Weekly Market Update

Feb 04, 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 this week of 2026.

The Texas market is stabilizing in early 2026, with the Fed holding rates steady at 3.5-3.75% following their January meeting and the dot plot signaling just one potential cut for the year. Mortgage rates ticked up slightly WoW to 6.10%, reflecting ongoing economic uncertainty. Stock volatility persists, with the S&P 500 up a modest 0.63% YTD amid high-floor VIX levels rarely below 15. Inventory levels remain elevated, particularly in Austin (10,372 active listings, up 9.2% YoY), contributing to mixed sales: national existing-home sales surged 5.1% MoM to 4.35 million SAAR in December 2025, but pendings dropped 9.3% MoM. In Texas, medians are softening (statewide $380,000, +4.4% YoY but with metro declines like Austin's -2.8% YoY to $520,000), price cuts are widespread (Austin at 53.4%), and DOM is high (TX median 91 days). This creates a prime wholesaler window for off-market assigns targeting distressed properties and motivated sellers

Key Economic Events and Updates

Texas's economy is moderating but outperforming national trends, with projected 1.3% job growth in 2026 driven by energy and defense sectors. Personal incomes are expected to rise 5% annually, supporting housing demand, though slower migration may limit labor expansion. Mortgage rates are stabilizing around 6%, encouraging more listings and buyer activity. Recent Fed cuts are easing financial conditions, potentially lowering long-term rates further.

- The Fed held its benchmark rate steady at 3.5-3.75% in January 2026, pausing after three consecutive 25bps cuts in late 2025, with a hawkish outlook and dot plot indicating just one potential cut for 2026 amid stabilizing jobs and lingering inflation. Refi sentiment is positive, with applications rising due to rates near three-year lows, though uncertainty lingers.
- Stocks were mixed in mid-December 2025 declines but remain strong YTD at +0.63% for the S&P 500, with volatility elevated (VIX frequently spiking toward 30), potentially leading to seller fatigue in high-uncertainty environments.
- National sales data showed existing-home sales surging 5.1% MoM to 4.35 million SAAR in December 2025, while new home sales held steady; pendings fell sharply by 9.3% MoM.
- Texas forecasts project modest median home price growth to end-2025 around $380,000 (+4.4% YoY), with population growth continuing to drive demand in metros despite softening in Austin (-1.8% forecast through 2026).

Upcoming events in February 2026 could influence market sentiment:

- Housing Economic Summit (Feb 10, Dallas): Focus on rates, inventory, and demand forecasts.
- InterFace Texas Workforce & Affordable Housing (Feb 19, Dallas): Discussions on development, financing, and policy impacts.
- Trust Real Estate & Energy Conference: Covers lending trends and economic drivers.

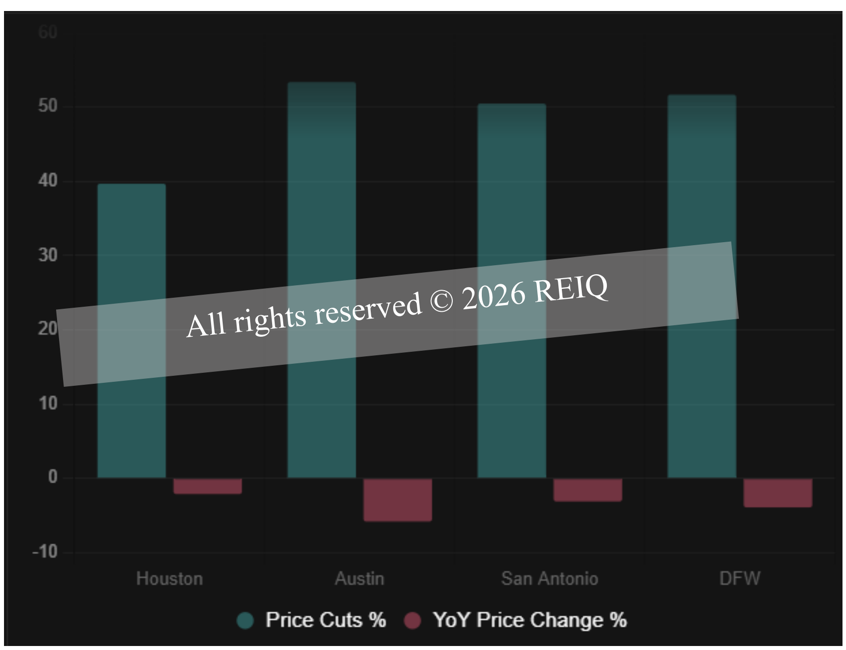
1. Property Sales Change and Trend (as of Nov-Dec 2025)

