

This Free E-Book is brought to you by Natural-Aging.com.

100% Effective Natural Hormone Treatment
Menopause, Andropause And Other Hormone Imbalances
Impair Healthy Healing In People Over The Age Of 30!

Real Estate Housing Bubble Bursts

By Bob Schwartz

Shanghai's housing market into double digit decline!

The LA Times ran a story on March 4th. on the bust of the Shanghai, China, real estate market.

In one of the world's hottest housing markets, the last three years saw a doubling of prices. Things are now so bad now that thousands of real estate offices have closed, many homeowners have loan amounts that are greater than their properties resale value, recent buyers are fighting with developers to rescind their purchases, and banks are awaiting a wave of mortgage defaults.

Morgan Stanley's chief Asia economist said "Shanghai's housing slump is only going to worsen and imperil a significant part of the Chinese economy". About the property now under construction, this same economist said "They'll remain empty for years!"

The similarities to our hot US bubble markets, makes me believe this is preview of what we are already starting to experience (though at a much slower pace).

The first signs of trouble in our real estate markets were very subtle and only picked up, or acknowledged, by very few real estate (

<http://www.brokerforyou.com/blogger/index.html>

)

professionals. Since mid 2005 the red flags have been quite obvious to even the layperson. Yet, the forever optimistic 'it's always a good time to buy' industry line is embraced by the mass media (they certainly do not want to lose their immense source of real estate advertising revenue) and the naive general public.

In San Diego in particular and most other major metropolitan real estate markets, it's quite acceptable to acknowledge and embrace the double digit real estate appreciation of the past. Yet, even the thought of depreciation of real estate is looked on with the same disbelief and distain as if a child

molester moved in next door.

There is a proven saying in our stock market: "You can never go broke taking a profit." In many US markets, seasoned investors can still turn a profit. However, if Shanghai's real estate market is any indication of what awaits the hot US markets.....the window of opportunity is closing very fast!

Copyright 2006 Promotions Unlimited

<http://www.websitetrafficbuilders.com>

. All rights reserved. any

additions/modifications/hyperlinks added to this article will be considered a copyright violation & subject to immediate legal action without further notice.

Bob Schwartz is a certified Residential Specialist w/27+ years experience. Bob runs 4 real estates sites including:

<http://www.downtown-san-diego-real-estate.com>

<http://www.la-jolla-ca-del-mar-san-diego-real-estate-encinitas-california.us>

 and

<http://www.san-diego-for-sale-by-owner.com>

Real Estate Bubble Aftermath

By Jeanette Joy Fisher

Last spring, I was invited to go to Philadelphia and participate in a "real estate bubble" discussion on Ch 8's "Money Matters Today." Television reporters, newspapers, and media hype love scaring you to grab your attention. On the TV show, I defended the real estate market.

What's behind all this bubble talk?

Before you give any substance to warnings about a "real estate bubble," look closely at the source. Many stock brokers jump on the bandwagon of real estate doom to get investors back into the stock market. Also, many negative reports originate from mortgage lenders who want to keep the mortgage insurance rates high and keep the insurance premiums coming in for loans on houses that have appreciated.

So, what happened to the real estate bubble in 2005?

I can't speak for all real estate investors. If my family had been scared into discounting our

Real Estate Housing Bubble Bursts

investments, selling out, and not buying more property in 2005, we would have lost a million dollars. We bought and held houses. All of our property increased by 20% – 35% and the ones we fixed increased in value even more. In particular, for one home we paid \$120,000 and spent \$10,000 in repairs – within the year it appraised for \$325,000.

Who profits from the real estate bubble?

Besides media scaremongers, mortgage insurance providers, and stock brokers, real estate investors make even more money. What's that? How do real estate investors make money from the real estate bubble? They take advantage of desperate home sellers scared by the media.

In January 2006, we bought an investment property that the home seller, in the midst of a divorce, discounted for a quick sale. The \$340,000 property appraised for fifty thousand more than the purchase price. Now, we could quick sale the property for fast cash, but we're in for the long haul. The property has great development potential. So, we'll let the tenants pay for the mortgage and maybe tear the small house down in a few years. A half acre, one lot away from a future marina near new condos, has many possibilities.

Keep the bubble talk. People always need housing. The more you hear about the pending burst, the more money real estate investors CAN make.

Copyright © 2006 Jeanette J. Fisher

Jeanette Fisher offers FREE "How to Start Real Estate Investing Teleseminar," free ebook, "The Truth about Making Money Flipping Houses." Ever wonder how those multimillionaire real estate investors got started? You might be surprised at how easy it is to buy your first investment property!

<http://www.doghousetodollhousefordollars.com/>



This Free E-Book has been brought to you by Natural-Aging.com.

[100% Effective Natural Hormone Treatment](#)
Menopause, Andropause And Other Hormone Imbalances
Impair Healthy Healing In People Over The Age Of 30!