



# Summer 2026

**BUYER'S GUIDE**



**SCAN FOR A  
LOCAL MARKET  
UPDATE AND  
BUYER TIPS**



# How is the Current Market Right NOW!

If you're considering buying a home this spring, you might be wondering how the latest trends in the housing market could influence your decision. To help guide you through this process, here are the three crucial questions you should be asking:

## 1. How Are Mortgage Rates

Mortgage rates have recently decreased from their peak in October. As we look ahead, the general consensus among experts is that these rates will likely continue to drop throughout the year, though you can expect some ups and downs along the way. Rick Sharga, the founder and CEO of CJ Patrick Company, has noted that while we've seen a slight increase in mortgage rates, they're anticipated to fluctuate but overall trend downwards for the remainder of the year.

Even a slight decrease in mortgage rates can significantly affect your ability to buy a home. Lower rates mean lower monthly mortgage payments, which can make it more feasible for you to afford the home you've been eyeing. This change in rates could be a crucial factor in deciding when to purchase a home, as it directly impacts your buying power.

## 2. What is with these Prices?

Even with home prices climbing nationwide, you might be among those feeling anxious that prices could suddenly drop. However, experts are leaning towards a different forecast: they anticipate that home prices will not decrease but will continue to ascend. This expectation is rooted in the current housing landscape characterized by a limited number of homes for sale paired with sustained high demand from buyers. These dynamics are expected to maintain upward pressure on home prices as the year progresses. Selma Hepp, the Chief Economist at CoreLogic, has pointed out that the demand for homes in early 2024 is poised to be robust, mirroring the trends seen in early 2023, which could lead to most markets experiencing new highs in home prices throughout 2024.

Given this outlook, home prices are set to rise further this year. If you're in a position to buy, acting sooner rather than later might be wise, as waiting could result in facing higher prices down the line.

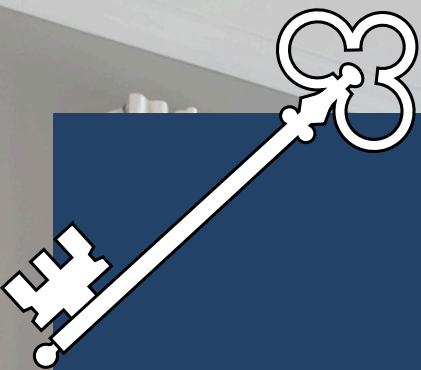
## 1. What More Can I Expect From The Market?

Over the last year, many homeowners were hesitant to sell their homes because mortgage rates were relatively high. They preferred to hold onto their current homes with lower mortgage rates rather than sell and potentially face a higher rate on a new property. However, there's a shift happening now, with more people considering selling their homes again.

This change is largely due to the recent decrease in mortgage rates, which is making the idea of selling and then buying another home more appealing. As a result, there's an uptick in the number of homes being put up for sale, providing prospective buyers like you with a wider range of options. Mark Fleming, the Chief Economist at First American, suggests that the reluctance to sell due to what's known as the "rate lock-in effect" may lessen this year as mortgage rates continue to drop. He mentions that if rates were to fall below six percent, even more homeowners might be inclined to sell, moving away from the extremely low rates they secured a few years back.

So, with mortgage rates becoming more favorable, we might see more homeowners deciding to sell, which could give you a better selection of homes to consider.





**If you're in a financial position to do so and ready to stay put for at least a few years, buying a house is totally worth it. You'll gain stability, build equity and retain a sense of ownership and control, rather than being at the whim of a landlord.**

**-Bankrate**

# Top Reasons To Own Your Home



## Accomplishment



Feeling a sense of achievement and pride

## Loved Ones



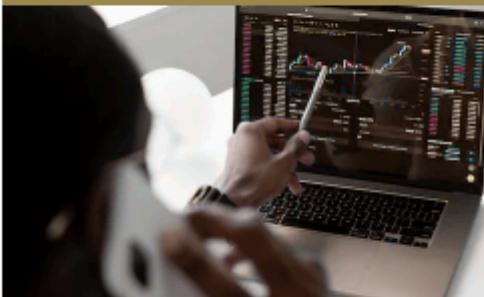
Prioritizing the needs of those closest to you

## Stability



Locking in your monthly housing payment with a fixed-rate mortgage

## Financial Investment



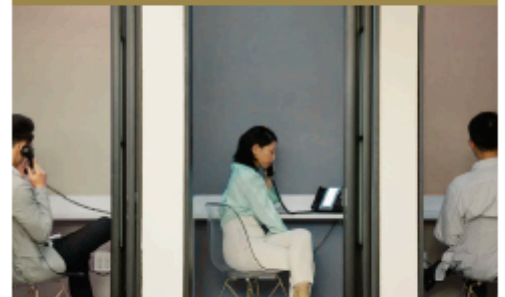
Growing your assets and net worth

## Comfort



Enjoying features that enhance your lifestyle

## Privacy



Having a space that's your own

## Personal Expression



Tailoring your home to your unique style

## Community



Being a part of a broader social group

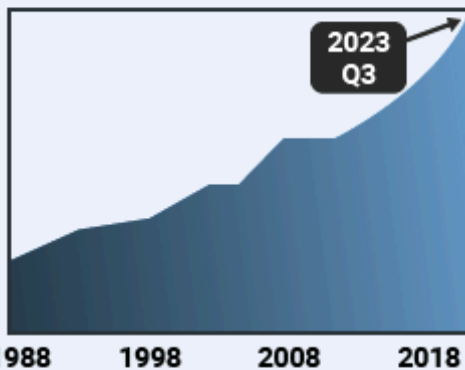
If you're ready to buy a home, let's get the process started **today.**