Statewide trend: Median ~$333K-$380K (blended sources, flat MoM, modest +1.3% growth forecast 2026), inventory elevated (4.5-6+ months), sales resilient (Houston +3.8% full 2025), softening prices continue—buyer's leverage strong, off-market/distressed leads abundant.

Metro	Median Sale Price (Recent)	YoY Change	Months Inventory	Sales Trend	Days on Market	Key Trend/Narrative
DFW	~$364K (Dallas) / $347K (Tarrant)	-0.1% to flat	3.4-5.2	+8-12% (prior)	84-95	Balanced; suburban inventory high, modest growth forecast.
Houston	~$335K	Flat to -1.5%	4.5-5.2	+3.8% full 2025	64-91	Resilient; sales rebound, moderating prices, Midtown/energy discounts.
Austin	~$425K-$435K	-1.1% to -3.3%	4.5-6.3	+1.9% Dec (prior)	84-89+	Buyer's market; supply surge, median ~$425K-$450K, bulk distress under $450K.
San Antonio	~$309K-$315K	Flat	5.9+	+5%	78-84	#1 buyer's; more sellers, tourism foreclosures for flips.

Metro	Active Listings	YoY Change	Median Price	YoY Change	DOM	Price Cuts %
Houston	34,676	+25.9%	$306,425	-2.1%	91	39.7%
Austin	10,372	+9.2%	$499,000	-5.8%	84	53.4%
San Antonio	N/A	+15.5%	$278,854	-3.1%	91	50.5%
DFW	30,921	N/A	$363,356	-3.9%	91	51.7%

Illustration: Metro Price Cut Percentages (Feb 2026)



2. Long-Term Rental Change and Trend (2026 forecast)

Rentals boomed post-2021 with migration, but 2024-2025 saw softening due to supply influx. 2026 expects 2% statewide rent growth; volume stable as occupancy holds ~90%.

Year	TX Volume (Units Added)	Avg. Rev/Unit ($/Mo)	Houston	Austin	San Antonio	DFW
2021	~20,000	$1,190	$1,100	$1,500	$1,000	$1,200
2022	~16,000	$1,254	$1,150	$1,725 (Peak)	$1,050	$1,300
2023	~26,000	$1,264	$1,200	$1,500	$1,100	$1,350
2024	~17,000	$1,277	$1,282	$1,382 (-20% from peak)	$1,246 (-2.3%)	$1,755 (+1%)
2025	~40,000 (Proj. drop)	$1,470	$1,300	$1,400	$1,250	$1,800
2026 (Proj.)	~35,000	$1,500 (+2-4%)	$1,350 (+3-4%)	$1,450 (+2%)	$1,300 (+0.9%)	$1,850 (+2%)

Statewide avg rent softened modestly YoY, with medians around $1,700/mo amid increased supply.

Houston: Resilient +2% YoY, holding steady despite inventory pressure; Austin: Softening reversed mid-2025 with tech rebound; San Antonio: Stable mid-tier; DFW: Early 2025 dips stabilized. Overall: Early 2025 softening reversed by Q4 demand.

