

STEVE COMBS

STRATEGIC HOUSING & MORTGAGE INTELLIGENCE

Weekly Market Brief

Southern Maryland & the DMV

THIS WEEK'S KEY THEMES

- › Higher rates haven't broken home prices — here's why
- › Southern Maryland 5-yr appreciation forecasts near 20%+
- › The real ROI of real estate is often misunderstood
- › The cost of waiting is more than just rate risk
- › Strategy beats prediction every time



Steve Combs · NMLS #381933 · Cornerstone Home Lending · Equal Housing Lender



EXECUTIVE SUMMARY

What You Need to Know This Week

One of the biggest misconceptions in today's housing market is the belief that higher mortgage rates automatically mean lower home prices. That would be true if supply increased meaningfully at the same time. Across Southern Maryland, it hasn't. The lock-in effect — millions of homeowners holding 2–4% mortgages they won't give up — is keeping inventory tight and prices resilient. Local five-year appreciation forecasts remain near 20% or higher. Prepared buyers who understand the difference between short-term payment discomfort and long-term wealth creation are the ones moving forward with confidence.

<p>6.56%</p> <p>30-YR FIXED</p> <p>Bankrate national avg, June 1 2026</p>	<p>6.53%</p> <p>FREDDIE MAC</p> <p>Weekly survey, May 25-29 2026</p>	<p>~20%+</p> <p>5-YR FORECAST</p> <p>St. Mary's, Calvert & Charles counties</p>	<p>40%</p> <p>ROI ON CASH</p> <p>\$40K down on \$400K at 4% appreciation</p>
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"The real estate conversation should not start with the rate. It should start with the strategy."



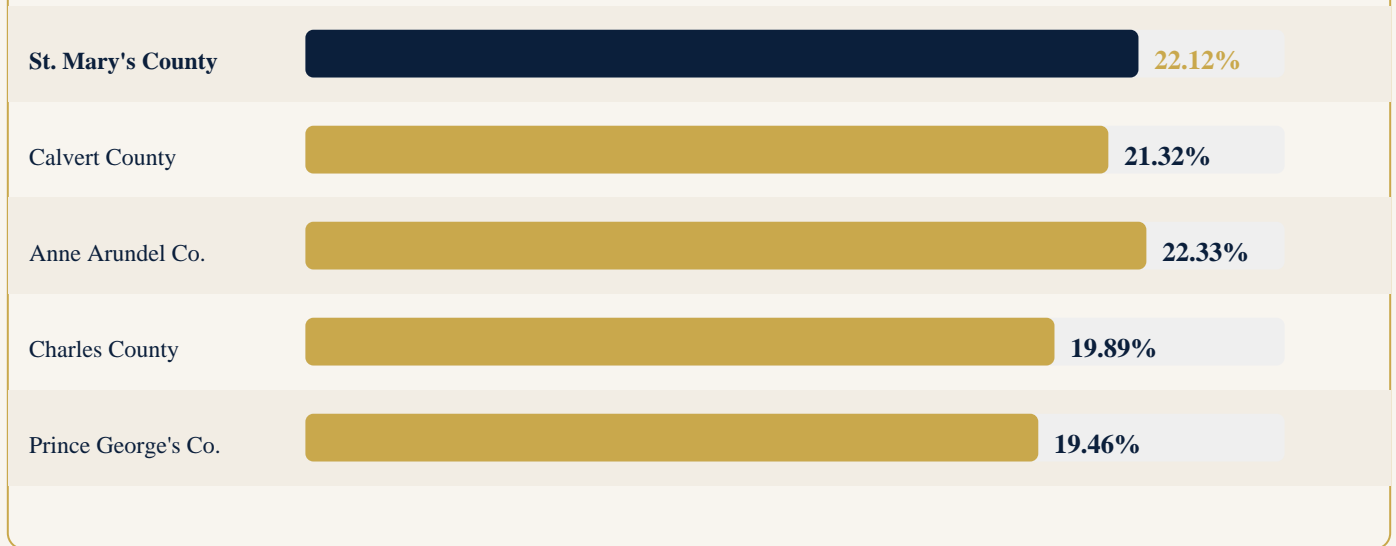
MARKET INTELLIGENCE

Southern Maryland — May 2026

SOUTHERN MARYLAND MARKET SNAPSHOT — MAY 2026

St. Mary's County	Calvert County	Charles County
MEDIAN PRICE \$510,011	MEDIAN PRICE \$537,289	MEDIAN PRICE \$531,753
DAYS ON MARKET 35 days	DAYS ON MARKET N/A	DAYS ON MARKET 38 days
5-YR FORECAST +22.12%	5-YR FORECAST +21.32%	5-YR FORECAST +19.89%
AFFORD. INDEX 119	AFFORD. INDEX N/A	AFFORD. INDEX 130

