

# The Zen of Real Estate

## Knowledge vs. Wealth

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# Real Estate Investing Myth #5

## “You Must Have Specialized, Tactical Knowledge to Succeed”

Hi, Ken Wade here.

Today we're going to spend the first part of this training on Real Estate Investing Myth #5...

It's a serious problem that's keeping newbies from getting started and freezing seasoned investors dead in their tracks... the belief that...

“You Must Have Specialized, Tactical Knowledge to Succeed” ...  
in real estate.

You'll see how the explosion of real estate investing information has actually been making it HARDER for you to succeed.

The problem is very real and it's here to stay.

Unproductive and COUNTER-productive strategies and tactics can send you down countless rabbit holes that waste your time, your money and possibly, land you in jail.

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You'll also see how a simple two sentence, twenty-four word investing 'system' solves that problem and keeps you focused on what actually does create real estate wealth.

Then, in the second part of this training...

You'll realize why otherwise smart Investors, Realtors® and Media Companies still seem to always be years behind the curve because they rely on bad information.

OK - As you saw in the last two videos... specialized tactics and strategies had nothing to do with our success. You simply bought an average property, paid full price and added NO additional value whatsoever...



...the only specialized knowledge was reading a red, yellow & green traffic light signal.

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*If you haven't yet seen those earlier training videos, you can access them right now in the right side column below – we'll be building on those earlier examples in this video.*

*You can also pre-register for the “Total Market Master” demo I'll be giving soon by clicking the link in the top right corner right now. What you've seen so far in these training videos has been a 'warm-up' for what's coming... you'll be blown away at both the simplicity AND the effectiveness of the TOTAL Market Master system in action.*

Whether you succeed or fail in real estate is NOT about sophisticated strategies and tactics... it's about Leverage, Appreciation and being in the right place at the right time.

**All** of the famously wealthy real estate investors – and millions more you've never heard about - made their money using those three simple concepts. Leverage, Appreciation and Timing.

There's nothing more to the story than that!  
Real Estate investing is NOT rocket science.

### Knowledge Required to Succeed



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To make it big in real estate, what do you really need to know?

How did we do it before late night TV infomercials, internet marketing, blogs and guru-mania exploded on to the scene?

Well, we did it quite simply, and nothing has changed since then except it's gotten much simpler, thanks to the internet.

I mean, there's a lot of confusing and contradictory information these days... you need some sort of crap-o-meter to navigate through it all, but in the end, real estate investing is a pretty simple process.

See that little blue circle?

It represents the relative amount of knowledge needed to capture the vast majority of all real estate wealth... you don't to invest a gazillion dollars in home study courses to capture most of the profits.

And wealth isn't just about making money, it's about keeping it... as many have learned the hard way in this recent crash.

That little blue circle – mastering the market – is how you make it AND also how you keep you from losing it all in turbulent times like these.

Everyone from the gurus and large public investment companies... on down to small investors and homeowners are dropping like flies because they didn't see what was coming.

See that big yellow circle?

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It's an incredible, and NEEDLESSS amount of complexity that's been created by real estate gurus who only see THEIR little corner of the world. Everyone who ever had an idea and put together a home study course added to the pile. Nothing ever gets taken away – and now with the ease of internet marketing, it's become a mountain of mostly garbage.

The cold hard fact is this:

Most of that specialized knowledge only has a miniscule impact on your real estate investing success... and much of it is detrimental.

It may sound good and look good, but that's the marketing behind it – the sales job... I'm going to try to put all that into perspective for you right now.

... it's **no wonder so many newbies are afraid to take their first step...** and why seasoned investors keep looking for The Next Big Thing.

They're confused and probably scared out of their mind. At best, it's overwhelming.

Remember the last video, where in our simple example, the complete body of knowledge you needed to know – from A to Z - was contained in two sentences – 24 words:

Buy Trigger:

**Both Long-Term Indicator  
Lights (in top right) Turn Green**

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## Sell Trigger:

# Either One of the Two Long Term Indicators Turn **Yellow**

...and remember how much more wealth that simple rule generated?

...without ever leaving your backyard?

...and how much less work was required?

...and because you were only invested during the right part of each cycle, you had way less risk, and all kinds of exit alternatives... cashing out wasn't a problem like it is for investors today.

That's the essence of that little blue circle – investing WITH the market, not in complete ignorance of it or swimming against the outgoing tide. Simplicity is what works... that's ALWAYS been the case with real estate.

### Knowledge Required to Succeed



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I've been in the real estate business a long time, and done some very complex deals where the legal fees alone ran into the hundreds of thousands of dollars.

Deals so complex my Due Diligence spreadsheets were hundreds of columns wide by THOUSANDS of rows long...

...but I'll be damned if I can keep up with the deluge of stuff coming from every corner of the real estate guru world these days. **It all SEEMS so important...** until you pull your head out of your ...well... lets say pull your head out of the rabbit hole...

We'll cover that rabbit hole... what I call the "Overgrown Forehead Theory" later... I'm hoping it'll help you the same way it helped me for the last 28 years without costing you two years of your life and a hundred thousand dollars.

Back to the diagram... if Strategies & Tactics are going to be your investing guide, (rather than the market) you're in that yellow area... it's in a constant state of expansion because whatever anyone can dream up and then convince you to buy, it gets added to the heap.

It's addictive and it's contagious.

You need to nip it in the bud before it takes over your common sense and you get swept out in that sea of confusion... always looking for The Next Big Thing... it's a mirage.

Ask Yourself this:

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What is the:

1) Knowledge Required to Succeed

2) Source of Wealth

3) Amount of Risk & Effort

In other words...

Do a simple cost-benefit analysis.

**What do I need to know, how much more will I make, what's my downside and how hard will I have to work?**

Take the micro-strategy of Short Sale investing as an example. Here are just a few of the pitfalls I've gotten guru emails about this week... telling me I need buy another new product just to stay current... and out of jail.

1) License is now needed before negotiating short sales.

2) Criminal penalties for contacting distressed homeowners.

3) Homeowners suing you for their deficiency judgments.

4) Title companies not doing A-B and B--C closings

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- 5) Lenders yanking funding at the closing table.
- 6) Seasoning requirements killing deals.
- 7) Resale restrictions after you close.
- 8) Months of uncertainty not knowing if you even have a deal
- 9) Disgorgement of profits years later.
- 10) Jail time for not disclosing ALL you contracts to the lender.
- 11) And on and on.

So, rather than me sit here and beat up on short sales, or any specific tactic, you can apply the same filter we just talked about...

Is there a lot to learn?

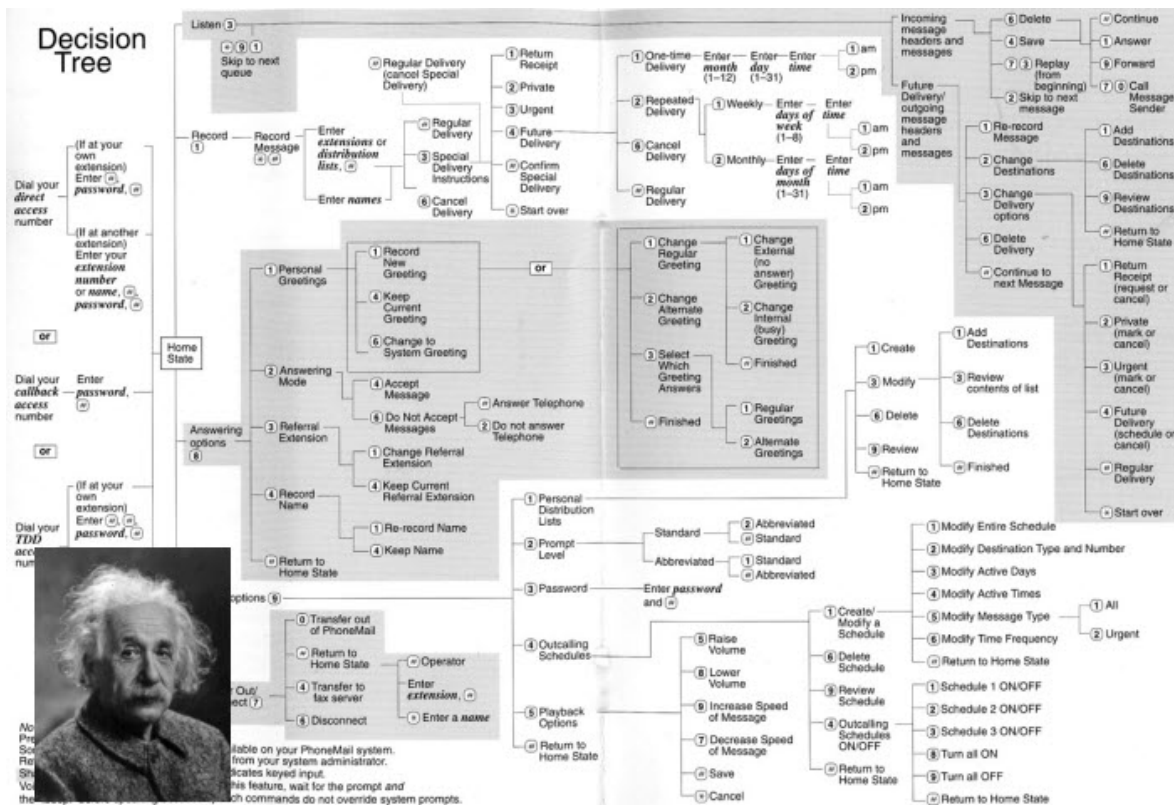
Will you make a lot of money from it?

