

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

Happy New Year! I hope your Christmas/December holiday period was healthy, happy, and filled with family and friends. 2025 is here! January brings the beginning of a new real estate market for our local area. It is one filled with preparation, new listings hitting the market, and buyers evaluating and getting excited for their prospects of finding and purchasing that future home! If you're considering selling or buying in the months ahead, please reach out to the Gatti team. Our Team with Compass, combines 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.

The Federal Reserve's second post-election meeting on December 18<sup>th</sup> resulted in another 0.25 basis point rate cut. The Fed then surprised markets in forecasting a slower pace to future rate reductions in 2025. The Consumer Price Index (CPI) for November was

released on December 11<sup>th</sup> and rose to 2.7%, a 0.1% increase from the previous month's 2.6% reading, but aligning with expectations. As the January 20<sup>th</sup> inauguration approaches, markets will be watching for the first signs of the next administration's future policy implementations to take effect. Watch for information regarding tariffs, tax, immigration policy, and how the bond market reacts, which will have an effect on mortgage interest rates as we prepare for the spring real estate market just ahead of us.

January is a month where sellers who began their pre-market preparations for selling in the fall and winter are putting the finishing touches on their houses and entering the market, while future sellers begin prepping after the holidays for a later spring/summer on market date. With the election behind us, look for more housing inventory to enter the market as economic policy begins to become more certain. Buyers for these new listings will shake off winter hibernation in mid-January and be in full force for our local spring market in mid-February. In the months to come, we'll be watching how developing economic factors affect interest rates, which is at 7.14% as of this writing. If rates move downwards or stay near the 7% range, it will determine how quickly new properties go pending in the opening months of the new year.

Look for the busiest season, spring, to begin in mid-February. The earlier the new Trump administration clarifies their objectives for taxes, tariffs, and their overall economic agenda the higher the likelihood of more overall real estate activity. With more clarity for sellers, especially with taxes, if interest rates decline at all, look for potential sellers to have more incentive to make a move because they will be less locked into the current interest rate they have on their home. Likewise, future buyers will re-enter the market because home affordability will begin to look less daunting. If you would like a proactive price valuation for your home during this upcoming 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 look forward to seeing everyone in the coming months and Happy New Year!

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

I hope you found this article helpful. I've been serving our real estate community for 12 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!

