

*Note: For best results, this e-mail needs to be in HTML format. Plain text will remove the tables in this newsletter. A PDF of this letter is attached to this e-mail.*

March 18, 2007

Dear Real Estate Professionals and Industry Friends:

Attached you will find our newest Monthly Market Pulse, which reflects February 2007 statistics. We are excited to make two announcements this month.

First and foremost, our web page now has our market reports on them. Secondly, the monthly reports have been tweaked with new enhancements which we hope you will find helpful.

First of all, our web page... if you have not visited it lately, we have been working hard to overhaul it. Please take a moment and visit us at [www.headrick-wagner.com](http://www.headrick-wagner.com).

We are still working to archive the previous reports in a format that is user-friendly. Moving forward, the most current reports will always be uploaded. A new feature was also added which allows you to enter your own market data to produce your own custom inventory reports. In many of our office visits in the past year, you have mentioned that you would find this valuable.

When visiting our page at [www.headrick-wagner.com/report.asp](http://www.headrick-wagner.com/report.asp), you can click the link titled "Create your own personalized report" and a brief explanation of calculating inventory levels will appear. Then at the bottom fields that allow you enter your own data that you download from the MLS. Your name, e-mail address and telephone number are the first fields in the event that you wish to use the page in your marketing materials for your clients. Then it asks you for the title of the report, the number of the listings, number of pendings and number of sales in the past year. Once entering the data, you can now formulate your own sub-market statistics that can be printed and put into your marketing materials. You can use our market data for a community or a price range, and then present your custom report based upon the parameters that you select.

Secondly, our reports have been tweaked and enhanced. The page spacing has been cleaned up. We have added a new row titled "ALL" which will report the days on market and months supply for the entire community is reported in addition to the price ranges. In communities with higher priced housing, including North Shore areas and Hinsdale and Oak Brook, we have removed the \$300,000 to \$500,000 category and replaced it with a \$2,000,000 to \$3,000,000 category.

Finally, we have been closely following our markets to try to analyze any trends that may be signs of an improving real estate market. As always, some areas seem to be improving, while other areas continue to suffer from extended marketing times and oversupplied inventory levels. It seems as though communities that have strong

competition from new construction are the areas that continue to have a difficult time with competition.

Below are the results from the *net increase*\* in pending sales that have occurred in the past 6 weeks (since Super Bowl Sunday)

Area	Pending 2/4/07	Pending 3/18/07	Percent Increase
Chicago	1274	1491	+17.03%
Suburban Cook	2174	2713	+24.79%
DuPage	667	1004	+50.52%
Kane	570	725	+27.19%
Kendall	176	239	+35.80%
Lake	751	1026	+36.62%
McHenry	359	445	+23.96%
Will	752	954	+26.86%
**ALL	7,464	9,506	+27.36%
**includes areas not reported above			

\**net increase* includes new contract pendings, as well as removing any previous pendings that have since closed or fell through. It is not the actual increase, as the number is rolling.

So the good news is contract pendings have heated up. This is expected at this time of the year. At the same time, actual inventory continues to grow as homes continue to enter the marketplace. The attached absorption studies show the three month change in trends.

If your office would like us to come in and do a presentation, please contact either one of us and we can discuss how we can help you. Thank you again for your support and we look forward to working with you in 2007.

BOB & CHIP

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