

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

Written by
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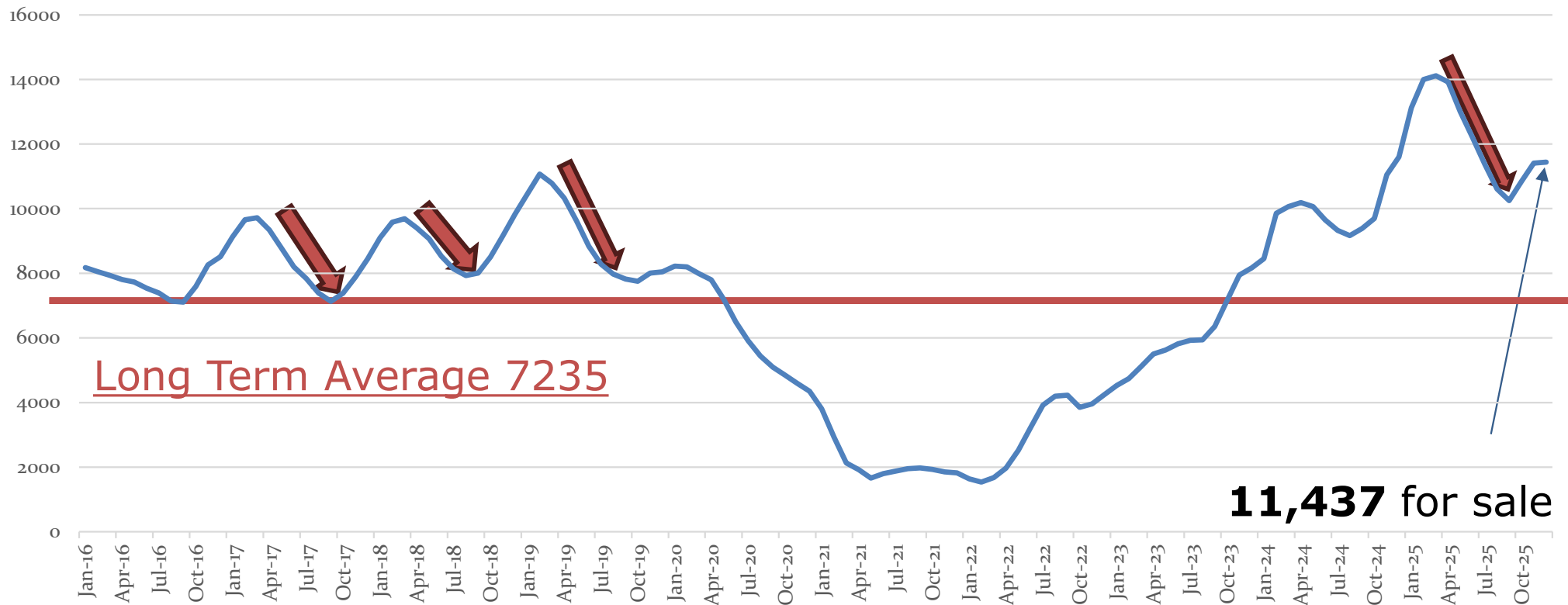
“SW Florida’s Housing Expert with over 6399
transactions and over \$347mil+ in SOLD Real Estate”

