Weekly Market Update

January 8, 2026 *Coaching Wholesalers in a Normalizing Texas Market*

Executive Summary

Dear investors, deal makers, and business builders, your wholesaling coach here with this refreshed 15-min briefing for December 29, 2025.

This week's update draws from key sources including the Texas Real Estate Research Center (Texas A&M), Freddie Mac PMMS, Zumper Rent Research, AirDNA, Redfin, HousingWire, and NAR data.

The Texas market enters 2026 in a balanced, buyer-friendly phase after 2025's normalization. The Fed's December 2025 25bps cut (to 3.50%-3.75%) came with a hawkish dot plot signaling only one more cut in 2026, tempering refi sentiment but supporting gradual stability. Mortgage rates ended 2025 at their lowest (~6.15% for 30-year fixed), down from early-year highs near 7%. National existing-home sales edged up 0.5% MoM in November to 4.13M annualized, with pending sales surging 3.3%—the strongest in nearly three years.

In Texas, inventory remains elevated (statewide ~5-6 months supply), sales mixed (down YoY but pendings improving), and medians softening slightly (~$338K statewide in Nov, down 1.4% YoY). Price cuts are widespread (40-53% in major metros), DOM rising, creating a prime window for off-market assignments and distressed leads.

Specific tactic: Pitch "improving affordability + abundant inventory choice" to sellers with 90+ DOM or motivated by life changes—emphasize quick cash closes amid rate uncertainty.

Key Economic Events and Updates

- The Fed delivered a 25bps cut in December 2025 but adopted a hawkish stance, with the dot plot projecting just one additional cut in 2026 and one in 2027 amid inflation vigilance and divided opinions.
- Stocks ended mixed after mid-year volatility, with strong YTD gains but late-2025 pullbacks potentially signaling seller fatigue.
- National existing-home sales rose modestly MoM in November (+0.5%), while new construction showed resilience; pending sales jumped, boosting sentiment.
- Texas forecasts point to continued population growth (projected to ~42M by mid-century, driven by migration), with median home prices expected to stabilize or rise modestly to ~$350K by end-2026 amid balanced supply.
- Population and job trends — Texas leads U.S. growth, driven by energy, tech stabilization, healthcare, and defense spending. DFW and Houston show strongest job gains; Austin slows but remains attractive for relocations.
- Overall outlook — Texas outperforms nationally, with moderating growth into 2026. Inflation pressures and federal borrowing may keep rates above 6%, but consumer confidence improves affordability.

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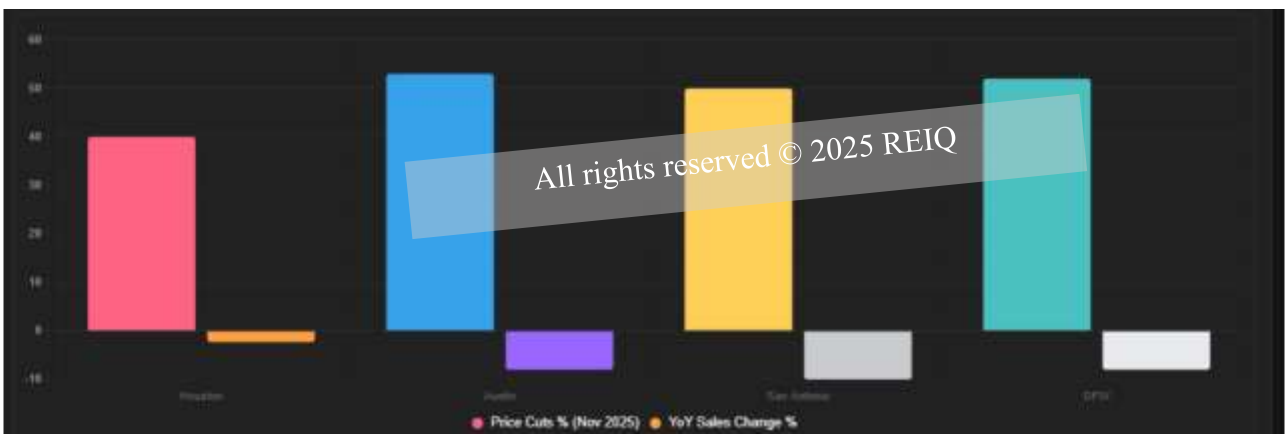
1. Property Sales Change and Trend (as of Nov-Dec 2025)

