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February 16, 2007

Dear Real Estate Professionals and Industry Friends:

Attached you will find our newest Monthly Market Pulse, which reflects January 2007. This month, in preparation for our Spring Marketplace, Bob and Chip decided to play a little game of Myth-Busters (the popular Discovery Channel program). The question is, does our real estate market really “pick-up” after Super Bowl Sunday.

For years, our markets have always been known to be cyclical through the seasons – more so than the Warm-Belt regions in the country. It has often been said and repeated, the slowest time of the year for residential real estate activity is between Thanksgiving and New Years Day, and it begins picking up in the new year, and even greater after Super Bowl Sunday. This year, our Chicago Bears were in the Super Bowl so there were probably very few showings on Sunday, February 4, 2007 in the Chicago area.

It is known that our “Spring” market is when a majority of homes are purchased – so they can close and move into the new home by Summer, and before children start school in the Fall.

Super Bowl Sunday is that magic day. The old saying it picks up is because the ladies can get their husbands off the couch on Saturdays and Sundays to look at homes now that college and professional football season is over... (or it could be vice-versa)

So, what is really happening??? What do the statistics say? What is market activity – increase in listings or increase in contract pendings or both? With the inventory supply build-up from 2006, we certainly hope the pendings will outpace the listings.

In the spirit of the show “Myth-Busters” – let’s find out – did the market pick up after Super Bowl Sunday? Fact... or Fiction.

STATISTICS AS OF FEBRUARY 4, 2007 – SUPER BOWL SUNDAY
DETACHED HOUSING

Area	Population	Actives	Avg. Active LP	Under Contract (Pend+Ctg)	Solds-last 12 mos.	Avg. Sold SP	Months Supply
Chicago	2,869,121	6,349	\$421,591	1,274	9,737	\$347,696	6.92
Suburban Cook	2,488,656	11,579	\$473,630	2,174	20,718	\$354,338	6.07
DuPage	928,718	4,399	\$648,640	667	7,615	\$426,822	6.37
Kane	472,482	3,241	\$401,806	570	5,561	\$300,240	6.34
Kendall	72,548	1,109	\$363,226	176	1,546	\$287,930	7.71
Lake	692,895	4,822	\$614,648	751	7,635	\$415,993	6.90

McHenry	296,389	2,538	\$383,928	359	3,700	\$287,651	7.50
Will	613,849	4,315	\$368,266	752	8,047	\$284,534	5.88
*ALL		42,825	\$453,631	7,464	70,452	\$336,463	6.60

ATTACHED HOUSING (Condos/Townhomes/Duplexes)

Area	Population	Actives	Avg. Active LP	Under Contract (Pend+Ctg)	Solds-last 12 mos.	Avg. Sold SP	Months Supply
Chicago	2,869,121	13,295	\$403,968	6,192	23,097	\$336,912	5.45
*ALL		28,141	\$319,261	9,444	52,003	\$263,977	5.50

**All includes entire MLS, in addition to counties noted above*

STATISTICS AS OF FEBRUARY 15, 2007 – 10 DAYS AFTER SUPER BOWL SUNDAY: DETACHED HOUSING

Area	Population	Actives	Avg. Active LP	Under Contract (Pend+Ctg)	Solds-last 12 mos.	Avg. Sold SP	Months Supply
Chicago	2,869,121	6,504	\$423,131	1,374	9,700	\$349,418	7.05
Suburban Cook	2,488,656	11,884	\$481,030	2,423	20,626	\$355,895	5.97
DuPage	928,718	4,546	\$640,663	811	7,596	\$426,480	6.49
Kane	472,482	3,301	\$402,017	646	5,544	\$299,892	6.40
Kendall	72,548	1,133	\$362,719	211	1,530	\$288,401	7.81
Lake	692,895	4,886	\$619,312	864	7,624	\$415,715	6.91
McHenry	296,389	2,651	\$383,928	387	3,684	\$287,565	7.93
Will	613,849	4,393	\$368,194	829	8,033	\$284,336	6.04
*ALL		43,789	\$455,011	8,351	70,282	\$336,833	6.68

ATTACHED HOUSING (Condos/Townhomes/Duplexes)

Area	Population	Actives	Avg. Active LP	Under Contract (Pend+Ctg)	Solds-last 12 mos.	Avg. Sold SP	Months Supply
Chicago	2,869,121	13,661	\$404,536	6,702	23,062	\$338,411	5.51
*ALL		28,847	\$320,275	10,311	51,905	\$264,712	5.56

**All includes entire MLS, in addition to counties noted above*

In the first 10 days after the Super Bowl – the market did pick up. There were 964 new listings of detached homes in the entire region – up about 2.25%. At the same time, there was a net increase of 887 properties to go under contract – up almost 12%. DuPage County had the biggest net increase at 21.59%.

Area	Pending 2/4/07	Pending 2/15/07	Percent Increase
Chicago	1274	1374	+ 7.85%
Suburban Cook	2174	2423	+11.40%
DuPage	667	811	+21.59%
Kane	570	646	+13.33%
Kendall	176	211	+19.89%
Lake	751	864	+15.05%
McHenry	359	387	+ 7.80%

Will	752	829	+10.24%
*ALL	7,464	8,351	+11.90%

For the attached homes, there was 706 new listings to enter the marketplace, which is a 2.51% increase. And there were almost 867 properties went under contract – up about 9.18%.

It is important to also point out that during the same 10-day period, we continued to see declines in closed sales volume, which is a result of our slow fourth quarter activity that are now closing. This has kept the inventory levels increasing upward slightly.

The positive news is the market has picked up after Super Bowl Sunday. So, we have proved that it is a “FACT” that the real estate market does pick up after Super Bowl Sunday. Just 10 days after, we saw an increase of contract pendings from 9% on attached housing and 12% on detached housing.

Let’s hope this trend continues in the coming weeks as the real estate market heats up! Thank you for all of your comments and feedback. We are grateful for your referrals.

BOB & CHIP

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