1/1/2026

www.Leecountymarketupdate.com

Supply of Inventory for sale in SW Florida

Inventory in Lee County



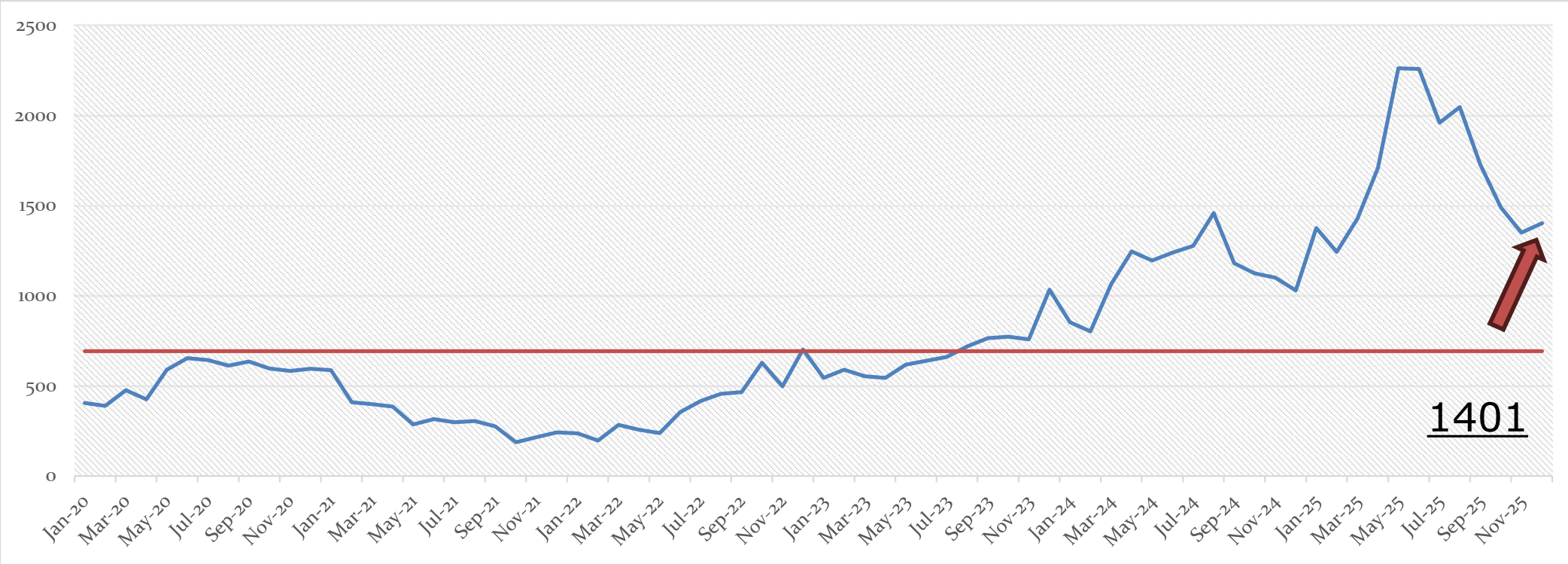
Inventory went up in December by .2% **showing an upward trend for the 3rd consecutive month AS EXPECTED** after its deep plunge as we have seen in every August except the 2020 COVID crisis. An increase of 30 homes compared to the 562 increase last month! That is 3 **consecutive increases of inventory. Expect 6 of these total.** History shows that this will hit the peak in March/April, then start to make its way back down. It is NOT the most inventory in December we have had which could indicate the start of a reversal pattern. In the next graph, you can also see the amount of homes withdrawing from the market (Hint over 1400). 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 1% Lower than last year for December.** 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, 2142 of the existing inventory are New Construction or an almost 3% increase from last month showing the reversal of a 3 month positive trend to increasing inventory which is a negative trend. Will Builders start to panic for the start of the new year?**

State of Florida Inventory in last decade



Based on data from the Reventure App, Florida currently has the most inventory they have had in over a decade. In fact, in the country Florida ranks the #1 state with the most inventory with 163,000+. Texas in 2nd at 131,000, and third place is California with 66,000+ inventory. Big change since 2021.

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 **202%** over that number. **Of these 1401 homes giving up, 156 of them were new construction, but only 11 were National Builders! Most of those were LGI Homes. 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. 10 of these 11 were from **LGI Homes**. Noone else except 1 DR Horton. 90+% were the investor new constructions. So much for build it and they will come! Why do people give up? Mostly, they are either switching brokerages, or understand that listings are not selling, especially for their price they need. 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. It alters the graph though as 1400 homes left without selling, which means if they were still on, then we would have that much more inventory. Makes the supply graph look lower than expected.