5-YEAR FORECASTED APPRECIATION BY MARKET · SOURCE: MBS HIGHWAY, MAY 2026



MORTGAGE & RATE INTELLIGENCE

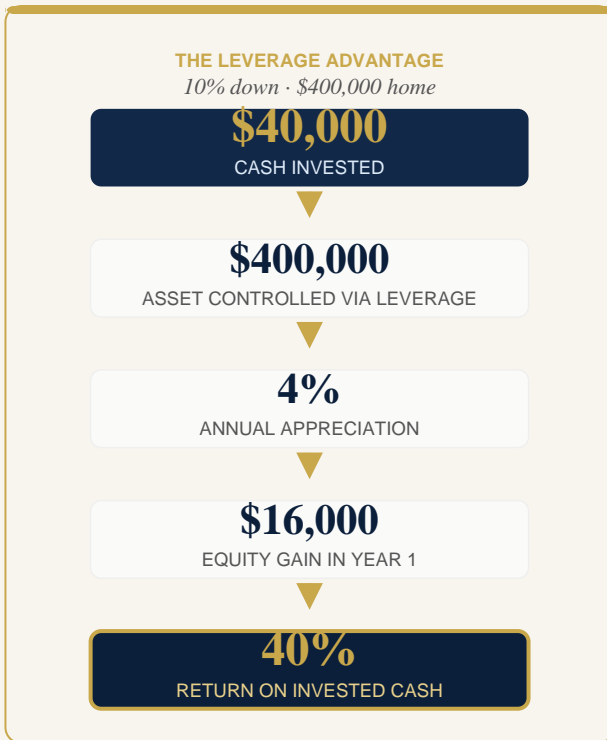
30-Year Fixed	6.56% — Bankrate national avg, June 1, 2026
Freddie Mac Survey	6.53% — week of May 25–29, 2026
VA Loans	~30–50bps below conventional on locked transaction data (OBMMI)
FHA 30-Year	~20–30bps below conventional · monitor MIP impact on APR
Rate Outlook	Variability elevated · economists expect 6%+ through year-end



THIS WEEK'S STRATEGIC CONCEPT

The Great Housing Disconnect

Higher rates reduce purchasing power — but they do not automatically lower home prices. Prices are set by supply and demand. When homeowners hold 2–4% mortgages they refuse to trade for a 6.5% environment, fewer homes come to market. Limited supply keeps prices elevated even as buyer demand softens. That is the disconnect most buyers are missing.



Why Buyers Misread the Return

Most buyers calculate real estate returns incorrectly. A 4% appreciation on a \$400,000 home is a 4% gain on the asset — but a 40% return on the \$40,000 cash the buyer actually invested.

That is the leverage advantage. It does not eliminate risk or cost. But every buyer deserves to understand this math before concluding that waiting is automatically the safer path.

What smart buyers are asking:

- › What payment actually works for my life?
- › What would waiting cost if prices rise?
- › What could I build in equity over 5–7 years?
- › What happens if rates improve and I refinance?

THE COST OF WAITING

Buy Now

- Lock in today's price
- Begin building equity immediately
- Refinance if rates improve later
- Leverage return on down payment
- Participate in forecasted appreciation

Wait 12 Months

- May see lower rates
- Likely faces higher home prices
- Loses equity growth during wait
- More buyer competition later
- Continues paying rent, no equity



STEVE'S PERSPECTIVE

What I'm Seeing on the Ground This Week

This week I found myself having the same conversation multiple times — with buyers who assumed that higher mortgage rates should automatically mean home prices are falling. I understand why people think that. Rates matter. Affordability matters. But inventory matters too, and that part of the story rarely makes the headlines.

The math can be surprising. A buyer who purchases a \$400,000 home with 10% down and sees 4% appreciation in year one has a 40% return on the cash they invested. That does not mean everyone should buy right now. It means everyone should understand the full picture before deciding to wait.

My role is not to pressure anyone into a decision. It is to make sure the numbers are clear, the strategy is sound, and the choice belongs to the buyer — not the noise.



Steve Combs · Mortgage Strategist

WHAT SMART BUYERS ARE DOING RIGHT NOW

- › Defining their ideal monthly payment before shopping
- › Modeling the cost of waiting alongside the cost of buying now
- › Reviewing loan structures and down payment strategies
- › Considering seller-paid closing costs or temporary rate buydowns
- › Getting fully underwritten before writing offers
- › Treating homeownership as a 5-to-7-year strategy, not a rate decision

WORK WITH STEVE COMBS

Strategic mortgage planning designed to create clarity, confidence, and long-term financial alignment.

Steve-Combs.com

Primary Website

AskSteve247.com

AI Advisor — 24/7

MeetSteveCombs.com

Schedule a Strategy Call



Your AI mortgage advisor — available 24 hours a day, 7 days a week.



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