

## ***A 21<sup>st</sup> CENTURY REAL ESTATE RECESSION***

**March 2008**

For many of us, the present economic state of affairs weighs heavy on our minds. Today's stock and real estate markets are eroding financial equity at a frightening pace, leaving investors and property owners uncertain about how to best navigate through the duration of our current recession, which is likely to continue for several more months - perhaps years, if the mortgage lending markets are not fully restored.

My area of expertise is real estate asset management. My services involve selling or liquidating real property, including distressed properties (short sales, etc.); facilitating real estate investments, such as the purchase of personal residences and investment properties; tax deferred exchanges; business opportunities; and trust deed investments, a relatively conservative, high yielding investment offering collateral - meaning your capital investment is protected.

The approach I have found to be effective during economic recessions is focusing on liquidity: converting real estate and stocks into cash, or other collateralized investments which can be easily converted into cash. Cash goes up in value relative to real estate and stock during recessionary periods, resulting in much greater purchasing power as values decline.

Rural and suburban properties can illustrate how this approach is effective during economic downturns. Statistics show that most prospective buyers in rural and suburban areas are not local, but from areas where property is more expensive. A common perception held by urban buyers is that they are receiving more value for their money when purchasing property in suburban and rural areas, particularly during periods of property devaluation. As such, my marketing effort targets buyers from areas of appreciably higher property values due to more market liquidity.