Redfin then doubled down on this stat

Home Sellers Retreat, With Supply Posting Biggest Decline Since 2023

Published on December 22nd, 2025 by [Lily Katz](#)



- *Active listings fell 1.4% month over month in November as sellers backed off due to sluggish homebuyer demand.*
- *Pending home sales fell the most in nearly a year, and the typical home that did sell sat on the market for 53 days—the slowest November pace in nearly a decade.*
- *A silver lining for buyers: Many sellers are cutting prices to attract offers—the typical home that sold last month went for 1.6% below its final list price.*

Redfin doubled down in their recent article title “Home Sellers Retreat, With Supply Posting Biggest Decline since 2023. This is true, BUT even with delistings falling for 6 months, we have HUGE inventory numbers. Now later in the article their stats show much of what I have been saying including this quote of “Both buyers and sellers have been retreating from the housing market, but buyers have backed off faster over the past couple of years. As a result, sellers far outnumber buyers, which means the buyers who are in the market hold negotiating power. Many buyers are successfully negotiating concessions and/or lower prices from sellers, and homes are taking a long time to sell in part because buyers feel they can take their time.” Sound Familiar? Now I will give credit to Redfin for having great data, but the headline might be a bit deceiving to make buyers think now is the time to buy homes.

Fortune had some recent news

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REAL ESTATE • HOUSING

Florida's housing market was skewed wildly by the pandemic. It's finally coming to grips with a 'realistic middle ground'



By Sydney Lake
Associate Editor

October 20, 2025, 1:18 PM ET

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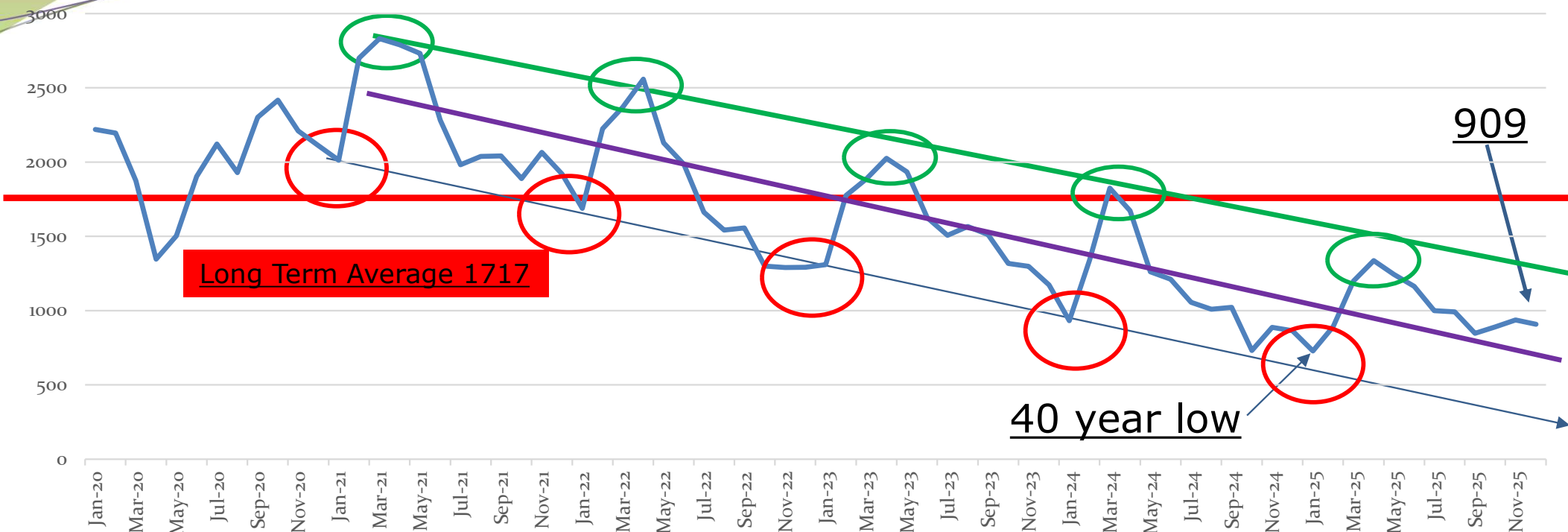
Florida homeowners have delisted properties or just not listed them at all because prices are lower.

