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## Cook County home prices jump

### Single-family figures for 3rd quarter rise 13% from year ago

By [Mary Ellen Podmolik](#), Chicago Tribune reporter

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The value of single-family homes in Cook County sold during the third quarter rose 12.7 percent from a year earlier, the biggest year-over-year gain in at least 16 years, data released Thursday show. advertisement

Year-over-year, third-quarter home prices rose 13.3 percent in Chicago and 12.6 percent in suburban Cook County, according to a quarterly home price index calculated by DePaul University's Institute for Housing Studies.

Countywide, single-family home prices are at levels similar to those seen in early 2002, down about 33 percent from the market's peak. However, areas that experienced little foreclosure activity are stabilizing faster, and their prices are closer to mid-2004 levels.

Meanwhile, home prices in areas with high levels of foreclosure are far below what they were in 1997, when the institute began tracking quarterly prices.

The high point for local home prices was reached in 2006's fourth quarter in Chicago and in the second quarter of 2007 in suburban Cook County.

"The year's first half was particularly strong in terms of prices," said Geoff Smith, the institute's executive director. "In Cook County, the share of total single-family sales to investor-buyers increased from 14.6 percent in 2012 to 20.5 percent in the first half of 2013. That's part of why you saw such strong price growth in the first half."

DePaul's index includes properties only in Cook County. Like the national S&P/Case-Shiller home price index, it looks at repeat sales transactions to determine how sale prices of the same home have fared over time.

Home prices in the third quarter also rose compared with the second quarter, but the gains have moderated.

Compared with the previous quarter, prices rose 3.2 percent in the first quarter, 6.3 percent in the second quarter and 2.7 percent in the most recent quarter.

The local index mirrors the results of other research that shows improving housing trends in the Chicago market as well as in much of the country.

Foreclosure activity continues to decline. About 7,100 properties in the Chicago area received a foreclosure

filing in November, representing a decline of 20 percent from October and down 43 percent from November 2012, according to RealtyTrac.

Somewhat offsetting those types of positive reports, though, are rising mortgage interest rates and price increases, which have caused some investors to slow their purchasing activity.

The Obama administration last week cautioned that the housing market's "overall recovery remains fragile."

On Wednesday, the Mortgage Bankers Association said the average contract rate for a 30-year, fixed-rate conforming mortgage increased to 4.61 percent last week, from 4.51 percent the previous week, the highest rate since September.

"If you look at the broad fundamentals of the economy in the region and other factors in the housing market, you don't see a lot of data on new purchase loans, which would be an indicator that homebuyer demand is growing," Smith said.

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