Statewide trend: Balanced supply persists, with sales dipping YoY but pendings surging (+3.3% national proxy, regional strength), medians softening—enhancing buyer's leverage and surfacing distressed leads for wholesalers. Trends YTD show early-year softening in sales volume, mid-year peak in price cuts, and late stabilization with inventory absorption slower than additions. Austin leads corrections from pandemic highs; Houston and DFW remain more resilient.

Metro	Median Sale Price	YoY Change	Months Inventory	Pending Sales YoY	Days on Market	Key Trend/Narrative
DFW	~$364K-$347K	-0.1%/Flat	3.4-5.2	7.88	84-95	Balanced; high inventory Collin/Frisco equity taps.
Houston	~$325K-$330K	-1.50%	5.2+	+7.2% pendings	59-91	Resilient; Nov sales -2.3% YoY, moderating Midtown caps.
Austin	$430K-$439K	-1.10%	6.3	5.80%	84-89	Buyer's (#2); supply surge, bulk distress under $450K.
San Antonio	~$309K-$315K	Flat	5.9+	5%	78-84	#1 buyer's; more sellers, tourism foreclosures.

Illustration: Metro Price Cut Percentages (as of November 5, 2025)



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2. Long-Term Rental Change and Trend (as of December, 2025)

Statewide avg rent ~flat to slight softening YoY, with regional variations. Trend analysis per metro since 2025: Houston resilient (~+2% YoY in segments); Austin softening post-boom; DFW/San Antonio mixed but stabilizing. Overall: Early 2025 softening reversed mid-year with demand, late-year flat amid supply.

Metro	Median Rent (2BR)	YoY Change	Trend since Jan 2025
Houston	~$1,500	0.98	Resilient
Austin	$2,000	6.40%	Softening reversal
San Antonio	$1,340	1.50%	Stable
Dallas	$2,050	5.10%	Moderate growth

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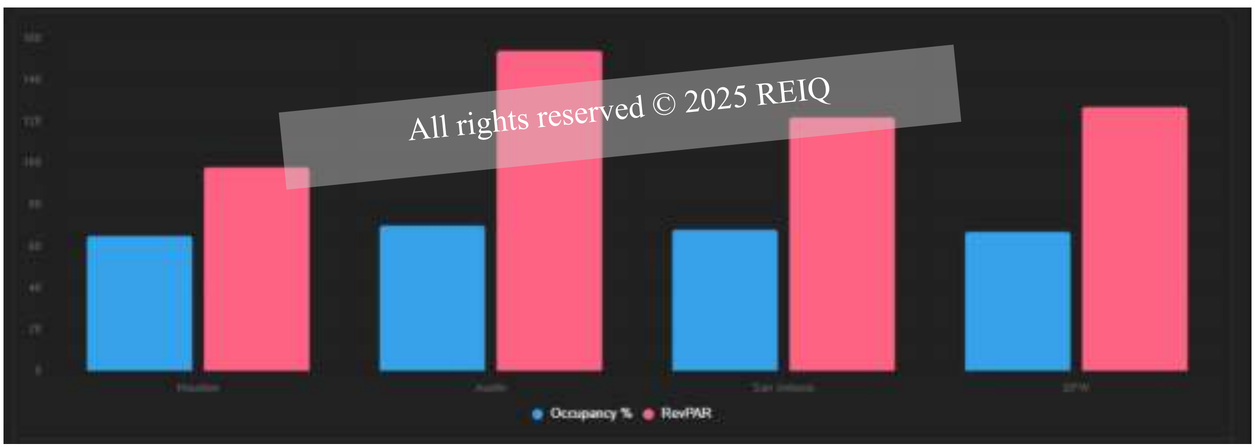
3. Short-Term Rental Change and Trend (as of December 2025)

Statewide occupancy stabilizing, ADR/resilience with extended stays and events; RevPAR pacing ahead in some metros.Trend analysis per metro since 2025: Houston fluctuates with energy; Austin/DFW event-driven strength. Overall: Post-2024 softness improving into 2025-2026.

