



## Home sales, prices in Chicago, 9-county area encouraging

*Fast market times are one facet of a local housing market turnaround whose pace has surprised economists as well as real estate agents*

By [Mary Ellen Podmolik](#), Chicago Tribune reporter

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Lindsay and Glenn Fuller's three-month quest to move from their Naperville "starter" house to a "forever" home involved looking at more than 40 properties, having an above-list-price offer rejected and raising their budget by \$50,000.

Pulling up to see a five-bedroom home in a desirable neighborhood two weeks ago, which they are now under contract to purchase, they were flummoxed.

"We thought there must be something wrong with this house," Lindsay Fuller said. "It hadn't sold yet. This one was on the market long — I mean 13 days."

Uber-fast market times are one facet of a local housing market turnaround whose pace has surprised economists as well as real estate agents. Prices, while still nowhere near their peak in the bubble years, continue to recover handsomely, helped by fewer available distressed properties, a lack of quality inventory and rising interest rates that are propelling potential buyers to action.

More evidence of that continued improvement came Monday. June sales of existing single-family homes and condominiums in the nine-county Chicago area, while down slightly from May, rose 18.7 percent from a year ago, to 11,103 properties sold, the Illinois Association of Realtors reported. Meanwhile, at \$206,000, the area's median sales price was the highest recorded for any month since \$214,000 in July 2009.

Within the city of Chicago, the 2,623 properties sold was a 12.5 percent gain from a year ago. The June median price of \$254,900 was the best single month for prices in Chicago since October 2008.

It took an average of 63 days to sell a home in the Chicago area in June, a 25 percent decline from a year ago. And, compared with June 2012, the number of area homes listed for sale is down 33 to 43 percent, depending on the county.

The takeaway from those figures: If you're thinking of buying a home, get ready to act quickly and not spend too much time thinking things over. If you own a home in a desirable neighborhood, it's a matter of time before the first postcard arrives in your mailbox from a real estate agent interested in selling your home.

"We're really starting to hit the mark," said Zeke Morris, president of the Chicago Association of Realtors. "We're still having some problems in some neighborhoods, but overall, things are starting to come around."

Angela Graziano, an agent at Ryan Hill Realty, is preparing to send out more than 2,000 postcards this month to homeowners who live in areas where her clients want to purchase homes. She's also calling investors who've purchased properties, some of which have been converted into rentals, to see if they're interested in putting them back on the market.

"All of our clients on the buyer side right now, regardless of the price, are running into this right now. They can't find inventory," she said.

The number of Chicago-area homes flipped — meaning they were purchased and sold again within six months — totaled 2,845 properties in the first half of the year, an 86 percent increase from the first half of 2012, according to RealtyTrac.

Other agents are brushing off marketing techniques they haven't used in years to compete for listings and homes to show clients.

"They're going back to the old prospecting," said Loretta Alonzo, an agent at Century 21 Alonzo & Associates. "(Agents) forgot how to do those things, so you have to sort of retrain them. It's more competitive."

Not everyone is willing to wait for those just-right properties to hit the market.

Off and on for 2 1/2 years, Anthony and Suzan Hadaway scouted for a home to buy so they could move out of a condo they bought in Chicago's North Kenwood neighborhood in 2005. They looked in the city; they looked in the suburbs.

"We were unimpressed with the inventory and, frankly, freaked out by how overpriced things were that needed work and they were flying off the market," Anthony Hadaway said. "I'd ask the real estate agent where do I need to come in at, and they'd say, 'Over.'"

Two weeks ago, they went in a different direction and visited new homes under construction by Lexington Homes in Chicago's Bridgeport neighborhood, and last week they put down a deposit. The couple plan to put their home on the market within two months and move in with one set of parents until the home is completed in April.

Despite concerns about rising interest rates, which are almost 1 full percentage point higher than a year ago, real estate agents expect the torrid pace of deals to continue.

"I see absolutely no slowdown," said @properties agent Mark Fischer.

Economists expect a decline in foreclosure activity to also help the housing market.

Initial foreclosure filings in the Chicago area last month declined 39 percent from May and almost 70 percent from June 2012, according to RealtyTrac. Distressed sales comprised about 28 percent of homes sold within the city in June, according to data supplied to the Chicago Association of Realtors by Midwest Real Estate Data LLC, the local multiple listing service provider. A year ago, foreclosures and short sales comprised almost 36 percent of the sales volume.

"Foreclosures may return to pre-recession levels in 1 to 1.5 years from now, rather than 2 to 2.5 years," said Geoffrey Hewings, director of the University of Illinois' regional economics applications laboratory. "That's going to be very important to support pricing recovery."

For the Fullers, the process of selling the home they've owned for three years happened faster than they thought, and it took longer to find a home than they anticipated. With almost all their furniture in storage, the couple will close on the sale of their home Wednesday and move in with family members until the mid-August closing of their next home. They are glad it's all over except for the paperwork.

"It was a very depressing search," Lindsay Fuller said. "We were ready to spend money, and we knew what we were looking for, and we didn't think we were looking for too much."

<http://www.chicagotribune.com/classified/realestate/ct-biz-0723-home-sales-20130723,0,4807082.story>