOWER PRICES and Price reductions, BUT also normally means lower demand**. Single Family Homes constitute 65% of total inventory, condos represent 22% of total inventory, and the rest are Townhomes/Villas. Of this inventory, 2083 of the existing inventory are New Construction or a 2% increase from last month showing the reversal of a 2 month positive trend to increasing inventory which is negative trend. Will Builders start to panic?**

Expired, Terminated, Withdrawn



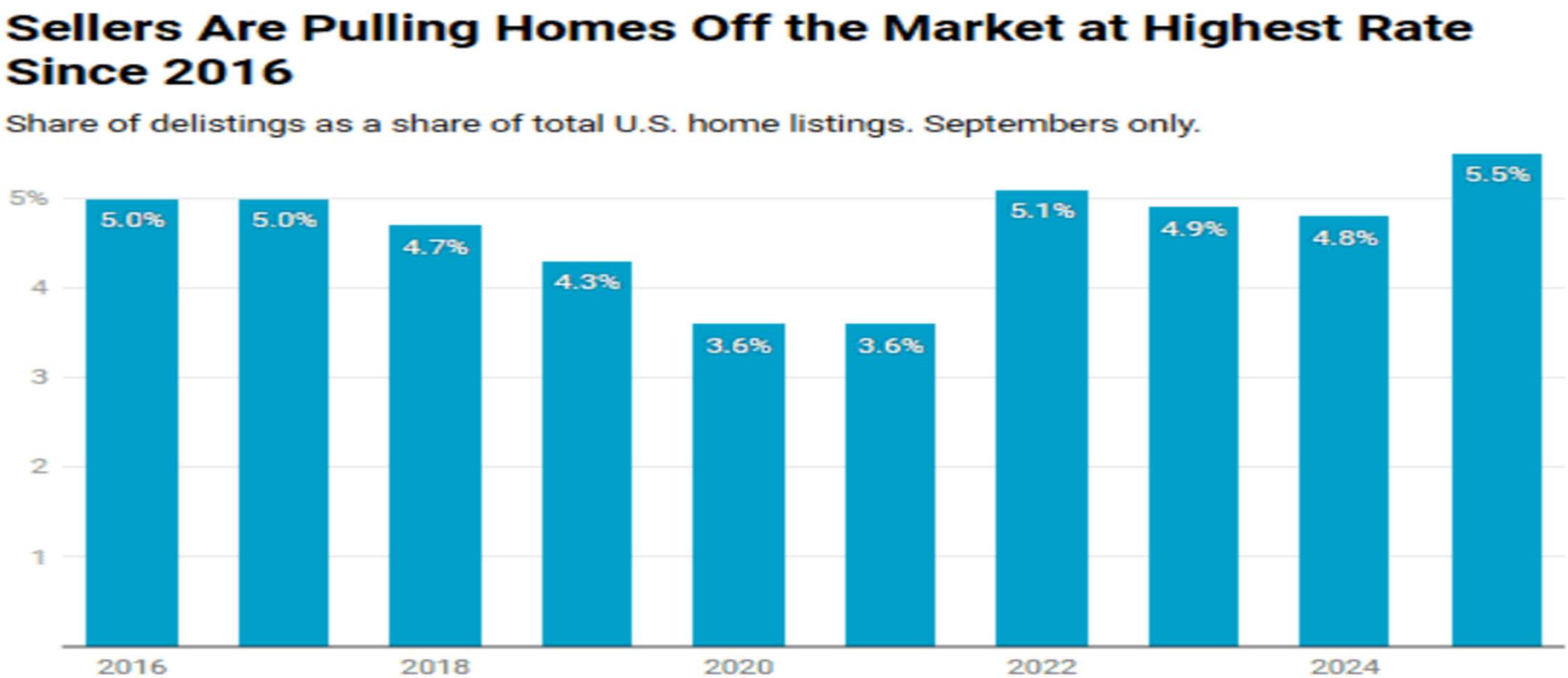
This graph shows you the amount of monthly **Withdrawn, Expired, and Terminated** listing since 2020. As you can see, we spiked in May of this year, and hit triple digit percentage increase over average since March. Compared to long term average of homes leaving the market, we are 194% over that number**. Of these 1349 homes giving up, 156 of them were new construction, but only 14 were National Builders! Why would a builder do that?** Many times builders will cut a deal on their homes so drastic, They do not want that sale price advertised on MLS. 8 of these 14 were from **Lennar.** Holiday had a few, but most of those were after 365 days of being on the market. That also might tell you something that the homes they are trying to sell took 1 full year and still didn't sell. Why do people give up? Mostly, they are either switching brokerages, or understand that listings are not selling, especially for their price. 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.

