

# PATRICK O'ROURKE

## MARKET UPDATE

WILMETTE, IL

- Current Real Estate Market Conditions for Single Family Homes
- Trends in Pricing
- Current Levels of Supply and Demand
- Value Metrics

- Report for the week of  
October 05, 2009

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### This Week

- The median list price in WILMETTE, IL this week is \$720,000. The 239 properties have been on the market for an average of 236 days.

Inventory has been tightening and days-on-market increasing recently. The Market Action Index has been basically flat, not providing strong indication for market conditions.

### Supply and Demand

- The market has settled in at a relative stasis in inventory and sales conditions. It's a Buyer's market that has seen prices trend lower. Expect that consistent up trends in demand will be required before price trends change significantly.

#### Real-Time Market Profile

Real-Time Market Profile		Trend
Median List Price	\$ 720,000	↑↑
Average List Price	\$ 903,149	
Asking Price Per Square Foot	\$ 283	↔
Average Days on Market (DoM)	236	↑↑
Inventory of Properties Listed	239	↓↓
Most Expensive Listing	\$ 5,300,000	
Least Expensive Listing	\$ 219,000	
Average Age of Listing	60	
Percent of Properties with Price Decrease	42 %	
Percent Relisted (reset DOM)	10 %	
Percent Flip (price increased)	2 %	
Median House Size (sq ft)	2652	
Median Lot Size	8,001 - 10,000 sqft	
Median Number of Bedrooms	4.0	
Median Number of Bathrooms	2.5	

#### Altos Research Value Statistics

Market Action	Strong Buyer's	12.5	↔
The Market Action Index answers the question "How's the Market?" By measuring the current rate of sale versus the amount of the inventory. Index above 30 implies a seller's advantage. Below 30, conditions give the advantage to the buyer.			

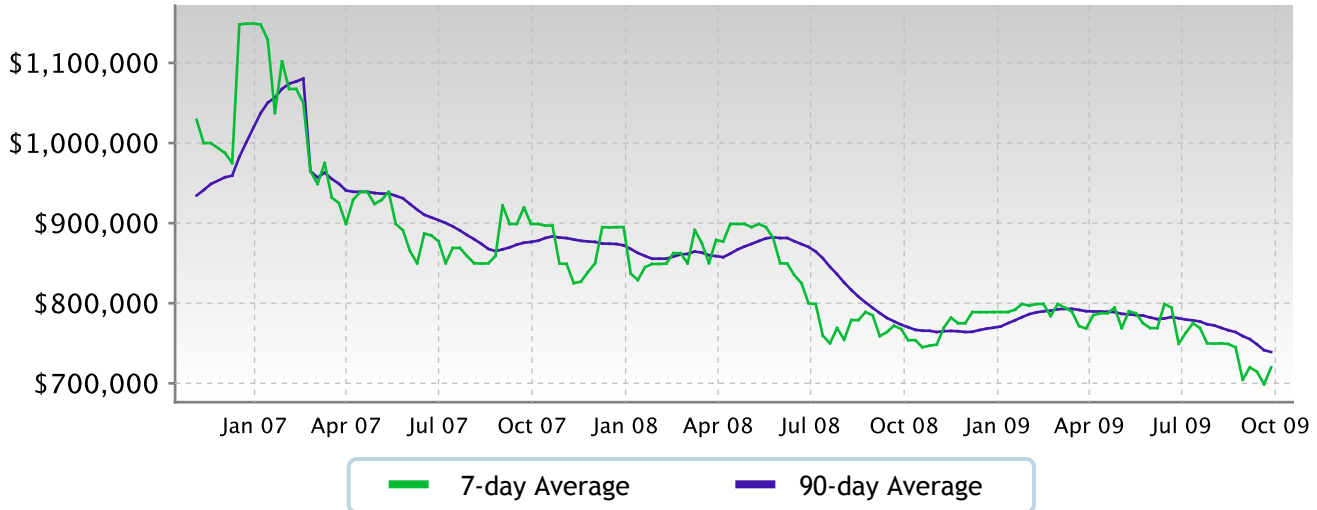
Trend Key:      ↑↑ Strong upward      ↓↓ Strong downward  
 ↔ No change      ↑ Slight upward      ↓ Slight downward trend