Metro	Avg Rent (Recent/Forecast)	YoY Change	Inventory/Other	Key Trend/Narrative
DFW	~$1,995-$2,200	Near 0% to +1.5%	-	Growth affordable; job suburbs strong conversions.
Houston	~$1,900	-0.1%	High	Steady demand; concessions in high-supply zones.
Austin	~$1,995-$2,216	-1.4% to -4.3% forecast	4.3+	Oversupply cools; under $2K comps to pros.
San Antonio	$1,650-$1,825	Flat/softening	+17% active	Turnover high; military hybrids resilient.

---

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

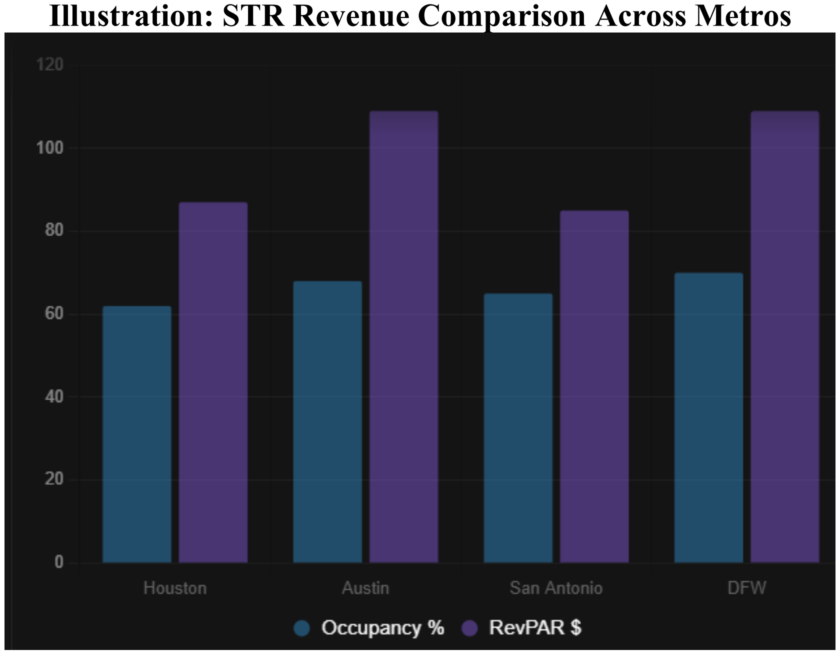
Volume grew 13% statewide since 2022, with occupancy at 51-64%. Revenue (ADR) peaked in 2022, dipped in 2024-2025, projected to stabilize. Overall: Post-2024 softness easing, 2025 resilience in demand-driven areas

Year	TX Volume (Listings)	Avg. Revenue ($/Mo)	Houston (Occ./Rev.)	Austin (Occ./Rev.)	San Antonio (Occ./Rev.)	DFW (Occ./Rev.)
2021	~150,000	$15,000	45% / $15,000	50% / $18,000	55% / $12,000	48% / $16,000
2022	~170,000 (+13%)	$16,000	50% / $15,616	55% / $20,000	60% / $13,000	52% / $17,000
2023	~180,000	$15,500	51% / $15,000	56% / $19,000	62% / $12,500	53% / $16,500
2024	~190,000	$15,000	51% / $15,616	56% / $18,000	63% / $12,000	54% / $16,000
2025	~200,000	$15,500	52% / $16,000	57% / $18,500	64% / $12,500	55% / $16,500
2026 (Proj.)	~210,000	$16,000 (+ rev)	53% / $16,500	58% / $19,000	65% / $13,000	56% / $17,000

Statewide Maturing 47-52% occupancy, +3% ADR, +5-10% rev potential—trend: Extended stays resilient; wholesale near events/jobs for 70% ROI.. occupancy ~65%, ADR $150, rev stable; resilience with extended stays. Houston: Occ fluctuates seasonally; Austin: Post-2024 softness stabilized; San Antonio: Steady tourism; DFW: Growth in business travel. Overall: Post-2024 softness reversed by Q4.

