



THE GATTI REPORT: YOUR GREATER DANVILLE AREA REAL ESTATE UPDATE

By Joe Gatti

We are now officially in the spring housing market for the Greater Danville Area! If you're considering selling or buying a home in the year ahead, please reach out. The Gatti Team with Compass, combines our full time 60+ years of Greater Danville Area experience with the #1 Real Estate Brokerage in the United States. We strive for personalized, local, and proven real estate expertise tailored just for you.

With the first two months of 2024 behind us, recent economic news centered on inflation and mortgage interest rates. The Consumer Price Index (CPI) for January was released on February 13th and inflation was slightly higher than anticipated. Professional economists were forecasting 2.9% but the official CPI number came in at 3.1%. Immediately after, mortgage rates ticked back up above the 7% range in anticipation that the Federal Reserve will need to wait longer into 2024 before cutting their base rate. Even with the hotter than expected inflation number, look for the Federal Reserve to pause until eventually cutting rates once inflation unquestionably resumes

a downward trajectory. Time will tell whether the Fed cuts begin in late spring, summer, or the beginning of fall.

With markets focused on the eventual lowering of mortgage rates, we can look back to the year-over-year real estate trends in the Greater Danville Area (2022-2023). The chart below shows detached sold properties, median prices, and the average days on market for Alamo, Danville (including Blackhawk), Diablo, and San Ramon. Alamo was the only area that had an increase in detached properties sold from the previous year (+1.2%). The remaining areas saw significant inventory declines, with Danville (-17.7%), Diablo (-6.6%), and San Ramon (-37.7%). Higher mortgage rates in 2023 contributed to both fewer homes being available and lower median sold prices in each of our local areas. Alamo's median price declined by -3.7%, Danville by -10%, Diablo by -13.1%, and San Ramon by -9%, when compared to each area's median price in 2022.

The year-over-year price declines for Greater Danville might be surprising, but it's an in-depth look at our local real estate market over the past year. What we will be watching in the months ahead is that once inflation resumes falling towards 2%, then Fed rate cuts will follow, and local activity will increase compared to 2023. Financial conditions will begin a new cycle of easing and larger economic decisions will become more manageable for both sellers and buyers in the Greater Danville Area going forward.

If you're thinking of selling, please contact us for a FREE no obligation estimate of the value of your home or for any real estate related questions you may have. We are here to help!

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!



JOE & RON GATTI

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

COMPASS

2023 YEAR OVER YEAR MARKET DATA (GREATER DANVILLE)

	DETACHED PROPERTIES SOLD		MEDIAN PRICE		AVG DAYS ON MARKET	
ALAMO	164	+1.2% ↑	\$2,600,000	-3.7% ↓	20	0%
DANVILLE	476	-17.7% ↓	\$2,025,000	-10% ↓	20	+15% ↑
DIABLO	14	-6.6% ↓	\$3,038,000	-13.1% ↓	56	+25% ↑
SAN RAMON	369	-37.1% ↓	\$1,750,000	-9% ↓	15	-11.7% ↓

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