



THE GATTI REPORT: YOUR GREATER DANVILLE AREA REAL ESTATE UPDATE

By Joe Gatti

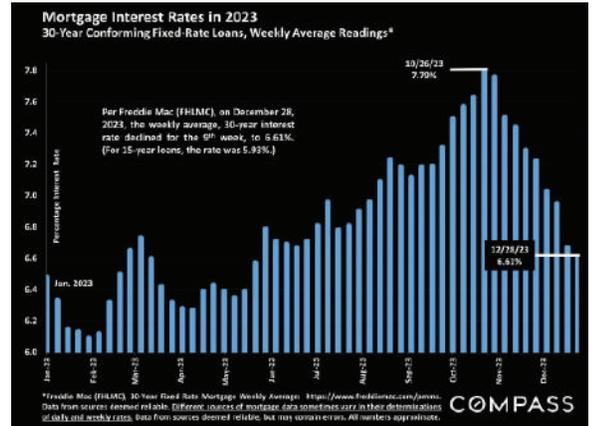
January has come and gone and we are at the cusp of our local spring real estate market, which kicks off in mid-February. If you're considering selling or buying in 2024, please reach out. The Gatti Team with Compass, combines our full time 60+ years of Greater Danville Area experience with the #1 Real Estate Brokerage in the United States. We strive for personalized, local, and proven real estate expertise tailored just for you.

What have we learned in the first month of the new year? We learned that mortgage interest rates have proceeded considerably lower since October, which is a great sign for future real estate activity. In economic news, we did see a slight hiccup with inflation going up. The latest US inflation reading on January 11th came in at 3.4%, an unexpected tick up from 3.1% the prior month. At the Federal Reserve's December meeting, they forecast three separate base interest rate cuts in 2024. Even with the unexpected inflation increase, look for the Fed to pause at their January 30-31st meeting and continue to pause until inflation resumes going downwards. Once it does, it then becomes a question of whether the Fed begins cutting their base rate in late spring, summer, or the beginning of fall.

If we look at the graph (at right) of "Mortgage Interest Rates in 2023" we can see the peak was in October. Rates hit 7.79% at its height. They began decreasing once it became evident to markets that the Federal Reserve's policy had shifted to no longer raising their base rate but pausing after their November 1st meeting. Rates then went down to the mid-7% range through November and after another pause at the Fed's December 13th meeting, rates fell further; ending 2023 at 6.61%. As of this writing, interest rates are at 6.60%, the lowest since May 2023.*

When compared to last year, the start of 2024 looks more promising for real estate. We are at the beginning of a presidential campaign year so expect predictable economic decisions leading up to the election in November. As interest rates fall, look for activity to increase as both sellers and buyers become more financially comfortable with larger economic decisions. If you're considering selling and would like a proactive price valuation for your home during this period of declining interest rates, please reach out for a private consultation. The Gatti Team strives to provide extensive local real estate services with the best brokerage practices for our clients.

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

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gattirealestate@gmail.com

GattiRealEstate.com

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