Record low Homebuyer Demand for 2025



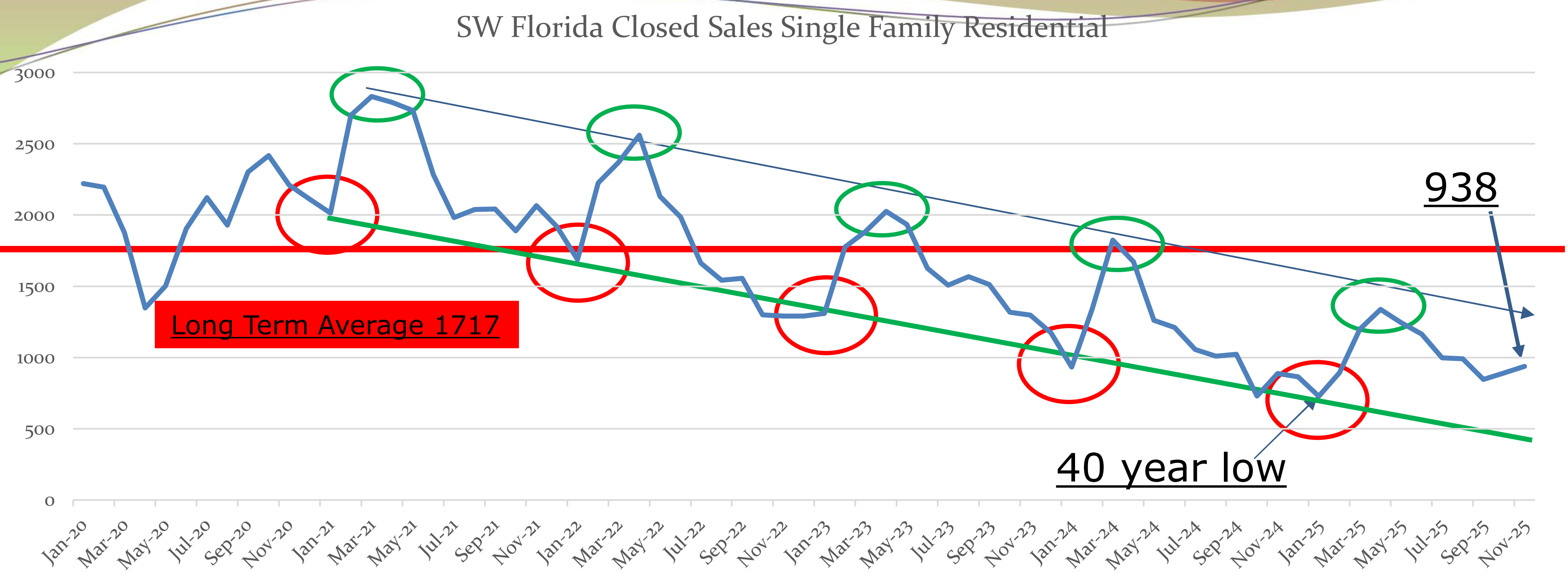
Data from NAR shows Exisiting Home sales just hit a low we have not had since 2009 and continuing to go down. What you have to figure out is since 2009, we have 20% more population, so shouldn't this number be ever growing? Sales are stalling grinding at bottom in the country based on this data set. 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.

BUT…Inventory is still rising!



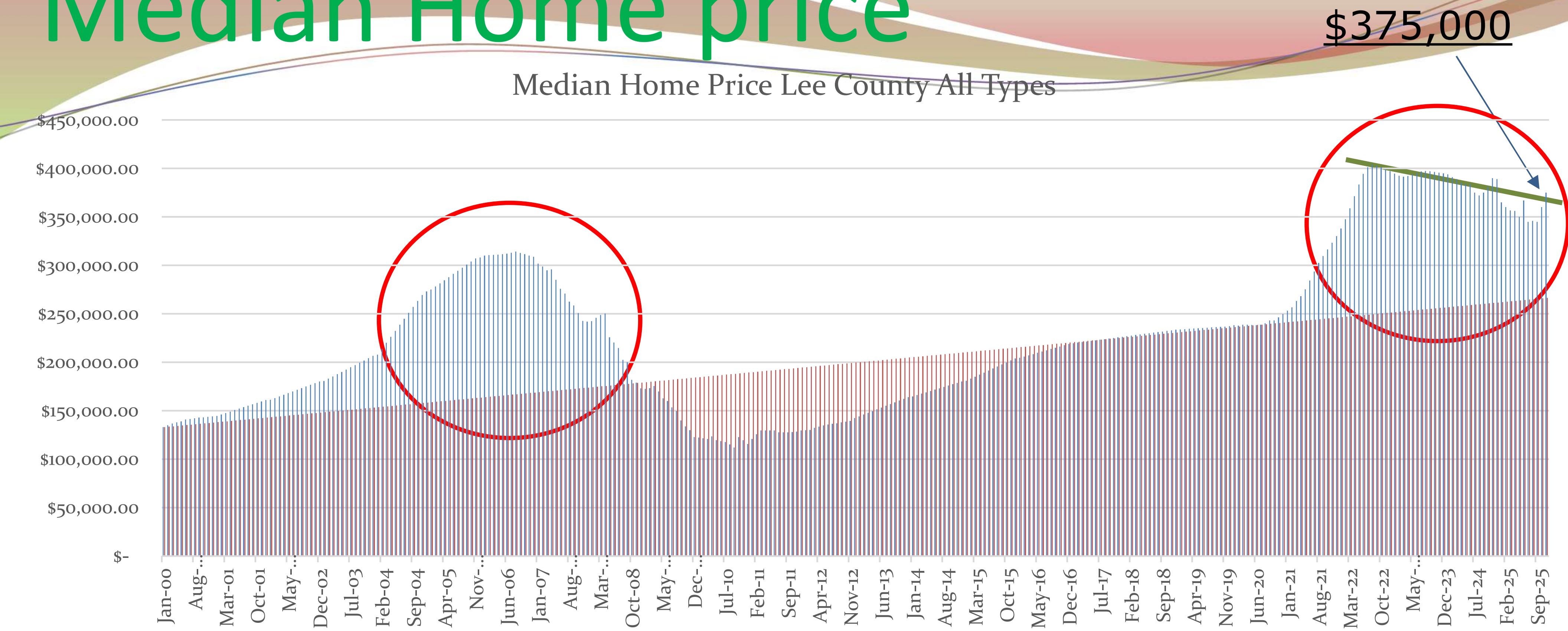
- Contract signings (pending home sales) are at the lowest levels in 2025. This makes Sellers decide on quitting the market, and as a result, delistings jumped 28% YOY as sellers pull their homes from the market rather than try to compete. Washington DC, Dallas and Texas, Florida toping the rankings in that. Problem is it probably don't get better for Sellers in 2026 with new data coming out about foreclosure filings. Sellers are pulling homes off the market at the highest rate since 2016 at 5.5%. According to data from ATTOM, **1 in 5 delisted homes are relisted withing 3 months**. 34% of this months delistings were homes owned by sellers who purchased their in within 2-5 years ago.

