



MARCH 2026
LEE COUNTY MARKET SNAPSHOT
SINGLE FAMILY/MULTI-FAMILY

This report provides a summary of current real estate and rental market conditions in Lee County, along with key trends impacting property owners. Overall, the outlook for 2026 is expected to closely follow the trends experienced in 2025, with similar conditions projected into 2027.

Home values in Lee County are continuing to decline, with projections showing approximately a 10.2% decrease year over year. Property owners who purchased prior to 2022 generally still have equity in their homes. However, those who purchased within the last four years are often unable to sell at or above their original purchase price. This has led to many properties being listed above market value, resulting in longer days on market and increased frustration for sellers.

The rental market is experiencing similar pressure, along with additional challenges. A major factor is the sharp increase in new apartment construction. Lee County saw a 250% increase in new apartment inventory in 2025, and there are currently 6,690 units in development in Fort Myers alone. At the same time, rising insurance costs and higher HOA fees—largely due to recent hurricane activity—are increasing ownership expenses.

Another growing trend is the rise of “accidental landlords.” Many homeowners who were unable to sell have entered the rental market instead. Without professional management, these owners often face difficulties with tenant screening, legal compliance, and maintenance, which can lead to costly mistakes and longer vacancies.

As a result of these combined factors, rental supply has increased significantly. Vacancy rates have risen to 8.5%, up from 6.2% in 2025. In addition, 42% of rental listings are now offering incentives, compared to just 28% last year. These incentives often include a free first month’s rent, reduced security deposits, or other move-in specials.

Tenant behavior has also shifted. Renters are shopping more actively and taking advantage of increased options. Mobility has risen by 26.7% over the past five years, and nearly half of renters in Lee County are now moving approximately every two years. This reflects a market that is increasingly driven by tenant choice and negotiating power.

Rental pricing has adjusted accordingly. As of March 2026, average rents are approximately \$1,510 for a one-bedroom unit, \$1,740 for a two-bedroom, and \$2,161 for a three-bedroom property. Overall, rental rates have declined by 12.5% compared to last year.

The sales market continues to impact rental conditions as well. The median price of a single-family home in Fort Myers is now \$339,000, representing a 9.6% decrease year over year, with inventory levels at 7.5 months. Condominium prices have declined to a median of \$258,750, down 6.8% year over year, with inventory at 9.1 months. As homes take longer to sell, more owners are choosing to rent, further increasing competition in the rental market.

Despite these short-term challenges, the long-term outlook for Southwest Florida remains strong. The Cape Coral–Fort Myers area has been ranked the number one retirement destination in the United States, with approximately 29% of residents aged 65 and older. Population growth is expected to continue, with Lee County projected to increase from approximately 840,000 residents in 2024 to nearly 1 million by 2040. Strong tourism also continues to support the local economy, with Southwest Florida International Airport surpassing 11 million passengers in 2025.

For property owners, these conditions highlight the importance of staying competitive. Pricing properties correctly is critical, as overpricing can lead to extended vacancy and lost income. Owners should also expect increased competition from both new apartment communities and other rental homes. In many cases, offering incentives may be necessary to attract qualified tenants.

In summary, the Lee County rental market has shifted to a more competitive, tenant-driven environment. While conditions are more challenging than in recent years, owners who price strategically, remain flexible, and adapt to market trends will continue to perform successfully.