



South Florida Real Estate: A Tale of Two Markets

October 6-12, 2025

South Florida's real estate market shows a striking duality: developers are making multi-billion dollar bets on long-term growth while the current market has become the nation's top buyer's market with soaring inventory and falling prices.

The Development Boom: Betting Big on Tomorrow

Despite current market headwinds, developers are demonstrating unwavering confidence in South Florida's future with massive land acquisitions and ambitious mega-projects. This long-term optimism is backed by strong migration patterns and robust job growth fundamentals.

\$2.1B

Land Sales Surge

Miami-Dade land sales in first three quarters of 2025, up 111% year-over-year

\$199

Per Square Foot

Median price for residential land in Miami-Dade, quadrupled from previous year

Mega-Projects Reshaping the Landscape

15-Minute City

Lennar and Easton Group planning \$2 billion development on 1,000-acre farmland site with mixed-use community concept

Metropica Sunrise

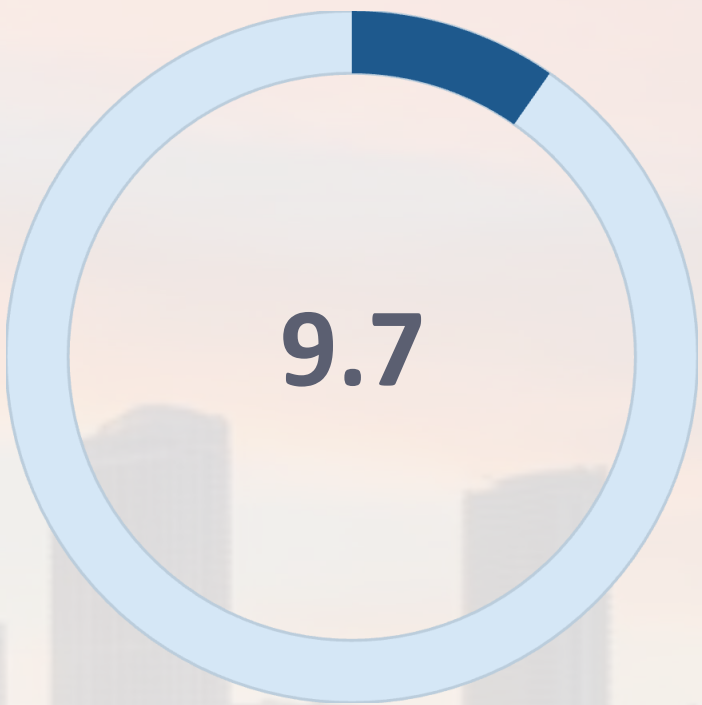
\$2 billion megaproject advancing with plans for 3,000 new condos and apartments in prime location

Galleria Transformation

Fort Lauderdale mall replacement: nine 30-story towers, 3,000+ units, 40% affordable housing under Live Local Act

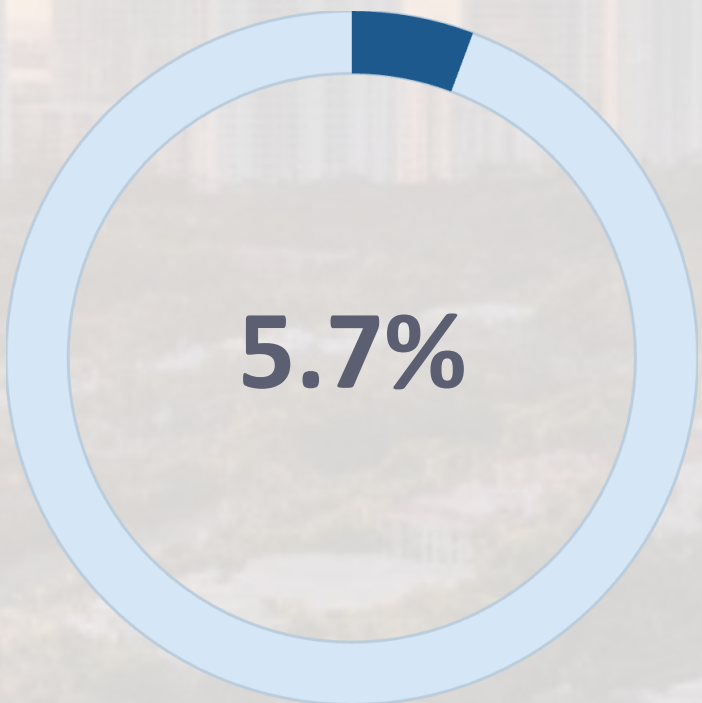
Today's Reality: Nation's Top Buyer's Market