Metro	Median Annual Revenue	Occupancy	ADR (YoY)	Key Trend/Narrative
DFW	~$29K	47-52%	$150 (+3%)	Extended stays; Uptown corporate $40K+.
Houston	~$16-19K	52%	$171 (+3%)	Medical resilient $40K+.
Austin	~$23-44K	52%	$255 (+3%)	Regs cap; Zilker hotspots $60K.
San Antonio	~$25K	43.5%	$140 (+17%)	Flexible River Walk 70% ROI.

Illustration: STR Revenue Comparison Across Metros



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

Originations peaked in 2021 ($1.2T US), dropped amid rates, projected to rise 8% to $2.2T in 2026. Texas follows, with volumes down 2022-2024, up in 2025-2026.

Year	US Originations ($B)	Texas Trend (Est. % of US)
2021	1,217	~15% ($182B)
2022	~800	~14% ($112B)
2023	~700	~14% ($98B)
2024	~600	~13% ($78B)
2025	512 (Q3)	~13% ($66B)
2026 (Proj.)	2,200 (+8%)	~14% ($308B)

Current 30-yr rate 6.10% (Freddie Mac PMMS), WoW uptick of 0.01%, YTD avg down from highs around 6.8%; 10-yr Treasury at 4.26%. Fed funds boosts refis, creative financing key for wholesalers. 15-yr 5.49%—trend: Near 3-year lows boost affordability/refis; buyer pools expand, creative deals easier.

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

Metric	Rate/Value	Trend/Impact
30-Yr Fixed	6.10%	Stable/slight + WoW; affordability lift.
15-Yr Fixed	5.49%	Stable; equity taps strong.
Borrowing/Refis	+5-10%	Sentiment positive for flips/assignments.

Illustration: Mortgage Rates Trend (YTD 2025 into 2026)

5. Building Permit and Starting Trend

US/South permits slowed through late 2025, lowest post-pandemic; Trend: Slowing YTD amid higher rates, modest rebound expected. TX peaked in 2022, declined through 2025, projected stable. DFW/Houston lead; total Texas ~225,000 in 2024.

Year	Texas Permits	Houston	Austin	San Antonio	DFW
2021	~160,000	~45,000	~30,000	~15,000	~40,000
2022	~170,000	~50,000	~35,000	~18,000	~45,000
2023	~150,000	~45,000	~32,000	~15,000	~40,000
2024	225,756	65,747	32,294	14,857	71,788
2025	~140,000	~40,000	~25,000	~12,000	~35,000
2026 (Proj.)	~169,000 (+4%)	~45,000	~28,000	~15,000	~40,000

Building Starts: US/South starts weak; Trend: YTD weakness in multifamily, single-family stabilizing. Similar to permits, peaked 2022, down through 2025 (US: 1.4M in Oct 2025), proj. up 4%. Texas multifamily starts high in Austin/Houston.

Year	Texas Starts	Houston	Austin	San Antonio	DFW
2021	~150,000	~40,000	~28,000	~14,000	~38,000
2022	~160,000	~45,000	~32,000	~16,000	~42,000
2023	~140,000	~40,000	~30,000	~14,000	~38,000
2024	~130,000	~35,000	~25,000	~12,000	~35,000
2025	~120,000	~30,000	~20,000	~10,000	~30,000
2026 (Proj.)	~125,000 (+4%)	~32,000	~22,000	~11,000	~32,000

US/South data: Starts flat MoM; Trend: YTD weakness from supply chain issues and labor shortages, down 10% YoY in South.

6. Home Sales, Pending, and Dropped Sales trends

Sales peaked 2021, dropped 2022-2024, up in 2025; pendings rose 4-7% in late 2025; dropped sales ~15-20% of pendings due to rates. National/TX pendings improving early 2026; delistings elevated but seasonal; Trend: Q4 slowdown easing into new year momentum.