GETTY IMAGES

In the article they are saying the inventory is down due to "rampant delistings and fewer new listing. Now that the inventory is **tightening**, the dynamic could start to shift because **buyers will lose a little bit of that leverage they had and sellers could regain a "little power"**. Does this seem right? We do see rampant delistings but yet still are gaining inventory. The person they quoted in the article is a Realtor so of course they will want to tell people that it's the "Best Time to buy a home" The Realtor also said **"it's not a crash in Florida, but a reset."** Couldn't we call the 2006 a reset As well?

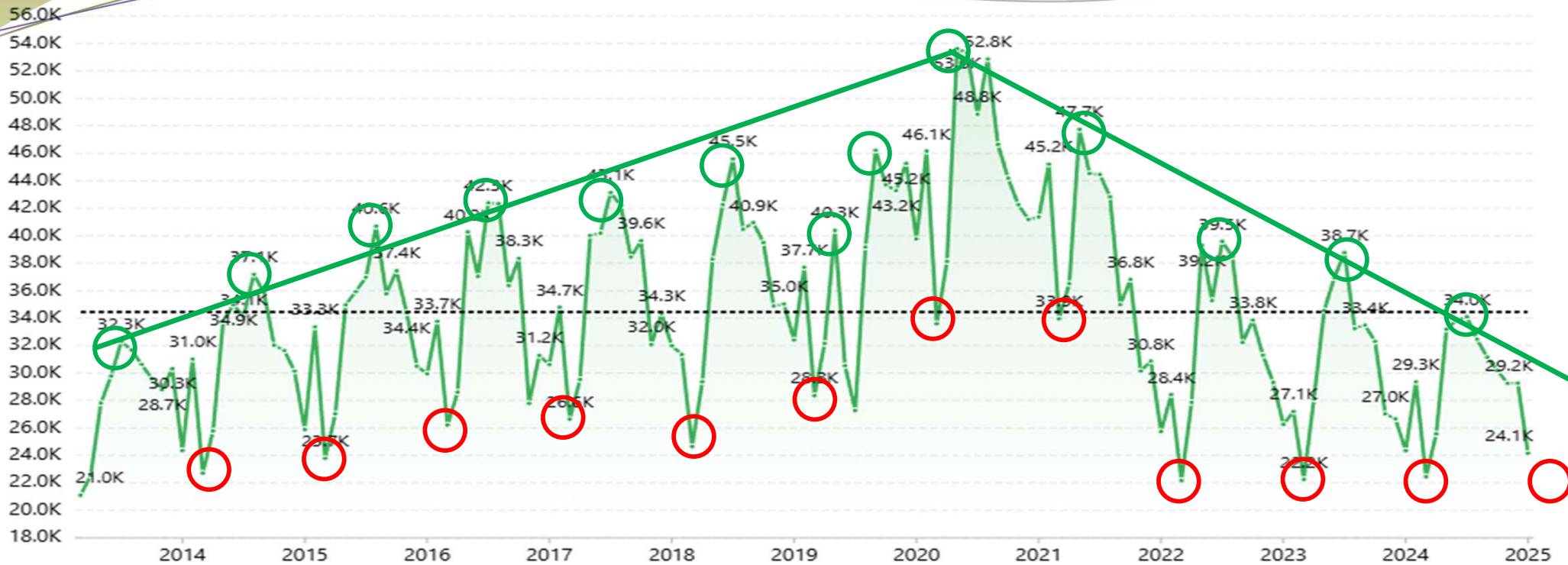
SW Florida Demand (Solds)

SW Florida Closed Sales Single Family Residential



Last month in December, Sales went **DOWN 3%**. This broke a 3 consecutive increase trend in sales for the wintertime. It still remains in my downward channel. The pattern is simple. PEAK in MARCH/APRIL, mess around in the downward trend, bottom in January. Rinse and repeat. The overall trend is look for demand to bottom in January, 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. Last month NOVEMBER it broke that trend. **It was not the worst November in 40 years AND It was not the worst December this year either. That is 2 consecutive breaks of a trend!** Progress? Not counting last year, it was the worst since 2008. Compared to the long-term average, it is **48% 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 **6.19** which is a bit lower than the 6.22 of last month. This is a positive trend just not as much as we expected from the Feds. **Of the 909 Sales for December, 271 were new construction, UP 9% from last months. This represents 30% of the total sales are New construction which is an increase from the 25% last month as the used market fails to play catch up to grab buyers attention over new construction.**

