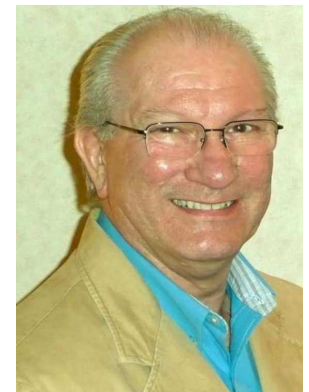


July/Aug 2008 NEWSLETTER



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10 Facts to Know About Today's Illinois Real Estate Markets

Still an inflation hedge?

Raw materials for construction are commanding sky-high prices, including oil, diesel, copper, steel, and cement. In the past five years the consumer price index has risen 18 percent, while the producer price index for construction has increased 39 percent during the same period. But real estate has historically been a good hedge against inflation.

1. There is no such thing as a national real estate market.
 2. Illinois home values are stable (comparatively).
 3. A house is a place to make a home, not just a buck.
 4. \$11.9 billion = economic impact of Illinois residential real estate sales.
 5. There are hundreds of reputable mortgage lenders ready to do business.
 6. The market favors Illinois' first-time buyers.
 7. Owning a home builds wealth in a way that renting can't.
 8. It's prime time for second homes.
 9. Getting help from an Illinois REALTOR® is a smart financial decision.
 10. Now is a good time to buy.
- Call or email Doris or me if you would like to know the support details behind any of these 10 statements. Or I can email you a color brochure of these 10 Illinois Real Estate facts.

HOMES SOLD IN GREATER CHICAGOLAND AREA NORTH*:

STANDARD HOME = Detached single family 4 bedroom, 2 1/2 baths, basement & 2 car garage.

As of 8/31/08:

MONTHS AGO	24	12	9	6	3	2	1	6 Month Period Trend
# SOLD	3,460	1,498	1,115	872	492	340	163	↑
TIME to SELL (days)	144	166	174	172	166	161	159	↓
SOLD \$	\$449,589	\$434,719	\$430,371	\$432,265	\$442,617	\$436,694	\$441,210	↑
FINAL ASK \$	\$469,216	\$456,745	\$453,648	\$455,153	\$465,749	\$461,053	\$466,467	↑
CHNG TM TO SELL	-	22	8	-2	-6	-5	-2	↓
% CHNG TM TO SELL	-	15%	5%	-1%	-3%	-3%	-1%	·
CHNG SOLD \$	-	-\$14,870	-\$4,348	\$1,894	\$10,352	-\$5,923	\$4,516	↑
% CHNG SOLD \$	-	-3%	-1%	0%	2%	-1%	1%	↑
# SOLD PER MONTH	144	125	124	145	164	170	163	↑
# CURRENT LISTINGS							1,721	↓
# MONTHS SUPPLY	11.9	13.8	13.9	11.8	10.5	10.1	10.6	↓
	9/06-8/08	9/07-8/08	12/07-8/08	3/08-8/08	6/08-8/08	7/08-8/08	Aug-08	

*MLS Areas Barrington's, Elgin, Chicago Area North, North Shore, and North West Regions & Lake County.

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Still a Buyer's Market

Current real estate market conditions are positive for most buyers: still-attractive interest rates, a large inventory of homes available for sale, and many sellers willing to negotiate their sales prices.

Perna's Corner

A review of my residential sales market chart on page 1 shows a number of positive changes such as:

- * August recording the highest number of monthly sales in over a year!
- * The number of months of housing inventory dropped to it's lowest level in 2008!
- * Total number of active listings dropped for the 1st time in 2008!
- * And the average selling price increased for only the 2nd time in 2008!

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Still not all is sweet for Sellers. The chart also shows (with using previous published newsletter charts) that the reflected housing market is down 24% these past 12 months compared to the previous 12 months. Not so good either (if you really want to sell your property soon) is that listing prices are only down 3% in the same time period. Obviously, a 24% drop in sales and still a massive available product inventory say that to sell this inventory prices must come down. Today there is much truth to the saying that if you want to quickly sell your property it must be the lowest priced comparable property in the area. Not a problem if your property is the only listed one in the area, but with today's available inventory that is not too likely to be the case for most owners. As my note above says, it still a Buyers Market. Fence sitting Buyers take note! The indicators may be pointing to a coming end of this Buyer's market. Next year?

Speaking of Buyers—1st time Buyers, as hinted in #6 of the 10 Facts to Know.....on page 1, are now eligible for a \$7,500 tax credit. This is a limited time offer! (No I am not selling it! Really, Uncle Sam has limited this offer to July 2009.) Call or email me if you want to know more about this program.

How Have Cook & Lake Counties Done in the Past 12 Months?

ALL RESIDENTIAL SALES JULY & JULY YTD

County	July-07	YTD 2007	July-08	YTD 2008	% Chng Mnth	% Chng Yr	Avg \$ Jul 07	Avg \$ Jul 08	Avg \$ % Chng
COOK	5,386	33,254	4,072	23,980	-24.4%	-27.9%	\$350,462	\$343,939	-1.9%
LAKE	881	5,082	617	3,549	-30.0%	-30.2%	\$432,760	\$376,729	-12.9%