

FALL 2026 EDITION

THINGS TO CONSIDER WHEN **Buying a Home**



Dan May

REALTOR® | Broker Associate | CA

Keller Williams Westside Estates

Mobile: (310) 739-8647

dan@danmayrealestateteam.com

www.danmayrealestateteam.com

DRE# 01069168

A blue-tinted photograph of a family moving into a new home. A man is in the foreground, bending over to place a box on a small table. A child is running towards the right, and a woman is standing near an open doorway in the background. The scene is set in a hallway with coats hanging on the wall.

Table of Contents

- 3 What You Really Need To Know About Down Payments**
- 4 Affordability and Your Monthly Budget**
- 6 More Homes, More Choices**
- 9 The Resale Market in 2026**
- 12 How Changing Mortgage Rates Affect Your Monthly Payment**
- 13 Two Common Buyer Mistakes**
- 14 Things To Avoid After Applying for a Mortgage**
- 15 5 Ways an Agent Helps You Buy a Home**

What You Really Need To Know About Down Payments

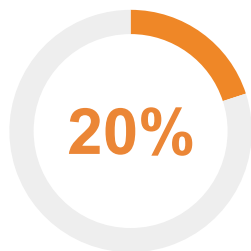
The Misconception:

"I have to put 20% of the purchase price down."

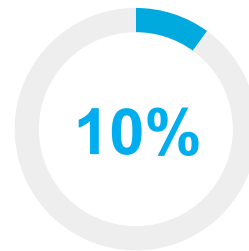
The Reality:

Many people don't, especially first-time buyers.

The Median Down Payment for First-Time Buyers Is Less Than 20%



Common Misconception



First-Time Homebuyers

Source: NAR, 2025 Profile

**Low-down-payment programs have loan limits and eligibility rules.
A \$1.2 million loan requires a lender to confirm the available
program and down payment.**

For a \$1.5 million purchase, 20% down is \$300,000 and the loan is \$1,200,000.

This is Dan's Westside planning example,
not a market median.

**Closing costs and reserves
are additional.**

**Confirm cash requirements
with your lender.**

**To learn more about your loan options or assistance programs,
connect with a trusted lender.**

Affordability and Your Budget

A Westside budget starts with the homes you want to buy and the full cost of ownership. Use \$1.5 million as a planning example, with \$300,000 down and a \$1.2 million loan.

Freddie Mac's October 8, 2026 average 30-year fixed rate is 7.40%, up from 7.28% last week. Your lender's quote may differ.

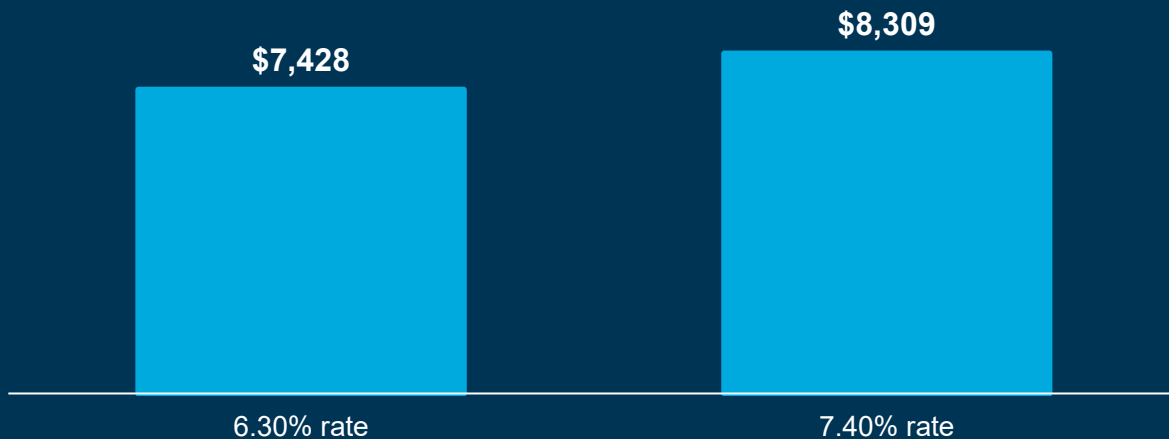


Higher Rates Change the Payment

A \$1.2 million loan at 7.40% costs about \$881 more per month in principal and interest than at 6.30%, the national average one year earlier. Both examples assume a 30-year fixed loan.