State of Florida Buyer Demand

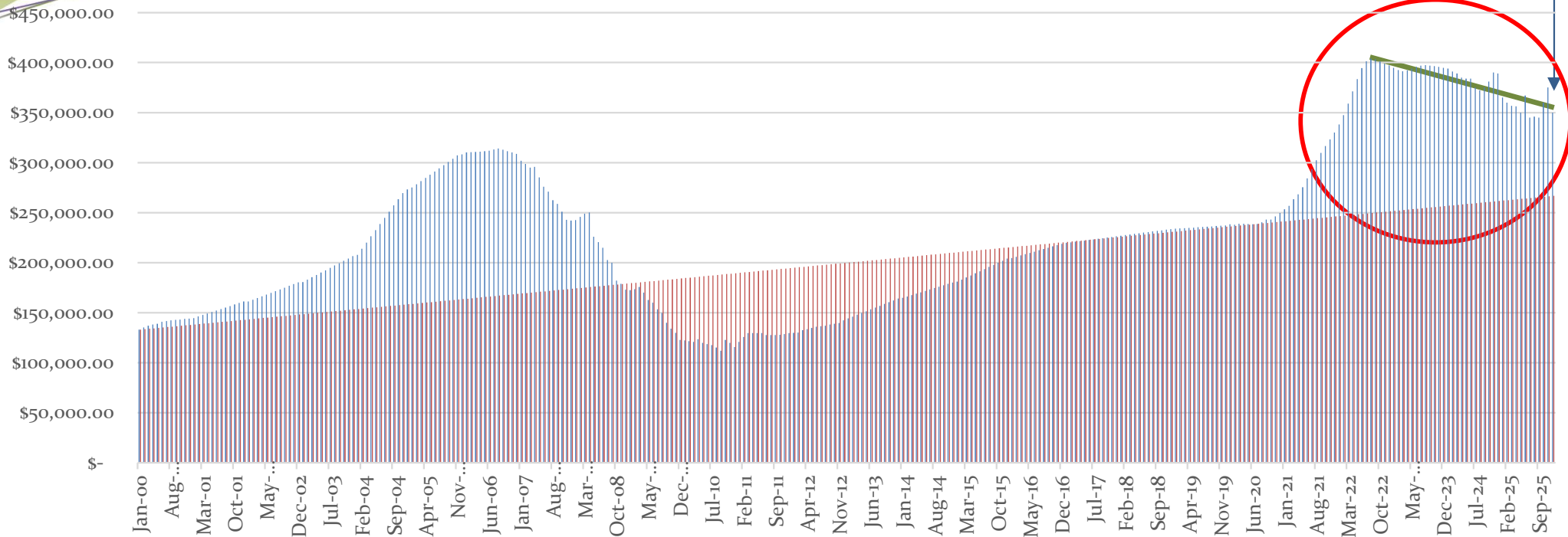


I want to point out a few things on this graph showing total sold homes in the state going back over a decade. Every low highlighted **red** circle is **January**, and every **green** circle is **April/May**. As you can see, every January we hit lowest demand, which the data in our county duplicates. You can see the graph hits higher lows every year except 2018 and for you channel subscribers you all know what happened there. Then it continued until it stopped in 2021, then it has remained flat. This helps you understand how we can predict that January will be one of the slowest and even can be the worst we have ever experienced in florida depending on how few sales we do get.

Median Home price

\$350,000

Median Home Price Lee County All Types



Compared to last month, Median home value went **DOWN 6.6%**. Meaning, the downward pressure is catching up again. Expect this graph to show these months of stubborn behavior with ups and downs. Taking the low sales in December, this number is not as relevant as to when we sell 2x to 3x as much normally. There were 85 Homes that sold for over \$1mil. The highest home sold was **\$6.9 Mil home on Fort Myers Beach** on the Gulf with over 4400 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. **276 home sales were new construction with a median price of \$340,000 which is 30% of all sales but \$10k less than last months** 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 much momentum this month, but they did increase their traffic a bit with the end of the year specials. 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 \$266,830 or a drop of 23% further.