### Characteristics per Quartile

Quartile	Median Price	Sq. Ft.	Lot Size	Beds	Baths	Age	Inventory	New	Absorbed	DOM	
Top/First	\$ 1,399,000	4096	8,001 - 10,000 sqft	5.0	4.5	70	59	1	0	287	Most expensive 25% of properties
Upper/Second	\$ 949,500	3030	8,001 - 10,000 sqft	4.0	3.0	62	60	2	1	214	Upper-middle 25% of properties
Lower/Third	\$ 616,000	2287	8,001 - 10,000 sqft	4.0	2.5	62	60	1	7	242	Lower-middle 25% of properties
Bottom/Fourth	\$ 402,500	2012	6,501 - 8,000 sqft	3.0	2.0	52	60	3	3	203	Least expensive 25% of properties

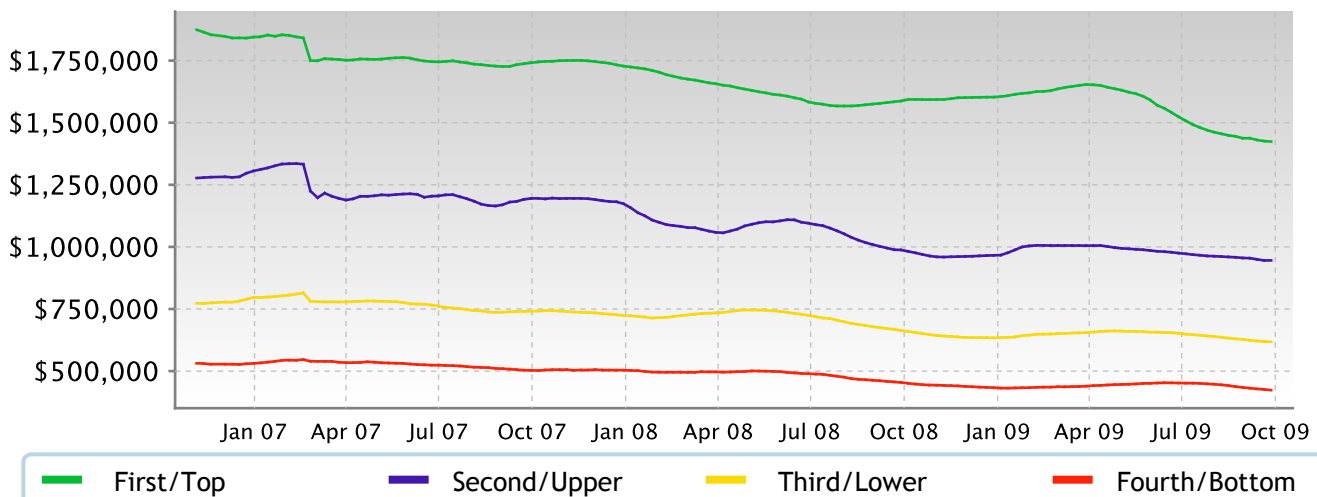
## Median Price

The market for this zip code continues its bounce again this week. We're a long way from the market's high point so watch the Market Action Index to predict how long this trend will last.



