

THE 21st CENTURY REAL ESTATE RECESSION UPDATE

March 2009

With all of the changes and resulting confusion concerning the economy, most people are financially paralyzed and waiting for signs of economic sustainability before making any significant investment decisions. Other people have already identified the opportunities created by this radical change in our economy and are purchasing real estate for less than half of the cost of the improvements on the land. In an effort to mitigate losses, banks are unloading properties at deep discounts through short sales and foreclosures. In my opinion, the timing is perfect for investors to become engaged with the real estate market.

The key to making money in real estate, given our current set of circumstances, is to liquidate present investments, even at a loss, and capitalize on the abundance of distressed property which can be purchased at a very deep discount. These discounts will more than offset any loss incurred when liquidating for the purpose of restructuring your portfolio. Moreover, buying at a deep discount will set up your portfolio for higher future returns.

Without question, real estate is the foundation upon which our economy has prospered. The only asset more powerful than real estate is education. Learning how real estate ultimately impacts your financial wherewithal is something I can help guide you through.