# The Difference Between **Renting** and **Buying a Home**

*When deciding between buying a home or renting, think about these three important factors.*

## Buying a Home Means Avoiding Rising Rents

Median Asking Rent Since 1988



### When You Rent:

Your monthly payment generally goes up each time you sign or renew a lease.

### When You Buy:

With your fixed-rate mortgage, your monthly payment is locked in for the length of your home loan.

## Homeowners Own a Tangible and Valuable Asset

“

... the average U.S. homeowner now has about **\$290,000 in equity.**

CoreLogic



### When You Rent:

You won't get any return on your investment as you pay your rent monthly.

### When You Buy:

As home prices rise, and as you pay down your home loan, you build equity.

## Owning Your Home Grows Your Wealth Over Time

“

A monthly mortgage payment is often considered a forced savings account that helps **homeowners build a net worth about 40 times higher than that of a renter.**

Lawrence Yun  
Chief Economist, NAR



### When You Rent:

When the cost of renting goes up, it's more difficult to save money for a down payment to buy a home.

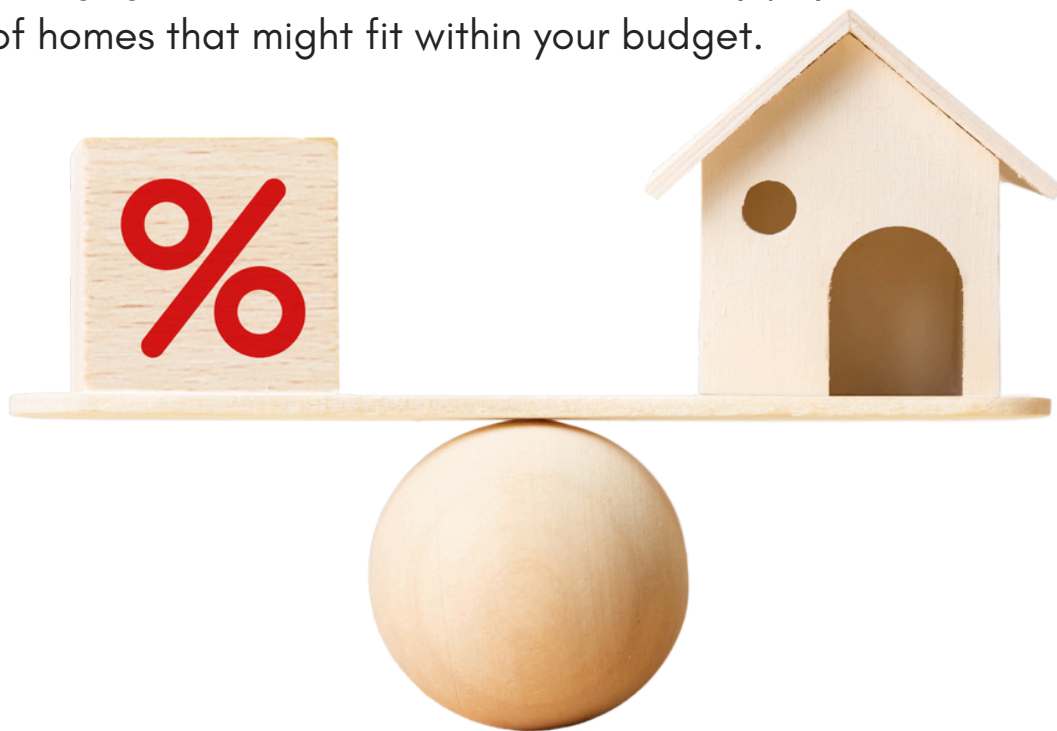
### When You Buy:

As you build equity through the years, you give your net worth a big boost.

# How Lower Rates Affect a Home Purchase

Mortgage rates are known for their fluctuations, moving up and down due to a variety of factors, rather than following a straight path. The good news for homebuyers is that the rates for 30-year fixed mortgages have dipped below their recent high at the end of last October. This reduction in rates is a positive development, as highlighted by a Bankrate article, which points out that the decrease in rates helps alleviate some of the pressure on housing affordability.

Edward Seiler, the AVP of Housing Economics and Executive Director of the Research Institute for Housing America at the Mortgage Bankers Association (MBA), adds to this optimistic outlook. He anticipates that the situation regarding housing affordability will continue to get better as mortgage rates go down. This trend can make a significant difference for those looking to buy a home, making it more feasible to secure financing at a more affordable cost. Lower mortgage rates can lead to lower monthly payments, broadening the range of homes that might fit within your budget.