The Same Loan Can Have a Different Payment

Illustrative 30-year fixed loan, \$1,200,000 principal



Sources: Freddie Mac, Oct. 8, 2026. Calculated example.

This example applies national survey rates to a Westside loan amount. It is not a loan offer. Jumbo or other loan pricing may differ.

Add taxes, insurance and any HOA dues to the payment. Obtain current lender and insurance quotes before making an offer.

What Fits Your Budget?

A comfortable purchase starts with your monthly spending and the cash you want to keep available after closing. A lender's maximum approval amount may be higher than what you want to spend.

The Full Cost of Ownership

Include property taxes, homeowners insurance, any mortgage insurance and HOA dues in your monthly estimate. Allow for repairs and maintenance, too. Obtain an insurance quote early so it can inform your offer.

Cash Needed at Closing

On a \$1.5 million home, 20% down means \$300,000 in cash and a \$1.2 million loan. Closing costs, prepaid expenses and moving costs are additional. Review cash to close and required reserves with your lender.

A Useful Comparison

Ask lenders for Loan Estimates using the same loan amount, loan type and timing. Compare the interest rate and APR, points, lender fees and total cash to close. A low rate can come with higher upfront costs.

If an offer includes a temporary buydown, check the payment after the subsidy ends. Your budget should support that payment without relying on a future refinance.

Your Next Step

Pair a current lender quote with homes in your target area. Then compare the total payment and cash needed for each option. If the numbers feel tight, adjust the price range or continue preparing before you buy.

5

Bottom Line

Let's compare current lender quotes with homes in your target area so you can choose a price range and payment that fit your budget.

5

More Homes, More Choices



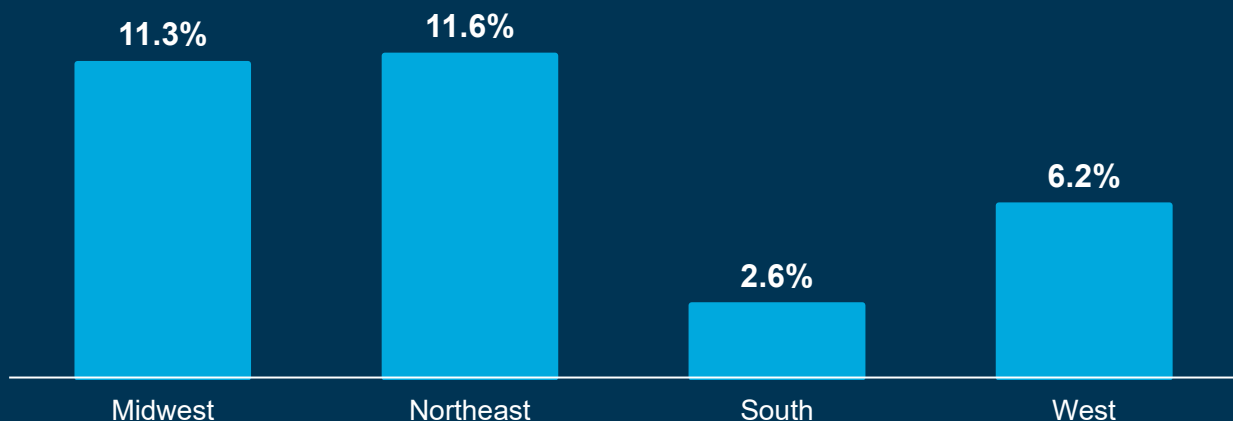
National listing data provide background. On the Westside, your choices depend on the neighborhood, property type and price range.

Inventory Growth Varies by Region

Realtor.com's September 2026 report shows active listings increased from a year earlier in all four regions. Growth ranged from 2.6% in the South to 11.6% in the Northeast. These are regional trends, not a measure of availability in every neighborhood.

Active Listings Increased in All Four Regions

Year-over-year change, September 2026



Source: Realtor.com, Sept. 2026

For a Westside search, compare available homes around your budget with recent nearby sales. Review condition and days on market. Well-priced homes may still attract competing offers.

