

Lunch with Lisa

SMALL BITES OF KNOWLEDGE



Dusting Off The Crystal Ball

AKA a Magic 8 Ball

What is the 2021 market going to be like???
Not like any other it seems.

30 - 40 offers on many homes currently! Some homes have been selling way above asking price. All Cash buyers are still here, even into the \$600k's. I have buyers, good buyers mind you, that are desperate for a home and just cant beat the offers that are out there. At one point there were only 22 homes on the market in Vacaville. Just imagine if every local full time agent had 3-5 buyers, that's hundreds of buyers for only 22 homes. - **The Magic 8 Ball ~ IT WILL PASS.**

My biggest worry is how many of these well qualified buyers will we lose later this year as they file their taxes for 2020. If they collected unemployment during COVID, will lenders consider that income? Will they be set back a year or two once they get back on payroll again? - **The Magic 8 Ball ~ CANNOT TELL NOW.**

Sitting on the fence about selling your home during COVID? Dont sit much longer because now is the time to sell without much worry or work. Buyers are doing What...Ev...Er they can to get their offer chosen! - **The Magic 8 Ball ~ YOU'RE HOT.**

Some sellers are taking advantage of an easy sale and then renting an apartment until things settle down. Their plan - to sell high and buy low. - **The Magic 8 ball ~ MAYBE**

There are some great bond programs out there for buyers to try for and use as down payments, buy down the interest rates or to use as closing costs.

Jumbo Loans: Lots of sales are needing a Jumbo loan due to our higher home prices. Any loan over \$550,850 is a Jumbo Loan which has different qualifying requirements.

VA Loans: Zero down loan limits are up to \$550,850 in Solano Co.



The latest weekly data on California's housing market suggests another strong month in January. Rates fell, the economic recovery continued, and the market remains very competitive.

Positive Market Trends Continue Through Month-End: According to CAR's weekly product stable, the California housing market remains on a solid upward trend. The weekly survey of REALTORS® across the state showed more agents doing listing appointments, putting homes on the MLS, and entering escrow on new transactions last week. In addition, the MLS data shows that despite a big spike in the final week of 2020, which suppresses the annual comparison, January is likely to end nearly 30% ahead of 2020 levels for the month—maintaining the momentum carried over from the end of the year and perhaps even gaining steam.

The Economic Recovery Continued in Q4: The Bureau of Economic Analysis released its estimate for economic growth during the final quarter of the year and it showed that the recovery continued during the final months of the year despite public health headwinds. Overall, the U.S. expanded by 4.0% on an annualized basis, driven by broad-based growth from businesses and consumers. Consumer did downshift from their Q3 levels as government assistance played a smaller role.

Interest Rates Fall in 2nd Consecutive Week: Interest rates dipped to 2.73% last week after a small decline to previous week to 2.77%. Rates had risen to nearly 2.8% in the wake of the Georgia Senate runoff elections, but 10-year Treasury rates have been declining alongside mortgage rates the past two weeks, which suggests that rates are not on an upward trend over the short run.

California Housing Market Remains Unseasonably Competitive: Despite January typically representing a much smaller share of the year's home sales, competition remains fierce. The percentage of active listings on MLSs across the state that have had a price reduction has been falling. At 21% last week, the share of reduced-price listings has declined at every price point in 7 of the past 8. In addition, homes priced below \$1 million have experienced much sharper declines.

Construction Spending Follows Housing Starts Upward: Following a blockbuster report for new housing starts in December, the Commerce Department reports that spending on new projects followed suit—rising by 1.0%. However, the headline growth was depressed because of a pullback in nonresidential spending. Looking at residential spending in isolation, expenditures for new housing construction rose a solid 3.1% in December.

Source- California Association of REALTORS Jan. 2021

~Find new construction on my website! I can schedule appointments to show you the models.~



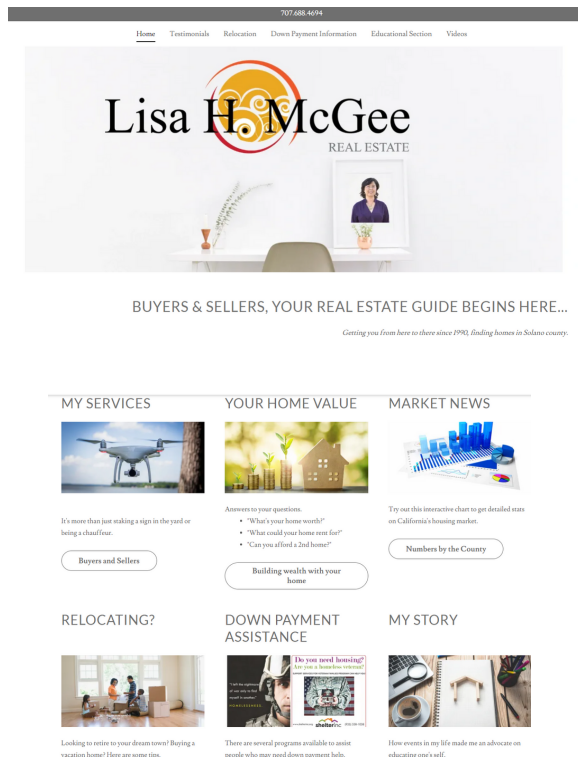
Sign up for a FREE lunch with me!

Once a week I would love to have lunch with a reader! It can be a learning lunch, a shoot the breeze lunch or just munching in silence (a meditative lunch). Send me a message to reserve a time!

EMAIL sendtolisa@att.net (707) 688-4694 TEXT



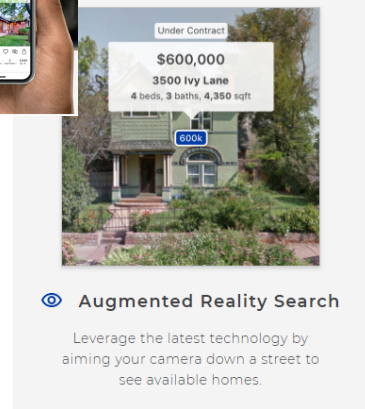
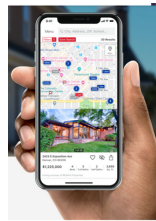
Share some knowledge to friends and family by directing them to my website!



lisahmcgee.net

If your next vacation, hopefully sometime in the near future, has you dreaming about a home on the beach (come on, we've all done it) download my app, aim your phone at a street and be amazed! It's such a fun tool!

Then give me a call and I can set up an appointment for an area agent to show it.



Augmented Reality Search

Leverage the latest technology by aiming your camera down a street to see available homes.

lmcgee.remax.com/mobile-apps



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