Is there any downside risks?

Is it hard work?

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I recently saw a mind map for short sale investing – which is only ONE of MANY real estate investing niches. It was more complex than what NASA used for putting a man on the moon... this one is child’s play compared to the actual one I saw.

I’m no Einstein – but enough is enough... when sub-niches of sub-niches take on so much complexity you need a wall-sized mind map just to outline the theory... don’t you think it’s time to pop your head up from the trees and see the forest?

There’s a lot more going on there than someone trying to be extra thorough – it’s a well-know and very effective marketing play. Reminds me of the brilliant marketing job Rich Schefren did a few years ago for the Internet Marketing niche... when he came out with his ‘Manifesto’ – here’s a picture of his mind map.

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No one wants to appear stupid in front of their loved ones, we all want to do the very best for our families... so it becomes an emotional reason to buy, not a LOGICAL one.

I want you to look at real estate investing logically, scientifically, not emotionally.

## Knowledge Required to Succeed



Think about it – if you're selling home study courses or boot camps, big is better... there's actually a name for it... it's called "The THUD Factor" – as in, the more of a 'thud' it makes when the mailman drops it on your doorstep, the more you can charge... so they throw in all kinds of useless, and sometimes dangerous filler.

**The more someone can convince you how much you DON'T know, they more you'll pay them.**

Unless...

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You regain control of the logical side of your brain... begin by asking those four simple questions.

See, paying too much is the least of your problems.

It's very easy to paint a picture of respectability on the internet these days... anyone can create any image they want, in an hour's time.

That mountain of information includes a lot of B.S. that was included ONLY to charge a higher price – that 'filler' now becomes your action plan... what you spend your time and money on.

No wonder 90% of real estate info product buyers NEVER take action or even finish the course.

Each of those strategies in the yellow circle have their own rabbit hole of complexity you can get lost in... their own mind maps of confusion, peril and hard work... hell even the simple task of *lead generation* will soon be its own college degree the way things are going.

**Lucky for you, real estate INVESTING (not info product marketing, I mean, actually investing in real estate) works the exact opposite... the simpler, the better.**

There are a ton of different Strategy & Tactic paths you can go down... all seemingly requiring some endless form of specialized knowledge...

**Does all that education really have a payback?**

I mean r-e-a-l-l-y?

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I understand how important all that minutia can APPEAR to be... I find myself falling into the same trap myself till I remember to ask... those four simple questions...

**What do I need to know, how much more will I make, what's my downside and how hard will I have to work?**

In short...

**Pick the lowest hanging fruit.**

Why pursue the hardest, riskiest and least profitable avenues?

Have you ever considered that... you can choose NONE of them?

That there's a much better – and simpler option?

When you boil it all down...

What creates massive wealth, saves you from losing everything, and keeps you from running around in circles with little to show for it?

There's only one answer – it's the market.

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## The Simple Truth:

**Most real estate  
wealth is created (or lost)  
regardless of YOUR efforts.**

**...your input is almost irrelevant.**

Now, I know that probably runs contrary to all you've ever been told, or believe about real estate, but it's true.

To be clear – I'm all for great real estate investing strategies, tactics and execution... if and only if, they're COMBINED with getting the market cycle right.

... because they can multiply your returns exponentially beyond what we saw in our examples.

Remember, we paid full price, put a lot of money down, and started with a single house... and just rode the leverage and appreciation wave until it was time to get off the gravy train.

Imagine what YOUR results would be if you COMBINED that one key – being in the right place at the right time – with a simple no-money-down technique that gives you INFINITE leverage... or adding additional value by buying it right, selling it right or using other tactics like rehabs, short sales, options, wholesaling and all the others.

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Strategies and Tactics will make a profitable market more profitable...

...but don't you believe for a second they can offset being in the wrong place at the wrong time – you'll lose that battle every time.

Look around:

Everybody and their brother were becoming real estate millionaires a few years ago in the up cycle.

Now most of them are underwater, in foreclosure or bankrupt... because of the down-cycle.

Were they all brilliant, experienced, hard working investors a few years ago, employing cutting edge tactics that made them all millionaires?

No – they were just in the right place at the right time.

Did they all suddenly get stupid and lazy in the last couple years causing them to lose it all?

Of course not – they were just in the wrong place at the wrong time!

**It was never about THEM – or their tactics, or their strategies to begin with.**

The reality is, the ‘market’ is what creates and destroys wealth... you’re mostly just along for the ride...

Here's an easy way to look at it.



Remember those Helicopter kiddy rides at the amusement park?

The one where you got in, it slowly went around in a circle; you had a control lever that allowed you to raise and lower your particular copter a small amount?

Whether or not you actually did go up or down – or by how much – or even whether you moved at all -- was really under the complete control of the system itself...

Well, that's how Strategies and Tactics work too... they're that lever inside the kiddy copter.

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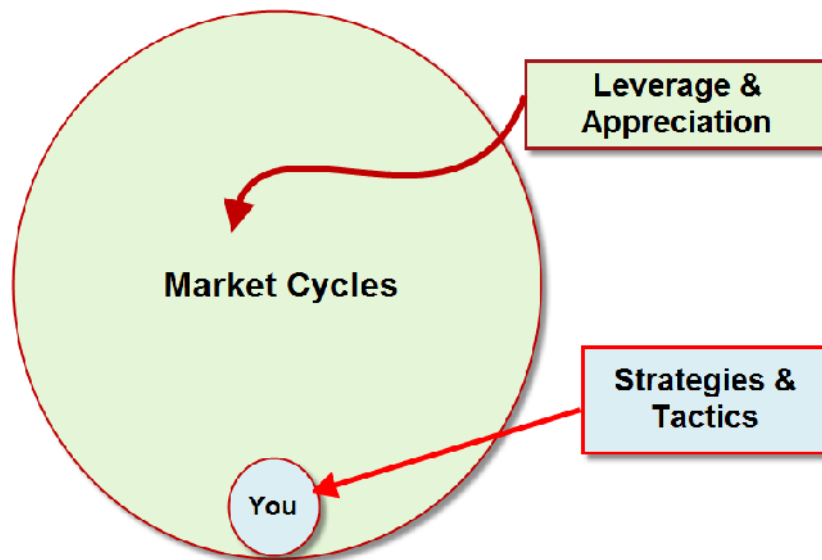
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You may *think* you're in control, just like the children think when they move that lever around... but in reality, you're just along for the ride; it makes no difference how hard you push or pull on that lever... the system – or in our case, the Market – is what controls when, where and by how much you actually move... or whether you succeed or fail. So, forget about all that specialized knowledge until you get a grip on the market cycle.

Then ask the next question:

“How much can I make from it?”

## Sources of Real Estate Wealth



The big green circle represents your potential real estate wealth – think in terms of all the money that could be made.

As you saw in the earlier videos, and will see in our webinar demo, almost all the wealth is created by your local market cycle – the green area.

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Within that universe is a much smaller zone representing the potential profits from your particular efforts, strategies and tactics... the blue area.

You can be as busy as a bee, carrying out all kinds of 'Forced Appreciation' or those 'Transactional Income' strategies, but in the grand scheme of things, they won't amount to diddly squat unless your particular tactics and strategies are in-line with your local market cycle.

..and when you ARE in line with your local market – assuming it's a well trending cycle – **those tactics and strategies aren't really even needed** because the 'Market' is doing all the heavy lifting, creating most of the wealth... not you.

I mean, if you've got the specialized skills, extra time, and want to squeeze every dollar out of the opportunity, go for it... that's when those strategies and tactics will throw some extra bucks into the deal.

Just don't let the tail wag the dog.

It reminds me of my early days as a developer. I went from market to market. Sometimes we'd make a killing, and I'd pat myself on the back for how smart we were.

But other times we'd just do 'OK' – squeezing out a profit only because we knew how to acquire at a discount and sell at a premium. That's when we were in the little blue zone – relying only on tactics and strategies... where we were getting our bills paid and buying time but certainly not getting rich quick or easily.

Those big, easy money days were when we were in the right market - the green zone – where nearly all the wealth is created.

It took a long time for me to see, and admit, that all the BIG profits had little or nothing to do with me, or my team or how smart we were - we just got lucky -- falling into hot or emerging markets by chance.

I eventually quit chasing hot deals and started chasing hot markets... and made a ton more money with less people, less effort and less risk.

It was the same with Commercial Real Estate... my brother and I did a lot of big Regulation 'D' syndications. Our claim to fame was that we were acquisition and turn-round specialists... we even built our own leasing and property management companies so we could “do it the right way” ...and we worked our asses off...

...but you know... when it came down to it... and as much as I hate to admit it... we were just in our own little kiddy copter then too, pulling and pushing on that lever with all our might – THINKING we were making a big difference.