Local Conditions Still Matter

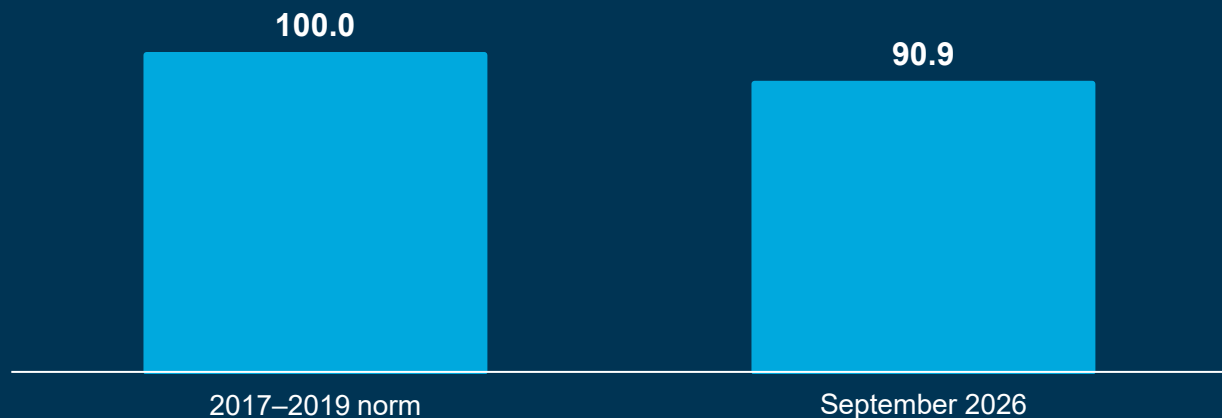
National inventory remains below its pre-pandemic benchmark. Realtor.com reports September 2026 active listings were 9.1% below the typical 2017–2019 level.

Even within one metro area, the supply of homes can differ sharply by neighborhood and price range. A regional increase does not guarantee more choices for your search.

Your offer strategy should reflect the specific property. Ask how long it has been listed, whether the seller has reduced the price and how similar homes have sold recently.