# How Home Rates are Involved in Your Home Search

Understanding how mortgage rates influence your monthly mortgage payment is key when you're planning to buy a home. The relationship between these rates and what you'll end up paying each month is direct and significant. For instance, consider a situation where your budget allows for a monthly mortgage payment between \$2,400 and \$2,500. In a chart that visualizes this scenario, you'd see green boxes indicating the payments that fall within or below this budget range.

As mortgage rates fluctuate, the amount of home you can afford changes too. Lower rates mean you can afford a more expensive home for the same monthly payment because more of your payment goes towards the principal rather than interest. Conversely, higher rates might limit your options to less expensive homes since a larger portion of your monthly payment would be consumed by interest.

This dynamic is crucial to grasp because it directly impacts the type of homes you can consider within your budget, especially as rates vary over time. By keeping an eye on mortgage rates and understanding their effect on your potential monthly payments, you can make more informed decisions about when and what to buy.

		<b>Home Loan Amount</b>				
		\$440,000	\$420,000	\$400,000	\$380,000	\$360,000
<b>Mortgage Interest Rate</b>	7.50%	\$3,077	\$2,937	\$2,797	\$2,657	\$2,517
	7.25%	\$3,002	\$2,865	\$2,729	\$2,592	\$2,456
	7.00%	\$2,927	\$2,794	\$2,661	\$2,528	\$2,395
	6.75%	\$2,854	\$2,724	\$2,594	\$2,465	\$2,335
	6.50%	\$2,781	\$2,655	\$2,528	\$2,402	\$2,275
	6.25%	\$2,709	\$2,586	\$2,463	\$2,340	\$2,217
	6.00%	\$2,638	\$2,518	\$2,398	\$2,278	\$2,158
	5.75%	\$2,568	\$2,451	\$2,334	\$2,218	\$2,101
	5.50%	\$2,498	\$2,385	\$2,271	\$2,158	\$2,044

Principal and interest payments rounded to the nearest dollar. Total Monthly payment may vary based on loan specifications such as property taxes, insurance, HOA dues, and other fees. Interest rates used here are for marketing purposes only. Consult your licensed Mortgage Advisor for current rates.

Source: Mortgagecalculator.net

# How Homeowner Net Worth Grows with Time

*If you're thinking about buying a home this year, be sure to consider the long-term financial benefits of homeownership*

## Home Equity Boosts Your Net Worth

Equity is the current value of your home minus what you still owe on your loan. It goes up when.

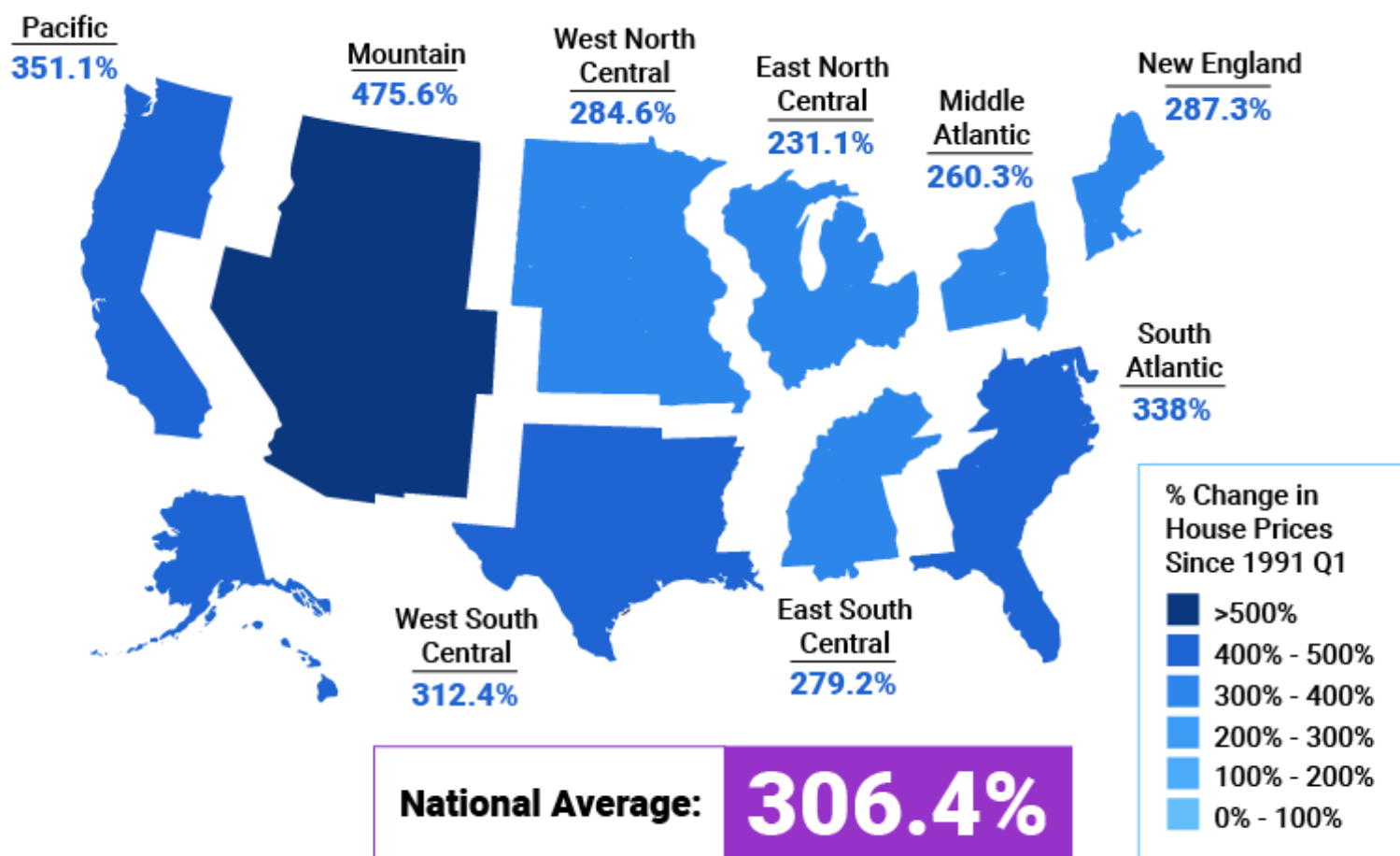
- You pay down your loan
- Home price appreciation makes your home's value go up



