January 2021

2021 Predictions

A year ago, I predicted mortgage rates would stay flat over 2020. They fell almost 1%! I predicted Seattle house prices would rise by 7%... they rose 10.9%!

At the suggestion of a 'friend', Lacie and I recently attended a timeshare presentation. They promised: 2 night vacation & airfare to Hawaii + 2 nights in Seaside + $100 restaurant gift cards + $25 Visa cash card. We walked out with a 2 night stay to DisneyLand (isn't that closed?), a bunch of Buy One Get One restaurant coupons, and a malfunctioning Visa card with approximately $21 on it. The point? You get what you pay for. And my predictions are free.

Yet, you people can't get enough of my predictions and so here we go, one more time into the fray:

Mortgage Rates- Will remain flat. We'll have an uneven recovery over the next year. There's not a lot of room for rates to drop, and not enough economic growth to push rates up.

Real Estate Market in Seattle Area- Home prices will rise 10%. The local economy is very strong and, if COVID taught us anything, it is that Seattle real estate values are resilient. I see the trend of people moving to suburbs/rural areas and working remotely as a minority and the concentration of wealth and economic opportunity still driving real estate in infill areas.

Happy New Year!

Lucas and Lacie

PS does anybody want to buy my timeshare from me?