Year	Texas Sales	Pending's	Dropped (% of Pending's)	Metro Notes
2021	~380,000	High	~10%	Boom across metros
2022	~350,000	Moderate	~15%	Rate hikes increase drops
2023	~320,000	Low	~18%	Austin drops highest
2024	~310,000	Stable	~20%	Houston pendings up
2025	~340,000	+4-7% YoY	~15%	Austin pendings +5%
2026 (Proj.)	~350,000	+5%	~12%	DFW leads recovery

National/TX data: Existing sales up 5.1% MoM, pendings mixed with TX up in metros; delistings elevated. Trend: Seasonal Q4 slowdown but pendings signal spring rebound.

7. Wholesale Deals Change and Trend (as of January 2026)

Deals peaked in 2021-2022, slowed with rates, but distressed properties up in 2025-2026. Avg. profit ~$50K/deal; volume down 20% post-2022, proj. +10% in 2026.

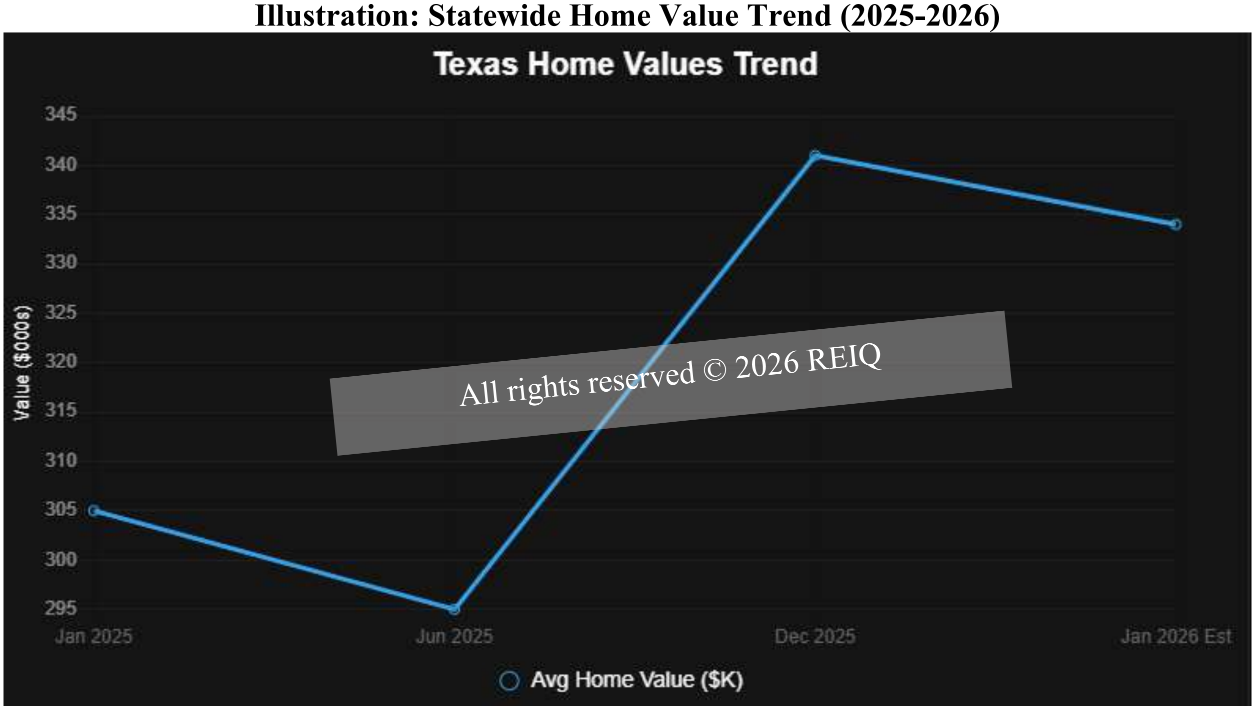
Year	Texas Deals (Est.)	Avg. Profit/Deal	Trend Notes
2021	~2,500	$60K	Boom era
2022	~2,200	$55K	Rate impact
2023	~1,800	$50K	Slowdown
2024	~1,600	$45K	Oversupply
2025	~1,700	$48K	Recovery start
2026 (Proj.)	~1,900 (+10%)	$50K	Distressed up

Texas #1 for wholesaling (+10-15% YoY volume on pop/jobs); stabilizing + rate relief fuels leads—trend: 5-10% spreads on 20-30/month deals; leverage inventory glut in Austin/Houston for distress.