Here's a look at how just the home price appreciation piece can increase your wealth over time.

## Percent Change in Home Prices

Since Q1 1991, Q3 2023





# Looking to Buy? Ask Yourself: “

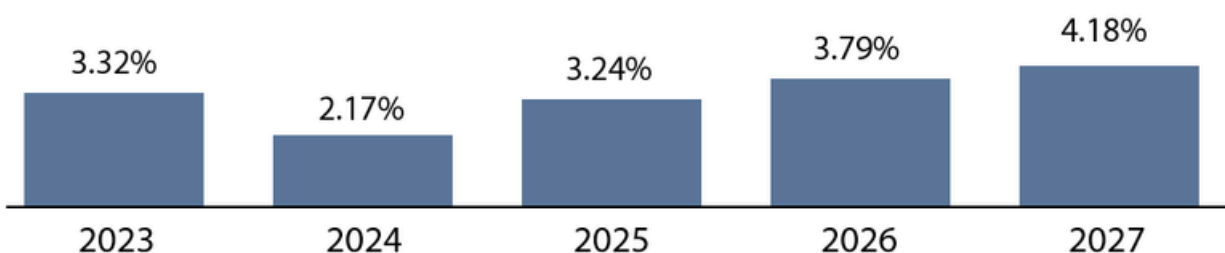
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If you're considering buying a home and are curious about future projections for home prices and their potential impact on your investment, here's what experts are predicting.

Pulsenomics conducted a survey involving over 100 economists, investment strategists, and housing market analysts in the latest quarterly Home Price Expectation Survey (HPES). The results reveal the panelists' projections for home prices over the next five years. According to these expert forecasts, home prices are anticipated to rise consistently every year through 2027, as illustrated in the graph below.

## Estimated Home Price Performance

*December to December, as Forecasted in Q3 2023*



For those who may have been concerned about the possibility of home prices falling due to online stories, here's the key takeaway. Despite variations in home prices at the local level, experts foresee a continued upward trajectory in prices nationwide for several years. These projections signify a return to a more typical pattern of home price appreciation.

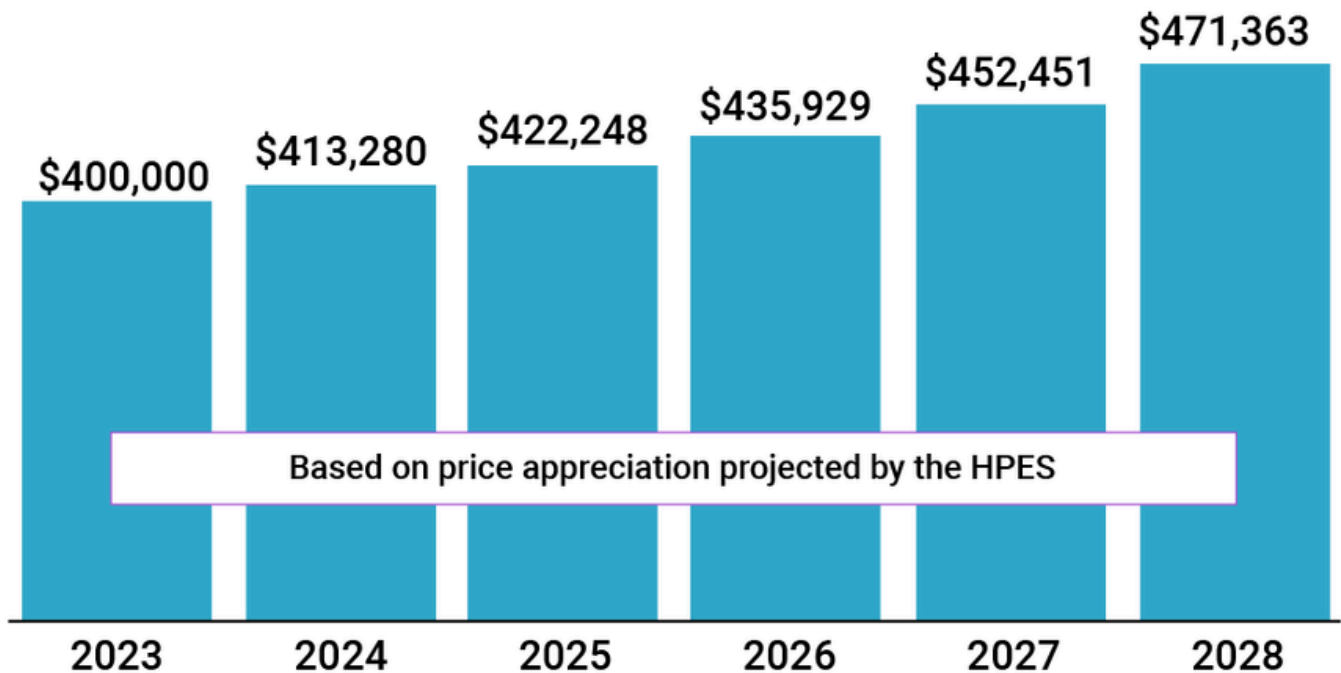
Although the projected increase in 2024 may not be as substantial as that in 2023, it's crucial to understand that home price appreciation is cumulative. This serves as a noteworthy example of why owning a home is a choice that yields significant benefits