I mean, it was a BIG kiddy copter – we're talking major office buildings and shopping centers... lots of employees... but the concept is the same as with residential... and the reality was no different... most of our day-to-day hard work was irrelevant because the market cycle determines your payday.

All those late nights, missing family time, perpetually stressed out... working weekends, putting out fires, meeting deadlines... YUCK!

It's not where the wealth comes from.

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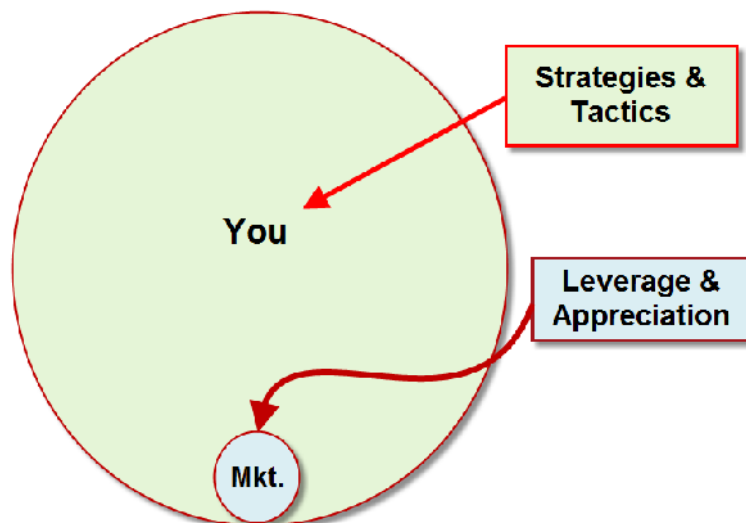
**Once you see that simple reality, then real estate investing becomes ultra simple.** There's only one thing you need to pay close attention to... everything else is a far distant second, if it matters at all... outsource it all to realtors, property managers, and the like.

The money is made from the 30,000 foot view, not from the daily grind.

Get in and out at the right time... getting that ONE thing right, the timing – is your ONLY key to success or failure.

Here's another diagram, this time looking at the Risk and Effort part of the equation.... What's my downside? and How hard will I need to work?

### Sources of Real Estate Risk & Effort



You should look at wealth creation in terms of how much work you have to do and how much risk you're exposed to... your 'personal' ROI so to speak... your OPPORTUNITY COST is what matters most.

You'll see that the big green circle is the amount of 'effort' you need to give for a given unit of profit if you rely on **strategies and tactics.**

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It's a lot of hard work... the lion's share of work in this diagram goes to implementing those strategies... but it'll only generate a mouse's share of the potential wealth.

The little blue area is the amount of work and risk **for that same level of profit** when you let the Market to do all your heavy lifting (in other words – you're using leverage and appreciation to create wealth, not sweat and skill).

You can either work a lot less ...or... with all that extra time...do many more deals – either way, you're still capturing the lion's share of the profits.

Think of the Los Angeles and Atlanta examples we saw in the last video – we didn't use ANY forced appreciation strategies – sat on the couch eating bon-bons, but **made 20 times more in HALF the time...**

That's the power of using your local market cycle – tapping into the wealth stream while avoiding the energy draining transactional and tactical stuff.

In other words, do you want to do lots of work for little returns, or little work for lots of returns?

They ONLY knowledge you need to succeed in real estate is:

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Knowing how to time your local real estate market cycles.

What are your buy, sell or hold decision triggers, and when should you change tactics?

If you watched those earlier videos, you already know how simple that can be.

But let's take a look at what most people tried to use – including myself – before HousingAlerts came along.

**Most** investors and homeowners are oblivious to the market... complete victims and bystanders.

Those few who ATTEMPT to get it right generally fail, because they rely on these common, but deadly inaccurate info sources... I know that because I wasted many many years chasing the same illusions.

## Common Sources of Market Info:

- 1) NAR - Nat'l Assoc. of Realtors®  
“Median Home Price Reports
- 2) Mass Media & News Reports

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### 3) Expert Predictions

### 4) Fundamentals & Demographics

We're only gonna have time to examine the Realtors® median home price report today; we'll cover the others in our next video.

Median Home Prices are what you always hear about on TV and in the real estate press. In fact, except for the Case-Schiller index of 20 markets, the NAR pretty much has a monopoly on what the public gets to see and hear.

They release it every three months for about 150 metropolitan areas.

Imagine the excitement a left-brained analytical type like me felt when the NAR first started releasing this data!

Now it only covered some select markets, but it allowed me to test the algorithms I'd developed.

WoooHoooo

Back then, it was tough getting ANY data, good, bad, free or otherwise; I'd already spent (you can read that as "wasted") many years going down dead end roads... nothing worked.

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Trying to predict local market cycles was:

- 1) Time Consuming,
- 2) Expensive, and
- 3) Inaccurate.

Well, my excitement over the median home price report lasted a few days – until putting it to the test.

Ever heard of GIGO?

It's an old programming axiom: Garbage In – Garbage Out.

That's what you get when you try to use NAR's Median Home Price appreciation with Technical Analysis – garbage.

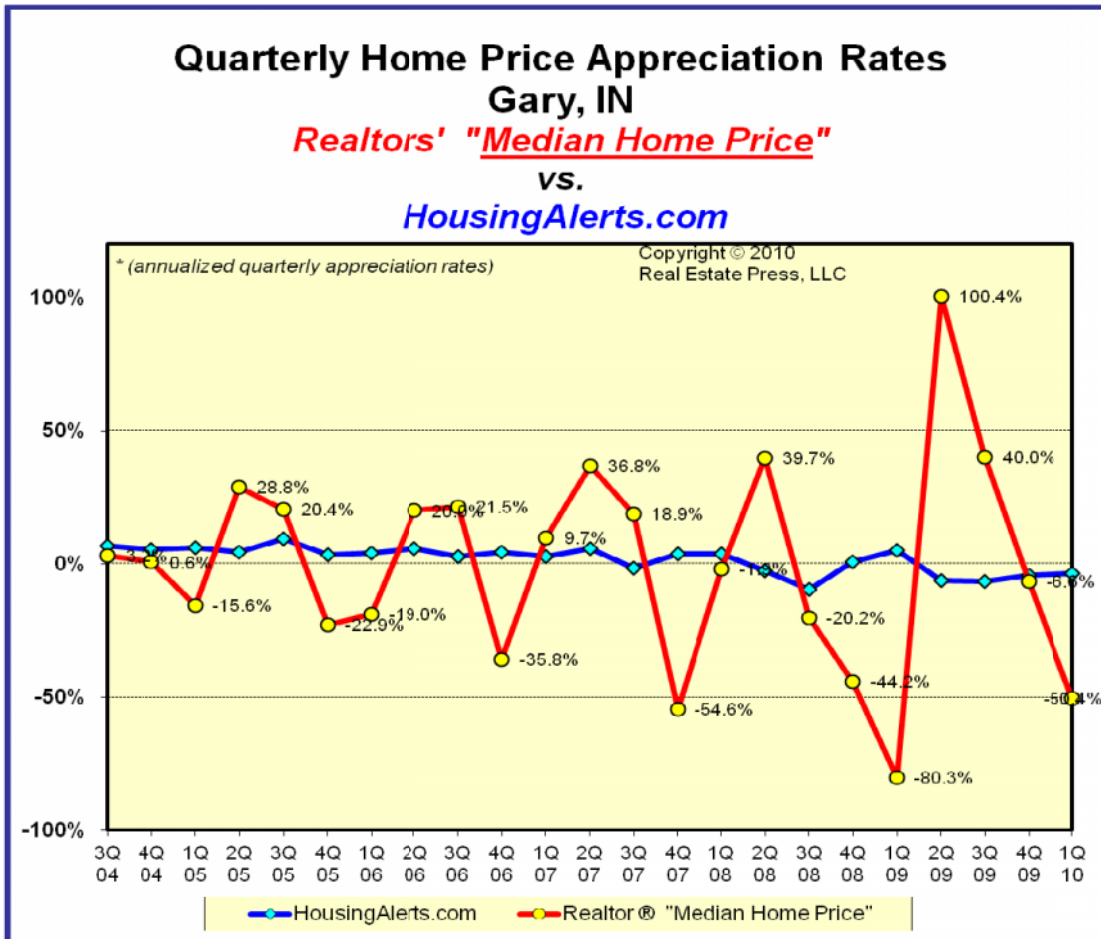
Before I show you exactly why that's true, let me first say – it's not because the NAR is doing anything wrong, it's because of severe limitations in the data itself.

See, they only have access to **median** home prices. That's the price at which the 'middle' home - in a long list of all homes - sold for during that quarter.

Here's what it looks like when you plot it in a chart – even BEFORE you do any T.A. – Technical Analysis – work on it... this is just their raw annualized data.

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This is a comparison chart for Gary, Indiana using the Realtors® median home prices vs. the HousingAlerts data.

