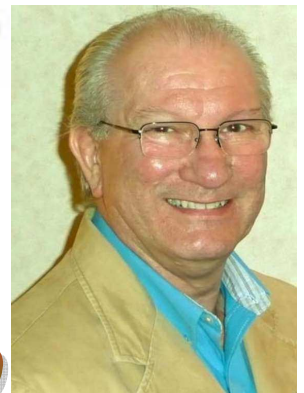




Doris Perna, ABR, CSC
Real Estate Sales Associate



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Happy New Year

We wish you and yours a
happy holiday season and
great success throughout 2010!

HOMES SOLD IN GREATER CHICAGOLAND AREA NORTH*:

STANDARD HOME = Detached single family 4 bedroom, 2 1/2 baths, basement & attached 2 car garage. As of 12/31/09.

PAST # OF MONTHS	24	12	9	6	3	2	1	6 Month Period Trend
# SOLD	2,754	1,381	1,186	850	384	239	122	↓
TIME to SELL (days)	176	181	181	181	195	203	200	↑
SOLD \$	\$393,323	\$370,457	\$372,280	\$372,350	\$365,392	\$367,728	\$377,407	↑
FINAL ASK \$	\$416,920	\$393,401	\$395,023	\$395,140	\$387,182	\$388,281	\$397,362	↓
Sell \$ to Ask \$	94.3%	94.2%	94.2%	94.2%	94.4%	94.7%	95.0%	.
CHNG TM TO SELL	-	5	0	0	14	8	-3	↓
% CHNG TM TO SELL	-	3%	0%	0%	8%	4%	-1%	.
CHNG SOLD \$	-	-\$22,866	\$1,823	\$70	-\$6,958	\$2,336	\$9,679	↑
% CHNG SOLD \$	-	-6%	0%	0%	-2%	1%	3%	.
# SOLD PER MONTH	115	115	132	142	128	120	122	↓
CHNG ASK \$	-	-\$23,519	\$1,622	\$117	-\$7,958	\$1,099	\$9,081	.
% CHNG ASK \$	-	-6%	0%	0%	-2%	0%	2%	.
# CURRENT LISTINGS							1,242	↓
# MONTHS SUPPLY	10.8	10.8	9.4	8.8	9.7	10.4	10.2	↓
	1/08-12/09	1/09-12/09	4/09-12/09	07/09-12/09	9/09-12/09	11/09-12/09	Dec-09	07/09-12/09

Inside this issue:

- Perna's Corner 2
- Home Buyers Tax Credit Extended and Expanded 2

*MLS Areas The Barringtons, Elgin, Chicago Area North, North Shore, and North West Regions & Lake County.



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Service is Our Promise to You!

Perna's Corner

2008's last issue predicted a better housing market in 2009 as compared to 2008. For the market we track, (see page 1's market data chart) let's look at the sales results for the past 3 years in the month of December:

<u>4 Bedrooms sold in my marketing area:</u>	2007	2008	2009	2009 to 2007
	December	December	December	December
Average Selling Price	\$398,425	\$354,114	\$377,407	
Change in Selling Price		-\$44,311	\$23,293	-\$21,018
% Change in Selling Price		-11.1%	6.6%	-5.3%
# Homes Sold	52	85	122	
Change in # of Homes Sold		33	37	70
% Change in # of Homes Sold		63.5%	43.5%	134.6%

The average sales price per home in our market increased 6.6% from 2008, or by \$23,293. A nice improvement, not enough to make up for the decrease of 2008, but the average selling price did regain more than half it's 2008 loss. The increase in the number of homes sold indicates there definitely are Buyers out there shopping. Shopping is the key word! These Buyers greatly fear overpaying (hey, look at the recent past and the current unemployment numbers)! So generally they are only going to buy the home that meets their requirements **AND** that they believe is a **BARGAIN** (not what their agents believe, what they believe).

So for **Sellers** the news is good—there are a LOT of **Buyers** out there looking for a home. (At their price.)

So for **Buyers** the news is good—there are a LOT of homes for sale **and** mortgage rates are still at historical lows. (But look at our 6 month trends on page 1's chart, housing inventory continues to drop—although we should get our spring uptick in inventory.)

I think 2010 is going to be a good year, but not the super year I anticipated in PPG's December 2008 newsletter. The economic recovery is still too tenuous to get a *super year for 2010*.

First-Time Home Buyer Tax Extended and Expanded

As the deadline for the First-Time Homebuyer Tax Credit crept closer, it became a clear priority on the Hill. An extended and expanded home buyer tax credit is a part of a larger bill that also extends unemployment benefits. *This bill was signed by President Obama on Friday, November 6.* All new provisions became effective on November 7th. The bill essentially remains intact but has a handful of important changes:

1. **Existing homeowners** who lived in their previous home for 5 out of the last 8 years will be eligible for up to a **\$6,500** credit.
2. The **income limits** have been bumped up \$50,000 to **\$125,000** for individuals and up \$75,000 to **\$225,000** for couples.
3. Those who qualify will have until the end of **April, 2010** to find their new home and have a **signed contract** on it. They will have until the end of **June to close**.
4. **Military, foreign services and intelligence employees** with extended active service may qualify for a few **special provisions**, including an extra year to take advantage and they may not need to repay the credit if they move during the first three years.
5. The home purchased must be **less than \$800,000**.
6. Must be **over the age of 18** and not classified as a dependant for tax purposes to qualify.