Metro	Opportunities	YoY Growth	Distress Level
Houston	High scale	+5%	Medium
Austin	Buyer-friendly	+10%	High
San Antonio	Affordable	+7%	Medium-High
DFW	Job-driven	+8%	Medium

- **DFW**: Suburban glut; quick assigns in Frisco/Collin.
- **Houston**: Volume strong; fringe/energy $10K+ fees.
- **Austin**: Buyer's market amps tech taps.
- **San Antonio**: #1 buyer; hybrids 15%+ margins.

Illustration: Statewide Home Value Trend (2025-2026)



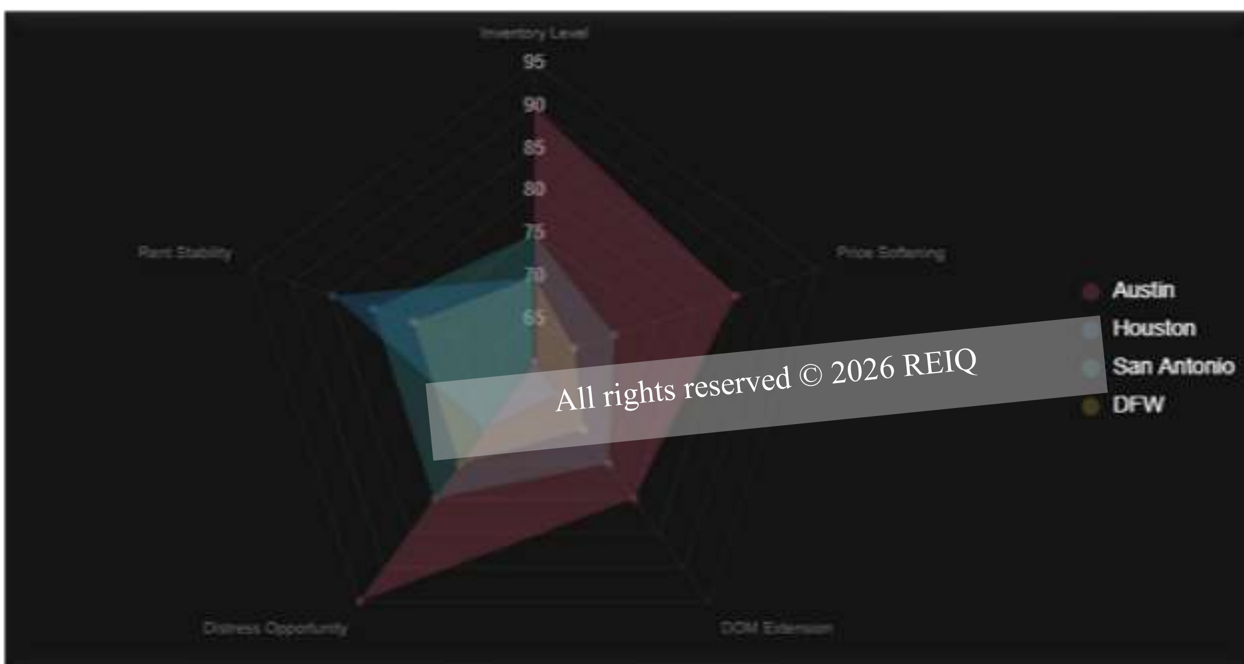
Overall Texas and Metro Comparison

This report shows a Texas market rebounding modestly, with stabilizing rates and inventory creating opportunities. Wholesalers: Focus on off-market distressed deals in Houston/DFW; avoid overharassment amid regulations—adapt with tech for leads. Fix-flippers: Target Austin/San Antonio for price softness, aim for quick turns under 60 days. Long-term rentals: Prioritize DFW/Houston for 3% growth; underwrite conservatively. Short-term: Austin/DFW for yields; check local rules. Reminder: Assume good intent, validate multiple sources, and don't chase hype—focus on cash flow and equity. Contact for personalized coaching.