While developers plan for tomorrow, today's market tells a different story. The Miami-Fort Lauderdale-West Palm Beach metro now leads the entire United States as the most buyer-friendly market, with unprecedented inventory levels and declining prices creating exceptional opportunities.



Months of Supply

Highest inventory level in the nation for for-sale housing



Price Drop

Year-over-year decline in median list price to \$500,000



Inventory Surge

Palm Beach County condo and townhouse inventory explosion

The Market Slowdown in Numbers

The pace of sales has decelerated significantly as supply overwhelms demand. Palm Beach County exemplifies this cooling trend, with homes sitting on the market longer and condo prices experiencing notable declines.

Days on Market

Homes in Palm Beach County now take 81 days to sell, up from 65 days last year—a 25% increase in time to close

Condo Price Decline

Palm Beach County median condo sale price fell 5.9% year-over-year to \$320,000, reflecting oversupply pressures

Supply Glut

10.4-month supply of condos and townhouses in Palm Beach County signals significant buyer advantage

Foreign Capital Floods the High End

Despite market cooling, affluent domestic and international buyers continue providing crucial support, particularly in luxury and new construction segments. This capital inflow insulates premium properties from broader market pressures.



\$56 Billion Investment

Foreign buyers invested in U.S. residential real estate in 2025, up 33% year-over-year



49% Foreign Buyers

Nearly half of Miami's new construction homes sold to international buyers less deterred by mortgage rates



43% All-Cash Sales

Miami leads all U.S. metros in cash transactions during first half of 2025

The California Migration Wave

West Coast wealth continues reshaping Miami's luxury market as high-net-worth Californians flee state income taxes. This demographic shift is fundamentally altering buyer composition and supporting premium pricing in select segments despite broader market softness.

39,000+ Californians Relocated

Moved to Florida between 2023-2024, attracted by zero state income tax and lifestyle benefits

40% of High-End Sales

West Coast buyers account for nearly half of sales at some premium Miami condo projects

World's Biggest Bubble Risk

A major global bank has issued a stark warning: Miami ranks as the city with the highest housing bubble risk worldwide for the second consecutive year. The UBS Global Real Estate Bubble Index score of 1.73 reflects severe disconnects between prices and local economic fundamentals.

Price-Income Detachment

Home prices significantly disconnected from local incomes and rental rates, indicating dangerous overvaluation

Massive New Supply

16,000 new apartment units expected in 2025 alone, adding to 50,000 delivered over past decade

Insulated Ownership

43.8% of Miami residents own homes free and clear, creating market segment immune to rate pressures

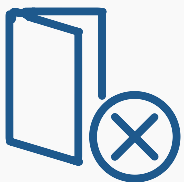
October: The Buyer's Sweet Spot

Current market conditions create unprecedented opportunities for buyers. This represents the best negotiating position in over five years, with peak inventory, reduced competition, and motivated sellers offering significant concessions including price reductions and mortgage rate buydowns.



Maximum Leverage

Buyers hold strongest negotiating position with sellers increasingly willing to make deals



First-Time Buyer Opening

Healthy rebalancing creates entry point for those seeking to escape high rents



Seller Concessions

Price cuts and mortgage buydowns becoming standard as inventory pressures mount

The Bottom Line

South Florida real estate stands at a critical crossroads. Developers are making multi-billion dollar bets on tomorrow's growth while today's market undergoes a supply-driven correction. The fundamental question: Can powerful migration and investment forces absorb massive new supply before widespread price declines accelerate?



Long-Term Bull Case

Population growth at 2x national rate, robust job creation, pro-business climate



Near-Term Reality

Supply overwhelming demand, creating buyer's market and price pressure

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