

# REAL ESTATE UPDATE

Summer 2018



As the weather has heated up this summer, so has our local market. The ratio between buyers and sellers is out of balance, strongly in favor of the seller. In a normal market, the ratio is about 4 buyers for every listing. In this market, the ratio is closer to 10 to 1. The result has been an increase in multiple offers and sales prices routinely at/above the list price. While the market has cooled a bit, the pace is still very brisk.

This high demand has pushed up prices significantly. Over the past two years, my sense of it is that prices have increased 10-15%. Great news, of course, if you're on the seller side of the table. But, as always, there's another side to this equation...most of the time, these sellers become buyers and the gains they enjoyed on the sell side are frequently given back (and then some) on the buy side.

There are pockets of the market that are extremely active. Houses in Lakewood priced from \$125-\$300,000; Rocky River \$250,000-\$450,000; Bay Village under \$250,000; two family properties in Lakewood; Fairview Park \$135,000-\$225,000. Lakefront properties remain a huge draw. There are other strong markets in town but these stand out.

I believe the upswing in prices is abating. I check the MLS many times a day. One of the stats I watch is how many houses have had price reductions. In May there were very few price reductions; over the past few weeks, this number has steadily increased. As you would expect, as the prices have increased, some sellers are trying to get ahead of the curve...if houses in a certain market are selling at \$125 per square foot, why not price the house at \$135 per square foot? Why not ask \$145 per square foot? As the market of buyers digests these increases, the buyers are more frequently declining to make offers on these homes. As a result, the (motivated) sellers are reducing their prices.

One of the surprising aspects of the current market is that the increase in interest rates (from about 4% to about 4.5%) has had almost no effect on buyer's enthusiasm for buying. Nor should it, in my opinion. Current rates are still close to the lowest they've been in the 37 years I've been selling real estate. Mortgage money is still very cheap and buyers seem unfazed by this increase.

I was in Chicago last week and scanned the real estate market there. Once again, I was struck by how expensive the real estate is in Chicago. And Boston, San Francisco, Philadelphia, etc. Cleveland is a bargain! Lake Erie, the museums, the health care network, the cost of living and the friendly people....this is a great town.

Please don't hesitate to call or write if you have any real estate questions. Better yet, stop in to see me at my office on the southwest corner of West Oviatt and Dover Center Road (across from Arabiatta's).

I hope you're enjoying your summer!

Respectfully,

Bill Reilly



Bringing people and houses together since 1982



# Homes Listed & Sold by The Bill Reilly Team



## Connecting Buyers with their new Home\*



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



# Currently Listed by The Bill Reilly Team



**608 Revere Drive, Bay Village**

**Charming colonial in an amazing location in Bay Village!**

Spacious first floor - living room, dining room, family room and eat in kitchen. Extensive hardwood flooring throughout much of the home. Family room with a wall of windows and vaulted ceiling, slider that leads to the backyard. Kitchen with newer cabinets, large pantry. Four spacious bedrooms, one with an bonus room - perfect for a nursery or private sitting area. Partially finished basement with sizable recreation room. Large private yard (210' deep) with inviting deck - perfect for entertaining! Newer roof (2010), furnace (2016), humidifier (2016) and exterior sump pump (2016). Sought-after neighborhood.

**\$379,900**



**31038 Manchester Lane, Bay Village**

**Rare opportunity for executive rental in established neighborhood. Floor plan offers over 2600 square feet and includes 4 large second floor bedrooms, 2 full baths on second floor. Spacious living room, dining room and family room. Large first floor office tucked away from traffic flow offers a quiet retreat.**

**\$2600 per month**



**616 Crestview Drive, Bay Village**

**Hard to find buildable lot in Bay Village. 0.38 acre cul-de-sac lot with city water, storm and sanitary. At least two home sales on this private cul-de-sac at \$475,000+. A total of 9 new lots were developed for this site. Of the nine, five are either under construction or completed.**

**\$105,000**



# Featured Listing

31824 Lake Road, Avon Lake



One of Avon Lake's most beautiful homes invites you take in the unparalleled views from it's 1.03 acre lot. From sailboats to cargo ships, the ever-changing spectacle outside your windows will leave you captivated. Located on the shores of Lake Erie and long recognized as one of the best places to live, this home is a short distance from shopping, dining and numerous amenities. Built in 2006 by Bob Cachet, this 6047 square foot home is without equal on the lake front.



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