SW Florida Demand (Solds)



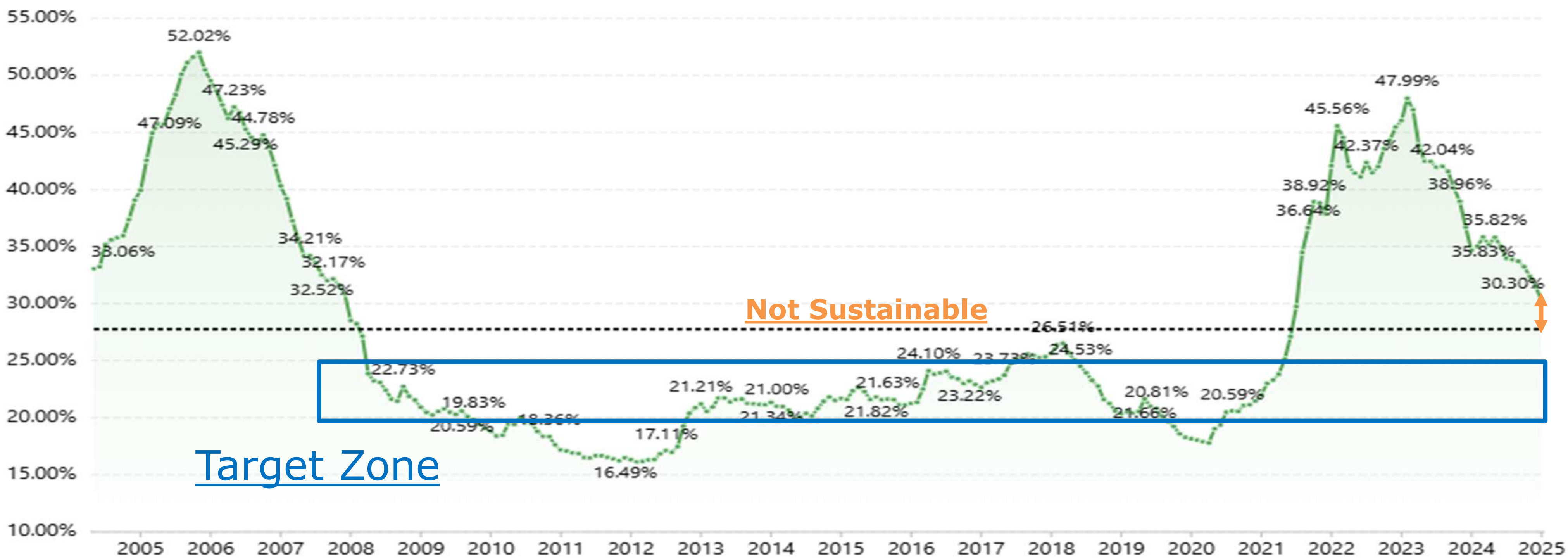
Last month in November, Sales went UP **6%** making it the 3rd consecutive month of sales increase, which is a step in the right direction, BUT as you can see, it still struggles to break out of its current downward trend. Looking at trend analysis, the peak is always March/April (same time inventory starts going down) and bottoms on Janaury. In the between those months, it kind of messes around in between these lines in a chaotic unpredictable way. The overall trend is look for demand to bottom in Janaury, and if it breaks its current 40 year low, expect season to be a bust this Spring. If it makes a higher low, then expect this year to maybe see the start of an upward trend. 1 trend I was following was every month this year was the worst sales in that particular month in over 40 years. This month NOVEMBER it broke that trend. **It was not the worst November in 40 years**. As last year was the worst in 40 years. Progress? Not counting last year, it was the worst since 2008. Compared to the long-term average, it is **46% lower** than the average a DROP from last months 49%. 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 **6.22** which is much lower than the 6.38 of last month. This is a positive trend just not as much as we expected from the Feds. **Of the 938 Sales for November, 248 were new construction, down 14% from last months. This represents 26% of the total sales are New construction which is a drop as the used market plays catch up.**

Median Home price



Compared to last month, Median home value went up 4.1% meaning this crisis is being prolonged yet again. Expect this graph to show these months of stubborn behavior. Taking the low sales in November, this number is not as relevant as to when we sell 2x to 3x as much normally. There were 54 Homes that sold for over $1mil. The highest home sold was **$9.7 Mil home on Bonita Beach** on the Gulf with over 5200 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. **248 home sales were new construction with a median price of $350,000** constituting for over 26% 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 expireds 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 $266,400 or a drop of 29% further.