National Inventory Is Closer to Its Earlier Level

Active-listing index, 2017–2019 benchmark = 100



Source: Realtor.com, Sept. 2026

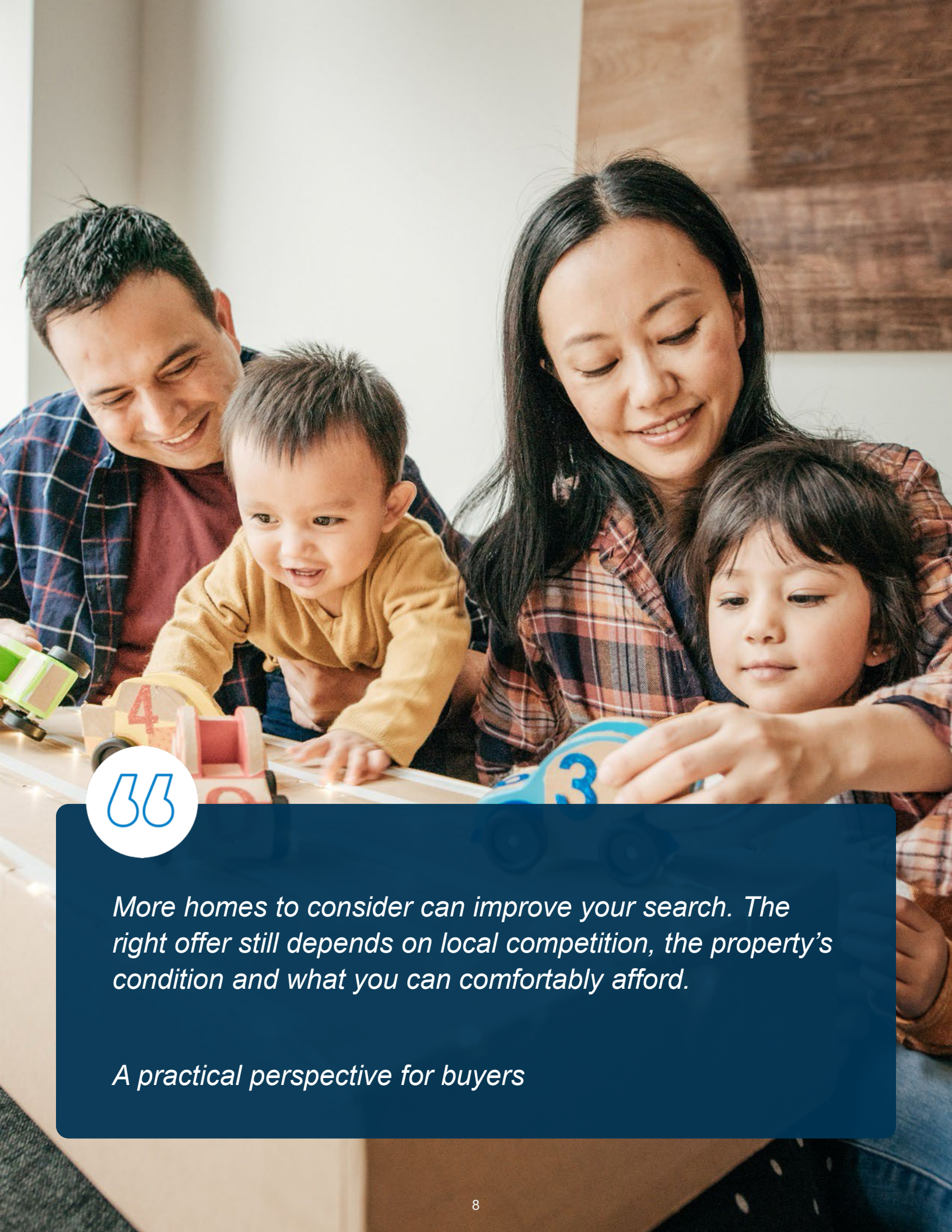
Negotiating Room Is Property-Specific

A home that has been on the market for a while may offer more room to discuss price, repairs or closing costs. A newly listed home with strong demand may call for a different approach.

Your agent can help you compare the listing with recent nearby sales and choose terms that fit your budget and priorities.

Bottom Line

Let's review current listings and recent sales in your target neighborhood to see where you have choices and room to negotiate.



More homes to consider can improve your search. The right offer still depends on local competition, the property's condition and what you can comfortably afford.

A practical perspective for buyers

The Resale Market in 2026

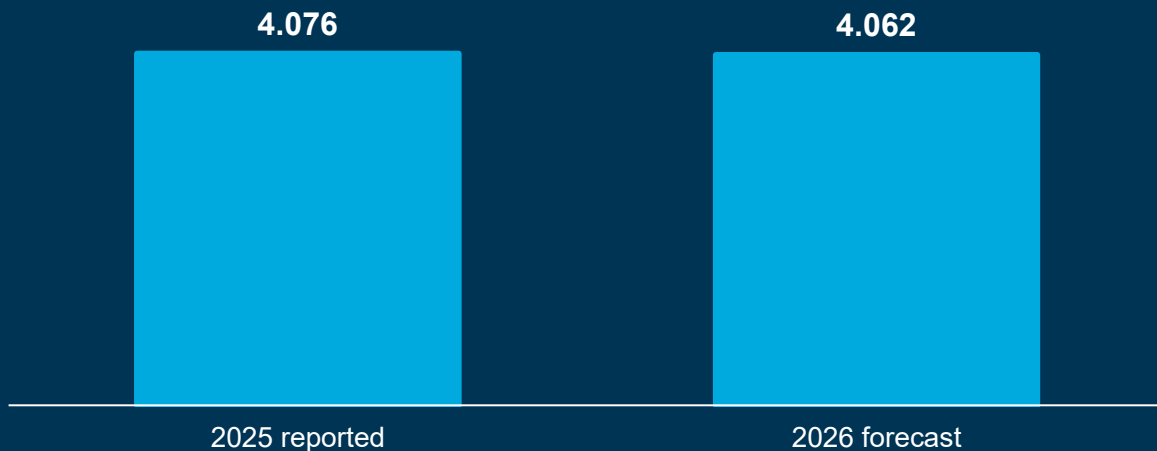
National resale activity remains subdued. On the Westside, local comparable sales and competition for the specific home should guide your offer.

Existing-Home Sales Remain Soft

Fannie Mae's September 2026 report puts 2025 existing-home sales at approximately 4.08 million and forecasts 4.06 million in 2026, a 0.3% decline. These figures exclude new construction and describe the U.S., not the Westside.

Existing-Home Sales: Little Change in 2026

U.S. existing-home sales, millions. Sept. 2026 forecast.