Illustration: STR Revenue Comparison Across Metros (as of December 2025).

Metro	Occupancy	ADR	RevPAR	YoY Trend
Houston	~65%	$140	Stable	Fluctuating
Austin	~70%	$180	Up	Recovering
San Antonio	~68%	$150	Flat	Steady
Dallas	~72%	$170	5%	Strong

Illustration: STR Revenue Comparison Across Metros (as of November 2025)



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4. Lending & Borrowing Change/Trend (as of December 29, 2025)

Current 30-yr fixed averaged 6.15% (Freddie Mac, end-Dec), slight WoW decline, YTD avg ~6.6% down from 2025 peaks near 7%.

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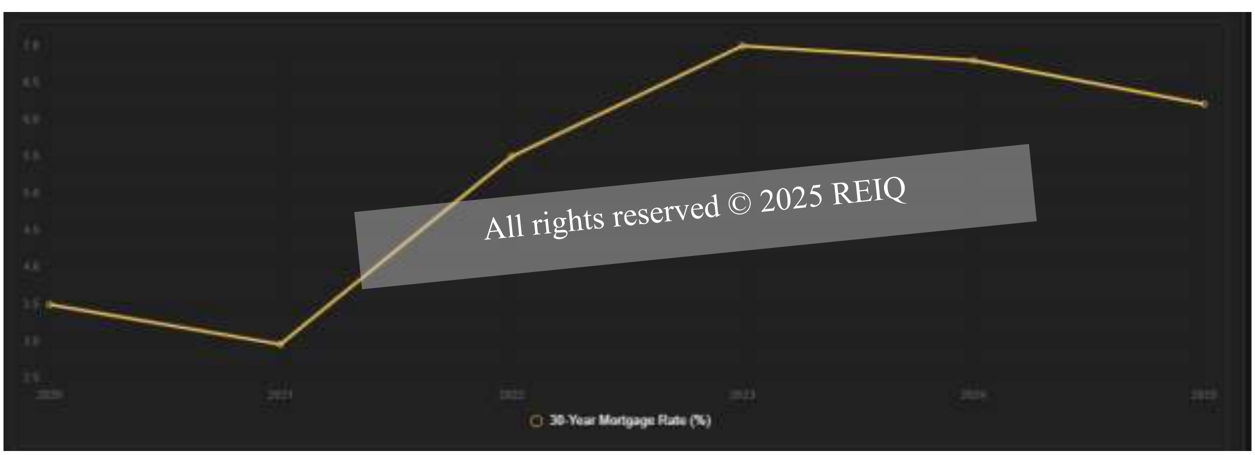
Inline sources: Freddie Mac PMMS; 10-yr Treasury yields supported easing; Fed cuts boosted refis ~20-30%; creative financing (seller credits, buydowns) prevalent.

Trend since Jan 2025: Elevated early (6.8% peaks), mid-year fluctuations, late easing with Fed cuts lifting sentiment—savings potential ~$1,100/yr on 50bps drop.

Illustration: Mortgage Rates Trend (as of December 2025).

Metric	Rate/Value	Trend/Impact
30-Yr Fixed	6.18%	Down WoW; eases pools/JVs.
Borrowing/Refis	4.9	Boosts amid stability.

Illustration: Mortgage Rates Trend (as of December 29, 2025)



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5. Wholesale Deals Change and Trend (as of December 2025)

Texas shifts to balanced market: more inventory, flat/modest prices, improving sales.

- **Trends** → Increased opportunities in cooling markets (Austin, parts of San Antonio) with motivated sellers and higher inventory. DFW/Houston more competitive but steady distress potential.
- **5-Year** → Boom during low-rate frenzy (2021), slowdown 2023-2025, rebound expected with balanced market.
- **Advice** → Focus on overbuilt/submarkets with price corrections for assignments.

