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High-Rise Sales Signal High-End Market Rise

This past month, three condominiums in Michigan Avenue's Park Tower sold for over \$3 million each. The 117 condos above the Park Hyatt hotel at 800 N. Michigan Avenue are among the most expensive in the high-rise market, with some units exceeding \$1,000 a square-foot. The 3,200 square-foot condo on the 47th floor sold for \$3.25 million, the 4,200 square-foot unit on the 48th floor for \$4.05 million, and the 4,200 square-foot apartment on the 53rd floor sold for \$3.18 million. According to Crain's, only seven units at the Park Tower have changed hands this year, including the three condos sold this month. The unit on the 53rd floor, said listing agent Hillary Levy of Baird & Warner, had been on the market for two years and was originally priced at \$4.75 million. "Prices came down to a level where it was priced right," she said. The overall market for luxury condos has decreased over the past year: between Oct. 1, 2010, and Sept. 30 of this year, 232 condos were sold in Chicago for more than \$1 million – about 20 percent less than the previous year's period where sales of the same category amounted to 291. According to data from Midwest Real Estate Data LLC., the average market time for these condominiums has increased from 161 to 230 days in the same time period as well. The listing agent for the 47th floor Park Tower unit, Chezi Rafaeli of Coldwell Banker, is optimistic that the high-end market will improve in the coming months. "It's becoming a limited inventory because no one's building," he said, noting that only a couple of three-bedroom units remain unsold at the Trump International Hotel & Tower. Rafaeli also mentioned that the demand for condos more than 3,000 square-feet has been strong and expects prices to rise in the next year. Potential buyers interested in the high-end market can look forward to two high-end residences with expected completion dates to be sometime next year. The Ritz-Carlton Residences on Michigan Avenue will feature condos listed at an average of \$1,200 per square-foot, and the Lincoln Park 2520 lists the average unit at \$871 per square foot, according to Appraisal Research Counselors.