

STEVE
COMBS



WEEKLY MARKET BRIEF

WHEN RATES JUMP, CONCESSIONS MATTER MORE.

The October rate jump changed monthly payments.
A targeted concession can address the real
affordability barrier.

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Executive Summary

The rate moved faster than most asking prices can adjust. Mortgage News Daily's daily 30-year fixed index rose from 7.43% on September 25 to 7.61% on October 5: an 18-basis-point change over ten calendar days. On a \$450,000 30-year loan, that rate difference adds about \$56 per month in principal and interest.

MEASURE	OBSERVATION	WHAT IT SAYS
MND daily 30-year fixed	7.43% · Sep. 25 → 7.61% · Oct. 5	+18 bps; about +\$56/month on \$450,000
Freddie Mac PMMS 30-year	7.03% · Sep. 24 → 7.28% · Oct. 1	+25 bps in weekly application survey
NAHB September builders	66% incentives · 38% price cuts · 6% avg. cut	Seller-side response combines price and incentives

The measures are methodologically different. MND publishes daily standardized top-tier quotes. Freddie Mac reports a weekly average based on conforming purchase applications submitted to Loan Product Advisor. Report them separately; neither is a borrower-specific quote.

What changed for agents

When payment capacity tightens, the listing strategy has to get more precise. A price cut, a closing-cost credit, points, or a temporary buydown may affect the buyer differently. Model payment, cash to close and seller net before choosing the tool.

A concession is a financing and transaction design decision. It remains subject to the seller’s approval, loan-program limits, lender pricing, appraisal and underwriting requirements.

Signal vs. Noise

NOISE	SIGNAL
"Rates are a buyer problem." This isolates the payment shock from the seller, builder and agent whose transaction depends on buyer capacity.	The deal absorbs pressure. Price, concessions, points, closing costs and cash reserves can be compared against the actual barrier.
"More inventory means discount." Additional choice does not prove every seller has equal motivation.	More choice creates a wider negotiation set. Use property-level competition, seller economics and buyer constraints.
"A price cut is always the cleanest fix." A lower price may not address cash-to-close or qualification.	Measure the result. Compare payment, cash, seller net and eligibility before recommending structure.

Market Intelligence

Daily mortgage benchmarks · October 5

PRODUCT	MND DAILY INDEX
30-year fixed	7.61%
15-year fixed	7.23%
30-year FHA	7.24%
30-year VA	7.25%
7/6 SOFR ARM	6.87%
30-year jumbo	7.70%

Separate weekly benchmark: Freddie Mac reported 7.28% for the 30-year fixed and 6.60% for the 15-year fixed for the week ending October 1. MBA's 30-year fixed weekly survey was 7.30% for the week ending September 30. The surveys differ in sample, timing and methodology.

Housing Math

Same payment. Different buying power.

Illustration: \$500,000 purchase price, 10% down, \$450,000 original loan, 30-year fixed. Principal and interest only. At 7.43%, the original payment is \$3,125/month. At 7.61%, the same loan costs \$3,180/month—about \$56 more.

SCENARIO	RATE / LOAN	MONTHLY P&I;
Original \$450,000 loan	7.43%	about \$3,125
Same \$450,000 loan	7.61%	about \$3,180
\$10,000 lower price; \$441,000 loan	7.61%	about \$3,117
Loan supported by original payment	7.61%	about \$442,146

At 10% down, the same payment supports an estimated purchase price of \$491,274—about \$8,726 below \$500,000. A \$10,000 price reduction at the higher rate would put principal and interest around \$3,117, close to the original \$3,125 payment.

This is a mathematical comparison, not a rate quote or a recommendation. Figures use standard fixed-rate amortization and are rounded. Taxes, homeowners insurance, mortgage insurance, association dues, points, closing costs and other charges are excluded.

Builder response and new construction · August/September releases

NAHB’s September survey found 66% of builders used sales incentives, 38% cut prices, and the average reported cut was 6%. Census/HUD reported August new single-family sales at a 684,000 annualized pace, +6.4% month over month and –2.0% year over year. Inventory was 483,000 homes, or 8.5 months of supply; the median sale price was \$393,700.

Southern Maryland Pulse

Latest comparable county data available in this deployment: August 2026. Closed-sale metrics are from Redfin; listing metrics are from Realtor.com Economic Research County Housing Inventory Core Metrics, published September 28, 2026. These are separate datasets.