2019 to Peak to today comparison

SW Florida Home Price Changes

January 2019 vs Peak Prices vs Current Prices

North Port	Venice	Fort Myers	Cape Coral	Punta Gorda
2019: \$211K	2019: \$360K	2019: \$282K	2019: \$241K	2019: \$411K
Peak: \$415K	Peak: \$647K	Peak: \$577K	Peak: \$469K	Peak: \$1,000K
Now: \$335K	Now: \$512K	Now: \$425K	Now: \$378K	Now: \$587K
↓ 19% from Peak	↓ 21% from Peak	↓ 26% from Peak	↓ 19% from Peak	↓ 42% from Peak

Source: Florida Realtors

Do we call this a reset? Crash? Correction? Do we think this is going to stop here? Compared to 2019, our interest rate is double what it was, insurance is up 40% and compared to 2019, Fort Myers and Cape Coral are still over 30% higher since 2019. Remember affordability? Did you know back in 2019 the average household made \$61,000 per year or \$5k/month. Now the household income makes \$84,000 per year or \$7k/month. That's an increase of 40%, BUT with that said, all the increases in taxes, insurance, and rates has squashed all that. Get us back to 3% interest rates, \$1000 insurance bills, and the housing price should have gone up 40%. So for the Cape for instance, housing should be at \$337,400 not \$378,000. BUT interest rates are double so we got a long way to go until we get back to affordable.

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 **-0.51** and last months we were at **-0.72, -0.93, -1.17, -1.28, -1.27, -1.22, -1.04, -.085, -0.69%, -0.65%, and -.62%** so that is **29 consecutive months of negative home value** so far, **BUT** This is the 4th 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 is still losing a 1/2% a month which is not stable, and an optimist would say, Hey...This is the highest its been in 12 months! It still lost .51% of value this month and that's 6% a year, 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!**

Statistics as compared to last month

December 1st 2025

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

January 1st 2026

- Total Housing for sale 11,437 
- Total SF Homes Sold 909  3%
- Total Sales Pending 1152  20%
- Total New construction 2142  3%
- Average Time on Market 91  4%
- Median Asking Price \$369,900  3%
- Median Selling Price \$350,000  7%
- % of asking price/sold 93.00%  6%

In Summary: Inventory went up Marginally even with over 1400+ expired houses leaving the market. Sold inventory (Demand) went down 3% after going up 5% last month. Pending sales went crashing down 20% showing expectations for Janaury closings to hit a possible record low as they have for the last decade. New construction homes for sale increased 3% exceeding 2100 homes for sale. The % of new homes for sale is 18% of our total inventory which shows more buyers heading toward new homes over used homes and constitutes 30% of our sales. Average time on market dropped 4% after going down 6% last month, but 91 is still really high. Median asking went down 3% and sold price went down 7% or more tha double that showing negotiations of homes is drastically increasing as fewer buyers make their way into the market. With this data, it still seems buyers will have the advantage for the next few months and possible throughout 2026. With this data we predicted December to be slow and also now January. The huge drop in pending sales means we don't expect even 900 sales next month. Will we hit a NEW 40 year low like last year? The data here though spells a bad month for builders unless they start making killer deals beyond the deals they are currently making.

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

☆ 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: Dec 23, 2025

Units:

Thousands of Units,
Not Seasonally Adjusted

Frequency:

Monthly,
End of Month

1Y

5Y

10Y

Max

1973-01-01

to

2025-08-01

Edit Graph

Download

FRED — New One Family Houses for Sale for the South Census Region



Sources: U.S. Census Bureau; U.S. Department of Housing and Urban Development via FRED®

Shaded areas indicate U.S. recessions.

fred.stlouisfed.org

Fullscreen

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.

This months deal!