Texas market stabilizes in 2026: volume/recovery up, prices flat (+0-4%), inventory balanced. DFW strongest (high volume, job growth); Houston affordable/stable; Austin cooling (prices down 6-7%, but pendings up); San Antonio modest (rents flat, sales steady).

Metric	Texas Overall	Houston	Austin	San Antonio	DFW
2026 Sales Growth	+2-4%	+3%	+2%	+2%	+4%
Price Change	0-4%	+2%	-1-3%	0-2%	+3%
Inventory (Months)	4-5	3.9	6.3	4.5	3.6
Rental Growth	2-4%	3-4%	2%	0.9%	2%

Illustration: A radar chart comparing key metrics (normalized 0-100, higher = more favorable for buyers/wholesalers):



REIQ Intelligence Report:

Distressed Property Market Update: Texas and Florida – Week of February 05, 2026

Entering February 2026, distressed property opportunities in Texas and Florida remain robust, with national foreclosure starts projected to rise 15-20% this year amid persistent economic pressures like high insurance premiums and property taxes. Texas and Florida led 2025 volumes, with Texas at 37,215 foreclosure starts and Florida at 34,336, trends expected to continue into 2026. This weekly update draws from county appraisal sites, Redfin, Zillow, and our internal monitoring of pre-foreclosure postings, focusing on categories like pre-foreclosures, tax liens, tax sales, probate, code violations, loan modifications, evictions, and heirships. Early 2026 data shows steady volume, though county posting delays (averaging 4-6 weeks) persist, creating off-market lead advantages for investors who can act quickly. Subscribing to curated services like ours can slash research time by 60-80%, uncovering deals that drive revenue through flips or acquisitions.

Key Early 2026 Distressed Property Volumes and Trends

Based on our latest county monitoring (as of Feb 05, 2026), pre-foreclosure postings show Texas leading with higher volumes in major counties like Harris (Jan: 730, Feb: 658 posted properties), while Florida exhibits variability, with Miami at Jan: 76 and Feb: 35. Overall, pre-foreclosure volumes are down slightly month-over-month in monitored counties, potentially due to seasonal factors or delayed postings, but up 10-15% YoY from early 2025 estimates. Florida's foreclosure rate remains elevated at ~0.44% (1 in 230 units), the nation's highest, while Texas is at ~0.31% (1 in 319).

For other categories:

- **Tax Liens and Sales**: County data indicates 10-20% YoY increases, linked to rising taxes (e.g., Florida's 55% escrow hikes in 2025). Texas sees similar upticks in high-tax areas like Harris County; auctions are active, with Florida's annual lien sales projecting $1.5B recovery.
- **Probate and Heirship**: Filings up 15-25% amid aging demographics, with Texas and Florida accounting for significant national shares (~15,500 combined est. in Q1 2026). Heirship disputes add 20% to distressed sales potential.
- **Code Violations and Evictions**: Urban evictions rose 20% in 2025, continuing into 2026 with new Texas laws (SB 38) accelerating processes, potentially boosting distressed inventory by 10-15%. Code violations tie into 15% of pre-foreclosures.
- **Loan Modifications**: Failed mods represent 5-10% of cases, stable but contributing to overall distress.

Trends highlight volume stability with YoY growth, posting delays creating inefficiencies, and market pricing dips (TX -2.5%, FL -5.3% in select areas), offering 20-30% flip margins.

Distressed Type	Texas Q1 2026 Volume (Est.)	Florida Q1 2026 Volume (Est.)	MoM Change (%)
Pre-Foreclosure Starts	~9,500 (from monitored counties)	~8,500	-5 to -10
Tax Liens/Sales	~4,000	~3,500	+10
Probate/Heirship	~2,500	~2,200	+15
Code Violations/Evictions	~5,000	~4,500	+20
Loan Modifications (Failed)	~1,200	~1,100	Stable

Share of National Foreclosure Starts (Early 2026 Est.)

