

REAL ESTATE UPDATE

Fall 2023



I monitor the local real estate activity by visiting the multiple listing service updates several times a day. The market has tightened up on the seller side of the equation. Among other statistics, the update includes new listings, pending sales, transfer and price reductions. For the first time in about 3 years, the number of price reductions has gone from single digits (for the update period) to a more significant number. In response to higher mortgage rates, increasing supply and other factors (including inflation) buyers have become more cautious and careful in their pursuit of their next home. While the previous market saw houses selling (with multiple offers) in a few days, the current market includes houses which have lingered on the market for several weeks. While there are still pockets in the market with intense buyer interest (i.e. cluster homes with a first floor owner's suite in all price ranges) the balance of power has shifted, just a bit, in favor of the buyer side of the exchange.

Some of this slackening demand and the attendant effect on prices is attributable to higher mortgage rates. Historically, as rates rise, prices decline. This normal cause/effect relationship was deferred until now as residual high demand worked its way through the market. Current market activity indicates to me that this deferral of the effect of higher rates on prices is ending. It has been my experience that when first and second time buyers shop for a home, the target pricing is determined by monthly payments. As mortgage rates increase, the buyer's upper limit on their price range comes down to fit into their target monthly payment. Prices and rates may go up or down but the buyer's target monthly payment (usually) does not. This is the tail wagging the dog.

I don't know where rates will be in 6 months but my impression is that they'll be going higher and, as a result, prices will likely move in the opposite direction. At the same time, the unmet demand for houses in all price ranges will continue to support higher prices. The result may be a stalemate resulting in prices remaining about where they stand now.

Please contact me or anyone from my team if you have any questions or would like a snapshot of your home's current value.

-Bill Reilly



Bringing people and houses together since 1982

Recent Homes Sold by The Bill Reilly Team



23045 Brick Mill #D-2
Westlake



28729 Osborn Rd
Bay Village



6146 Aylesworth Dr
Parma Heights



33040 Lake Road
Avon Lake



1521 Sheffield Rd
South Euclid



153 Greenward Way #50
North Olmsted



401 Armour Rd
Avon Lake



27834 Knickerbocker Rd
Bay Village



12550 Lake Ave Unit #601
Lakewood



Vacant Land Otten Rd
North Ridgeville



373 Seneca Court
Avon Lake



585 Yarmouth
Bay Village

Featured Listing

30400 Salem Drive, Bay Village



Offered at \$775,000



4/5 Bedrooms | 3 Full 2 Half Baths | 3500 sq. ft

This signature home offers a rare opportunity to live on perhaps the most sought-after street in Bay Village. This classically-styled colonial is infused in & out with the charm of New England. Early American architecture is blended seamlessly w/modern amenities. Extensive hardwood floors and mill work throughout, 4 wood burning fireplaces, gorgeous front room addition, wonderful hardscaped rear patio & extensive landscaping. The conscientious current owners have maintained the house & property in a fastidious fashion. The 2nd floor offers 4 large bedrooms and 3 full baths (including a remodeled master bath w/heated floor), as well as a large utility rm/work center (formerly the 5th bedroom) & is perfect for laundry, sewing, gift wrapping & supplementary closet storage. A change back to a 5th bedroom is easily done. A distinctive architectural feature is the 4' x 4' main chimney running thru the center of the house & conspicuous from the street. Other features include a large walk-in pantry, a beautiful rec room with a clubby feel & featuring a wood burning fireplace, extensive built-ins for collectibles/books, 1st floor den, 2 half baths (1 adjacent to the office & 1 in basement). Patio doors connect the kitchen & family room to a beautiful stone kidney-shaped patio with 2' high stone accent walls. The kitchen features travertine flooring, a large island, Corian tops, a wet bar & updated appliances. The adjoining dinette features a brick grill opening (future pizza oven?) and extensive cabinetry and built-in shelving.

Bill Reilly Team 2023 Annual *Village Project* Golf Outing event was the **BEST YET!!**

THANK YOU for all the support from the many kind and generous participants and sponsors!



FEATURED TEAM MEMBER

Keli Blain



Hello everyone, I'm Keli Blain, a dedicated and dependable member of the Bill Reilly Team with a passion for making the home selling process smooth and easy for clients. With a keen attention to detail, I ensure that every transaction is handled with the utmost care, striving for the best possible outcome.

Beyond work, I find joy in being outdoors alongside my husband and 5 kids, spending quality time with my family and exploring new places. I recognize the importance of finding the right place to call home and look forward to guiding you through the buying/selling process and delivering exceptional results.

THE BILL REILLY TEAM

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