## What Does This Mean for You?

Once you buy a home, price appreciation raises your home's value, and that grows your household wealth. To see how a typical home's value could change in the next few years using the expert projections from the HPES, check out the graph below:

# \$71,363

Potential growth in household wealth over the next 5 years based solely on increased home equity if you purchased a \$400K home in January 2023

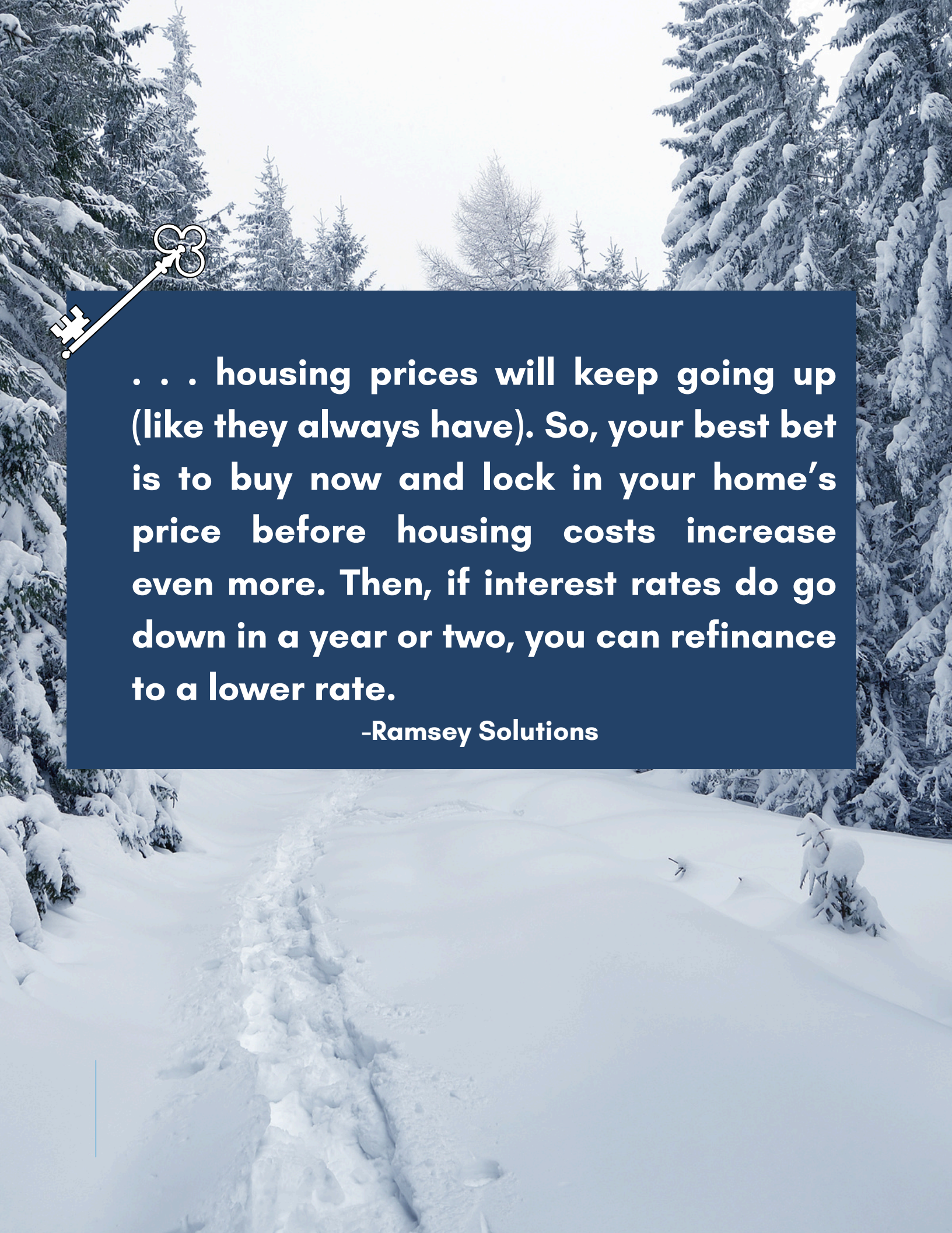


In this scenario, let's consider that you purchased a \$400,000 home at the start of 2023. Taking into account the forecast from the Home Price Expectation Survey (HPES), there is the potential to accumulate over \$71,000 in household wealth over the next five years.

If you are contemplating whether buying a home is a wise decision, it's essential to recognize how it can serve as a potent means to grow your wealth significantly over the long term.

### Ultimately

As per expert projections, home prices are anticipated to experience a more moderate and normal pace of growth over the next five years. If you're prepared to embark on the journey of homeownership, understanding that purchasing a home today can establish a foundation for long-term success is crucial. With the potential for both home values and your net worth to increase, let's connect and initiate the homebuying process today.



**. . . housing prices will keep going up (like they always have). So, your best bet is to buy now and lock in your home's price before housing costs increase even more. Then, if interest rates do go down in a year or two, you can refinance to a lower rate.**

**-Ramsey Solutions**

# The Impact of Changing Mortgage Rates

If you're looking to buy a home, you should know even a small change in mortgage rates has an impact on your purchasing power. This chart shows how rates generally affect your monthly payment.