Overall Texas and Metro Comparison

Statewide: Balanced/buyer-leaning market (5-6 months inventory). Prices down 1-2% YoY.

Metro Opportunities	Distress Leads	90+ DOM %	Wholesale Window
Austin	High	Elevated	Strong
San Antonio	High	High	Prime
Houston	Moderate	Growing	Good
DFW	Moderate	Steady	Selective

Illustration: Statewide Home Value Trend (as of December 2025)

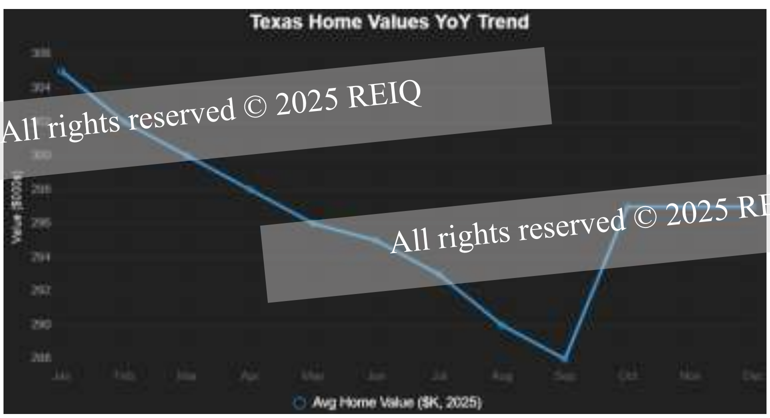

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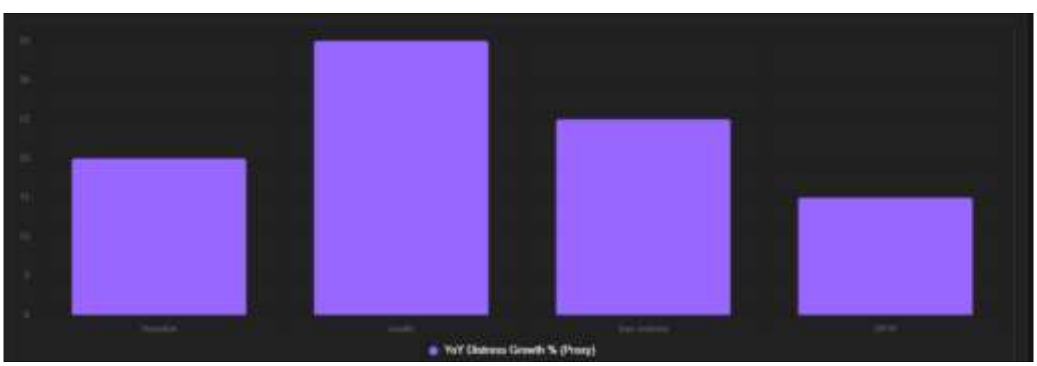
Illustration: Elevated distress in multifamily/commercial bleed to residential leads



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New Year Start Special

Distressed Property Market Update: Texas and Florida – Jan, 2026 Insights

As we kick off 2026, the distressed property landscape in Texas and Florida continues to offer compelling opportunities for real estate investors seeking off-market deals. With economic pressures like lingering high interest rates and rising living costs pushing more homeowners into distress, volumes across key categories—pre-foreclosures, tax liens, tax sales, probate, code violations, loan modifications, evictions, and heirships—are showing upward momentum. This update draws from recent data trends to highlight where the action is, backed by numbers that underscore the potential for revenue-generating acquisitions. For investors tired of manual research on county appraisal sites, Redfin, or Zillow, our weekly reports streamline this into actionable leads—saving hours and uncovering hidden gems.