Current home:
45025 Pipevine CIR

\$314,597

3 bed / 2 bath

Pending

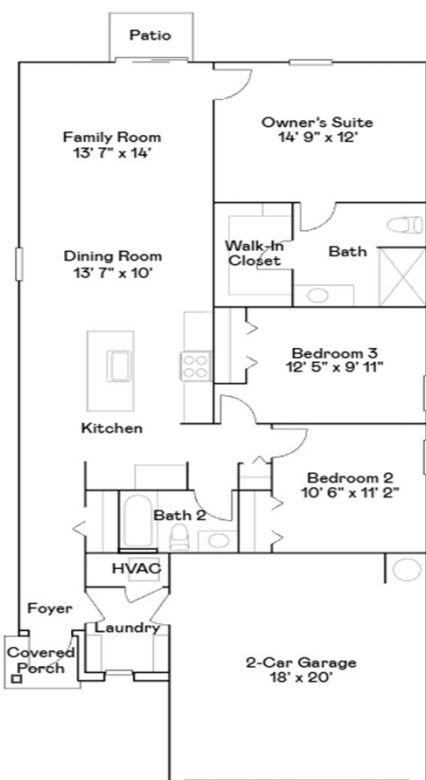
Lennar had a new house smack in the middle of their largest lake they wanted to move before end of year. My client Mike loved the community in Babcock Ranch, loved the home, but didn't love the current incentives. This home was asking

- \$314,597 which was a discount of only (\$15k) Base price of home is \$289,000 with no upgrades or lot premium.
- They were offering \$12,500 concessions toward closing costs, which sounds like a lot, but its not enough to cover all of the costs.
- Carpet in bedrooms, which he didn't like
- At that lower price, they were not offering a move in package which includes, blinds, ALL appliances, Garage opener.

This is when I went to work. Of course on a Sunday Night before the end of a Very slow week for Lennar. Also, this home wasn't ready until March/April which they are never eager to get rid of something so far out. We offered a really low ridiculous offer, and after 3 rounds of back and forth this is the final deal

- Price \$294,000 (\$20,597 off their price)
- Waive lot premium for being on the lake and southern exposure (\$20k)
- 6% total concessions toward buy down and closing costs. (\$17,340)
- Tile through out the entire home! (\$6450 cost)
- ALL Appliances including Washer/Dryer/ Blinds, etc Move in ready (\$8400)
- Asked for and got an Epoxy Floor garage (\$3000)
- 1 year of Master HOA paid for in advance (\$2,136)

Total Incentives = \$72,923 making this SF house the lowest ever sold to date lake front home above 1400sqft in Babcock Ranch sold since 2019! As a VA buyer he will have \$0 down payment and monthly costs including Principal, Interest, Taxes, Insurance, CDD, and HOA of under \$2500/month all in for a brand new 2026 built home. Their end of year sale was only \$27,500 total incentives. We got \$45,423 more by just asking and playing the game.



Overview of these data points

- End of December showed a slight increase of inventory as expected from previous years. This should continue into January-March.
- **Pending Sales dropped 20%** which means Buyers are just not making offers nor touring homes due to affordability. **Sales dropped 3%** last month which was expected and looking to continue into next month. Every month this year was the worst for that month in a 40 year timespan. Last month AND this month broke that trend.
- Median home price dropped back down to \$350,000. Builders inventory increased, and they increased buyer share with 1 out of every 3 buyers closing on new homes as compared to 1 out of 5 last month. They only constitute 18% of our inventory, yet are 1/3 of our sales. This shows an even more disconnect with the used market which should cause them to crash.
- Stability has increased slightly again reversing the downward trend for the 4th consecutive month, but Homes are still losing near value every 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 every month)

- Patience Patience Patience Patience Patience. Wait for your deal. Buyers need to qualify, 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 4⁰% today by waiting for it. Use this data to help you negotiate with sellers.
- 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 \$40,000 in incentives 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

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 but that is dwindling every day. Let me show you an example of a 2+/2 townhome in Fort Myers