Home Loan Amount	Fixed Mortgage Interest Rate	Monthly Mortgage P&I*	Monthly Difference
\$250,000	8.0%	\$1,834.41	-
	7.5%	\$1,748.04	\$86.37
	7.0%	\$1,663.26	\$171.15
	6.5%	\$1,580.17	\$254.24
\$450,000	8.0%	\$3,301.94	-
	7.5%	\$3,146.47	\$155.47
	7.0%	\$2,993.86	\$308.08
	6.5%	\$2,844.31	\$457.63
\$800,000	8.0%	\$5,870.12	-
	7.5%	\$5,593.72	\$276.40
	7.0%	\$5,322.42	\$547.70
	6.5%	\$5,056.54	\$813.58

\*Principal and Interest Payment.

Total monthly payment may vary based on loan specifications such as property taxes, insurance, HOA dues, and other fees. Interest rates used here are for marketing purposes only. Consult your licensed Mortgage Advisor for current rates.



# Are More Homeowners Selling Now?

The Mortgage Rate Lock-In Effect has played a significant role in shaping the housing market over the past year, particularly by limiting the number of available homes for sale. This situation arose as many homeowners postponed their selling plans when mortgage rates increased. An article from Freddie Mac sheds light on this phenomenon, stating that the shortage of housing supply was partially due to the rate lock-in effect.

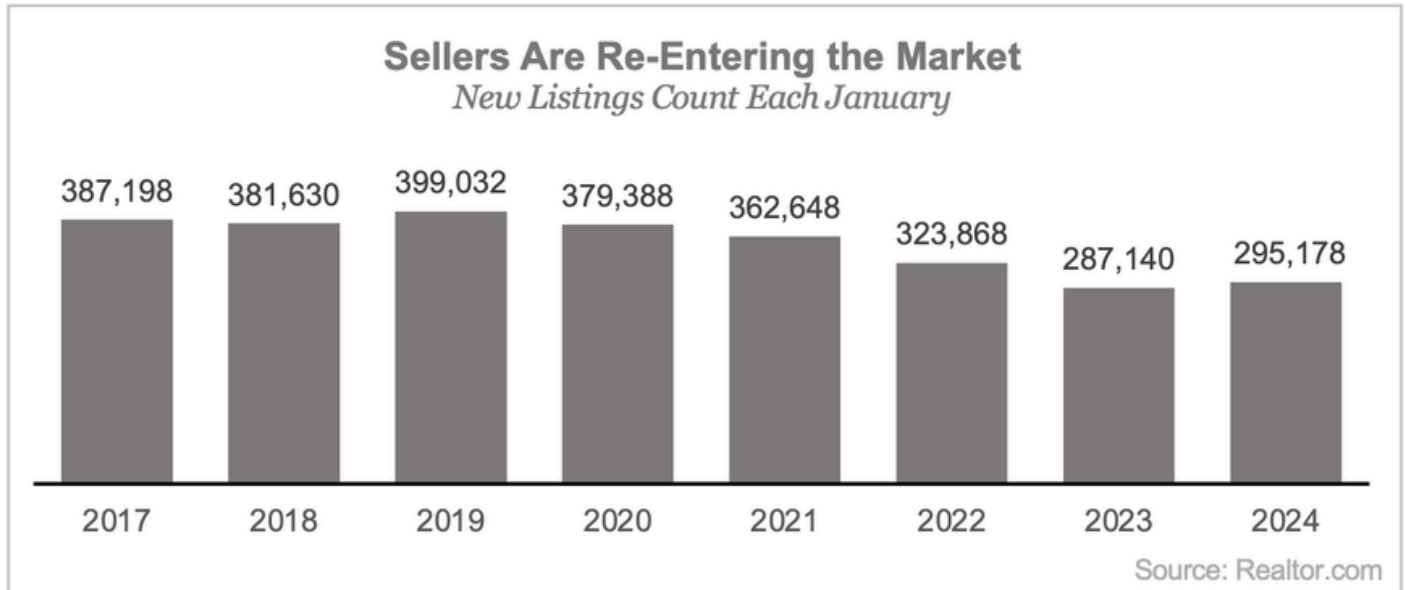
Essentially, with the rise in mortgage rates, the appeal for existing homeowners to sell their current home and purchase a new one diminished significantly. As a result, they chose to remain in their current homes, preferring to hold on to their lower mortgage rates instead of moving and potentially facing higher rates on a new property.