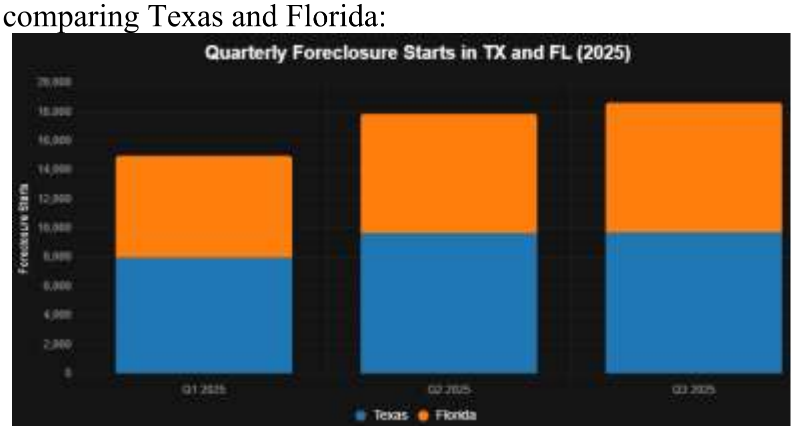
Volume Trends: A Surge in Opportunities

Distressed property activity has ramped up significantly in 2025, with foreclosures leading the charge. Nationally, foreclosure filings hit 35,651 in November 2025, up year-over-year for the ninth straight month. Florida and Texas dominate, accounting for a substantial share of starts (initial filings). In Q3 2025 alone, Texas saw 9,736 foreclosure starts, while Florida had 8,909—together representing over 18% of the national total. This builds on first-half 2025 figures, where Texas logged 17,680 starts and Florida 15,198.

Pre-foreclosures (early delinquency stages) are the entry point for many deals, often overlapping with loan modifications where borrowers seek relief but still face default risks. Tax liens and sales are also heating up: National tax delinquency rates climbed to 5.1% in 2025, with Texas hosting over 1,900 redeemable deed auctions and Florida running 266 tax lien auctions in recent periods. Probate and heirship cases are rising amid an aging population, with surveys indicating nearly 40% of Americans anticipate inheriting property, fueling more off-market listings in these states. Code violations, evictions, and related distress signals add layers—evictions tie into post-pandemic rental strains, while code issues often flag neglected properties ripe for investor intervention.

Volume changes are stark: Foreclosure starts rose 20% year-over-year in October 2025 nationally, with Florida and Texas seeing similar spikes. This isn't just noise—it's a trend driven by economic strain, creating a buyer's market for quick flips or holds.

To visualize the quarterly buildup in foreclosure starts (a proxy for broader distress), here's a stacked bar chart comparing Texas and Florida:



(Note: Q1/Q2 estimates derived from first-half totals for illustrative purposes; actuals show consistent growth.)

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Delays in County Data Posting: A Hidden Hurdle

One nuanced trend impacting lead generation is delays in county-level data posting. In Texas, counties like Denton experienced unusual lags in 2025 tax bill mailings due to administrative backlogs and system updates, pushing some distress signals (e.g., liens) later into the cycle. Florida faces similar issues with probate filings, where population growth strains court systems, delaying heirship and eviction records by weeks. These gaps mean manual searches on county sites can miss timely opportunities—our service bridges this by aggregating real-time feeds, ensuring you catch deals before they hit public radar.

