



South Florida Real Estate: September 2025 Rebound

October 20-26, 2025

Falling mortgage rates sparked the best sales month of 2025, but the market remains split between a booming luxury sector and cooling condos

Tri-County Sales Surge 13%

Total residential sales volume across Miami-Dade, Broward, and Palm Beach counties rose **13% year-over-year to \$4.3 billion** in September, marking the best sales month of 2025 for Miami-Dade and Broward counties.

21.6%

Palm Beach County

Closed sales increase

9.2%

Broward County

Closed sales increase

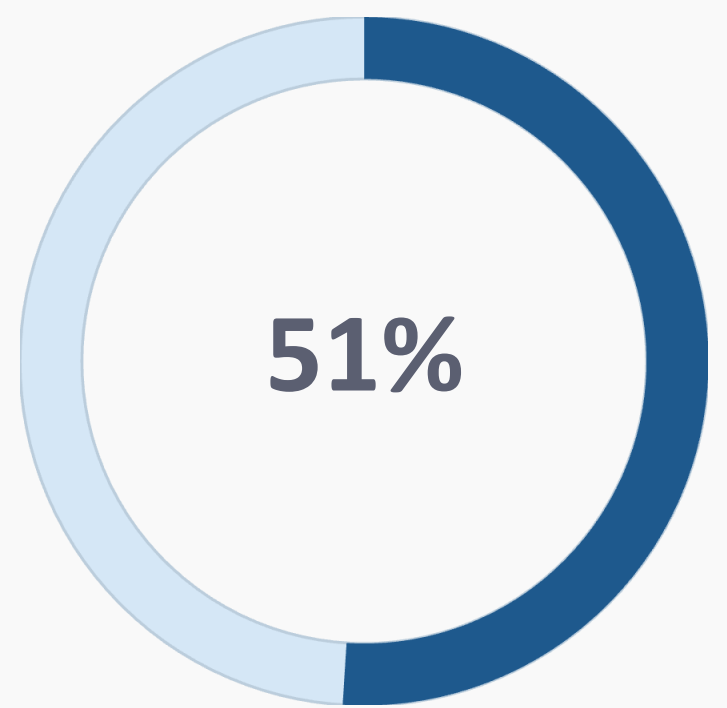
4.6%

Miami-Dade County

Closed sales increase

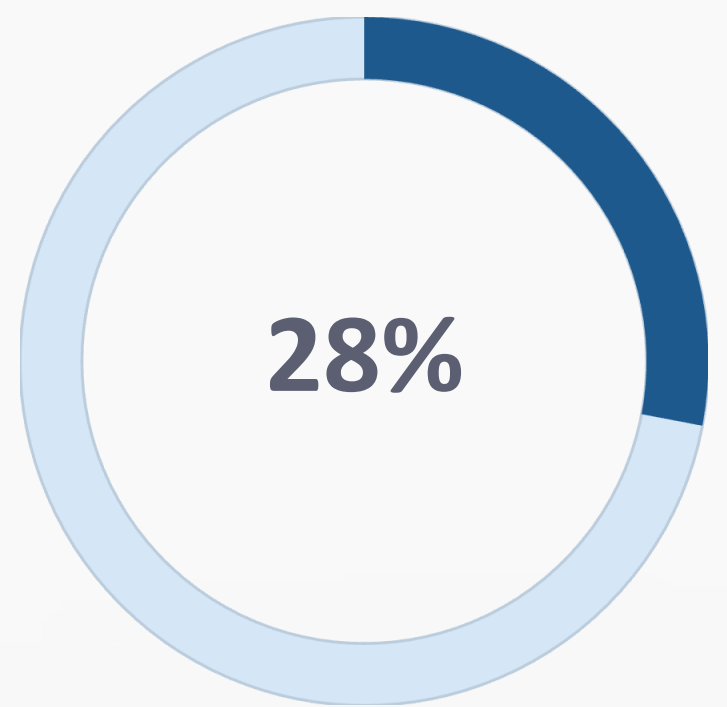
Palm Beach: Cash-Fueled Dominance

Palm Beach County emerged as the region's clear leader with **21.6% year-over-year growth** in total residential sales. Single-family home sales skyrocketed by 24.8%, while total dollar volume spiked by 28%—the largest gain in the region.



