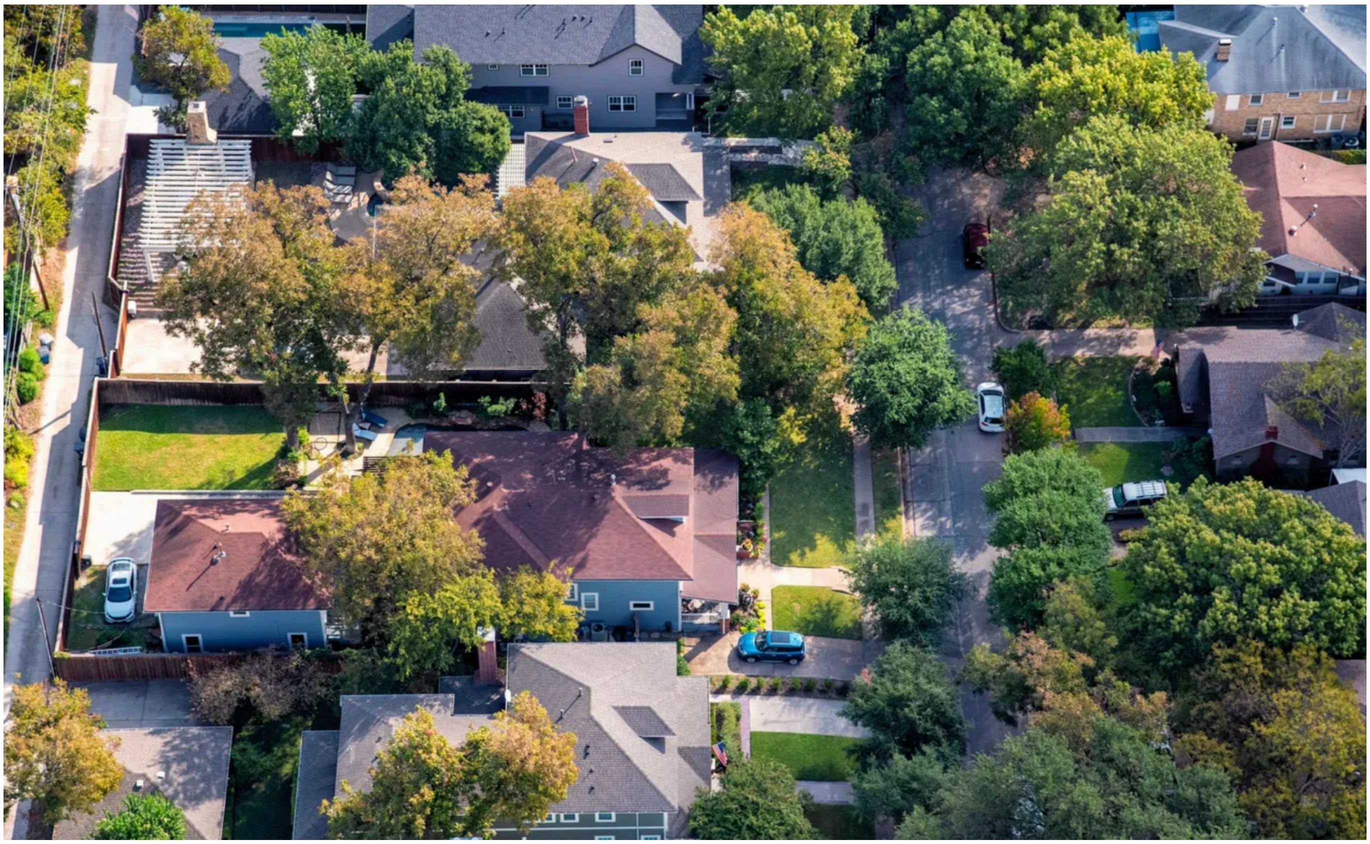
MARKET SYNOPSIS

November 1, 2025



The Following is a Market Synopsis From Kelly W. Milligan, Vice-President / Dallas Area Counsel, Chicago Title of Texas, LLC, Written Before End-of-October Rate Cut.

It really doesn't look like the market is "slow." Granted, it's not what we got used to in 2020 or 2021, when things were positively crazy—but we've been saying that all year. The fact is, third quarter sales were up year-over year in 30 of the 44 zones we survey, and off very slightly (i.e., less than 5%) in another three. Sales were up more than 10% in 17 of 44 zones. And while it is true that some of the more established areas saw increases (e.g., Carrollton, Coppell, Farmers' Branch, Frisco, Lewisville, McKinney, Murphy, Plano, Richardson, Rockwall, Wylie) and parts of Eastern Collin County (Anna, anyway), the northern suburbs rocked it—look at the increases in Celina, Prosper, Princeton. The City of Dallas had a good third quarter, as well. Sales were off, but less than 2%--but this was likely more an inventory issue in certain areas and at certain price points; the price increases suggest that people paid slightly more to get what was on the market. Overall, the higher level of sales was spread neatly throughout the counties that make up our side of the

Metroplex (Collin, Dallas, Denton, Kaufman, Rockwall), and also appears to have blessed all different price points—a number of areas the luxury sector (Colleyville, Flower Mound, Southlake, University Park, and the key parts of the Collin County suburbs) all saw more activity, and prices were up in Fairview and Highland Park). Overall, when you look at the data, it just underscores something we've been saying all year—this market may not be crazy, but it's hardly plummeting, cratering, declining, pick your verb. A review of the Second Quarter data showed increased sales in 21 of 44 zones—which suggests that the market has established some momentum in the last few months.

Now—a lot of people are uncertain, if not outright disappointed, that the 25 bp drop in the federal funds rate didn't lower mortgage rates into the fives and/or lead to more action. But it certainly didn't do us any harm. A 50 bp drop might have had more obvious impact, but it was pretty clear that we weren't going to get that. And by the time the 25 bp cut was announced, mortgage rates had already come down in anticipation. As some would say, the pending cut was already more or less "baked in" to mortgage lenders' rate sheets—so when the announcement came, the impact wasn't as dramatic. For a really good explanation of how the anticipation in the bond market played out, check the Wall Street Journal on Monday, 9/15, page B9 ("Why Mortgage Rates Can Move Quickly"). Looking ahead, many analysts are thinking we get at least one more cut in 2025 (some are projecting two). If the Fed comes down another 25 basis points, we may see more movement in the mortgage markets, which would result in more activity by buyers.

One other interesting note—although inventory levels are generally better than they've been for most of the last 15 years (low bar, really), you aren't hearing the talk about how it will "shift us to a buyers' market." And while it is true that several of our zones (Anna, Celina, Prosper and Rockwall) offer a slight buyers' advantage, pundits seem to have quietly acknowledged what some folks have been saying for a while now—it's more a question of price point than the blanket number of listings in a given area. In some areas, it probably does seem like buyers have gotten the upper hand.

Bottom line—just keep a positive attitude, keep working hard and keep working smart. We stick by our belief that this should be a solid fourth quarter and, in the end analysis, a decent year. Don't give up the ship.

Kelly W. Milligan
Vice-President / Dallas Area Counsel
Chicago Title of Texas, LLC
Provided by Michael Kearney, Sales Executive, AVP, Chicago Title DFW