Pricing Dynamics in the Off-Market Leads Market

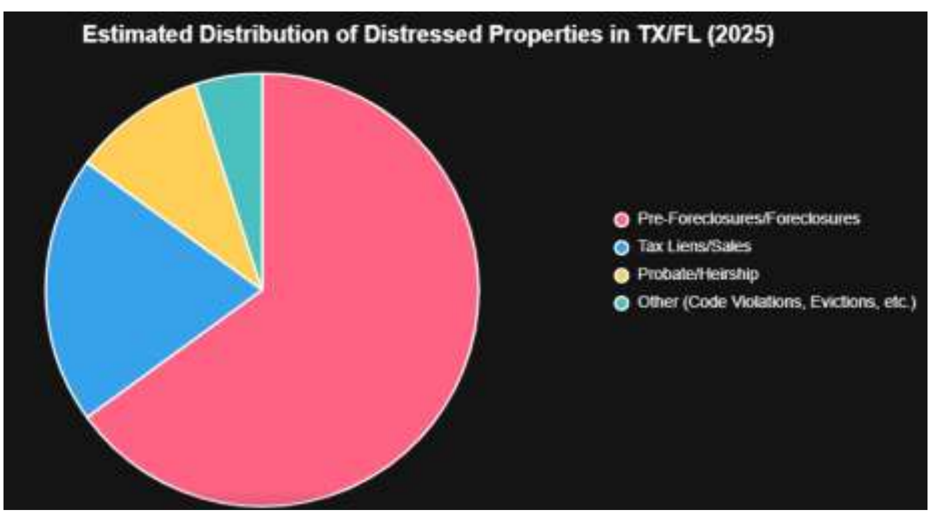
Off-market leads remain a goldmine, but pricing among popular mining firms has edged up in 2025 amid higher demand. Entry-level buyer leads average $9–$20 per lead, while premium seller leads (often distressed) run $26–$30 or more, reflecting their higher conversion potential. Screened, exclusive leads—phone-qualified for motivation—command even steeper rates, often $50+ per lead in pay-per-lead models. Trends show a 10–15% pricing increase year-over-year, driven by AI tools and data costs, but volumes justify it: A single converted lead can yield $10k–$40k+ in wholesale fees. For investors, this means focusing on high-quality sources to avoid low-conversion churn.

Popular Opinions on Real Estate Wholesale Deals

Social channels buzz with mixed but energized takes on wholesaling. On Reddit, opinions split: Some hail it as a low-barrier entry to $10k–$25k deals with zero capital (via assignments), sharing success stories of 50+ deals in 2024. Others criticize overpaying and "burning buyers," urging better tools like PropStream for 2025. Instagram channels emphasize branding and scaling: Creators push "standing out in crowded markets" via creative financing, with trends toward private money over hard loans in growing cities.

On X (Twitter), sentiment leans practical but cautious. Users like @TheJSantiago celebrate virtual deals netting $70k, while @sweatystartup calls it "scummy" for deceptive practices—yet admits it's lucrative for base hits alongside flips. A common thread: 2025 brings more regulation (e.g., "war on wholesalers"), but inbound marketing to distressed sellers boosts conversions. Overall, the vibe is optimistic for those adapting—wholesaling as a gateway to $100k+ liquidity events quarterly.

For a breakdown of distress types' share in recent activity (based on aggregated 2025 data, with foreclosures dominating), see this pie chart:



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Concerns and Highlights: Navigating the 2026 Outlook

Highlights: With Florida's foreclosure rate topping the nation (1 in 2,500 units) and Texas close behind (1 in 3,456), investor pipelines are fuller than ever—up 16% in Q3 filings nationally. Markets like Tampa and Dallas show hot spots, with off-market gems (e.g., small multis at $130k yielding $1,900 rents) popping up. Stabilizing home prices and inventory growth in both states amplify deal potential.

Concerns: Economic strain could accelerate zombie foreclosures (vacant pre-foreclosures at 3.25% nationally), while migration slowdowns (fewer inflows to TX/FL) might cool demand. Rising lead costs and regulatory scrutiny on wholesaling add friction—don't get caught in deceptive practices.

This surge spells revenue for savvy investors, but timing is key. Subscribe to our weekly reports for curated leads from Texas/Florida counties and platforms like Redfin/Zillow—cut research time by 80% and close more deals. Interested? Inquire today to tap into this momentum.

Action's Call: Unlock Free Coaching with QR Code Below

- Close year-end motivated (tax/move) deals
- Prep 2026 lists: Austin/San Antonio distress
- Scan 90+ DOM MLS, stock uncertainty
- Audit 3 deals via DM for ARV stability.
- REIQ Deal Maker & Accelerator Cohort is open (complimentary OML data access).

Next update: January, 2026.

Let's crush those balanced-market wins!

Your Real Estate IQ Team

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info@realestateiq.co | www.realestateiq.co

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