

Too big, too old, priced too high: Lake Forest mansions

By Dennis Rodkin July 09, 2016

Homes in Lake Forest aren't selling.

The average time a home in the quintessential North Shore suburb spends on the market is one of the highest in its peer group: for homes that sold in May, it was 186 days. As of mid-June, Lake Forest had 97 homes listed for sale that had been on the market for at least six months, considerably more than its peers, several of which had fewer than 20. Hinsdale had 46 and Highland Park had 57.

"It's been slow up here," says Marina Carney, a Griffith, Grant & Lackie agent. "We're all feeling it," says Sue Beanblossom, a Berkshire Hathaway Home-Services Koenig-Rubloff Realty Group agent in Lake Forest. "It takes a long time to get something sold in Lake Forest today."

At the end of May, Lake Forest had enough homes on the market to supply 14.5 months' sales, according to Midwest Real Estate Data. In nearly all its peers—North Shore suburbs and Hinsdale—the inventory is much lower, between three and 10.5 months at the end of May. A real estate industry rule of thumb is that six months of inventory indicates a healthy, balanced market.

Lake Forest is larger than Winnetka by half, but in terms of big-ticket home sales, Winnetka has seen seven \$5 million-plus homes sell in the past three years. In Lake Forest, it's four.

The problem lies in Lake Forest's aged housing stock, high asking prices, unmotivated sellers and a long commute to downtown, real estate agents say.

Lake Forest is full of older mansions, built large enough to accommodate a family with a staff of servants. These homes don't suit contemporary buyers who "want it move-in ready," says Doug Anderson of Blue Fence Realty, based in Lake Forest. One example: **Mayflower Place**, a mansion built in 1913 atop a bluff for the Schweppe family, has been for sale for most of the past nine years. It came on the market in July 2007 at \$18 million and most recently was listed at \$9.45 million.

Art Miller, a local historian and longtime student of Lake Forest's historical mansions, thinks Mayflower Place has three strikes against it—and they're all symptomatic of Lake Forest's overall real estate doldrums. "It's too big, it's old," Miller says. "And the price is too high." His suggestion for the investors who own the 25,000-square-foot Mayflower Place: Carve it into three or four smaller homes.

Overpricing is a nagging issue in Lake Forest, several agents say. While sellers can be overly optimistic in any town or neighborhood, Anderson says it's more common here in part because "there's not the same sense of urgency about selling."

Owners of large mansions may have other homes—maybe a Florida villa or downtown Chicago condo—and their financial position doesn't push them to sell the main house before buying something else. Even if the Lake Forest address is their only one, "they can live in it until the right number comes along," he says.

But the market may be telling those sellers to stop waiting. A mansion on Mayflower Road once owned by members of railcar magnate George Pullman's family **came on the market** recently with an asking price of \$4.9 million, or less than three-quarters of the nearly \$6.6 million the sellers paid for it 15 years ago.

The owners of a 10-year-old house on Kennicott Drive listed a four-bedroom in January at just under \$1.8 million, or about 85 percent of their 2007 purchase price. They **closed the sale** in early June at about \$1.47 million. "That was disappointing for my sellers and for me," says Beanblossom, who handled the sale. "But they

wanted to get it over with.”

Through May, homes in Lake Forest this year went for 89 percent of asking price, according to Midwest Real Estate Data. All other peer communities except tiny and extraordinarily wealthy Kenilworth are higher.

Oversupply and slashed prices are good news for buyers. Anderson recently represented a couple who bought a [home on Anna Lane](#) for about \$2.2 million, about \$50,000 less than the sellers had paid for it in 2010. “It was exactly what they wanted,” he says, “and because of the amount of inventory on the market, they were able to get a really good deal.”

Two agents who specialize in the upper end of Lake Forest's market say a turn may be coming.

Queries by out-of-town buyers picked up in late spring, Carney says. “I've had more high-end clients come to town in the last six weeks than in the last six years,” she says. Some are residents of more expensive places like California checking out how far their millions will stretch here, she says.

Jeannie Emmert of Coldwell Banker says she thinks tech industry millennials will eventually find their way north. “They want the penthouse condo and the downtown life now,” she says. “But when they have a few kids growing up and they want the schools and the privacy we have up here, they'll come. They're making the money to buy these estates.”
