

CRAIN'S CHICAGO BUSINESS

April 17, 2019 08:59 AM | UPDATED 30 MINUTES AGO

More suburban losers than winners in 2019's tough housing market

A Crain's analysis of first-quarter data shows twice as many towns where three key metrics are down as where they are up.

DENNIS RODKIN



Getty Images

A Crain's analysis of first-quarter data shows twice as many towns where three key metrics are down as where they are up.

It's been a tough year so far for the local residential real estate market, with everything from changes in the federal tax code to this winter's double shot of the polar vortex helping put a chill on home sales.

Home sales have been dropping and home prices rising only narrowly **for months**, not only in the Chicago area but **nationally**. Many Chicago suburbs are feeling it, according to Crain's analysis of first-quarter data released this week by the Chicago Association of Realtors and Midwest Real Estate Data.

Prices are down from from a year ago in nearly half of the 121 suburbs Crain's analyzed, and the number of home sales is down in almost two-thirds.

"This should be a busy time for us," said Aly Tesar, a Compass agent who focuses on Winnetka in a sales team with her husband, Justin. Typically, many of their clients get busy in the early months of the year in order to secure their next home ahead of the next school year.

"But it hasn't been what it should be" this year, she said. "A lot of buyers are getting cold feet." The data show a chill in Winnetka's housing market so far this year: Home sales are down more than 16 percent and the median sale price by almost 10 percent. Homes are taking an average of 191 days to sell, 6 percent longer than in the first quarter of 2018.

Some towns have beaten the slump. They're places where the three key metrics—the number of sales, the median sale price and the time homes spend on the market before selling—all improved this year compared to the first three months of 2018.

There are nine of those out of the 121 suburbs in Cook, DuPage, Lake and Will counties that Crain's analyzed. The 121 are towns where at least 25 homes sold in the first quarters of both 2018 and 2019.

The towns thriving in a tough season include a few that have repeatedly shown up on Crain's lists of strong markets: Bolingbrook, Carol Stream, Hanover Park. They're middle-class places perceived to be good values compared with their neighbors. Several others on the list —Midlothian, Park Forest, Richton Park—appear to be among the last corners the housing recovery has reached.

For every suburb winning in this tough climate, two are losing. In 18 suburbs Crain's looked at, including Winnetka, all three metrics worsened in the first quarter compared with last year. **(See lists below.)**

The comparable list of winners and losers among city neighborhoods will be out later this week.

The slowdown has been a wake-up call of sorts, said Cory Kohut, a Berkshire Hathaway HomeServices KoenigRubloff Realty Group agent in Oak Park. Homeowners who just a year

or so ago "saw their neighbors getting multiple offers and selling over the asking price are (finding out) that it's not that way anymore. That petered out."

In Oak Park, both the number of sales and the median sale price saw double-digit drops in the first quarter, with sales there down 11 percent from the first three months of 2018 and median sale prices almost 18 percent. The average time a house spent on the market is 133 days, up from 88 in the first quarter of 2018.

In Oak Lawn, another of the slowing-down 18, Re/Max agent Barry Gaw said one factor putting a drag on the market is the swift increases in interest rates last fall. That caused many potential buyers to hold back, and it's their failure to purchase that showed up as the winter months' lower sales volumes, as home sales that closed in the early part of the year would mostly have gone under contract toward the end of 2018.

Interest rates have been falling again, and the Federal Reserve [signaled in late March](#) that there will be no more increases this year in its rates, which influence but don't steer mortgage interest rates.

With interest rates no longer scaring buyers off, Gaw said, it may turn out that "the market was only taking a breather" in the first quarter.

Winners: Of the 121 suburbs Crain's looked at, these are the nine where home sales and the median price of a home are both up this year, and the average time a home spends on the market is shorter this year than last:

Bolingbrook
Carol Stream
Chicago Ridge
Hanover Park
Midlothian
Palos Park
Park Forest
Richton Park
Volo

Losers: The 18 suburbs Crain's looked at where sales and the median sale price are both down this year, and the average time a home spends on the market is longer this year than last, are:

Arlington Heights
Brookfield

Elk Grove Village
Elmhurst
Evergreen Park
Glenview (includes Golf)
Highland Park
Lisle
Oak Lawn
Oak Park
Prospect Heights
Rolling Meadows
Streamwood
Villa Park
Warrenville
Wheaton
Winnetka
Wood Dale

Inline Play

Source URL: <https://www.chicagobusiness.com/residential-real-estate/more-suburban-losers-winners-2019s-tough-housing-market>