Source: Fannie Mae, Sept. 2026

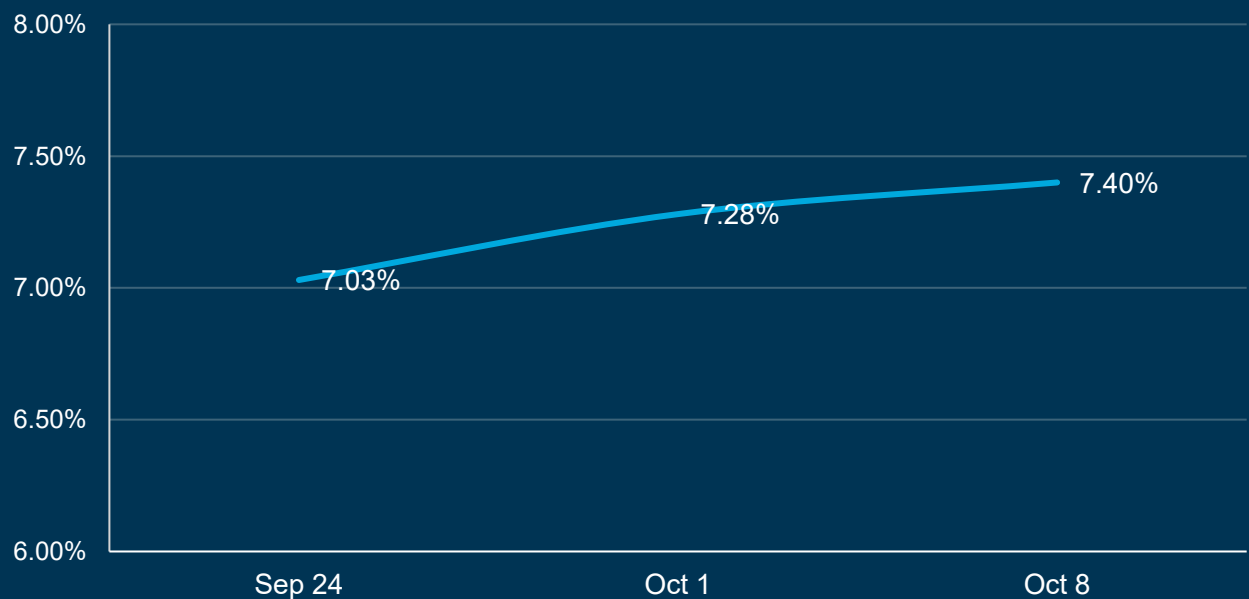
A national sales forecast does not predict the price of a Westside home. Compare the property with recent neighborhood sales and decide whether the purchase works at today's loan terms.

Recent Mortgage Rates Have Risen

Freddie Mac's weekly average 30-year fixed rate increased from 7.03% on September 24 to 7.40% on October 8, 2026. These national conforming-loan averages provide context. Your lender's pricing may differ.

Recent Rate Changes Affect Buying Power

Freddie Mac weekly 30-year fixed averages, Sept.–Oct. 2026



Planning for Rate Changes

Ask your lender how a higher rate changes your payment before you lock.

Review the lock period and costs against your closing date.

A Westside Loan Needs a Current Quote

A \$1.5 million purchase with 20% down leaves a \$1.2 million loan. Ask your lender which loan program applies and obtain current pricing.

At a hypothetical 7.40%, monthly principal and interest is about \$8,309 on a 30-year fixed loan. Taxes, insurance and any HOA dues are additional.