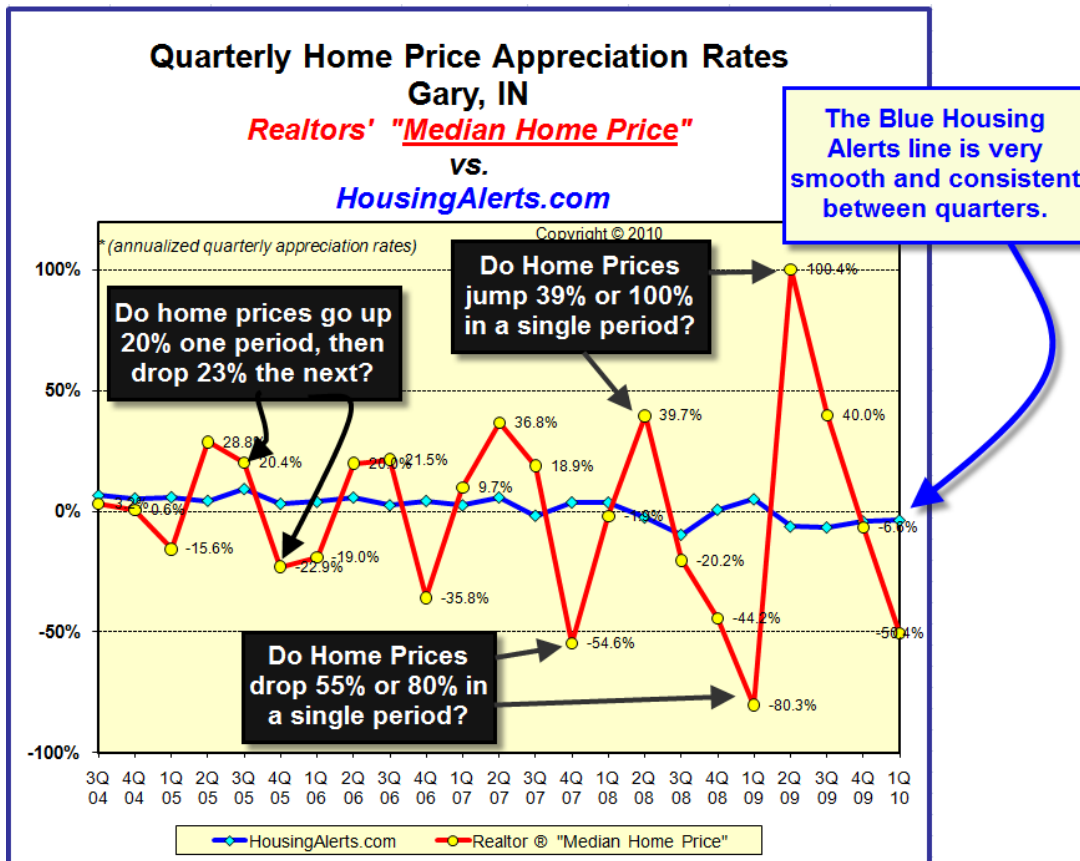
You can see how wild and unpredictable that red line is – that’s the annualized change in the Realtors® **median** home prices each quarter.

The blue line is the HousingAlerts version for the same time periods. You can see the HousingAlerts blue line behaves as you’d expect a real estate market to; consistent, stable trends, no huge wild swings of 20, 50 or even 80% up one period and down the next.

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For T.A. to work you've got to have dead-accurate information because it's like a magnifying glass when it comes to spotting patterns.



There's no way in the world you could use that red line – the Realtors® median prices – for any useful purpose I can think of... and it would be absolute financial suicide if you tried using it for ANY investing or market cycle decisions... it's got no statistical validity.

It ought to be outlawed for news shows as well, if you ask me – unknowledgeable homeowners and investors may act on that bad information.

You'll notice the same problem on all the other markets you'll see in a minute, but the morale of the story won't change:

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If you use the quarterly Realtors® median home price numbers for ANY purpose – STOP right now! Median home prices weren't designed for – and can't - show you anything about real estate cycles.

Rather than me 'telling' you it's inaccurate, and 'showing' you how bad it is... you better understand WHY that's true – so here's a very short lesson on it.

Every three months, the NAR gets a long list of all homes sold during the period, ranked from MOST expensive to least expensive. It looks something like this, only a lot longer:

<u>Qtr 1</u>
\$ 689,000
\$ 595,000
\$ 476,000
\$ 299,000
\$ 249,000
\$ 197,000
\$ 155,000
\$ 122,000
\$ 114,000
\$ 98,000
\$ 94,000
\$ 280,727



In this example – we only have 11 sales – but the concept holds true even if it's 11 hundred or 11 thousand.

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The middle sale happened to be for \$197,000 – so that’s our **median** home price for the quarter. There are 5 sales above and 5 below this ‘median’ one – that’s how they pick the median home price – it just happens to be the one in the middle.

You can also see the ‘Average’ – or “mean” home price of \$280,727 – no one uses the average price because it’s so easily affected by a high end home sales, I just wanted you to know the difference.

<u>Qtr 1</u>	<u>Qtr 2</u>
\$ 689,000	\$ 689,000
<del>\$ 595,000</del>	\$ 476,000
\$ 476,000	\$ 299,000
\$ 299,000	\$ 197,000
<del>\$ 249,000</del>	<b>\$ 155,000</b>
\$ 197,000	\$ 122,000
\$ 155,000	\$ 114,000
\$ 122,000	\$ 98,000
\$ 114,000	\$ 94,000
\$ 98,000	
\$ 94,000	

=



**Q 1 Median = \$197,000**  
**Q 2 Median = \$155,000**

**Median Home Price**  
**DECLINED \$42,000 or <21.3%>**  
**Annualized = <85.2%>**

So, the next quarter rolls around. Let’s assume home prices were flat – didn’t go up or down one penny, the ONLY difference was that there were two less sales this quarter; all the other sales were at the same price as before.

Now we have 9 sales – the middle one – the median – was for \$155,000 – so that’s our new median home price for the second quarter.

Here’s where you run into serious problems... people COMPARE the CHANGE between quarters - and draw the wrong conclusion... that’s a nono.

We see that the new median home sold for \$42,000 less than the prior quarter – that’s a 21% decline in only three months... when you adjust that for 12 months, it’s an 85% annual rate of decline...

Remember, prices were actually unchanged, the only difference was the MIX of homes was different, as it ALWAYS is from one period to the next.

<u>Qtr 3</u>		<u>Qtr 3</u>
\$ 689,000		\$ 689,000
\$ 595,000		\$ 595,000
\$ 476,000		\$ 476,000
\$ 299,000		\$ 299,000
\$ 249,000	=	\$ 249,000
\$ 197,000	=	\$ 197,000
\$ 155,000		\$ 155,000
<del>\$ 122,000</del>		\$ 114,000
\$ 114,000		\$ 94,000
<del>\$ 98,000</del>		
\$ 94,000		

"Median" = Middle

**Q 2 Median = \$155,000**  
**Q 3 Median = \$249,000**

**Median Home Price**  
**INCREASED \$95,000 or 60.6%**  
**Annualized = 242%**



The next quarter rolls around – prices are still flat – but this time, fewer low end homes are sold. That changes the mix, and our median home price jumps to \$249,000.

That’s a \$95,000 more than the prior quarter’s median, a 60% jump in only three months – all while ACTUAL home prices were exactly the same.

There was an interesting article I just read – attributing the rise in median home prices some markets saw recently to the increased number of high end foreclosures.

It makes perfect mathematical sense – if there are more high priced homes sold in the current period, it’ll raise the median – even if the ‘real’ reason higher median price is actually a big NEGATIVE for that market... and it actually serves to REDUCE all home values across the board.

<u>Qtr 1</u>	<u>Qtr 2</u>	<u>Qtr 3</u>
\$ 689,000	\$ 689,000	\$ 689,000
\$ 595,000	\$ 476,000	\$ 595,000
\$ 476,000	\$ 299,000	\$ 476,000
\$ 299,000	\$ 197,000	\$ 299,000
\$ 249,000	\$ 155,000	\$ 249,000
\$ 197,000	\$ 122,000	\$ 197,000
\$ 155,000	\$ 114,000	\$ 155,000
\$ 122,000	\$ 98,000	\$ 114,000
\$ 114,000	\$ 94,000	\$ 94,000
\$ 98,000		
\$ 94,000		

