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For Real Estate Investors, the West Coast Is Hot and Florida Is Not

- *Investor activity is sluggish on a national level, with purchases rising just 2%—but it varies widely from metro to metro.*
- *In Seattle, investor purchases jumped 37% year over year in the fourth quarter—the biggest gain among the metros Redfin analyzed. Orlando posted the biggest decline, down 16%.*

SEATTLE — March 4, 2026 — U.S. investor home purchases ticked up 2% from a year earlier in the fourth quarter, coming in at just under 50,000. That’s according to a new [report](#) from Redfin, the real estate brokerage powered by Rocket. That’s the eighth straight quarter of minimal changes in investor activity.

Investor activity varies widely from metro to metro. Investor home purchases are up by double digits in West Coast cities including Seattle, Portland, OR and San Francisco, and down by double digits in some Florida cities.

Nationwide, investor activity has flattened after wild swings during the pandemic because it doesn’t make financial sense for flippers or landlords to buy property in much of the country. High home prices and mortgage rates are pricing many individual buyers out of the market, [slowing sales](#), and they’re also pricing investors out of the market.

Economic uncertainty is also an obstacle for both individuals and investors thinking about making a big purchase. Many investors looking to flip a home and sell it for a profit are jittery about the rising cost of building materials and labor shortages in the construction industry. Landlords are nervous about rental price growth slowing, potentially limiting profits.

Nearly one in 10 (9.2%) homes sold by investors in December sold at a loss, up from 7.1% a year earlier. The rising chance that homes owned by investors won’t sell for a profit is one factor giving them pause. Still, most investors selling their homes are earning money: The median capital gain on homes sold by investors is \$185,918, near an all-time high. Note that the median capital gain is near its record high largely because home prices are near their record high.

The bright spot of sluggish investor activity: It can be good news for individual homebuyers.

“Some investors are keeping their pocketbooks closed, which eliminates competition for everyday first-time buyers,” said [Chen Zhao](#), Redfin’s head of economics research. “The pandemic-era investor frenzy that crowded out so many first-time homebuyers has largely fizzled. There are still obstacles for buyers, like high costs, but investors are no longer one of them—at least in many parts of the country.”

President Trump has proposed banning institutional investors who already own more than 100 single-family homes from buying additional homes in a bid to further improve supply for

individual buyers. Such a ban is [unlikely to be effective](#), according to Redfin economists, mainly because large investors own a small share of the nation's single-family homes.

Investor Purchases Are Rising Most in Seattle, Falling Most in Orlando

Investors are buying more homes on the West Coast. In Seattle, investor home purchases rose 37% year over year in the fourth quarter, the biggest uptick of any major U.S. metro area. Next come Portland, OR (27%), Milwaukee (24%), San Francisco (24%) and Providence, RI (20%).

Investor activity is picking up in expensive West Coast cities like Seattle and San Francisco partly because sale prices are [too high for the typical resident](#), increasing rental demand and motivating landlords to buy property. In San Francisco specifically, some investors are [betting on the AI boom](#) and return-to-office policies upping demand from buyers and renters.

Institutional investors also often pay cash, giving them an advantage over individual buyers. Smaller mom-and-pop investors who can afford to buy investment properties are using it as a wealth-building strategy.

Investors are buying fewer homes in Florida. Investor purchases fell 16% year over year in Orlando, FL, the biggest decline of any metro. It's followed by Fort Lauderdale, FL (-15%), Las Vegas (-12%), Nashville, TN (-9%) and Jacksonville, FL (-7%).

There are several reasons investors have been pulling back from Florida. One, insurance costs and HOA fees have skyrocketed as climate disasters rise, making it harder to turn a profit. Two, rents are down from their peaks in much of Florida, another hit to potential profits. Three, home prices are cooling and inventory is rising in Florida, making it tougher to flip a home and earn money.

Note that in West Palm Beach, FL, where [luxury home sales are booming](#), investor purchases are up 17% year over year.

Investors Bought Nearly 1 in 5 Homes That Sold in the Fourth Quarter

Nationwide, investors purchased 18% of homes that sold in the fourth quarter, unchanged from a year earlier. The flat market share signals sluggish activity from both investors and [individual homebuyers](#).

Investors Are Purchasing More High-End Homes

Investor purchases of high-end homes increased 5% year over year in the fourth quarter, likely because investors see opportunity in today's luxury market, which is [more competitive](#) than the non luxury market. Purchases of mid-priced homes ticked up 2%, while purchases of low-priced homes were flat.

Investors Buy More Single-Family Homes, Fewer Townhouses

Investors purchased 3% more single-family homes than a year earlier in the fourth quarter. Purchases of multi-family properties increased 2%, while purchases of condos inched up 1%. Investors bought 8% fewer townhouses than a year earlier.

To view the full report, including charts, full metro-level data and methodology, please visit: <https://www.redfin.com/news/investor-report-q4-2025>

About Redfin

Redfin is a technology-driven real estate company with the country's most-visited real estate brokerage website. As part of Rocket Companies (NYSE: RKT), Redfin is creating an integrated homeownership platform from search to close to make the dream of homeownership more affordable and accessible for everyone. Redfin's clients can see homes first with on-demand tours, easily apply for a home loan with Rocket Mortgage, and save thousands in fees while working with a top local agent.

You can find more information about Redfin and get the latest housing market data and research at [Redfin.com/news](https://www.redfin.com/news). For more information about Rocket Companies, visit [RocketCompanies.com](https://www.RocketCompanies.com).

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