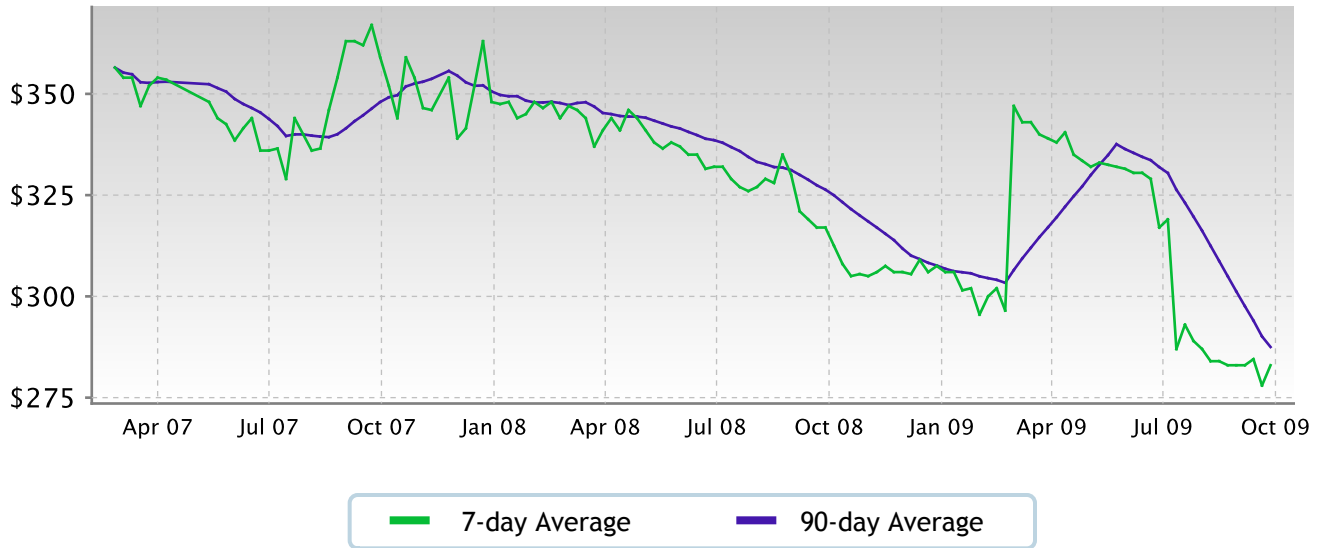
## Quartile Prices

In the quartile market segments, we see the upper end of the market in this zip code showing weakness. While there is enough demand in the low end (Quartiles 3 and 4) to keep prices flat, unless there is a persistent up-shift in the Market Action Index, the entire market may resume a down trend soon.



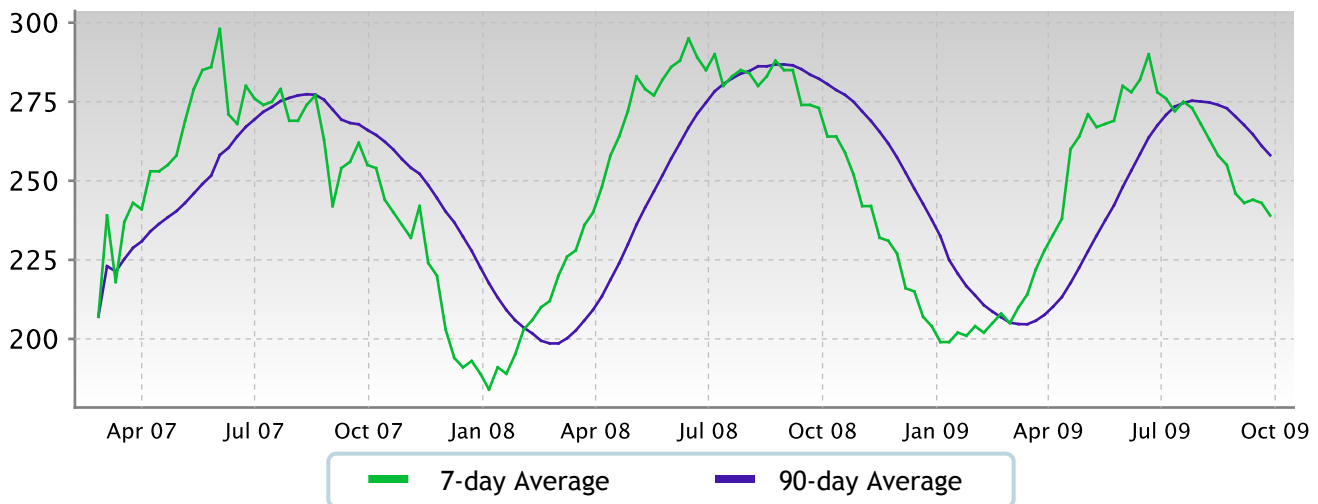
# Price per Square Foot

In a market where prices are rising fairly consistently, price per square foot is essentially flat. This often implies that new homes coming on the market are pricier, and also larger than older homes. As a result the value one can buy stays the same.