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



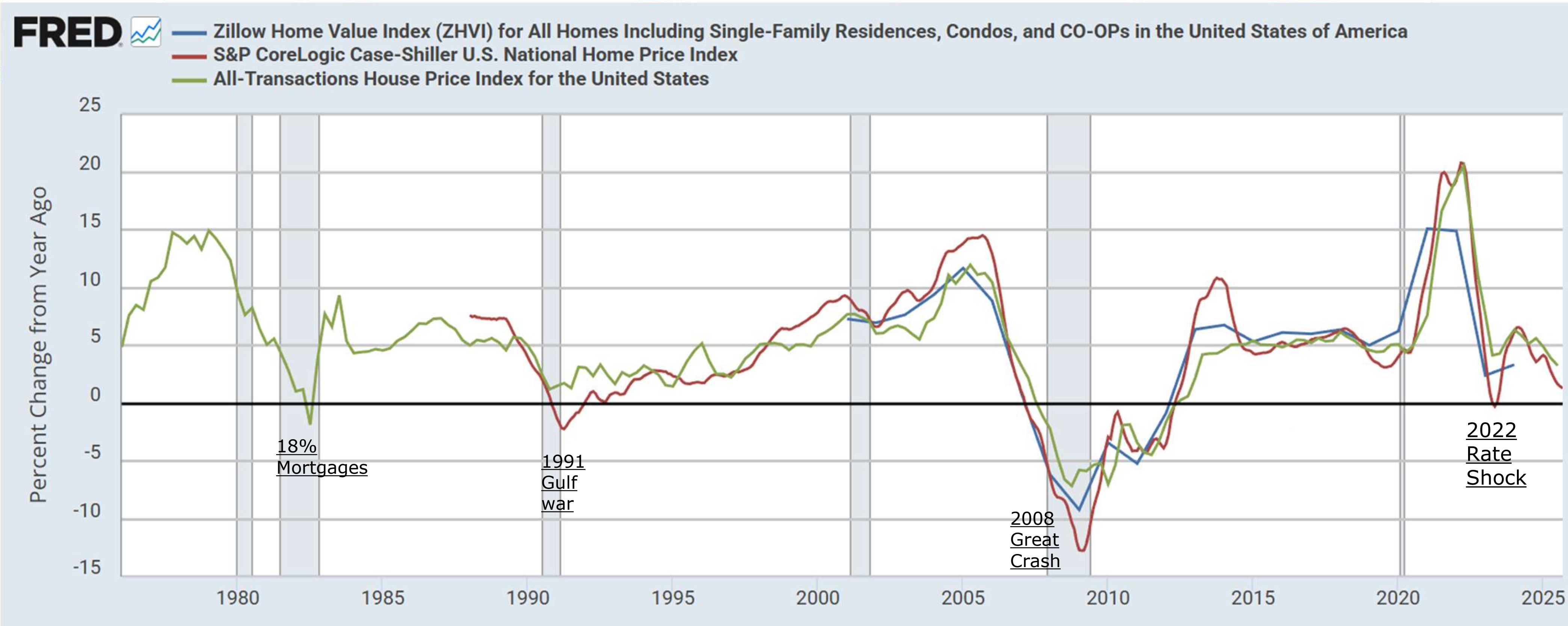
NOT Affordable Yet but getting closer to long term average of 27%! This graph factors in the mortgage payment which includes Property Taxes, insurance, interest rate, and average home price for the month and divides the areas median household income. This is a measure of relative homebuyer affordability given the prevailing home values and current rates. **Last month we were at 30.33%** of a household's gross income going toward mortgage. **This month it went up to 31.67%** The interest rate dropped .125 and income continues to go up, but sales price went up. The Median household income went up from **$84864 to $85,005**, **an increase!** 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 **$1912/month and increase of $3 from last 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 **$1,629/month**. Which sounds more realistic to you? Right now, the mortgage payments for the average home is **$2202/month.** Either way it is way to expensive still.

Home Value Growth Month over Month for Lee County

Tracking Month over Month home Value Growth helps pin point changes in the market and signals a crash and/or bottom and WHEN STABIIZATION 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 **-0.72** and last months we were at -0.93, 1.17, -**1.28**, 1.27, -1.22 -1.04, .085, 0.69%, -0.65%, and -.62% so that is **28 consecutive months of negative home value** so far, **BUT** This is the 3rd 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 3rd consecutive month. It still lost .72% of value this month and that's 8% if it continues at this rate for the whole year. 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!

Home Value Growth YOY 1975-2025

FRED/ZZHVI/Case Schiller



Right now I looked up the YOY ZHVI growth YOY in the country and it's currently at 0.1. This is in recession era levels. The last time this happened where it was completely flat and near 0 happened in **2022** with the doubling of rates, **2008** Great Crash, **1991** Gulf War, and the double dip recession of the **early 1980's**. Going even further back it happened during the **1973** recession when it hit .6%, and the **1954-1967** Disinflationary Period. This data graph tells me that the housing market has entered a recessionary period and price growth will continue to go negative in many more markets. Not just the states that already had major corrections like Florida, Texas, and Nevada. You are seeing it happen now in NYC, California, Georgia, Kentucky, West Virginia, and Pennsylvania. In our state you can see YOY areas like Tampa are losing 9-18% in the last year depending on zip code, or in southern Atlanta losing 15-20% since last year. This is good news for home buyers in the next year as prices fall to affordable levels.

