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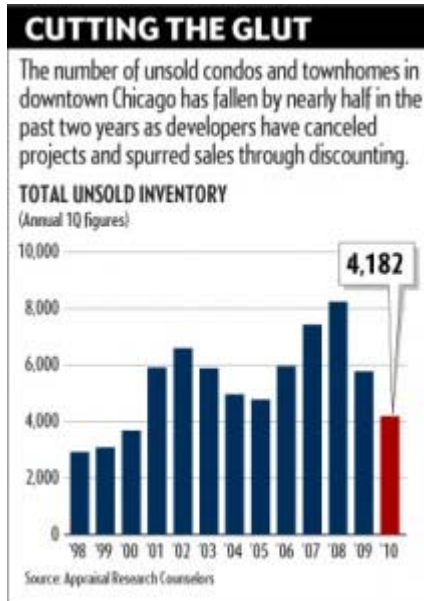
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Downtown Chicago condo logjam finally breaks

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And now for some good news... After several years of sluggish sales, condos in downtown Chicago are finally selling at a healthy clip, according to a recent report.



Is it time to buy a condo in downtown Chicago? Buyers finally say yes.

Downtown builders sold 256 condos and townhomes in the first quarter of 2010, up from 148 in the previous quarter and just 55 in the same period a year ago, according to Appraisal Research Counselors, a real estate consulting firm. Just to be clear, that's **nearly five times as many condos** sold as compared to a year ago!

Of course, this glut of unsold units didn't just miraculously begin to mesmerize buyers. Chicago developers chopped tens of thousands of dollars — sometimes hundreds of thousands — off their prices to attract buyers.

"If you discount, they will come," Gail Lissner, vice president at Appraisal Research, told *Crain's Chicago Business*.

For example, at 565 W. Quincy St. in the West Loop, developer Belgravia Group Ltd. slashed prices on some units by as much as 30%, sparking dozens of sales. The 241-unit project sold 59 condos in the first quarter (a period that coincided with the \$8,000 first-time home buyer's tax credit.)

Other Chicago projects also relied heavily on price discounts to attract buyers, including those at 200 N. Dearborn St., 222 E. Pearson St., the R+D359 development in the West Loop and the 38-story Silver Tower in River North.

Still, Chicago developers are climbing out of a very deep hole (Chicago Spire, anyone?) *Crain's* reports that developers sold only 572 condos and townhomes in 2009 and 592 in 2008, a tiny sliver of the 8,162 they sold at the peak in 2005.