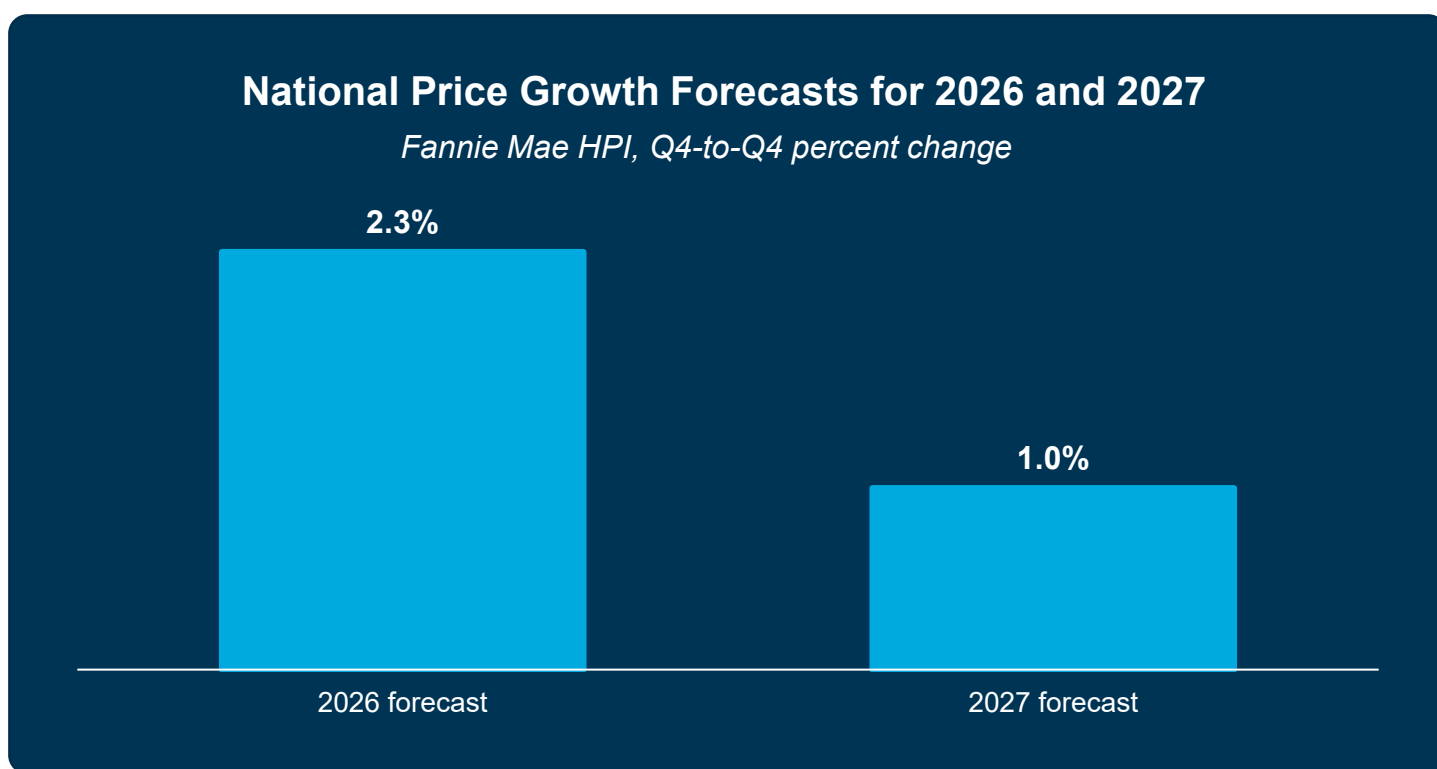
Rates can rise or fall. Plan for a payment you can support today, with no reliance on a future refinance.

Price Forecasts Are National Estimates

Fannie Mae's September 2026 outlook projects national home price growth of 2.3% for 2026 and 1.0% for 2027, measured from fourth quarter to fourth quarter. These projections use Fannie Mae's Home Price Index.

The forecast does not predict what an individual home will sell for. Local inventory, comparable sales and the condition of the property matter.

A national price forecast also cannot guarantee appreciation or rule out price declines in a specific market. Your agent can help you assess recent sales in the neighborhood and price range you are considering.



A slower rate of price growth still means prices rise in the national forecast. It does not mean every home becomes cheaper. Compare each listing with recent local sales and decide what the property is worth to you.

Bottom Line

Forecasts provide context. Your budget, local comparable sales and the terms available today should guide your purchase. Let's discuss your next step.

How Changing Mortgage Rates Affect Your Future Monthly Payment

The \$1.2 million example represents a \$1.5 million home with 20% down. Larger loans show \$2 million and \$2.5 million purchases with the same down payment percentage. Rates below are hypothetical.

The Full Payment Matters

Add taxes, insurance and any HOA dues. Your loan program and lender quote determine the actual rate and terms.

Illustrations only, not loan offers

Home Loan Amount	Fixed Mortgage Interest Rate	Monthly Mortgage P&I*	Monthly Difference vs. 8.0%
\$1,200,000	8.0%	\$8,805	—
	7.5%	\$8,391	\$415
	7.0%	\$7,984	\$822
	6.5%	\$7,585	\$1,220
\$1,600,000	8.0%	\$11,740	—
	7.5%	\$11,187	\$553
	7.0%	\$10,645	\$1,095
	6.5%	\$10,113	\$1,627
\$2,000,000	8.0%	\$14,675	—
	7.5%	\$13,984	\$691
	7.0%	\$13,306	\$1,369
	6.5%	\$12,641	\$2,034

*30-year fixed loan with 360 monthly payments. Examples show principal and interest only. Taxes, insurance, mortgage insurance, HOA dues and fees are additional. Rates are hypothetical, not quotes. Ask a licensed lender for current terms and APR.

