

# HOW'S THE MARKET?

## 2<sup>ND</sup> QUARTER 2015



**BERKSHIRE HATHAWAY** | KoenigRubloff  
HomeServices | Realty Group

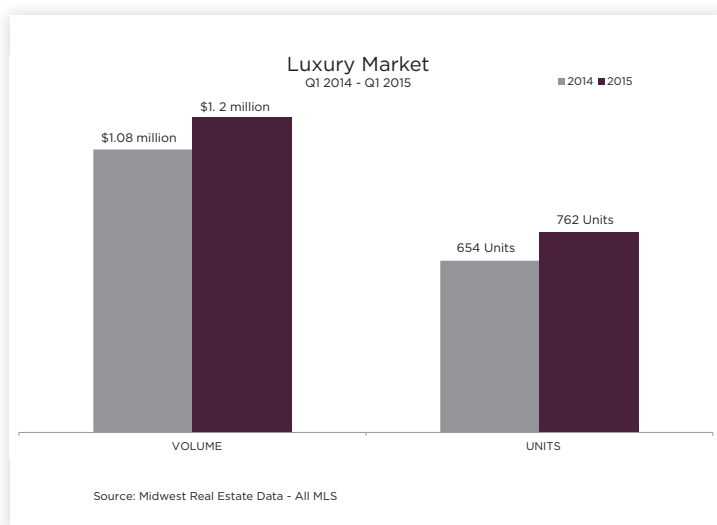
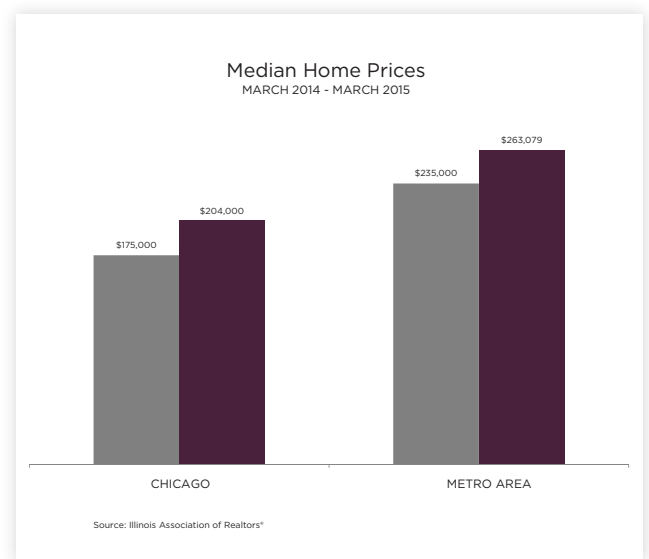
We hear this question all the time, and we're sure you do too. We thought you might like to know how we look at our current market conditions. The real estate market continues to improve and we are pleased to report that both sales and prices had a robust boost in March, and April closed strong as well! Additionally, new construction spending in the Chicagoland area in 2015 is already up 33 percent year-to-date and up 85 percent from one year ago. The luxury market is also thriving with increases of more than 10% in both volume and units from one year ago.

## PRICES

In the nine-county Chicagoland area, the median price in March 2015 was \$204,000, up 16.6 percent from \$175,000 in March 2014. In Chicago, the median price of a home was \$263,079 in March 2015, up 11.9 percent from March 2014's \$235,000. Median home prices in Chicago have recovered 74 percent of prior 2008 levels.

## INTEREST RATES

Mortgage rates inched up slightly, but are still at historical low levels for a 30-year fixed-rate mortgage. Rates averaged 3.68 percent at a 30-year fixed-rate mortgage, offering a continued opportunity to capitalize on advantageous rates for potential home buyers.



## LUXURY MARKETPLACE

Numbers for luxury home sales, which are classified as homes sold at a price of \$1 Million or more, are impressive. Taking into account all of luxury closed listings in Q1 2014 and 2015, percentage increases took place for both units and volume. In Chicago, 18% more units were sold from one year ago. The percentage also went up for units sold on the North Shore, and the most positive news comes from the Harbor Country market, where units sold increased by 36% from one year ago. Market times for luxury properties are down in all regions in the U.S. from one year ago.

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## OUTLOOK FOR SELLERS

Outlook for sellers is very positive heading into spring market. Inventory levels remain very low, while demand is increasing. Prices and existing home sales also continue to rise in the Chicagoland area.

## OUTLOOK FOR BUYERS

Interest rates remain low, signaling an opportune time for buyers to enter the market. We expect to see continued strong sales activity in the market.

## IN SUMMARY

- ▶ Spring market off to a strong start
- ▶ New construction spending in Chicagoland up 85 percent from one year ago
- ▶ Luxury Market continues to thrive
- ▶ Prices continue to rise, with fantastic growth shown in March
- ▶ Favorable interest rates continue at near historically low levels
- ▶ Inventory slightly declined from a year ago
- ▶ Market times have remained stable
- ▶ Low inventory and low interest rates contributing to a balanced market

- Nancy Nagy, CEO and Michael Pierson, President  
Berkshire Hathaway HomeServices KoenigRubloff Realty Group