		219063131	S	\$115,000	7164 KOLA TER #32	FORT MYERS	PINE GROVE TOV PINE GROVE TOWNHC 2 Bed/2(0)	1,327	FM07	92	\$110,000	1/17/20	TX	A	
		219082861	S	\$127,000	7165 KOLA TER #36	FORT MYERS	PINE GROVE TOV PINE GROVE TOWNHC 2 Bed/2(0)	1,327	FM07	21	\$124,000	02/13/20	TX	A	
		220017620	S	\$104,900	7130 KOLA TER #22	FORT MYERS	PINE GROVE TOV PINE GROVE TOWNHC 2 Bed/2(0)	1,327	FM07	6	\$100,500	04/24/20	TX	A	
		221078846	S	\$165,500	1861 CRYSTAL DR #15	FORT MYERS	PINE GROVE TOV PINE GROVE TOWNHC 2+Den/2(0)	1,326	FM07	4	\$175,000	12/17/21	TX	A	
		222041696	S	\$225,000	7133 PENNER LN #38	FORT MYERS	PINE GROVE TOV PINE GROVE TOWNHC 2+Den/2(0)	1,327	FM07	4	\$225,000	07/15/22	TX	A	
		222048109	S	\$245,000	7121 PENNER LN #12	FORT MYERS	PINE GROVE TOV PINE GROVE TOWNHC 2 Bed/2(0)	1,327	FM07	23	\$240,000	09/01/22	TX	A	
		222062267	S	\$250,000	7164 KOLA TER #31	FORT MYERS	PINE GROVE TOV PINE GROVE TOWNHC 2 Bed/2(0)	1,327	FM07	1	\$250,000	09/26/22	TX	A	
		222064806	S	\$230,000	1861 CRYSTAL DR #13	FORT MYERS	PINE GROVE TOV PINE GROVE TOWNHC 2 Bed/2(0)	1,327	FM07	10	\$230,000	10/19/22	TX	A	
		222086126	S	\$220,000	7164 KOLA TER #32	FORT MYERS	PINE GROVE TOV PINE GROVE TOWNHC 2+Den/2(0)	1,327	FM07	0	\$220,000	11/30/22	TX	A	
		222065657	S	\$239,500	7132 PENNER LN #28	FORT MYERS	PINE GROVE TOV PINE GROVE TOWNHC 2 Bed/2(0)	1,353	FM07	15	\$238,000	02/22/23	TX	A	
		223019667	S	\$254,500	7121 PENNER LN #12	FORT MYERS	PINE GROVE TOV PINE GROVE TOWNHC 2 Bed/2(0)	1,232	FM07	32	\$245,000	07/07/23	TX	A	
		223065813	S	\$199,900	7121 PENNER LN #9	FORT MYERS	PINE GROVE TOV PINE GROVE TOWNHC 2 Bed/2(0)	1,327	FM07	45	\$205,000	12/12/23	TX	A	
		223053747	S	\$205,500	7121 PENNER LN #11	FORT MYERS	PINE GROVE TOV PINE GROVE TOWNHC 2+Den/2(0)	1,327	FM07	141	\$203,000	02/08/24	TX	A	
		224032255	S	\$249,900	7164 ALMENDRO TER #3	FORT MYERS	PINE GROVE TOV PINE GROVE TOWNHC 2+Den/2(0)	1,232	FM07	62	\$230,000	07/31/24	TX	A	
		224055378	S	\$199,000	7133 PENNER LN #39	FORT MYERS	PINE GROVE TOV PINE GROVE TOWNHC 2+Den/2(0)	1,228	FM07	156	\$199,000	03/04/25	TX	A	
		225023251	S	\$197,000	1861 CRYSTAL DR #16	FORT MYERS	PINE GROVE TOV PINE GROVE TOWNHC 2+Den/2(0)	1,232	FM07	221	\$197,000	11/21/25	TX	A	
		2025022922	S	\$175,000	7164 KOLA TER #31	FORT MYERS	PINE GROVE TOV PINE GROVE TOWNHC 2 Bed/2(0)	1,232	FM07	12	\$167,000	12/30/25	TX	A	
		225007546	S	\$177,400	7164 KOLA TER #30	FORT MYERS	PINE GROVE TOV PINE GROVE TOWNHC 2+Den/2(0)	1,232	FM07	304	\$160,000	12/31/25	TX	A	

- 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

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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