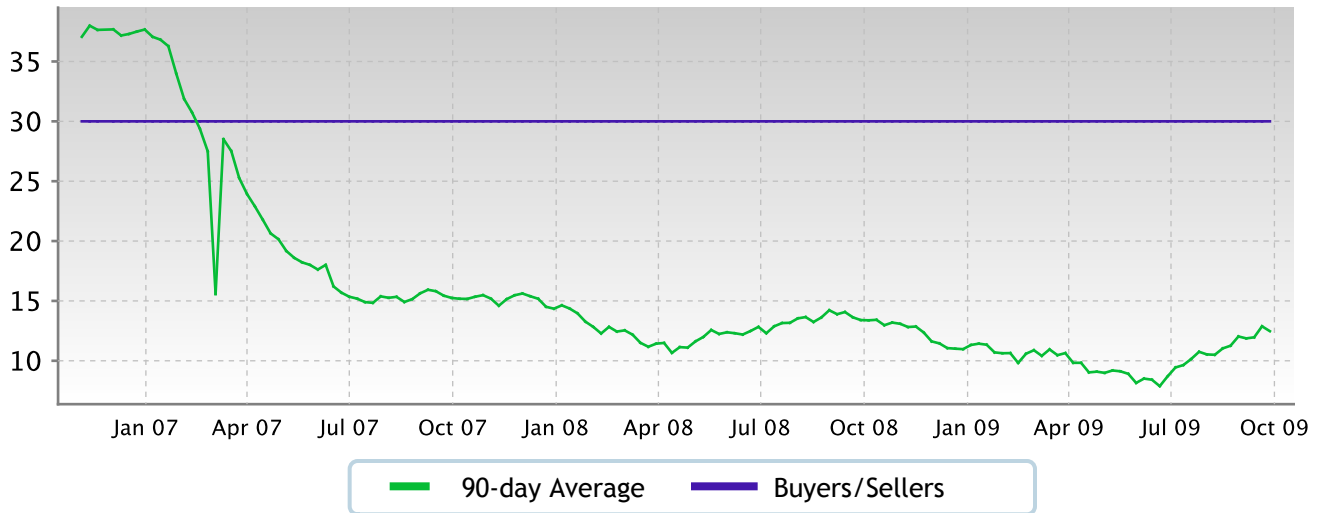
# Inventory of Properties Listed for Sale

Inventory has been falling in recent weeks. Note that declining inventory alone does not signal a strengthening market. Look to the Market Action Index and Days on Market trends to gauge whether buyer interest is changing with the available supply.