Statistics as compared to last month

December 1st 2025

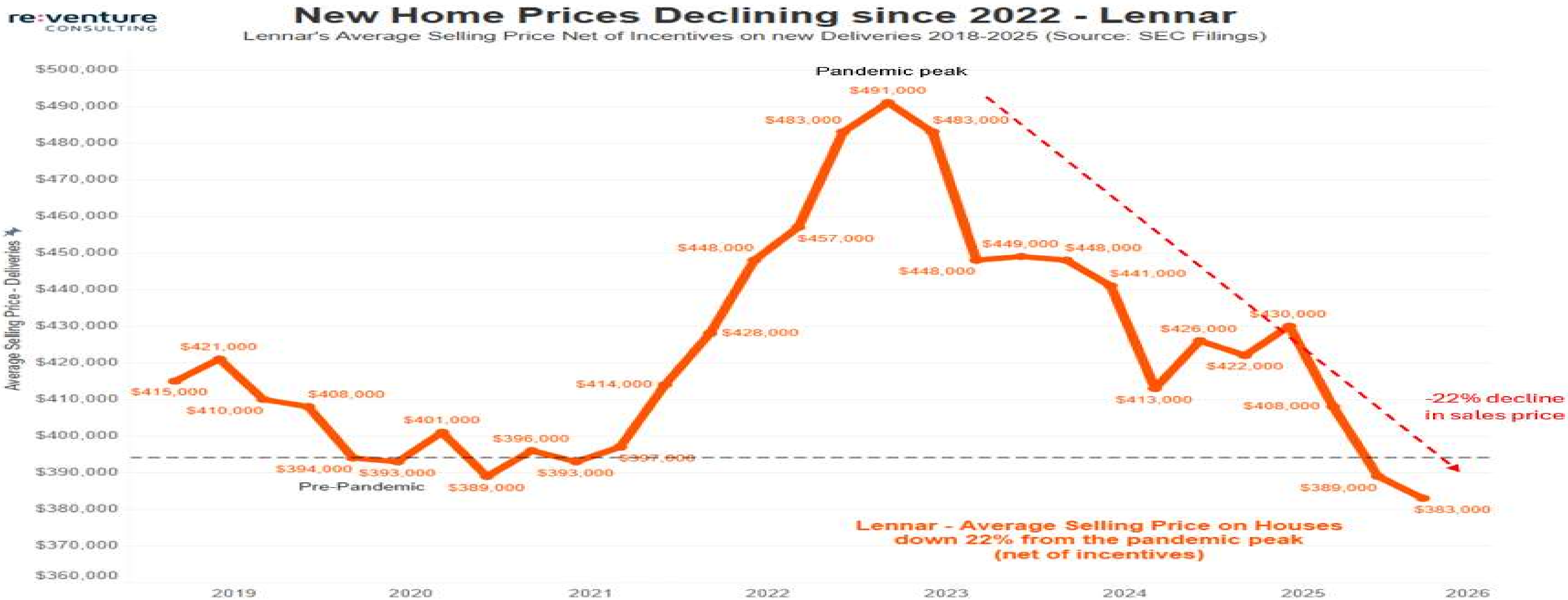
- Total Housing for sale 11,407 5%
- Total SF Homes Sold 938 5%
- Total Sales Pending 1448 6%
- **New construction 4sale 2083** 2%
- Average Time on Market 95 6%
- Median Asking Price $379,990 3%
  Median Selling Price $375,000 4%
- % of asking price sold 98.7% 1%

November 1st 2025

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

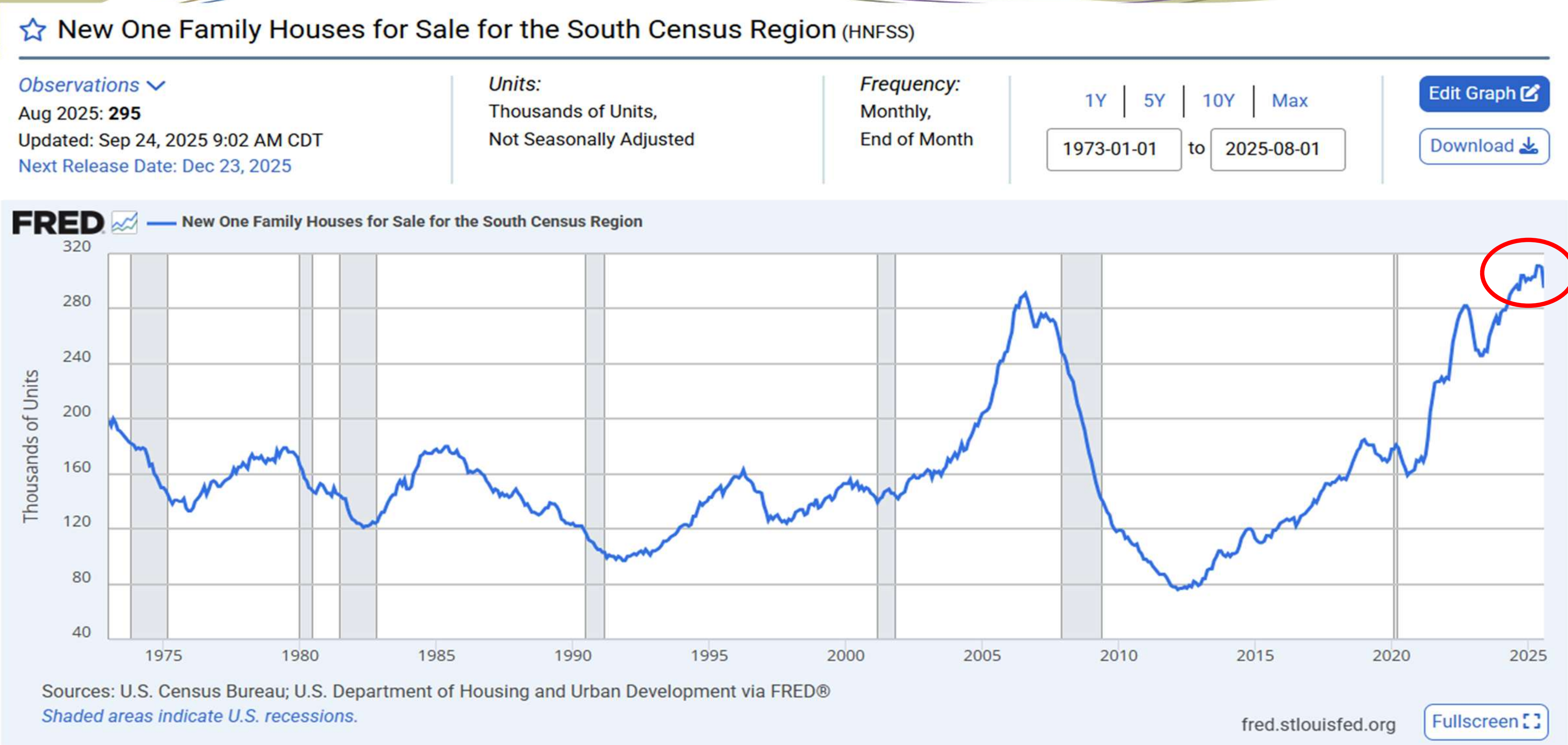
In Summary: Inventory went up 5% ☹ even with over 1300+ expired houses leaving the market. Sold inventory (Demand) went up 5% ☺ making a new upward trend of 1 month. Pending sales went up 6% ☺ showing what to expect next month for closed sales. New construction homes for sale increased 2% heading toward 2100 homes for sale. The % of new homes for sale is 26% of our total inventory which shows more buyers heading toward used homes and inventory. Still ¼ of our sales. Average time on market dropped 6% after going up 12% last month but 95 is still a big number. Median asking went up as well as median selling price. Something has to give. November did exactly what we predicted last month and last month we expected inventory to exceed 11k, and it did. 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 November to have a small pop, and it did. Now we can predict next month might just stay level as December historically is a slower month, but a slight increase of pending sales might offset that a bit. The data here though spells a bad month for builders unless they start making killer deals.

