

# HOW'S THE MARKET?

## 1<sup>ST</sup> QUARTER 2016

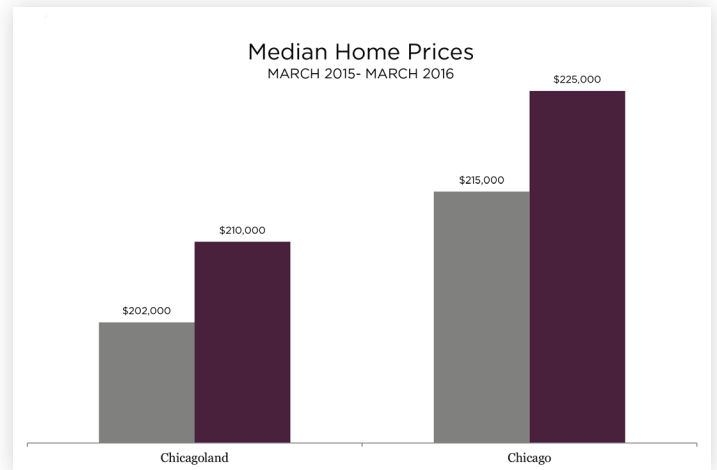


**BERKSHIRE HATHAWAY** | KoenigRubloff  
HomeServices | Realty Group

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. Consumer confidence in the U.S. rose more than predicted in March 2016 to 96.2. Market times are down with homes taking an average of 77 days to sell in March 2016, down from 85 days a year ago. In February 2016, residential construction spending in Chicagoland totaled \$195 million, a 13 percent increase from February 2015.

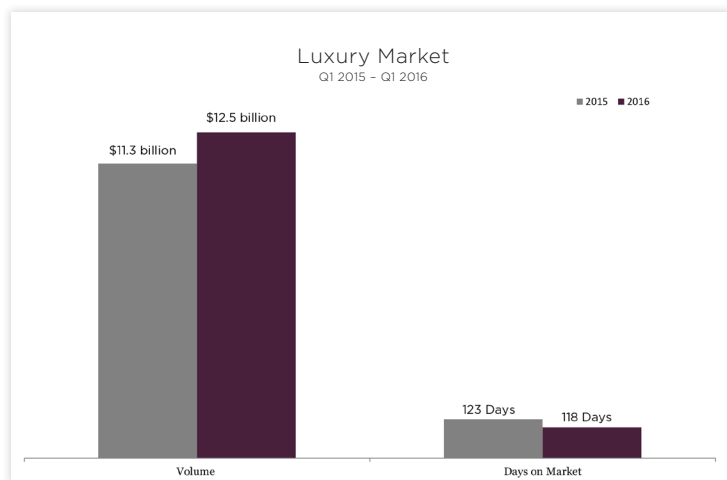
## PRICES

The median price of For Sale properties in the nine-county Chicagoland area increased 4 percent from \$202,000 in March 2015 to \$210,000 in March 2016. In Chicago, the median price of For Sale properties rose 4.7 percent over the same time period from \$215,000 to \$225,000. For new construction properties, prices increased close to 14.7 percent from \$469,800 to \$539,000 from March 2015 to March 2016. Berkshire Hathaway HomeServices KoenigRubloff Realty Group had the highest average sales price in Q1 of 2016 of any major residential real estate firm in the MRED MLS.\*



MRED MLS, All MLS, all property types.  
MRED, Chicago, all property types.

\*Highest Average Sales Price, MRED MLS, All MLS, all property types, from January 1st 2016 to March 31st, 2016, among firms with 1%+ market share.



MRED MLS, Closed Volume, All MLS, Attached and Detached, \$1 million +

## LUXURY MARKETPLACE

The luxury market, which is classified as homes sold at a price of \$1 million or more, is off to a strong start this year. Sales volume of luxury listings is up 8.8 percent in Q1 2016 in comparison to Q1 2015, while days on the market has dropped slightly from 123 in 2015 to 118 in 2016.

In Lincoln Park, Lakeview and Near North neighborhoods, Berkshire Hathaway HomeServices KoenigRubloff Realty Group led the market with 27.2 percent market share from January 1st, 2016 to March 31st, 2016.\*\*

\*\*Market Share Totals, MRED MLS, All MLS, all property types, \$1 million+, from January 1st 2016 to March 31st, 2016, in MLS areas 8008, 8006, and 8007, among firms with 1%+ market share.

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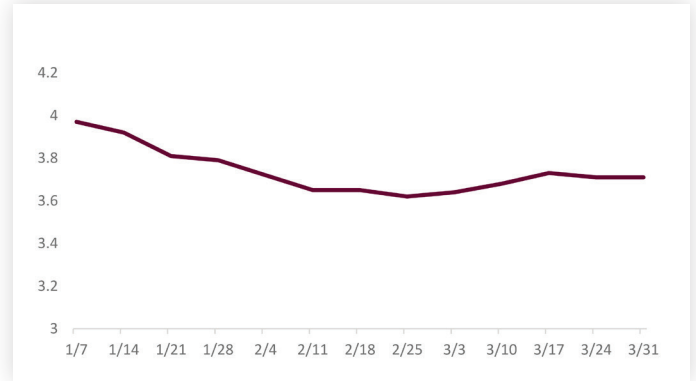
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## INTEREST RATES

Mortgage rates have continued to remain at low levels for homeowners and buyers in 2016. Freddie Mac has reported that levels have been staying at their low mark for the year, beginning 2016 at 3.97 at a 30-year fixed rate and at 3.71 on March 31st, 2016. With existing home sales in March showing a growth of 5.1 percent, the data suggests that home buyers are taking advantage of the continued low mortgage rates.



Source: Freddie Mac - Interest Rates from 1/7/16 - 3/31/16

## OUTLOOK FOR SELLERS

The outlook for sellers is positive, with inventory levels remaining low. As competition among buyers remains fierce, prices also remain competitive.

## OUTLOOK FOR BUYERS

Interest rates have remained low, which should encourage buyers to take advantage when finding the home of their dreams.

## IN SUMMARY

- ▶ Residential construction spending increased
- ▶ Prices continue to rise
- ▶ Favorable interest rates continue at near historic low levels
- ▶ Days on market are down
- ▶ Low inventory and low interest rates act as incentives for buyers
- ▶ Consumer confidence continues to rise

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