Source: Standard amortization calculation

Two Common Buyer Mistakes

A current preapproval and a comfortable budget can make your home search more productive. These two common mistakes are worth addressing before you make an offer.



1. Delaying Preapproval

A lender reviews your income, debts, credit and assets to estimate what you may be able to borrow. Doing this early can help uncover issues before you find a home.

Ask what documents the lender needs, what the letter's conditions are and when it expires. Update it if your circumstances change.

Preapproval is conditional. The lender still needs to review the property and verify the details before final loan approval.

Getting preapproved also does not commit you to that lender. Compare Loan Estimates when you are ready to choose a mortgage.

2. Stretching the Budget Too Far

The maximum loan you qualify for may exceed the payment you want to carry. Start with what fits your household spending and savings goals.

Include property taxes, insurance, any mortgage insurance and HOA dues. Allow for maintenance and repairs, and keep cash available after closing.

If a temporary buydown makes the early payment look affordable, check the payment after it ends.

Choose a home you can support at the loan terms available today. Future rate cuts or a refinance may not happen when you need them.

Bottom Line

Let's pair a current preapproval with a comfortable budget before you begin making offers.

Things To Avoid After Applying for a Mortgage

After your lender reviews your finances, changes to income, credit or account activity can affect your approval. Keep the lender informed until closing.

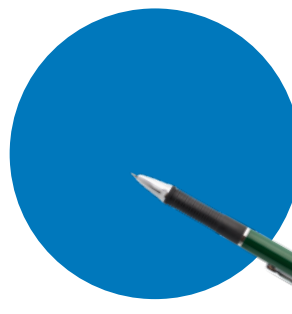


Check with your lender before changing bank accounts.



Avoid new credit or closing accounts without lender guidance.

Document large deposits and transfers. Ask your lender what proof is needed.



Ask your lender before co-signing a loan.

Check before making a large purchase or taking on new debt.



Before making a major financial change, ask your lender how it could affect your loan. Report any employment or income changes promptly.

5 Ways an Agent Helps You Buy a Home

A real estate agent can help you understand local listings and navigate the purchase. Agree on the services and compensation before working together.



Your agent can explain local pricing, help structure an offer and coordinate the transaction. Ask how the agent will communicate with you and what the relationship includes.

Before touring with an agent covered by the NAR settlement rules, you need a written buyer agreement. Review the services, duration and compensation. Agent compensation is negotiable and is not set by law.

Written Agreement

Review the services, term and responsibilities before signing.

Negotiable Compensation

Agree on the fee and clarify who pays it. Seller payment is not guaranteed.

Source: NAR, Written Buyer Agreements

Here are five ways an agent can help during your purchase.

1. Explain the Buying Process

Your agent helps you understand the steps from your search through closing. Ask about important deadlines and which decisions need your attention.

2. Provide Local Market Knowledge

An agent can review available homes and recent nearby sales to help you understand competition in your target neighborhood and price range.

3. Help Assess an Asking Price

Comparable sales, the property's condition and local demand help inform an offer. Your agent can explain the evidence behind a suggested price.

4. Explain Transaction Documents

An agent helps you review disclosures and contract terms and identify questions for your lender, inspector or attorney. Read the documents and ask for clarification before you sign.

5. Negotiate and Coordinate

Your agent can discuss price, repairs and other terms with the seller's representative. They also help coordinate deadlines with the parties involved in the transaction.

The services you receive depend on your agreement. Ask about the scope of representation and any limits so you know what to expect.

Bottom Line

Choose an agent whose services fit your needs. Review the written agreement and discuss compensation before committing to the relationship.



A Westside purchase starts with the right home and a payment you can carry today.

Let's compare homes in your target neighborhood with recent sales and a current lender quote.

A practical perspective for buyers



Let's Chat.



Have questions about buying a home or how today's market affects your plans? Let's review your target area and next steps.

A current lender quote and a local home search can help you decide what fits your budget and timing.

Dan May

REALTOR® | Broker Associate | CA DRE# 01069168

Keller Williams Westside Estates

Email: dan@danmayrealestateteam.com

Website: www.danmayrealestateteam.com

Mobile: (310) 739-8647

D A N M A Y



REAL ESTATE TEAM

THE SKY IS THE LIMIT