



MACK *in the Media*

3rd & 4th Qtr 2011



The MACK Team



Why housing deserves a home in your portfolio.

[click the headline to read the entire article](#)

November 4, 2011

MACK Vice President of Sales and Marketing, Eric Workman, was interviewed on the benefits of owning managed investment properties as part of an investor's portfolio. "It's geared toward your business owners and professionals who want to diversify their portfolio of investments and want to get benefits that come along with owning real estate," said Eric Workman, vice president of sales for MACK Companies, which is based in the Chicago area. "Owning real estate without having someone else manage it for you becomes a full-time job," he said.



From Dreams to Disrepair to Dreams Again.

[click the headline to read the entire article](#)

November 2, 2011



CNN Money visited MACK in early October for a feature piece on the lifecycle of a foreclosure and the impact on the lives of the families who are losing their homes. The story profiles a MACK tenant who once lost a home and now thanks to MACK is back in a home that they love and have the opportunity to buy!

[click the video to watch the entire piece](#)



Northern IL Real Estate Magazine profiles MACK.

[click the headline to read the entire article](#)

October issue

Northern Illinois Real Estate Magazine sat down with real estate developer, James "Mack" McClelland, founder of MACK Companies to glean some insight into the process of developing bank-owned properties.



MACK sits down with Multi-Family Executive Magazine.

[click the headline to read the entire article](#)

MACK Companies CEO James McClelland discusses the impact of shadow inventory and property management with Multifamily Executive Magazine.



Chicago Tribune profile of MACK Companies.

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The Tribune’s Money and Real Estate section interviewed the founder of MACK Companies James McClelland on the business of investment properties and community development.



The New Renters: CNBC discusses the renters market.

[click the headline to read the entire article](#)



[click the video to watch the entire piece](#)

CNBC recently reported that millions of Americans who lost their homes in foreclosure are driving demand in the rental market. So much so that Oliver Chang, Morgan Stanley’s head of U.S. housing strategy and research believes it is time for institutions such as hedge funds and private equity to enter the Single Family Rental market.



THE MACK POSITION

[click the headline to read the entire article](#)

HOW The Lessening of The Shadow Inventory BENEFITS US ALL

Recently the team at CoreLogic, one of the nations premier Real Estate research firms, released a report on the lessening of shadow inventory in the United States. Shadow Inventory is the number of homes that are either seriously delinquent or in the process of foreclosure. At MACK, we see this as a good thing! The lessening of shadow inventory shows how the current market is working its way through the glut of distressed inventory. We are the largest redeveloper in all of the Midwest and are currently on pace to move through 200 homes per year...an impressive number, but only a drop in the ocean of the 1.6 million still in the “shadows”. We have always contended, that there is business out there for us all, MACK alone can’t work through this inventory! Increased investor activity, loosening of banking standards, and government sponsored homeowner refinances have all played a part in lessening this inventory. As shadow inventory levels decline, a higher percentage of sales in the market will become non-distressed and eventually higher/more stabilized home prices will follow. Good for us all!

- Mike Lane

VP of Operations

The MACK Position

What Maslow and eCommerce mean to your investment strategy.

Question: Now that you are such a large company, why do you still focus your investment dollars on single-family residential properties? Don't you want to get into the commercial realm?

That question, or a variation thereof, is asked of us nearly every day. To us, the answer has always seemed obvious...regardless of the economy; people ALWAYS need a place to live. Very recently articles published by the [Wall Street Journal](#) and [Morgan Stanley](#) have helped strengthen that position.

Commercial properties have a tremendous amount of appeal. The thought of driving by an office building or a strip center and calling it 'yours' is attractive, and it's certainly easier to show off a commercial property than it is 100 single family homes. As the Wall Street Journal points out though, the future for commercial properties is weak at best. The success of a commercial investment rides with the success of the overall economy and the good fortunes and business success of your tenants. The simple movement of our society towards eCommerce, the ability to buy goods from home without having to actually visit businesses, calls into question how important an actual storefront will be in the future. When your investment is dependent upon the success of a business, and yet that business' success isn't dependent on your property you find yourself in a precarious investment scenario.

Our philosophy on investing is quite simple - for any Real Estate investment to work, the rent must be paid. The best way to ensure that the rent is paid is to tenant the property with the highest quality tenant...a tenant that not only wants to be in the property, but needs to be in the property. Maslow wrote long ago that one of our top needs as humans is shelter. From caves to Country Club Hills, people have always sought out adequate places to call home. And as Morgan Stanley points out, more and more people are choosing to rent that home.

With a growing tenant base, the clear need for housing, a society moving towards rentership, and a populous moving away from buying goods in stores, we feel good not only about our current portfolio position and but also that of our growth strategy. Do you?

- Eric Workman
VP of Sales