Lennar New homes Prices since 2022



Since 2022 when Lennar was selling their homes, at peak, they were averaging $491,000 Net per home. These were times they commanded bidding wars. Now it sits at $383,000. An over 22% decline from peak and an over $100k crash in price. Real estate is sensitive to interest rates and in 2022 when rates spiked and doubled the prices crashed. Lennar is even stating "Now is the best time to buy a home" Is it? If they said every month (they do), they would be right most of the time, but how about in 2021-2022? Were they right then? The majority of their loses come from the interest rate buydowns making homes affordable, but they still try to command higher prices than the market can bear. Seems this trick is not working the way they would like.

Remember they Still have a record number of homes for sale!

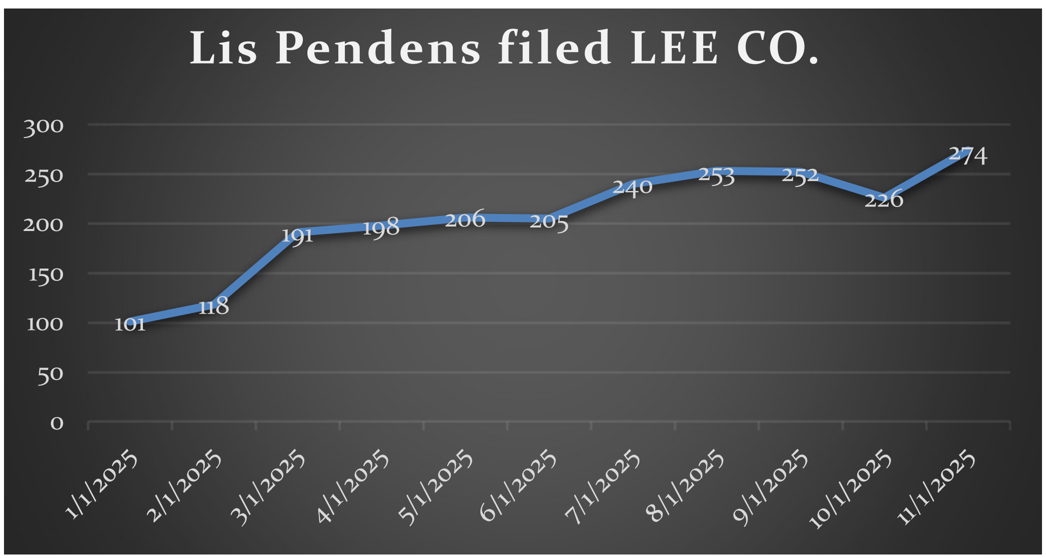


New data from FRED shows that number slightly dwindling, BUT it is still past the record number previous set in 2006 at 291,000. Currently it sits at 295,000 meaning even with losing 22% margins on their homes, builders still have record number of inventory. In the future, I expect to see this amount dwindle as they slow up new starts, and renegotiate terms with trades to keep prices down. Others will lower their standard features for lesser cabinets, lesser home features like lower ceilings, going back to normal windows from impact glass, and crappier floors from the premium ones they included in the past. This has already started here locally. Others will increase their features and lessen others making it seem like they are giving better product.

Newest Data Point for Lee County

- I didn't want to admit this was a trending thing, but numbers do not lie. I will be compiling data for the latest trend in our market. Short Sales and Foreclosures. A short sale is when the owner of the home is upside down based on what they owe. Maybe the cash out refinanced, or just bought in 2021-2023 and cannot compete with new constructions or builders with all their incentives. To start the process, they have to miss their next mortgage payment. This is when the mortgage company reaches out to offer help. If the home is already for sale, the agent SHOULD retain a short sale negotiator for their client (like the one I have) and figure out what the bank will take as a percentage of the loan. This will give the agent the ability to drop the price lower than what is owed in order to get an interested buyer. If the negotiation works (normally for me less than 45 days) then the bank agrees to sell the home short and the sellers do not have to contribute a dime if done properly. The transaction is complete, the buyer receives a discount off the home, and the sellers move on. This is in a perfect case scenario. Can complications arise? Sure.
- The number of short sales have increased to now Lee County having **84 short sales** which is an increase from last months 65 (**30% increase in active short sales**).

