RATES & TIMING

# Should You Wait for Rates to Drop, or Buy Now and Refinance Later?

**Coltrain Mortgage Team** · September 2026 · 6 min read

Every buyer sitting on the fence right now is asking the same question: lock in a rate today, or wait and see if it gets better? It's the right question — but most people answer it with a gut feeling instead of the actual math. Here's how to think it through properly.

## The rate you get today isn't the rate you keep forever

You've probably heard some version of "marry the house, date the rate." It's a cliché because it's true: a mortgage rate is not a life sentence. If rates drop meaningfully after you close, you can refinance into the lower one. Waiting to buy doesn't lock in a better rate for you — it just delays the purchase while everything else (price, competition, your own timeline) keeps moving.

That's the piece most people miss. Buying now and refinancing later isn't a consolation prize. It's a strategy.

| No Mandatory Wait | Today's Price Is Locked In | Rates Move Both Ways | Refinancing Has Real Costs |
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## What waiting actually costs you

Waiting isn't free, even though it doesn't feel like you're spending anything. Two costs are easy to overlook:

First, the price you negotiate today doesn't wait for you. If home values in your target area continue rising while you're on the sidelines, that increase can quietly outweigh whatever a slightly lower rate would have saved you — and it's applied to a smaller starting balance today than it would be later.

Second, every month you rent instead of own is a month of home price appreciation and principal paydown happening for someone else's balance sheet, not yours. That's not a reason to rush into a purchase you're not ready for — but it is a real cost, and it deserves to be part of the comparison.

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**Buy Now, Refinance Later**

You lock in today's price, start building equity immediately, and keep the option to refinance if rates drop enough to be worth it.

⏳

**Wait It Out**

You avoid today's rate, but you're betting that rates fall enough to beat rising prices and lost equity-building time — and that rates don't move up instead.

## $0 Prepayment Penalty

On the vast majority of conventional, FHA, and VA loans, there's no penalty for refinancing the moment it makes sense for you.

### When waiting genuinely makes sense

> **Waiting isn't always the wrong call.** If you need more time to save a down payment, improve your credit score, or stabilize income (recently self-employed, for example), buying before you're actually ready can cost far more than any rate ever would. The math only favors buying now when you're already financially ready to go — it's never a reason to rush.

### How we help you run the actual numbers

Instead of guessing, we'll run your real numbers side by side: what buying today looks like at today's rate, and what it would actually take for waiting to pay off. Most buyers are surprised which option wins — and once you can see it in black and white, the decision usually gets a lot easier.

**Want to see your real numbers, not a rule of thumb?**

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**Ready to talk it through?**
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### READY WHEN YOU ARE

## Find out if buying now is the right call for you.

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