**With NO CHANGE in home sale prices, only a change in the MIX...**

**Median home price went from \$197,000 down to \$155,000 then up to \$249,000 in two periods.**

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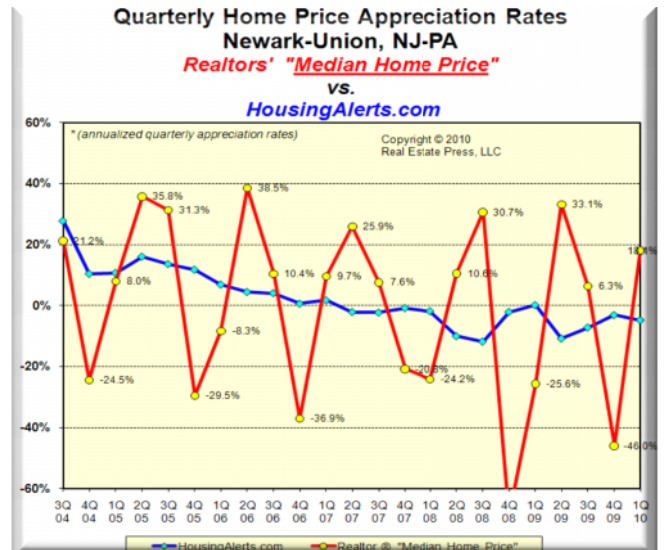
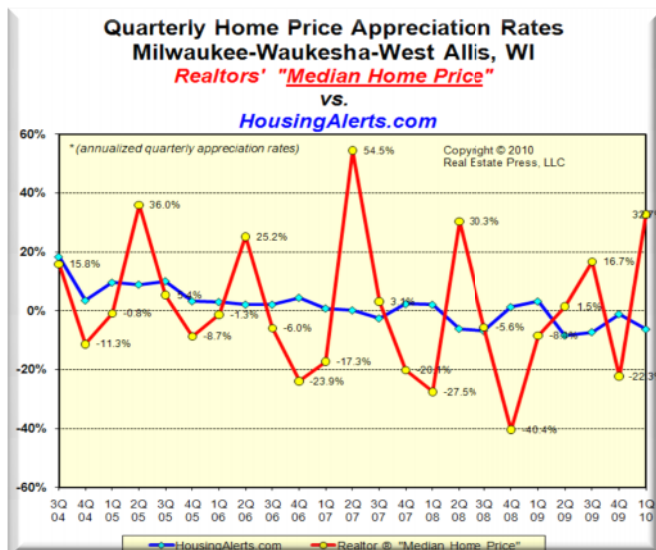
Here's a quick summary – home prices stayed EXACTLY the same in all three periods.

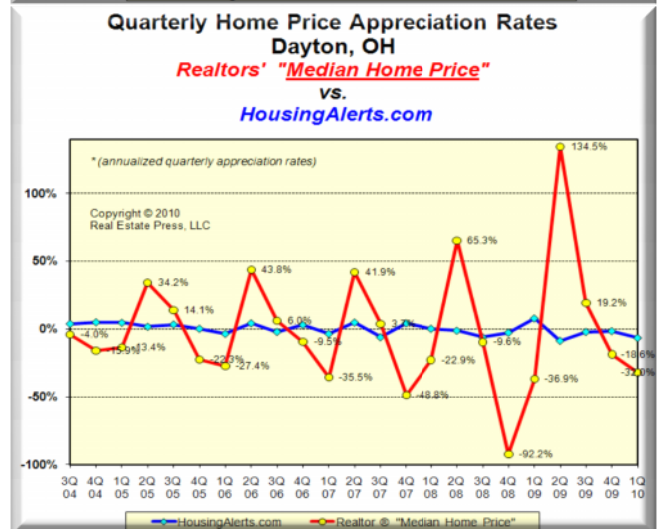
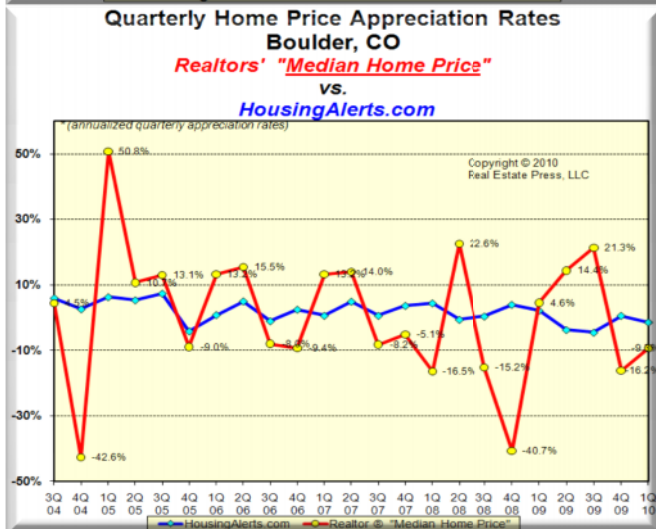
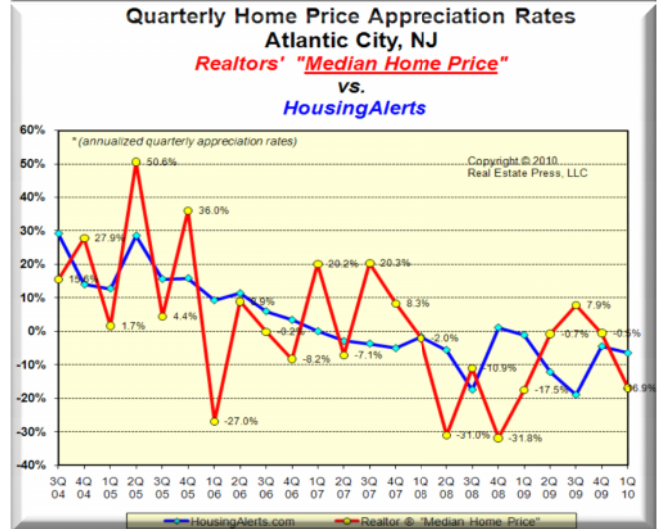
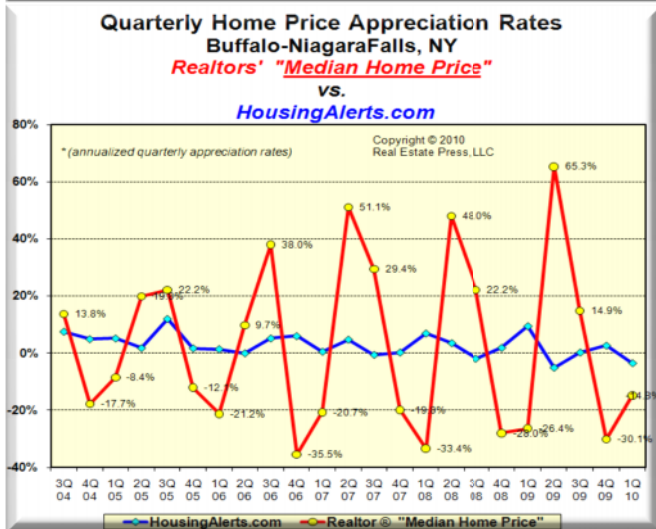
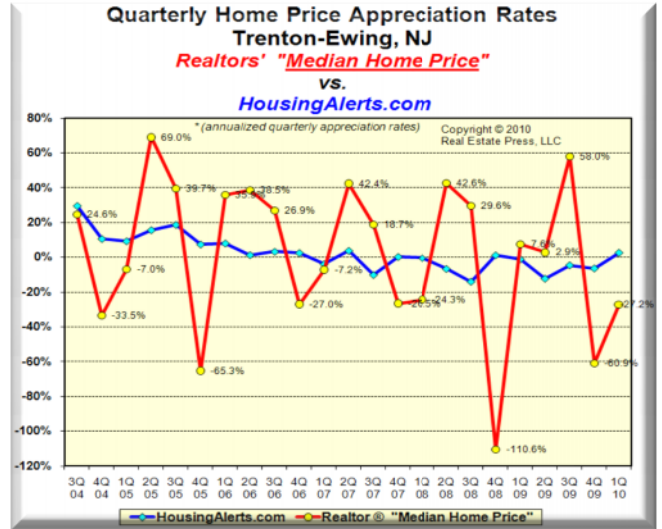
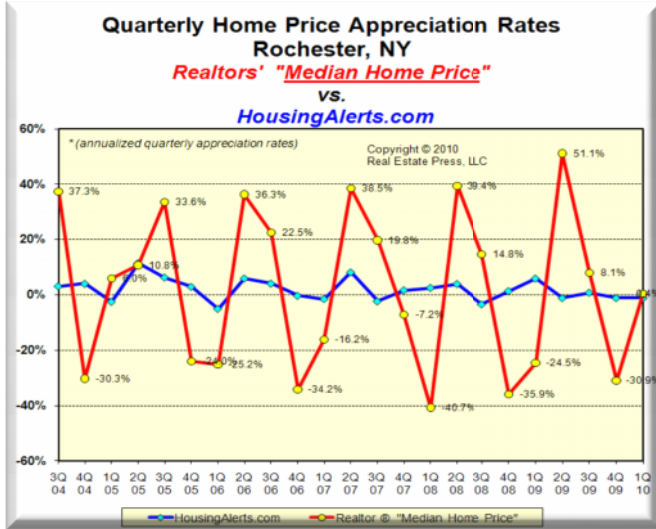
Two homes from the top half of the list didn't sell in the in the 2<sup>nd</sup> quarter, so there were relatively more lower priced homes in the mix, causing the middle home– the median – to fall.

The opposite happened in the 3rd quarter. Two homes priced in the bottom half didn't sell, changing the mix proportionately more expensive homes, soothe middle one, of course, was higher.