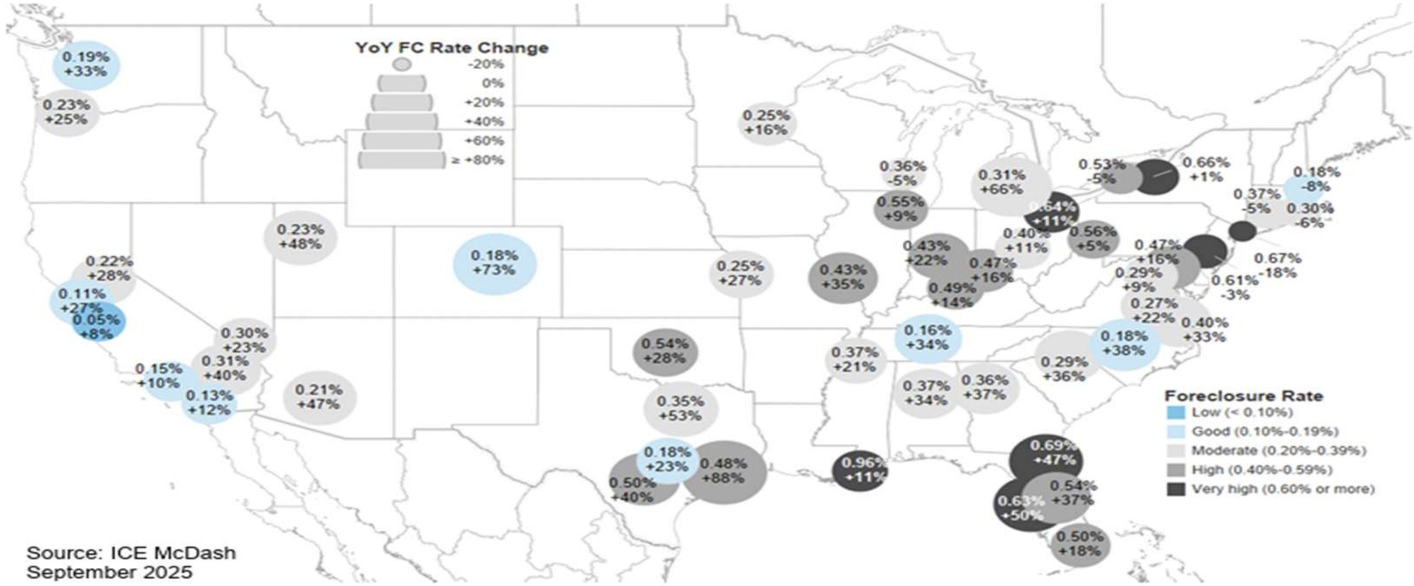
- A foreclosure occurs when the bank takes back the home from the seller. It is a legal process that takes an average of 2+ years to happen. Sometimes banks offer Deed in Lieu of foreclosure which takes significantly less time. Currently there are **53 Foreclosures on the market**. Combined with short sales this is **137 total homes in duress**.
- Lis Pendens is another data point showing if there is an increase of these coming down the pike, because when the owner misses their first payment, the bank files for a Lis Pendens first to start the process. Lee county has currently 2258 Lis Pendens filed this year alone.



<u>For those of you like me that has seen what this can get to, let us hope this does not reach the levels of 2008-2009. For info on short sales reach out and I can explain.</u>

Foreclosure Data

Foreclosure rate and annual change in foreclosure rate



Lowest foreclosure rates	
CBSA	**FC Rate**
San Jose, CA	0.05%
Oxnard, CA	0.10%
San Francisco, CA	0.11%
San Diego, CA	0.13%
Grand Rapids, MI	0.13%
Boise City, ID	0.14%
Los Angeles, CA	0.15%
Nashville, TN	0.16%
Raleigh, NC	0.18%
Denver, CO	0.18%
Boston, MA	0.18%
Austin, TX	0.18%
Chattanooga, TN	0.19%
Seattle, WA	0.19%
Phoenix, AZ	0.21%

Highest foreclosure rates	
CBSA	**FC Rate**
Baton Rouge, LA	1.10%
New Orleans, LA	0.96%
Syracuse, NY	0.92%
Lakeland, FL	0.90%
Albany, NY	0.88%
Youngstown, OH	0.83%
Columbia, SC	0.73%
Deltona, FL	0.72%
Jacksonville, FL	0.69%
Scranton, PA	0.69%
New York, NY	0.67%
Rochester, NY	0.66%
Cleveland, OH	0.64%
Honolulu, HI	0.63%
Tampa, FL	0.63%

Lowest year over year change	
CBSA	**YoY Change**
New York, NY	-18%
Albany, NY	-17%
Boston, MA	-8%
Bridgeport, CT	-7%
Madison, WI	-7%
Providence, RI	-6%
Buffalo, NY	-5%
Milwaukee, WI	-5%
Hartford, CT	-5%
Urban Honolulu, HI	-5%
Philadelphia, PA	-3%
Scranton, PA	-2%
Oxnard, CA	+0%
Rochester, NY	+1%
Allentown, PA	+2%

Highest year over year change	
CBSA	**YoY Change**
Houston, TX	+88%
Colorado Springs, CO	+76%
Denver, CO	+73%
Provo, UT	+68%
Detroit, MI	+66%
Augusta, GA	+62%
Cape Coral, FL	+57%
Dallas, TX	+53%
Tampa, FL	+50%
Deltona, FL	+50%
Knoxville, TN	+50%
Salt Lake City, UT	+48%
Jacksonville, FL	+47%
Phoenix, AZ	+47%
Spokane, WA	+45%

<u>This is not just a local problem as data from Mortgage Monitor shows Cape Coral/Fort Myers area having an increase in foreclosure filings rise 57% YOY. Ranking us the #7 in the country for biggest increase. This gives you an idea what inventory surge will occur over the normal surges we experience seasonally. Increased Foreclosures brings an automatic motivated seller to the market</u>

This months deal!