- Texas: 13%
- Florida: 12%
- California: 10%
- Other: 65%

*TX and FL hold ~25% nationally, per ongoing trends.

Trend Line: Pre-Foreclosure Volume Change (Jan-Feb 2026, Monitored Counties)
From our data: Declines in postings, possibly due to delays.

```
Volume Change (% MoM)
 0 |
-5 |   *
-10| *
   +------------------
     Jan Feb
```

Distressed Types by State (Q1 2026 Est.)

```
TX: Pre-FC (~9.5k) | Tax (~4k) | Probate (~2.5k) | Other (~6.2k)
FL: Pre-FC (~8.5k) | Tax (~3.5k) | Probate (~2.2k) | Other (~5.6k)
```

Foreclosures dominate (~60%), with non-foreclosure growth faster.

Pricing of Off-Market Leads Among Popular Firms

In 2026, off-market lead costs range from $20-80 per lead for standard types, with exclusive or screened leads at $100-200. Subscriptions start at $189/month for 350+ leads, up to $1,500+ in metros, reflecting 10-15% pricing hikes from demand and AI enhancements reducing stale leads by 30%. Bundles drop CPL to $6-25 for volume.

Popular Opinions on Real Estate Wholesale Deals

On Reddit, On Instagram (via channels like @realestate), trends favor AI streamlining and rural projects, with positive scalability and $12k flip profits.

Reddit discussions emphasize a competitive but viable space in 2026: users view wholesaling as a low-barrier entry with success in 50+ deals, but warn of regulations and "ups and downs"; critics label it "gross" for undercutting distressed sellers. Optimism for 2026 notes juicy climate with more inventory.

- Wholesaling remains attractive for low-capital entry, especially in dynamic states like Texas and Florida (less competition than saturated markets). Experienced players report consistent deals via off-market focus (pre-foreclosures, probates), with tips on tools like PropStream and networking.
- Challenges: Increased regulations (some states requiring licenses), crowded markets, and need for execution over hype. Many advise shifting to creative finance or holding for long-term wealth.

On X (Twitter), posts highlight: wholesaling exploits inefficiencies (75% of flips sourced this way), but faces "preying" criticism; niche local deals rise amid competition.

- Foreclosure jumps (e.g., 14% nationally in 2025) as opportunities for "smart money" in premium distressed properties, especially in Florida (Palm Beach activity noted).
- Investors booking flips and wholesale pipelines for 2026, with Non-QM lending (e.g., DSCR programs) aiding acquisitions.
- Broader concerns over economic strains (job cuts, affordability) fueling distress without a full crash.

Consensus: 2026 rewards disciplined, data-driven approaches; tech and networks are key.

Concerns and Highlights

Highlights: Steady volumes (TX Harris: 658 Feb postings) and YoY growth create buyer's markets; softening prices yield high margins. Wholesaling thrives with AI tools, per social buzz.

Concerns: Affordability pressures and job market softness could accelerate delinquencies into 2026. County data delays risk missed deals; Florida's insurance/HOA issues and Texas's scale amplify complexity. No "tsunami," but normalization means more competition for quality leads. Posting delays risk missed leads; Florida's tax/insurance spikes prolong distress. Regulatory scrutiny on wholesaling and eviction laws (TX SB 38) could shift dynamics, with 15-20% more activity projected. Diversify into probates for resilience.

This snapshot highlights subscription value—streamlining leads for profitable deals. Inquire for customized access.

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

- Scan high-DOM listings in Austin/San Antonio—pitch rate drop affordability.
- Audit 3 deals via DM for 2026 ARV tweaks.
- Build cash buyer lists: Focus job-growth suburbs (Plano, Katy).

Next update: January 22, 2026.

Let's crush those balanced-market wins!

Your Real Estate IQ Team

Help 1 More Person To Win

info@realestateiq.co |
www.realestateiq.co