

# REAL ESTATE UPDATE

Spring 2017



The current real estate market is as active as I have seen in years. As anyone looking for a house in this market is keenly aware, attractive listings are selling within days (hours!) of hitting the market. Buyers are frustrated by postings on Zillow and Trulia which announce new listings a day or two after the home's have sold. These sites get their info feed from the realtor's MLS and by the time listings are posted on these public sites, frequently, it's too late.

In response to this demand, predictably, prices have moved up. I searched a slice of the market to compare pricing changes over the past year or so. I looked at sales in Bay Village in the price range of \$150,000 to \$400,000. I compared the 6 month period from 10/10/15-4/15/16 to the past 6 months (10/15/16-4/15/17). The average sales price per square foot a year ago was \$121.71 as compared to \$127.76 per square foot over the past 6 months. While this is a nice 5% boost in prices, the more telling number is the average list price per square foot of the homes in today's market segment currently in pending status. These pending sales are priced at an asking price of nearly \$142 per square foot. From this I assume that the sales prices for these homes, which will be filing over the next 30-60 days, will be at/around \$140 per square foot. This means a price increase of about 13% over the past year. While people in markets like San Francisco and Miami may be used to this kind of price change, this is unprecedented in our market.

With 30 year rates continuing to hover at or slightly above 4%, I expect the brisk market and its effect on pricing to continue until demand slackens. As of today, there is no change in demand and no signs that it will abate in the near future.

While rising prices make it more challenging to access this market as a buyer, it is obviously a benefit to sellers. For someone in this market selling their house to buy another, the rising prices benefit you on the sell side even as they hurt you on the buy side. Relatively speaking, there is no meaningful change in the cost of this exchange, whether you're in a seller's market (as is the case today) or a buyer's market (which was the case last year). If you sell your current house to buy a more expensive house, you lose in the exchange, but only in the margins. For example, if you sell at \$100,000 (a 10% increase over the home's value a year ago) to buy a \$200,000 house (also priced 10% above the market a year ago) you gain \$10,000 on your sale (10% of \$100,000) and pay \$20,000 more for your new home (10% of \$200,000). The 'loss only in the margin' mentioned earlier would be \$10,000 (\$20,000-\$10,000).

The tricky part is coordinating your home sale with your home purchase in a safe and predictable manner. Overseeing that process an important part of what we do on your behalf as your real estate agents.

Enjoy the spring weather and please don't hesitate to call if you have any real estate questions.

Respectfully,

Bill Reilly



Bringing people and houses together since 1982



# Homes Listed & Sold by The Bill Reilly Team



**SOLD!**

27816 Osborn Road, Bay Village  
Offered at \$159,900



**SOLD!**

23728 Bruce Road, Bay Village  
Offered at \$169,900



**SOLD!**

26819 Normandy Road, Bay Village  
Offered at \$189,900



**SOLD!**

155 Williamsburg, Avon Lake  
Offered at \$245,000



**PENDING!**

12900 Lake Avenue, Apt 1102, Lakewood  
Offered at \$152,000



**PENDING!**

219 Bradley Road, Bay Village  
Offered at \$189,900

## Connecting Buyers with their new Home\*



**SOLD!**

385 Walmar Drive, Bay Village  
Offered at \$299,000



**SOLD!**

622 Parkside Drive, Avon Lake  
Offered at \$389,900



**SOLD!**

22685 Bard Ave, Fairview Park  
Offered at \$164,900



**SOLD!**

316 Tanglewood Lane, Bay Village  
Offered at \$635,000



**SOLD!**

3726 Palmerston Rd, Shaker Heights  
Offered at \$144,000



**SOLD!**

31920 Pondside Drive, Avon Lake  
Offered at \$419,900

\* We represented the buyer in the sale of these homes.



# Currently for Sale by The Bill Reilly Team



## 32130 Ventanas, Avon Lake

Great looking colonial in one of Avon Lake's most desirable neighborhoods—Ventana's. Extensive teak flooring. Kitchen with maple cabinets, tile backsplash, and granite countertops. Large master suite offers two walk in closets, elaborate bath and vaulted ceilings. Large finished recreation room with half bath. Two story foyer and 12' ceilings in family room. Lovely rear patio is completed with stone pavers. Sprinkler system. Two story foyer.

**Offered For Sale at \$524,900**



## 230 Inwood Blvd, Avon Lake

This home has been extensively updated and is ready for it's next owner.

New kitchen and baths, refinished floors, new or newer windows, new interior doors, garage door and opener.

All appliances are new and convey with title. First floor laundry! Recreation room is partially finished. Glass block windows. New storm doors. Fresh paint throughout. Extensive tile and hardwood flooring.

Second floor bedroom is a suite with it's own half bath.

**Offered For Sale at \$169,900**



## 30403 Wolf Road, Bay Village

Fresh, clean, and available immediately. Attached two car garage, heated breezeway. Updated décor, appliances, flooring windows, etc. Incredible yard. Large covered porch overlooks a lot measuring nearly one acre. Brick and stone exterior.

Basement has full second bath.

**Offered For Rent at \$1450/ month**

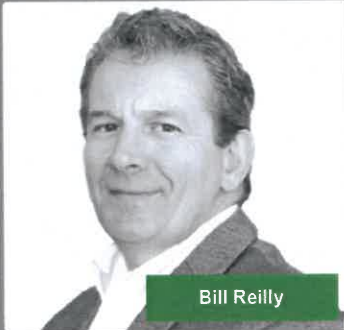


# Featured Listing

535 Upland Road, Bay Village



Charming cape cod on a quiet street in a great neighborhood nestled in a park like setting. Beautiful flooring throughout, including newer carpet, well maintained wood floors, and cork flooring in the kitchen. Updated kitchen with stainless steel appliances and granite countertops. Gas log fireplace in the living room. Master bedroom suite on the second floor. Two additional, spacious bedrooms. Coved ceilings and archways. Waterproofed basement with a finished recreation room. Beautiful enclosed 3 seasons room that overlooks brick patio, treed lot, and fenced yard. Newer roof, air conditioner, and furnace.



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