



THE GATTI REPORT: YOUR GREATER DANVILLE AREA REAL ESTATE UPDATE

By Joe Gatti

As we inch towards the beginning of summer, we're going to revisit a property type in our local market that is important because it exemplifies entering and keeping a foothold within our great community. Our real estate discussions often focus on detached properties, in this article we will look at current statistics for condos, duets, and townhouses. The value of these types of properties appeals to buyers looking to enter the Greater Danville Area or those looking to keep a smaller home with an amazing location. The attraction of having a condo, duet, or townhome is less recurring maintenance and less overall expenses when compared to larger detached properties. What we will find is that low unit inventory has allowed sellers, who price their properties off recent comparables, to sell quickly, and in some cases receive multiple offers.

When comparing 2022 and 2023 price extremes (low and high) for condos, duets, and townhouses it is a contrast in mortgage interest rates. The rising 4% interest rates of mid-spring 2022 still allowed for price and property anomalies, while the 6% to 7% interest rates of this year have brought pricing towards a more predictable equilibrium.* The lowest priced condo in 2022 was a 1 bed, 1 bath, 428 sq. ft. San Ramon property closing for \$364,000. This year the lowest has been a 1 bed, 1 bath, 685 sq. ft. condo (also in San Ramon) with a closing price of \$434,900. On the other extreme, the highest priced units in 2022 and 2023 reveal the lack of properties available and the difference in home variety buyers are able to choose from. The highest priced unit in 2022 was a San Ramon duet that sold for \$1,875,000 and consisted of 4 bedrooms, 3 baths, and 2,586 sq. ft. For all intents and purposes, this property resembles the size and price of a small detached home. Buyers have not seen this type of property available in 2023. The highest priced townhome to sell this year consisted of 3 beds, 2 baths, and 1,630 sq. ft. It was located in Danville and sold for \$1,400,000.** Thus far in 2023, our takeaway is that higher interest rates have resulted in buyers having less to choose from causing higher interest in the quality properties that actually reach the market.

The buyers that are motivated to purchase today are also competing for a smaller contingent of accurately priced units. In the greater Danville area, which includes Alamo, Blackhawk, Danville, Diablo, and San Ramon, 185 total units sold from January 1st to May 25th 2022. During the same period this year, 115 units were sold.** That's an inventory decrease of 37.8% or 70 less units for buyers to purchase. If a local seller is able to sell now, and correctly prepares and prices their property, then circumstances are very advantageous.

Many buyers waited through the second half of last year with the hope that prices would drop precipitously in 2023. However, once inventory levels went to extreme lows and buyers grew to accept stabilizing interest rates in the 6% range, local real estate pricing leveled and in some cases proceeded upwards. Well prepared condos, duets, and townhouses, priced correctly for this current market, are seeing great open house traffic and multiple buyers willing to place offers over asking. If you are looking to sell and would like a professional price valuation for your home, please reach out to the Gatti Team for a private consultation. Our services and full time local experience will help price, market, and promote your home on all levels so you receive the best possible outcome in our current market.

I hope you found this article helpful. I've been serving our real estate community for 11 years. Ron Gatti, my business partner and father, has been a full-time real estate professional for over 40 years, all in the greater Danville area. We both are Associate Brokers with Compass out of the 760 Camino Ramon (Suite 200) office in Danville. If you have any real estate questions during this extraordinary time or have questions about this article, please email GattiRealEstate@gmail.com or call Joe Gatti at 925-588-3590. Our services are here for you!

*<https://www.cnbc.com/quotes/US30YFRM?qsearchterm=30%20year> **Data taken from the MLS during specific dates and under the criteria mentioned within the article.



JOE & RON GATTI

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DANVILLE AND THE SAN RAMON VALLEY**

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2 BED | 2 BATH | 1,002 SF | PENDING AFTER 6 DAYS | \$859,000**



**1035 GLASGOW PLACE | DANVILLE
5 BED | 3 BATH | 2,908 SF | REPRESENTED BUYERS | \$2,100,000**

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