Residential REALTOR Report

General Information		ML# 225051720	
List Price:	$319,999		
MLS#:	225051720	**Status:**	Pending (11/24/25)
Address:	16561 BLUE CORAL TRL NORTH FORT MYERS, FL 33903		
GEO Area:	FN02 - North Fort Myers Area		
County:	Lee	**Property Class:**	Residential
Status Type:	New Construction	**Subdivision:**	CORAL BAY
List Price/Sqft:	$175.05	**Development:**	CORAL BAY
Property ID:	28-43-24-L2-02000.2310	**DOM:**	178
Furnished:	Unfurnished	**CDOM:**	182
Approx. Living Area:	1828 - Developer Brochure	**Bedrooms:**	4 Bed
Approx. Total Area:	2367 - Developer Brochure	**Baths:**	2 (2 0)
		Den/Flex:	
Building Design:	Single Family	**Year Built:**	2025

225051720	28-43-24-L2-02000.2310	16561 BLUE CORAL TRL	0	$359,999	New Listing	05/30/25	->A	N641442	Corey Wayland

This brand new construction on a lake with city utilities, 4 bedroom, 2 bathroom was sitting on the market since June with no buyers. Slowely they started dropping the price, then I got the phone call. $40,000 off price AND incentives! So, I approached the builder with 1 of my buyers and asked for the following.

$314,999 price ($5k off the already 40k off price)
3.99% 30 year fixed interest rate (cost of 9% or 28,349)
6% concessions toward further buydowns and closing costs covering everything (Cost 6% or $18,899)
Asked for an additional 1% toward a 2/1 buydown meaning 1st year 1.99%, 2nd year 2.99% then 3-30 3.99%

Total Incentives = $95,447 making this house with a total of $11,024 down and bringing the mortgage payment to $2180/month from years 3-30 but 1st year $1824/month AND that includes HOA, Principal, Taxes, PMI, and Insurance.
The same used home at 2845 Pillar Coral LN built in 2024 is asking $329,900.

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General Information		ML# 2025010712	
List Price:	$329,900		
MLS#:	2025010712	**Status:**	Active (09/19/25)
Address:	2845 PILLAR CORAL LN NORTH FORT MYERS, FL 33903		
GEO Area:	FN02 - North Fort Myers Area		
County:	Lee	**Property Class:**	Residential
Status Type:	Resale Property	**Subdivision:**	CORAL BAY
List Price/Sqft:	$180.47	**Development:**	CORAL BAY
Property ID:	28-43-24-L2-01000.0550	**DOM:**	70
Furnished:	Negotiable	**CDOM:**	70
Approx. Living Area:	1828 - Property Appraiser Office	**Bedrooms:**	4 Bed
Approx. Total Area:	2217 - Property Appraiser Office	**Baths:**	2 (2 0)
		Den/Flex:	No
Building Design:	Single Family	**Year Built:**	2024
Listing Broker:	DomainRealty.com LLC	**County Permit #:**	

Most he could give according to lending guidelines is 6% concessions ($19,499) Let us say that pays all closing costs leaving a bit for rate. The monthly payment is
$2641/month with 11,375 down. A savings of $461/month or $5,532/year. To make this same home the same monthly payment, we would have to drop the price of this used home down $75,000 off the price (22%) for the same payment.

Overview of these data points

- End of November showed an increase of inventory (5%) as expected from previous years. This should continue for the rest of this year.
- **Pending Sales increased 6%** which menas more people are trying to get a house, but the cancellation rate has upticked (22%). 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 November. Promising for the 2nd consecutive month. Every month this year was the worst for that month in a 40 year timespan. This month it broke that trend as it did last year.
- Median home price increased a bit, but we have ¼ of the sales we are used to creating an even bigger disconnect between NEW homes and USED homes still.
- Affordability got a bit worse and is still over 30%. Target zone is 21-22%.
- Stability has increased slightly again reversing the downward trend for the 3rd consecutive month, but Homes are still losing near 1% per month.
- 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 and increasing 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.

Advice for Buyers (Same as last Month)

- Patience Patience Patience Patience Pateince. Wait for your deal. Buyers need to find what they want, narrow down their search, then strike at sellers/builders at the most opportune 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. Like my recent deal, if we pulled the trigger last month, we would have wasted over $10,000 in incentive3s compared to this month.
- Wait for your deal and DO NOT SETTLE!
- 11,000+ 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.

Advice for Sellers

- This is going to get rough for sellers. If you bought prior to COVID, you still have fake equity to cash in on. If you bought after 2020, then it all depends, BUT if you bought 2022-2024 then you are most certainly upside down. Short sales are working if done right. Do not lose your home to foreclosures when there is a way to make this pain go away. 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 11k 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.

Ed Zoller

Realtor Villa Realty Group/ Owner Teacherscanbuyhomes

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Look forward to hearing from you soon