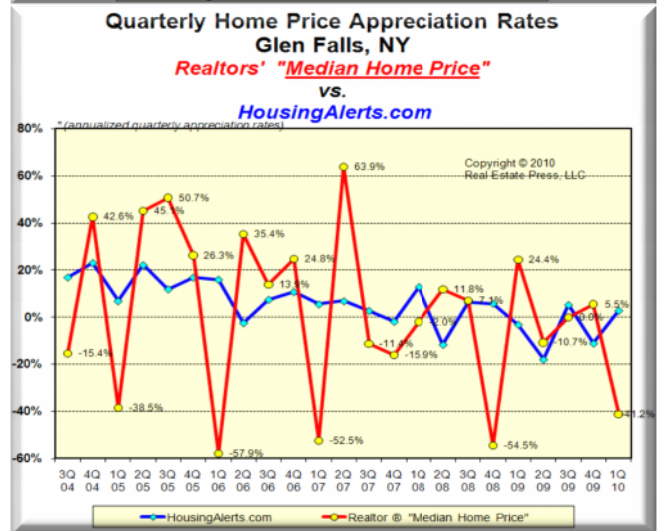
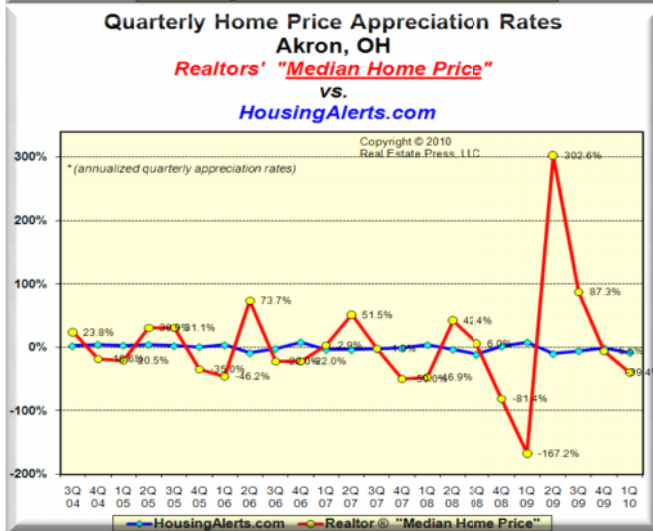
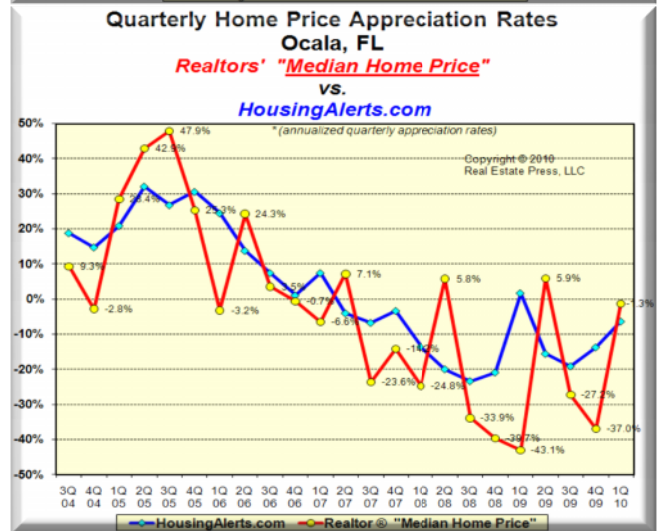
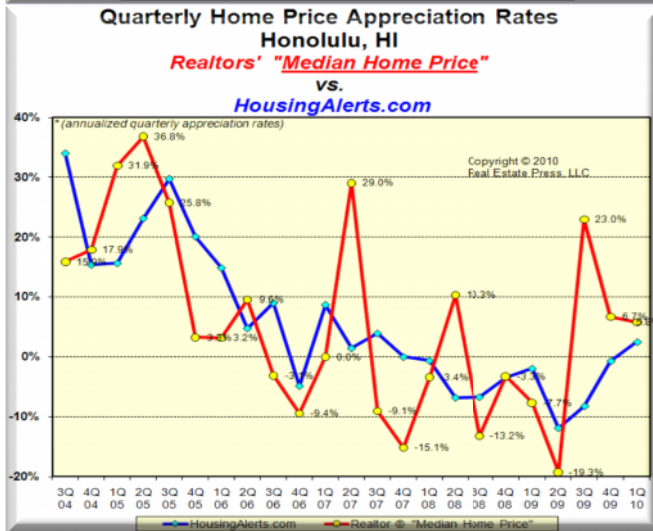
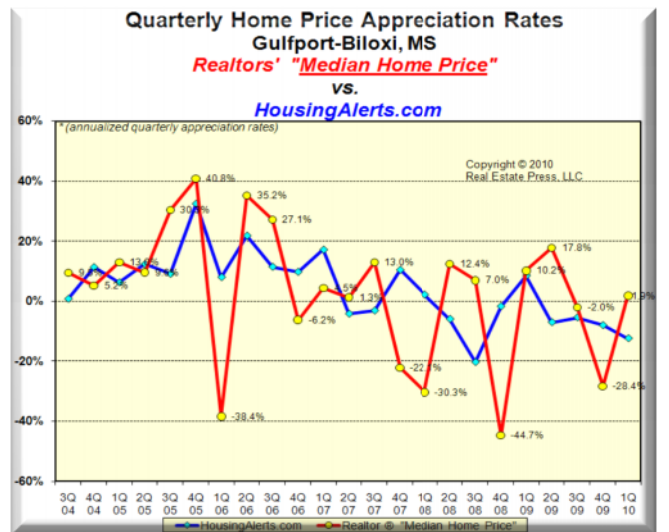
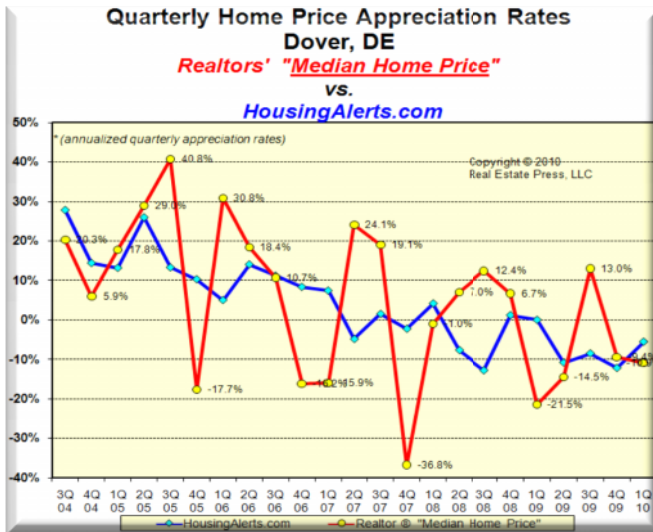
So, and this is very important - median home price measures changes in the MIX of homes sold... and nothing more.

You cannot draw conclusions about actual home PRICE changes – or market cycles - that's NOT what median measures... it doesn't tell you what most people THINK it's telling them.

