Metro Chicago Real Estate Market Saw Faster Sales of Fewer Homes in August, While Median Price Continued to Climb, RE/MAX Reports

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ELGIN, Ill. (PRWEB) September 21, 2017 -- August home sales in the metropolitan Chicago real estate market continued to show the impact of a limited supply of property listings. Compared to August 2016, total sales fell 2.5 percent to 11,505 units, the median sales price climbed 3.5 percent to $240,000, and the inventory of homes for sale was down 7.8 percent to 34,619 units.

The most obvious result of the limited inventory has been the rapid pace at which homes are selling. Residences sold in August were on the market for an average of 66 days before finding a buyer, down from 76 days a year earlier. The August average matched that recorded in July, which was the lowest average market time for any month since RE/MAX began tracking that data in 2005.

“The inventory situation doesn’t appear to be improving yet,” noted Jack Kreider, executive vice president and regional director of RE/MAX Northern Illinois. “As was the case in July, the August inventory decline was most pronounced among detached homes. Those listings dropped 8.7 percent, while listing of attached homes fell 5.1 percent.”

However, he also pointed out that a declining inventory doesn’t necessarily mean fewer sales.

“One example of that was in Kane County where August sales were up 2.5 percent although the inventory there declined 12.7 percent and represented less than a three-month supply of homes. In contrast, sales fell 2 percent in Chicago, but the inventory rose 3.4 percent from last August, and there was a 3.2-month supply of homes,” Kreider reported.

Sales data used by RE/MAX is collected by MRED, the regional multiple listing service. It covers detached and attached homes in the Illinois counties of Cook, DuPage, Kane, Kendall, Lake, McHenry and Will. Detached homes are typically stand-alone single-family dwellings. Attached homes include condominium and cooperative apartments along with townhouses.

August sales were lower in five of the seven metro counties and in Chicago, with McHenry joining Kane in recording a modest increase. The median sales price advanced in five counties and Chicago, led by increases of 12.3 percent in Lake and 10.3 percent in Kane. Other gains were 4.7 percent in Cook, 1.9 percent in DuPage, 6 percent in Will and 4.1 percent in Chicago. The median was unchanged in McHenry and fell 2.7 percent in Kendall.

Average market time was under 70 days in six counties and Chicago, with the 83-day average in Lake being the one exception. Kendall had the lowest overall average at just 49 days.

Sales of distressed properties, including foreclosures and short sales, continued to dwindle as a factor in the metro market, accounting for only 7.5 percent of all August sales compared to 12.2 percent a year earlier.
Detached Homes

Detached-home sales slipped 3 percent in August to 7,292 units in the metro area compared with the same month last year. However, that total was 3.5 percent higher than the previous month. The median sales price climbed 3.8 percent to $260,000. Average market time was 75 days, a day less than July and the lowest result for any month since 2005.

Detached-home sales rose 4.7 percent in both Kane and Will, but fell in the five other metro counties and in Chicago. The median sales price rose in all seven counties and Chicago led by an 11.2 increase in Lake and 6.2 percent gain in Kane. Average market times were 80 days or less in Chicago and in every county but Lake, where the average was 94 days.

Attached Homes

Sales of attached homes were only slightly slower in August than they had been a year earlier, falling 1.7 percent to 4,213 units. The median sales price rose 7.8 percent to $204,900 and average market time fell to a speedy 51 days.

Demand for attached units appears especially brisk in some suburban areas,” said Kreider. “Sales volume rose 20 percent in McHenry and 19 percent in Will. Average market times were under 50 days in five of the suburban counties, including an average of just 19 days in Kendall.”

The median sales price rose in six of the seven counties and in Chicago, but was unchanged in Kendall. The sharpest increases were 8.7 percent in Will, 8.3 percent in Kane and 7.9 percent in Cook.

“Attached homes, whether condos or townhouses, are often a moderately priced alternative for those who want to buy but are frustrated by the limited supply of affordable listings in the detached market,” noted Kreider.

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Contact Information
Chris Calomino
RE/MAX Northern Illinois
+1 (847) 428-4200

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