This decision by many homeowners to stay put has contributed to the reduced inventory of homes on the market, affecting those looking to buy or move.



# Homeowner Are Moving: Signs

According to information from Realtor.com, the number of homeowners listing their properties for sale, a term often referred to as new listings, saw an increase in January 2024 when compared to the figures from January 2023. This trend is depicted in the graph provided, illustrating a notable rise in new listings, indicating a more active market with more options for potential buyers.



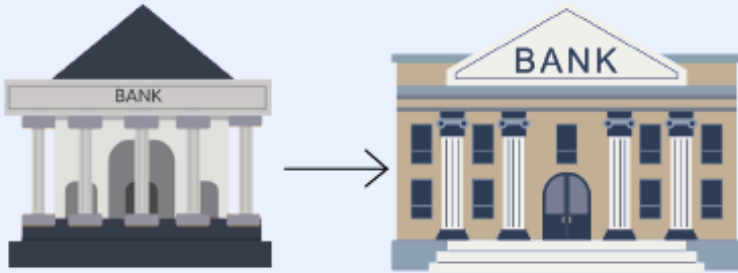
The increase in new listings at this time of year is particularly noteworthy because it's the first such occurrence since 2019. This trend might suggest that the rate lock-in effect, where homeowners hesitated to sell due to higher mortgage rates, is starting to diminish.

For you, this doesn't mean there will be a sudden surge in available homes overnight, but it does indicate a positive shift. More homeowners might be feeling encouraged to put their homes on the market. The Joint Center for Housing Studies (JCHS) recently noted that lower interest rates could ease the rate lock-in effect and enhance homeowner mobility. With mortgage rates having dropped a full percentage point from October to November 2023, this decrease in rates could further lower the barriers to selling, prompting homeowners to act more swiftly.

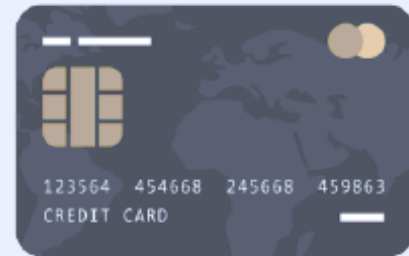
This shift could lead to a gradual increase in the number of homes for sale, offering you more options to consider during your home search.

# Things To Avoid After Applying for a Mortgage

*Consistency is the name of the game after applying for a mortgage. Be sure to discuss any changes in income, assets, or credit with your lender, so you don't jeopardize your application.*



**Don't change bank accounts.**



**Don't apply for new credit or close any credit accounts.**



**Don't deposit cash into your bank accounts before speaking with your bank or lender.**



**Don't co-sign other loans for anyone.**



**Don't make any large purchases.**

**The best plan is to fully disclose and discuss your intentions with your lender before you do anything financial in nature.**



# Pre-Approval is Important This Spring

Getting pre-approved for a mortgage this spring is especially crucial if you're aiming to buy a home. Here's why it's so important to collaborate with a reliable lender to prioritize this step:

Even though there's an uptick in homes being listed for sale, the total inventory of available homes is still not up to the usual levels. Meanwhile, the recent decrease in mortgage rates, compared to last year, is attracting more buyers back into the market. This situation of increased demand against a backdrop of limited supply can lead to a competitive scenario for you as a buyer.

With more buyers entering the market, competition for homes intensifies. Many people who were hesitant to buy when mortgage rates were higher are now ready to make a move. In such a competitive market, having a pre-approval can significantly enhance your position. Pre-approval signals to sellers that you are a serious buyer. It indicates that a lender has thoroughly reviewed your financial situation, including your credit history, pay stubs, tax returns, and bank statements, and has pre-approved you for a mortgage up to a certain amount.

As Greg McBride, the Chief Financial Analyst at Bankrate, points out, pre-approval carries substantial weight because it demonstrates that lenders have conducted an in-depth review of your finances, making it more likely that you'll secure a mortgage. Sellers prefer buyers with pre-approval because it increases the chances of the transaction proceeding smoothly, without unexpected hurdles or delays.