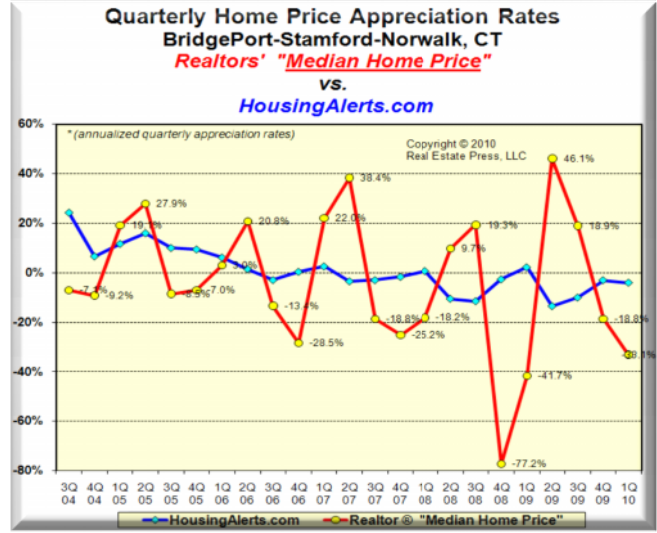
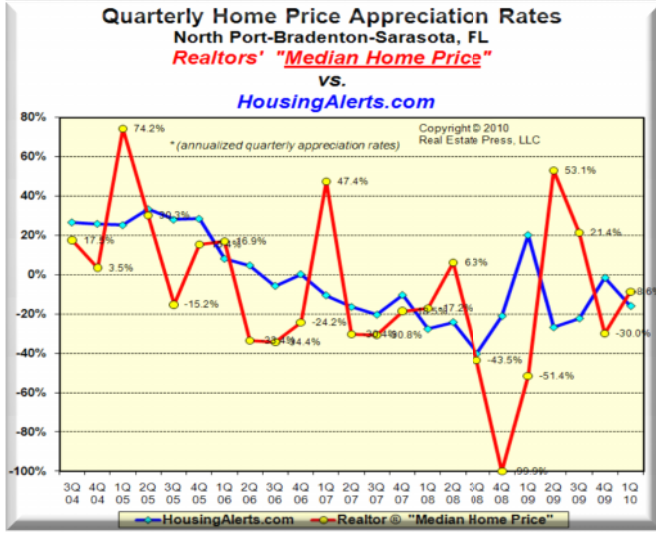
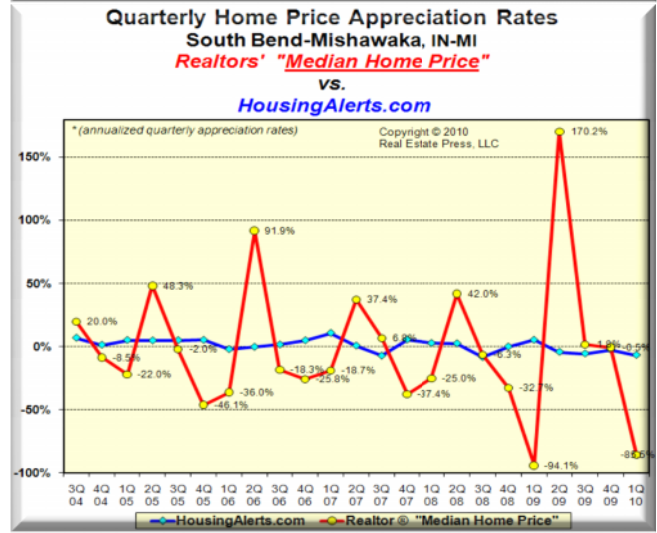
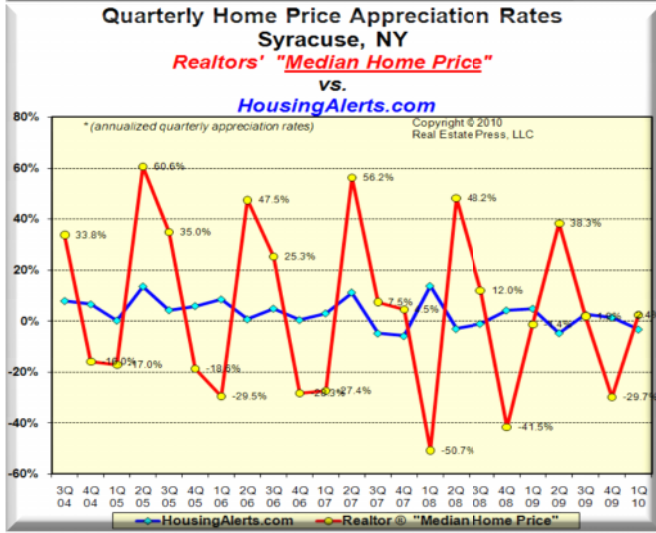
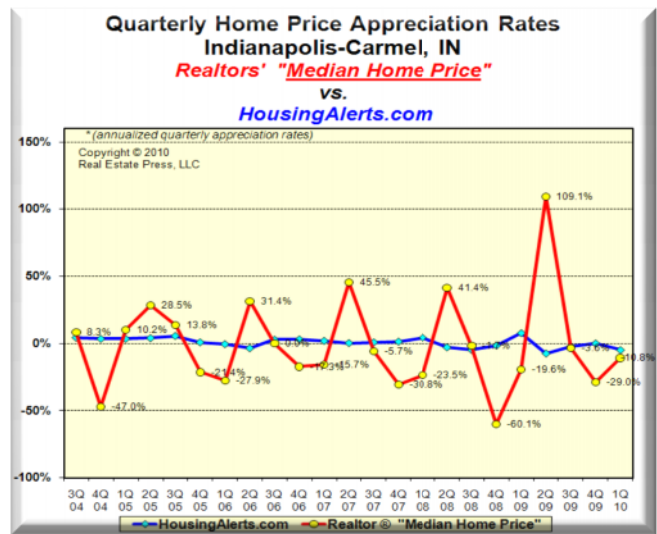
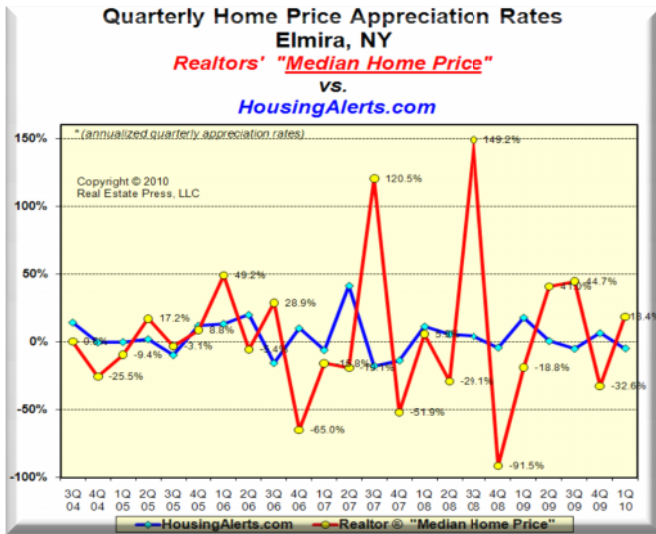