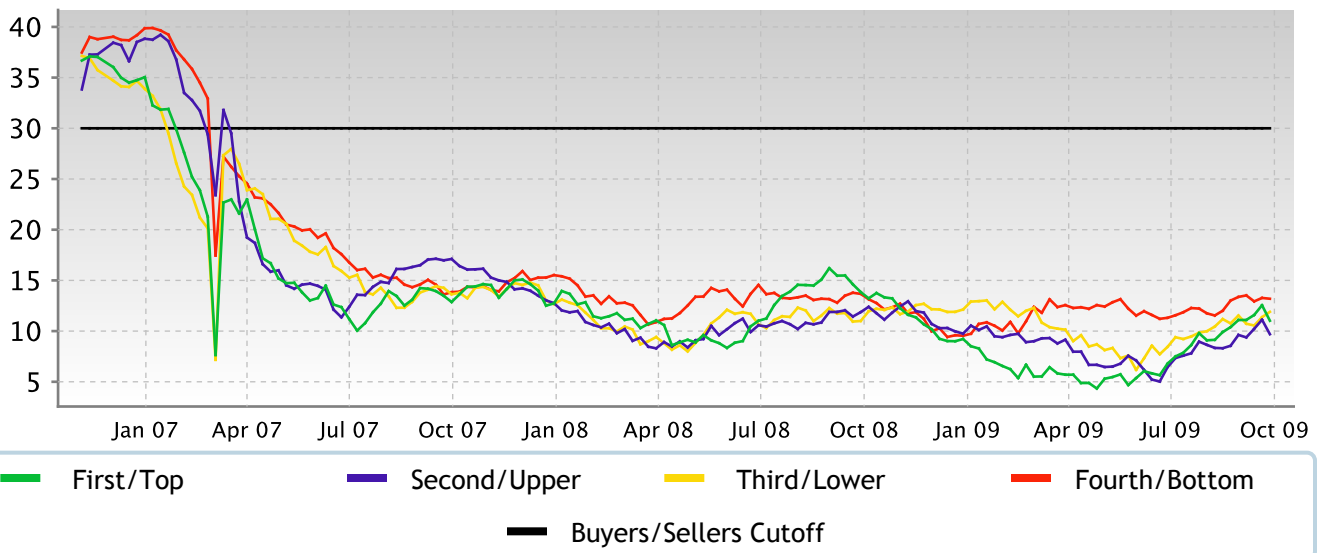
# Market Action Index

The WILMETTE market is currently quite strongly in the Buyer's Advantage zone (below 30). The 90-day Market Action Index stands at 12.47. With several months of inventory available at the current sales rate, buyers should find ample choice.



# Market Action Index per Quartile

Not surprisingly, all quartiles are in the Buyer's Market zone with several months of inventory given the current levels of demand. Watch the quartiles for changes before the overall market shifts.

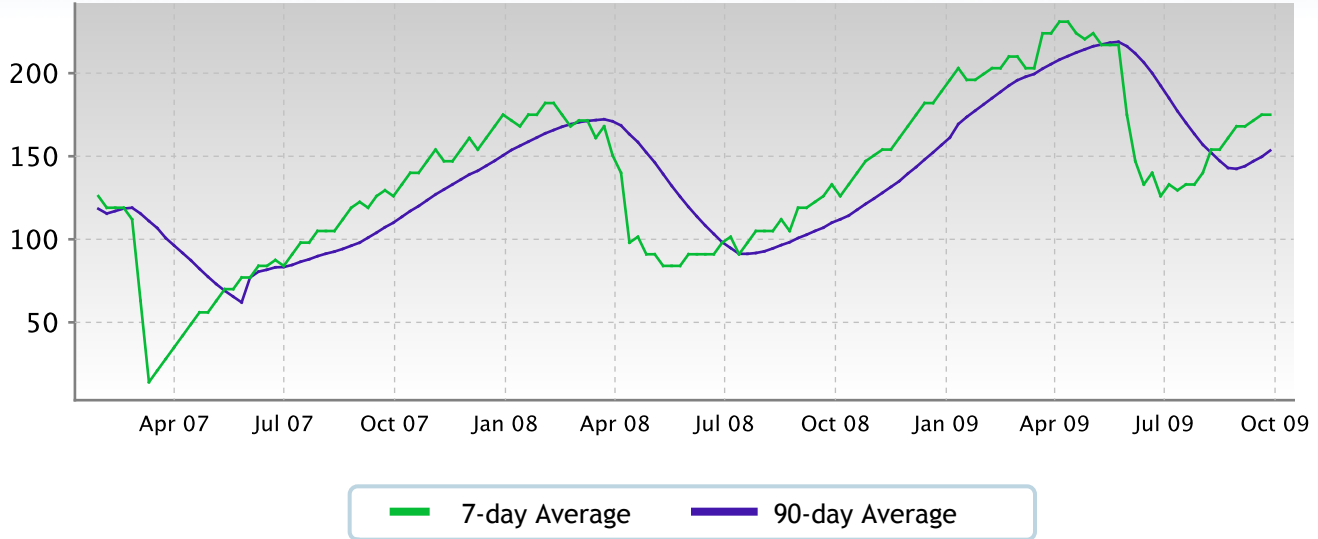


Residential house prices are a function of supply and demand, and market conditions can be characterized by analyzing those factors. Watch this index for sustained changes: if the index falls into the Buyer's Advantage zone (below 30) for a long period, prices are likely in for a downward correction.

The Market Action Index (MAI) illustrates a balance between supply and demand using a statistical function of the current rate of sale versus current inventory.

## Days on Market

The properties have been on the market for an average of 236 days. Half of the listings have come newly on the market in the past 175 or so days.



## Days on Market per Quartile

It is not uncommon for the higher priced homes in an area to take longer to sell than those in the lower quartiles.