COUNTY	CLOSED SALES	ACTIVE LISTINGS
St. Mary's	\$434K median sale (+4.5% YoY) 121 homes sold (+7.3%) 42 days median DOM (+3)	\$459,950 median list price (−3.7%) 275 active listings (+14.6%) 36 days median DOM (−2)
Calvert	\$467K median sale (−0.6% YoY) 118 homes sold (+4.5%) 48 days median DOM (+11)	\$515,000 median list price (−6.8%) 324 active listings (+50.7%) 36 days median DOM (−3)
Charles	\$434K median sale (−3.7% YoY) 185 homes sold (−4.1%) 45 days median DOM (+8)	\$450,000 median list price (−4.3%) 382 active listings (+33.1%) 36 days median DOM (−4)

More active listings and longer selling timelines do not automatically produce a uniform price decline. Countywide medians describe a broad market, not a specific property’s competition or seller position.

Agent read-through

- St. Mary's: listing inventory was higher year over year while closed prices and sales also rose.
- Calvert: active listing counts increased sharply; closed prices were nearly flat and marketing time lengthened.
- Charles: active inventory expanded while closed prices were lower year over year.

National Market Context

Redfin closed-sale measures reflect August 2026; the latest Realtor.com active-listing measures reflect September 2026. These sources describe distinct parts of the market.

CLOSED-SALE MARKET · REDFIN	LISTING MARKET · REALTOR.COM
\$398,596 median sale price (+2.2% YoY) 291,769 homes sold (−0.45% YoY) 50 days closed-sale median DOM 98.5% sale-to-list ratio	\$419,250 median listing price (−1.4% YoY) 1,161,615 active listings (+5.4% YoY) 61 days listing-market median DOM 20.8% of listings with price reductions (+0.9 pp YoY)

New-home market

August new-home sales were 684,000 at a seasonally adjusted annual rate, 6.4% higher than July and 2.0% below August 2025. The 483,000-home inventory equaled 8.5 months of supply. Census/HUD cautions that monthly new-home estimates have wide margins of error; the month-to-month direction should not be read as a settled trend.

What the combined picture suggests

September Realtor.com data show active listings up 5.4% year over year and 20.8% of listings with price cuts, the highest September share since 2018. In the Washington-Arlington-Alexandria metro, active listings grew 16.2% year over year, median list price was \$572,150 (−4.6%), median days on market was five days longer, and 20.1% of listings had price cuts. These are leading listing-market measures; August closed-sale data and Census/HUD new-home data are separately labeled. None predicts the outcome for one listing.

A Practical Concession Workflow

Before recommending a price reduction, define the buyer-facing constraint and model the seller's alternatives.

STEP	QUESTION TO ANSWER
1 · Diagnose	Is the binding issue monthly payment, cash to close, qualification, property condition, or pricing/positioning?
2 · Quantify	What does each option change in monthly payment, required cash, seller net and days-to-close risk?
3 · Compare	Model a price adjustment beside permitted closing-cost assistance, points, or temporary buydown options.
4 · Validate	Confirm seller approval, program limits, lender pricing, appraisal treatment and applicable rules.
5 · Explain	Present clear scenarios with assumptions and duration; avoid promises about future rates or outcomes.

For buyers

Set a comfortable full housing payment and the cash you want to preserve. Ask the lender to compare options using live pricing and your actual loan profile.

For sellers

Before cutting price, understand what that reduction does to the buyer's payment and your net. A targeted concession may or may not be more efficient; quantify both.

For agents

Bring financing into the listing strategy early. Align marketing language with approved terms and the seller's instructions, and keep the buyer's loan professional involved.

The strongest concession is not automatically the largest. It is the one designed around a verified constraint and a clear objective.

Steve's Take

A rate increase does not simply reduce what a buyer can borrow. It changes which transaction dollars matter most. The same seller dollar can have different effects when applied to price, closing cash or the mortgage payment.

That does not mean every seller should pay points or every buyer should choose a buydown. It means the transaction should be diagnosed before a concession is prescribed. Efficient allocation is the objective; maximum concession is not.

The price is one number. The deal is a system.

Primary sources and observation dates

- Mortgage News Daily, 30-year fixed index and product benchmarks, September 25 and October 5, 2026.
- Freddie Mac Primary Mortgage Market Survey, weeks ending September 24 and October 1, 2026.
- Mortgage Bankers Association weekly survey, week ending September 30, 2026.
- NAHB/Wells Fargo Housing Market Index, September 2026.
- U.S. Census Bureau and HUD, New Residential Sales, August 2026.
- Redfin national and county closed-sale data, August 2026; Realtor.com Economic Research national active-listing data, September 2026, and county data, August 2026.

Data/editorial note: Sources use different methodologies, geography, observation periods and revision practices. Rate benchmarks are not offers to lend. Housing medians do not describe every property. Examples are illustrative and omit expenses beyond principal and interest. Educational information only; not financial, tax or legal advice, and not a commitment to lend. Loan eligibility and terms depend on borrower, property, program, current pricing and applicable guidelines.

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