



## THE GATTI REPORT: YOUR GREATER DANVILLE AREA REAL ESTATE UPDATE

By Joe Gatti

I hope you had a wonderful Thanksgiving holiday, full of all of your favorite foods, family, and friends! The Christmas trees are cut and the Santa Clause commercials are beginning their peak period. November news continued with geopolitical concerns in the Middle East and Ukraine. The Asian-Pacific Economic Co-operation Summit occurred in nearby San Francisco, and we finally received some much needed positive economic news regarding inflation. With a lower consumer price index (CPI) report, mortgage rates receded from the beginning of the month, and the Federal Reserve will hopefully have more clarity regarding their final meeting this year. What we know finishing 2023, is that our local sold housing inventory will finish near record lows.

On November 1<sup>st</sup>, the Federal Reserve kept their rate level unchanged, which many following the markets expected. Mortgage rates went from near 8% to 7.48% soon after the decision. On November 14<sup>th</sup>, October's consumer price index (CPI) was released and US inflation came in lower at 3.2%. A half-percent below August and September's static inflation readings of 3.7%. The Federal Reserve will have their final meeting on December 13<sup>th</sup>, and with inflation noticeably cooling, another rate pause is considered likely. In earlier articles, I have often mentioned a sharp inventory decline in our local market with higher interest rates for the majority of the year. We can definitely say that this is keeping many sellers in their home's who would have sold if mortgage interest rates were lower.

As of November 14<sup>th</sup>, 928 detached properties sold for the entire year in the Greater Danville Area, which includes Alamo, Blackhawk, Danville, Diablo, and San Ramon. If we look back at the last regular real estate year in 2019, 1,482 detached properties sold during this same period. This is a 37.3% decrease in sold inventory when comparing 2023 versus 2019 (or a 554 property difference!)\* The lack of homes available for qualified buyers to purchase have kept prices upwards and competition strong. Buyers are taking longer to pull the trigger on entering into contract, but prices as a whole have remained elevated throughout 2023. Going into 2024, all eyes will be on interest rates and the anticipation of when the Federal Reserve will be in a position to lower them.

I would like to wish our readers a happy and healthy holiday season! I am hoping the holiday period is a relaxing time with family and friends, and everyone is looking forward to a wonderful Christmas and New Year's celebration ahead. As we look forward to 2024 and future articles, the two topics of inflation and mortgage interest rates will still be main issues. However, we can now anticipate that inflation might finally be receding in a meaningful way, and once it does, mortgage interest rates will take a more predictable trajectory downwards. Housing inventory will remain extremely low in our local market until both issues retreat convincingly, but buyer demand for the Greater Danville Area will remain at a robust level. Hopefully, we can breathe a sigh of relief that 2024 will bring housing inventory back!

If you would like a proactive price valuation for your home during this period, please reach out to the Gatti Team for a private consultation. Our services and full time local experience are here to help you maximize your selling and buying goals in the Greater Danville Area. We wish you the Happiest of Holidays coming up in December!

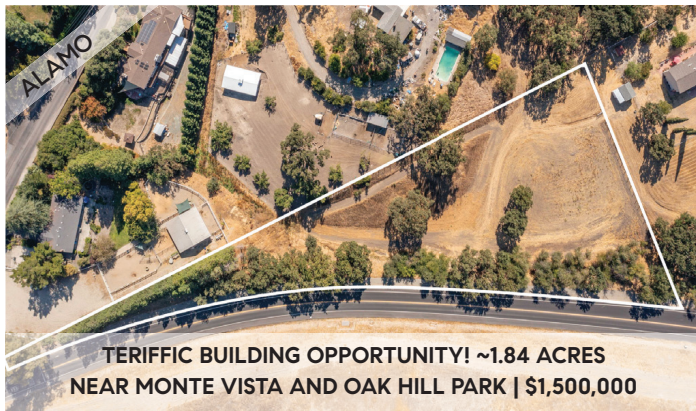
***I hope you found this article helpful. I've been serving our real estate community for 11 years. Ron Gatti, my business partner and father, has been a full-time real estate professional for over 40 years, all in the greater Danville area. We both are Associate Brokers with Compass out of the 760 Camino 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!***

\*Data taken from the MLS during specific dates and under the criteria mentioned within the article.



## JOE & RON GATTI

*Happy Holidays! Wishing you joy and warmth this holiday season.*



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**AS DANVILLE NATIVES, WE KNOW  
DANVILLE AND THE SAN RAMON VALLEY**



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