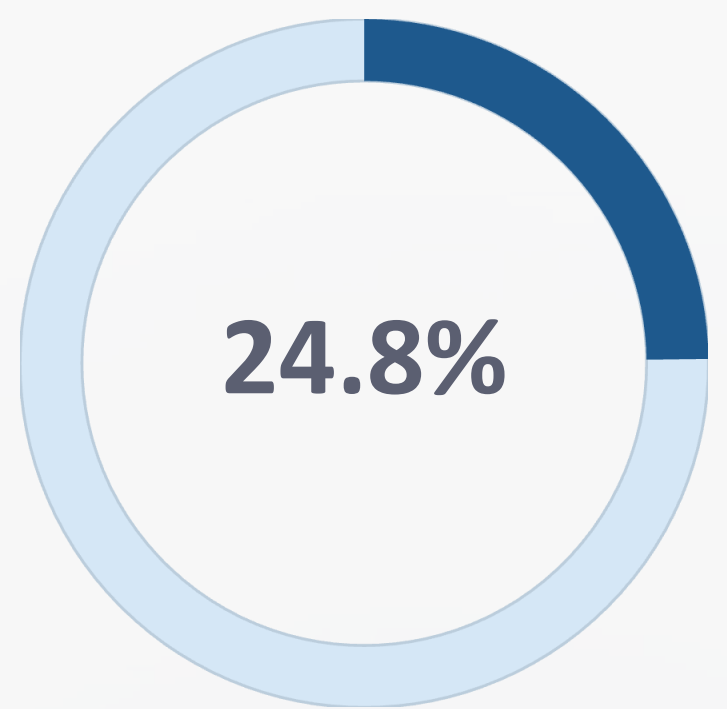
All-Cash Transactions

Highest ratio in the U.S., insulating the market from rate volatility



Dollar Volume Spike

Largest gain across tri-county area



Single-Family Surge

Exceptional growth in home sales

Luxury Market Explodes Across Region

The luxury segment (\$1M+ properties) demonstrated exceptional strength across all three counties, with South Florida on pace for its second-best year ever for sales over \$10 million. This "barbell" effect shows strength at the market's extremes.

