

**Chicago Association of REALTORS®**  
**February 2012 Speaking Points**

C.A.R. speaking points help prepare you to answer questions about Chicago's real estate industry and project confidence and consistency as a voice for Chicago REALTORS®. If you would like to discuss any of your upcoming media or other public speaking opportunities, contact Barbara Matthopoulos, Sr. Director of Communications, or Meredith Morris, Sr. Communications Specialist.

**Market Snapshot**

- In the Chicagoland Primary Metropolitan Statistical Area (PMSA), sales of single-family homes and condominiums totaled 6,090 in December 2011. That's up 17 percent from homes sold in December 2010.
- The median December home price in the Chicagoland PMSA was \$145,000, down 13.6 percent compared to a year ago.
- In the city of Chicago, December 2011 home sales tallied 1,536, up 6.4 percent compared to last December.
- The December median home price within the city was \$156,000, down 6.2 percent compared to December 2010.
- The monthly average commitment rate in the North Central Region was 3.94 percent in December 2011, compared to 4.8 percent last December.

**2011: Year In Review**

- 2011 home sales in the city of Chicago totaled 17,715, down 7.2 percent from 2010. The median city sales price was \$175,000 in 2011.
- There were 69,900 2011 home sales across the nine-county Chicago Primary Metropolitan Statistical Area. That's up 1.3 percent from homes sold in 2010. The median 2011 sales price was \$163,000.

**State of the Market**

- We ended 2011 with an encouraging show of buyers deciding to invest in a home. While the year's overall sales were down from 2010, optimistic signs in December bode well for the spring season.

- We seem to be experiencing some movement among both buyers and sellers who may have been reluctant to enter the market to this point.
- Housing market forecasts in Illinois through March indicate a higher sales volume than a year ago but lower median price.
- While median home prices are a concern, a benefit is that buyers are finding stellar homes priced too attractively to pass up.
- Sellers who price their homes right may be well-positioned to attract interest from buyers who are getting off the fence.
- Until the distressed properties currently on the market clear, and those that will be added in 2012 find buyers, it is difficult to anticipate a median price increase.

### **Chicago Commercial Outlook**

- Overall, commercial property investment and activity is on the upswing compared to last year. Economists from Marquette University and University of Illinois see a gradual strengthening of the U.S. economy continuing throughout the year, as consumer spending and confidence rise.
- “X-factors” include unemployment and residential foreclosures, according to speakers at industry forecast events and January’s IAR Public Policy Conference. Federal intervention in the foreclosure crisis to assist homeowners would aid the nation’s economic outlook.
- Strongest plays in the Chicago commercial market are multi-family residential and industrial, especially warehouse/logistics, said speakers at the recent Illinois Real Estate Journal Commercial Forecast.
- Many Midwest companies are reinvesting in sub-markets like O’Hare, as increased transportation costs convince them to have their manufacturing and inventory closer to the Chicago MSA.
- ICSC sees retail experiencing a slow but steady return. However, the Internet’s impact on large chains like Best Buy and Office Depot and “indie” stores is forcing large retailers to have smaller stores/footprints and “mom-and-pops” to target niche demographic sectors.