In a situation where you might be competing with other buyers for your ideal home, securing a pre-approval is a smart strategy to tip the scales in your favor, ensuring you're in a strong position to make a successful offer.



# Offer Advice: The Code to a Strong Offer

## 1. Count on a Real Estate Professional

When navigating the housing market, having a real estate agent by your side can be incredibly beneficial. Agents have a deep understanding of both the local market conditions and broader national trends. They can provide you with valuable insights and information, helping you make informed decisions with confidence.

Agents also know what has been successful for other buyers in your area and what sellers might be looking for in an offer. Sometimes, tailoring your offer to meet the seller's specific needs can make it more appealing. As mentioned in a Forbes article, connecting with a local realtor where you're looking to buy can give you a significant advantage in a competitive market.

## 2. Secure Pre-Approval for a Mortgage

In the current market, where affordability can be challenging, it's crucial to have a clear understanding of your budget. The best way to know exactly how much you can afford is by getting pre-approved for a mortgage. This process involves a lender evaluating your financial situation to determine how much they're willing to lend you.

Getting pre-approved not only clarifies your budget but also signals to sellers that you're a serious and prepared buyer. This can be particularly advantageous in situations where you find yourself in a bidding war with other potential buyers, as it adds credibility to your offer and can set you apart in the seller's eyes.

### 3. Present a Reasonable Offer

While everyone wants to secure the best possible deal on a home, making an offer that's too low comes with its own set of risks. You wouldn't want your offer to be immediately dismissed by the seller for being unrealistic. As Realtor.com points out, an offer significantly below the listing price can often lead to rejection, as sellers might feel insulted by such proposals. If a seller feels disrespected or doesn't take a buyer seriously, there's little that you or your real estate agent can do to salvage the situation.

This is where the value of your agent's expertise becomes evident. They can guide you in crafting an offer that's competitive yet fair, balancing your interests with what's acceptable to the seller.

### 4. Rely on Your Agent During Negotiations

In recent years, to stand out amidst fierce competition, some buyers opted to skip home inspections or forego asking for seller concessions. However, Bankrate highlights that such practices are less common now, which is beneficial for buyers. Home inspections are crucial as they can reveal current or potential issues with the property, providing valuable insights and even serving as a bargaining tool during negotiations.

The current market landscape may offer you more room to negotiate than in the recent past. Your real estate agent will be instrumental in advising you on how to approach the negotiation process. They'll help you identify which aspects of the offer you might want to stand firm on and which ones you could adjust to strike a balanced and attractive deal.





# Why You NEED an Agent

Navigating the home-buying process can be complex, particularly in the current housing market where the inventory of available homes is low, and both home prices and mortgage rates are relatively high. This combination can pose challenges, underscoring the importance of having expert guidance and a reliable advisor by your side. This is where the value of a local real estate agent becomes evident.

According to the most recent annual report from the National Association of Realtors (NAR), homebuyers have consistently found that the most valuable resource during their home-buying journey is a real estate agent. Let's delve into the reasons why an agent is so crucial when buying a home.

## The Role of an Agent in the Home-Buying Process

While the most visible duties of a real estate agent might include showing you potential homes and handling the paperwork, a great agent's role is far more comprehensive. An agent isn't just someone who facilitates the purchase; they act as your guide through each phase of the process, providing critical insights and support that go beyond just finding a property and making an offer. Here's how an agent can be instrumental:

The latest release from the National Association of Realtors (NAR) sheds light on the diverse ways real estate agents provide value to homebuyers, backed by statistics from homebuyers themselves. Here's a breakdown of the benefits that agents offer, as highlighted by buyers in the report:

- Helped Buyer Understand the Process (61%): The buying process is filled with technical steps like inspections and appraisals, and post-mortgage application dos and don'ts, such as not making large purchases. An agent educates you on these nuances, ensuring you're well-prepared and don't miss any crucial steps.
- Pointed Out Unnoticed Features or Faults with the Home (58%): With their wealth of experience, agents can identify aspects of a home you might overlook, from hidden features to potential faults. This insight can be vital in your decision-making and negotiation process.
- Provided a Better List of Service Providers (46%): A real estate transaction involves various professionals, from inspectors to contractors. Agents can connect you with trusted local service providers, ensuring a smooth transaction.
- Negotiated Better Sales Contract Terms and a Better Price (46% and 33%): Should issues arise from inspections or appraisals, agents are skilled in renegotiating terms and prices to secure the best deal for you, reinforcing your confidence in the purchase.
- Improved Buyer's Knowledge of the Search Area (45%): Whether you're new to a town or exploring different neighborhoods, agents offer invaluable local insights, guiding you to areas that suit your lifestyle, budget, and preferences.
- Expanded Buyer's Search Area (21%): If your initial search area isn't yielding desirable options, agents can broaden your horizons by suggesting alternate neighborhoods that align with your criteria, potentially revealing hidden gems.

These points underscore the multifaceted role of real estate agents in not just facilitating transactions, but in enhancing the overall home buying experience through their expertise, insights, and negotiation skills.

For more information about  
buying or selling your home,  
contact us today!

*"From the Bay to the Burbs".  
I'm your Homegirl!"*



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