Broward County

+26.6%

Luxury sales jumped significantly, leading the tri-county area

Miami-Dade County

+20.0%

Luxury sales rose substantially, reflecting strong high-end demand

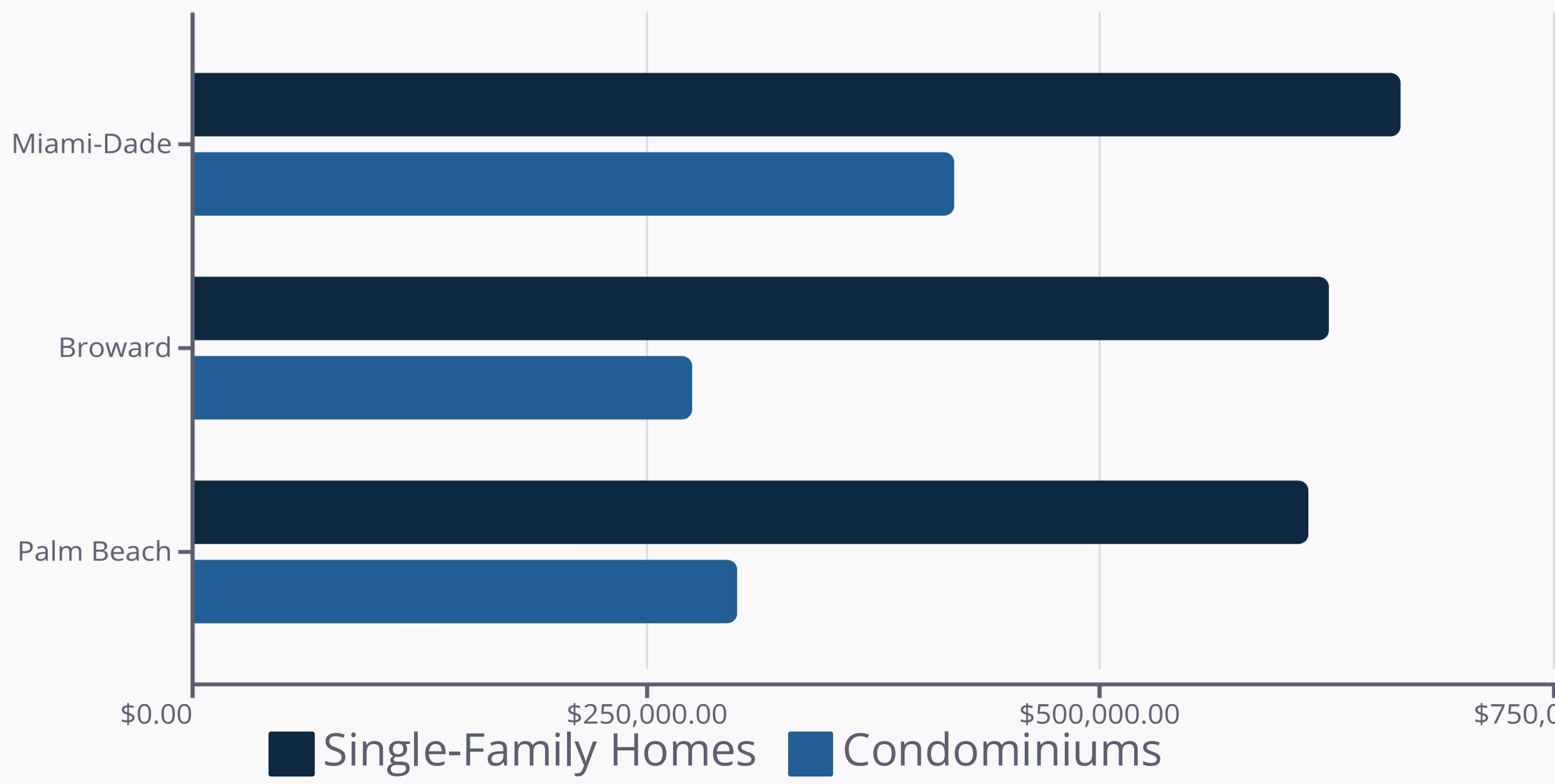
Palm Beach County

~+21.0%

Luxury transactions increased, maintaining market leadership

Pricing Stability Amid Sales Boom

Despite the surge in transactions, median prices remained stable or corrected slightly, indicating a more balanced market rather than a return to pricing frenzy. This reflects a fundamental shift toward market equilibrium.



Single-family homes in Broward and Miami-Dade saw modest 1.8% increases, while Palm Beach remained unchanged. Condo prices declined in Palm Beach (-5%) and Broward (-2.3%).

Key Driving Forces

Falling Mortgage Rates

The average 30-year fixed rate fell to **6.19%**, its lowest level since early October 2024. This improved affordability brought buyers "on the sidelines" back into the market, serving as the primary catalyst for September's rebound.

Cash Buyer Dominance

South Florida's high proportion of all-cash sales, particularly in Palm Beach County (51%) and the luxury sector, provides a powerful shield against interest rate fluctuations and underpins market resilience across economic cycles.

High-Net-Worth Migration

Persistent influx of affluent buyers relocating from high-tax states and international locations fuels consistent, strong performance in the \$1M+ and \$10M+ property segments, creating sustained demand at the high end.

Strategic Opportunities Emerge



Buyer's Market Segments

Zillow identifies Miami as one of the nation's strongest buyer's markets due to high inventory. Palm Beach condos offer strategic buying windows with seller flexibility—properties selling 5-6% below list price.



International Interest Expands

Web searches from China and Singapore topped global interest for Miami real estate in September, potentially signaling a new wave of Asian investment diversifying beyond the traditional Latin American buyer base.



Innovative Development Models

Florida's Live Local Act enables mixed-income projects like the proposed "Anatomia" tower in Miami's Health District, combining workforce housing with market-rate condos to address affordability challenges.

Mid-Tier Condo Market Faces Headwinds

While luxury and cash-heavy segments thrive, the general condominium market remains oversupplied and heavily tilted toward buyers. This segment faces significant structural challenges that continue to suppress performance.

1

Extreme Oversupply

Miami-Dade shows a **14.1-month supply** as of August, far exceeding the balanced market threshold of 6 months

2

Rising Costs

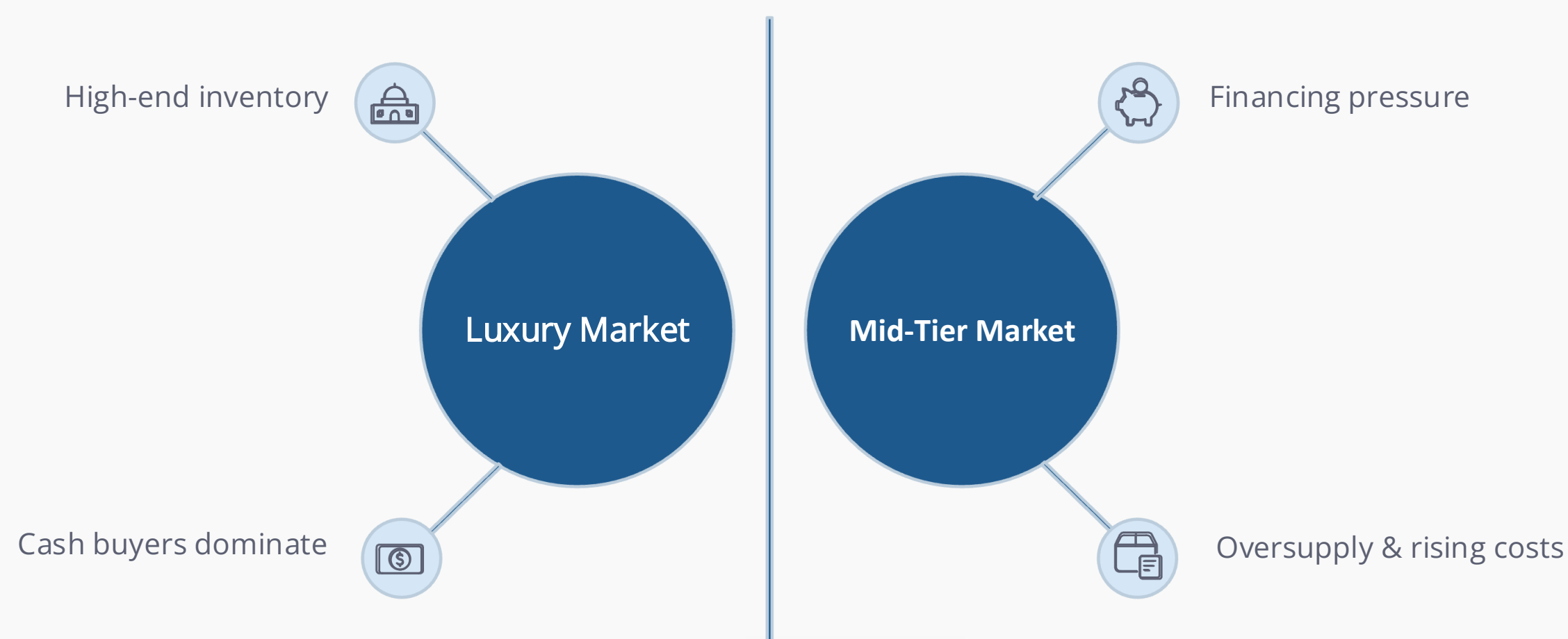
Escalating HOA fees and insurance costs create affordability barriers for buyers and financial pressure on existing owners

3

Financing Hurdles

Extremely low FHA-approval rates for buildings limit buyer pool and reduce market liquidity for mid-tier properties

Market Bifurcation: The Complete Picture



September's data reveals a fundamentally bifurcated market. The high-end, cash-heavy segments demonstrate exceptional strength, while rate-sensitive, financing-dependent mid-tier condos face ongoing structural challenges. Properties in Broward average 67 days on market, indicating a more normalized, deliberate sales environment rather than the frenzied pace of previous years.

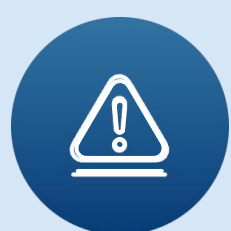
The Bottom Line

September 2025 marks a clear inflection point for South Florida real estate, demonstrating high sensitivity to interest rates and deep-seated resilience fueled by cash and wealth migration. The market has **rebalanced, not fully recovered**, creating distinct opportunities and risks across property types and price points.



Winners

Luxury properties, cash buyers, Palm Beach County, and strategic opportunists in buyer-friendly segments



Challenges

Mid-tier condos, financing-dependent buyers, and properties facing HOA/insurance cost pressures

Share this analysis with someone tracking South Florida real estate trends!