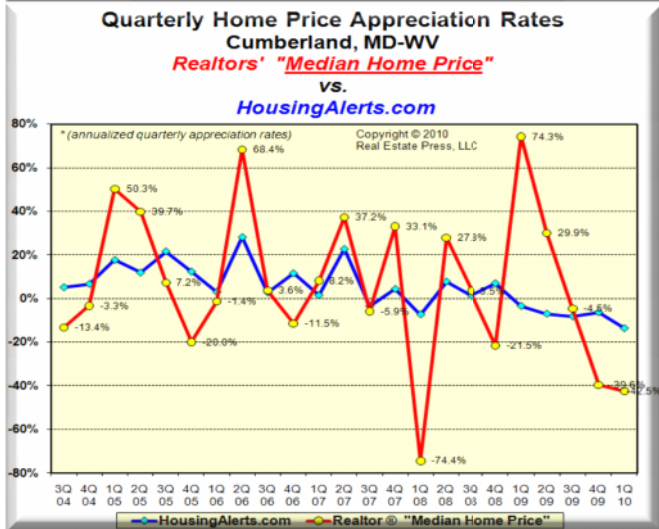
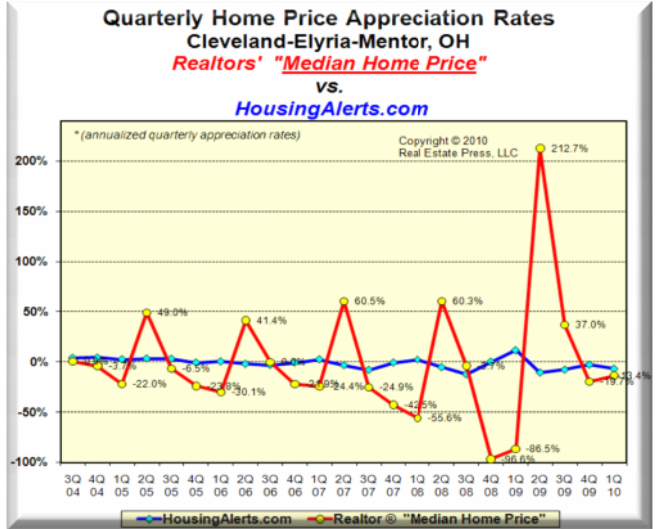
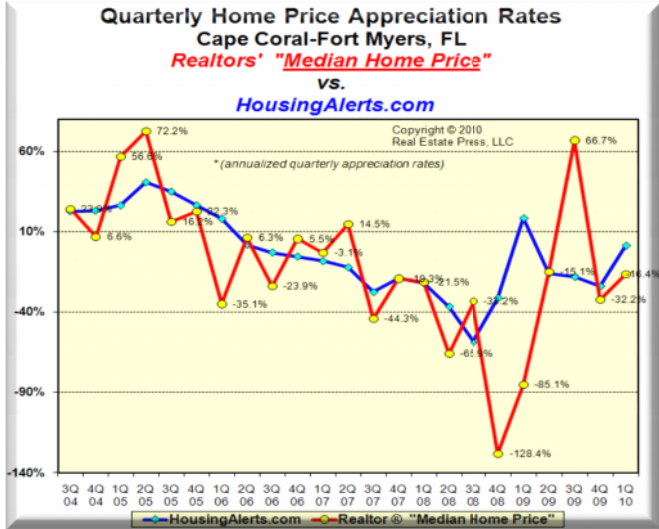
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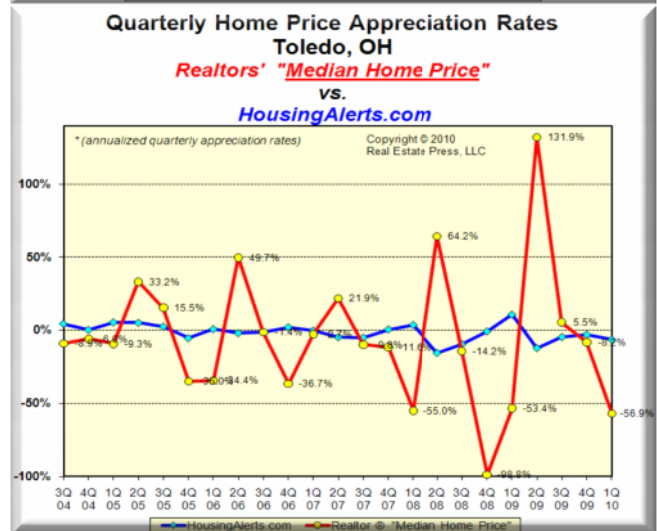
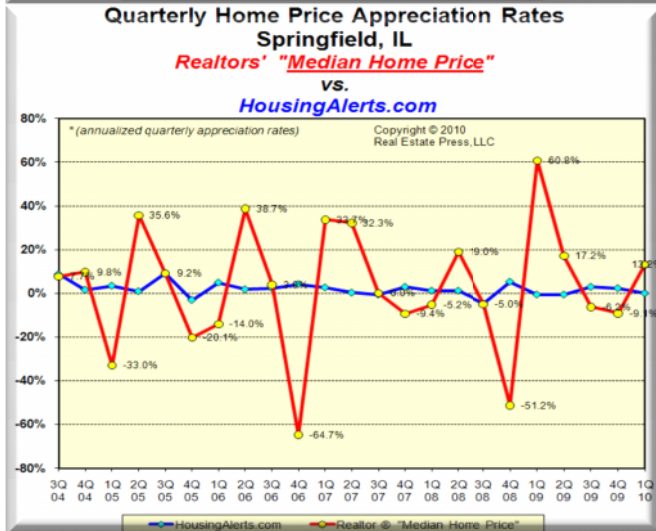
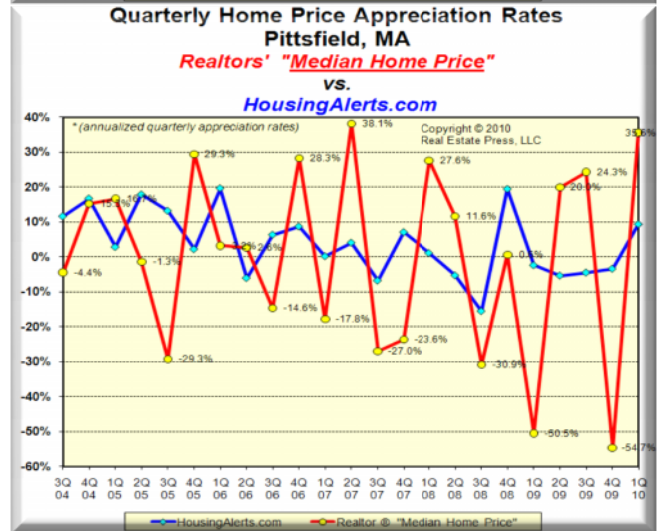
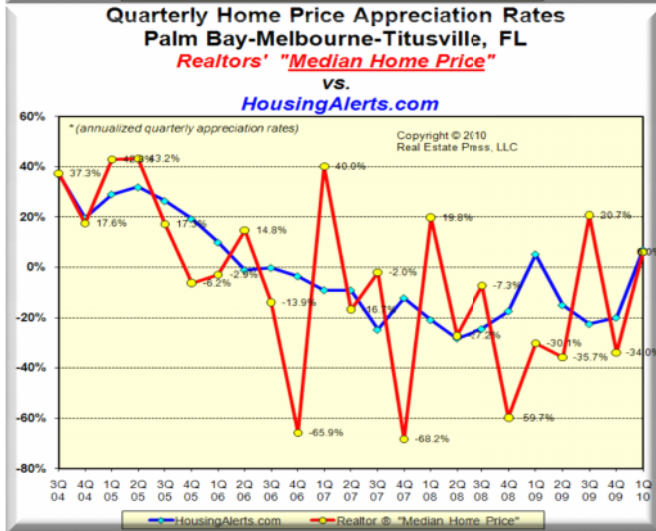
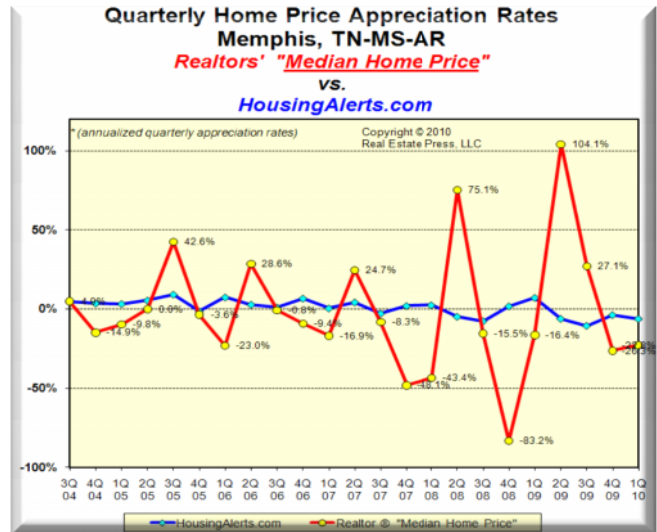
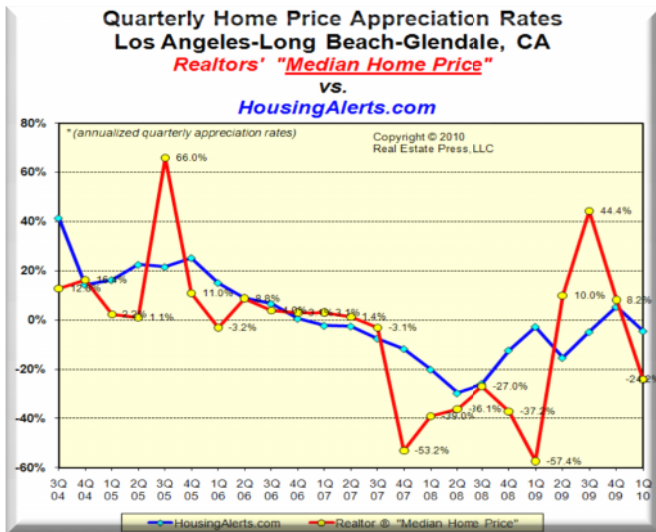


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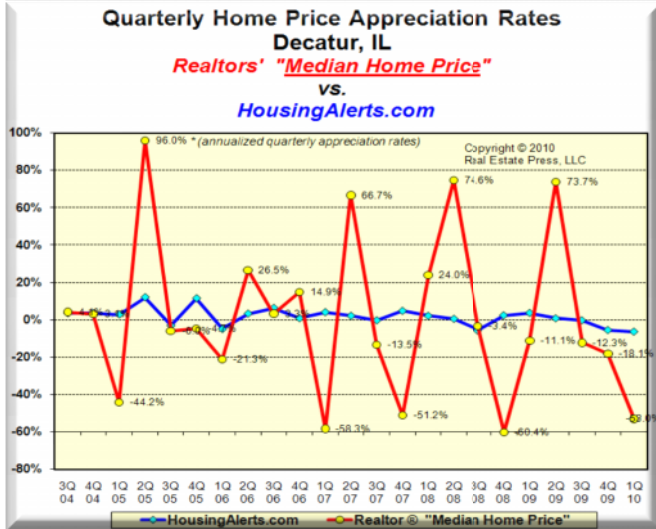
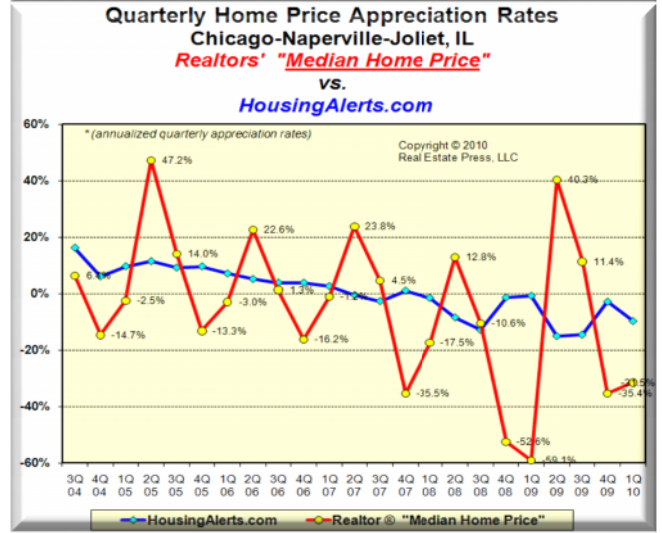
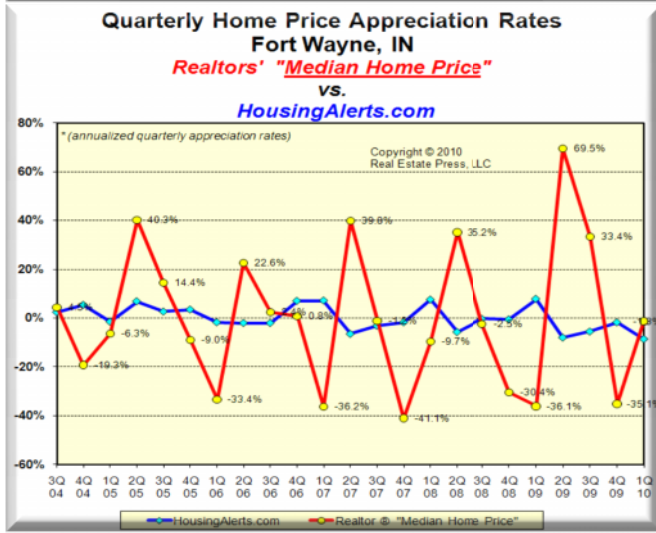
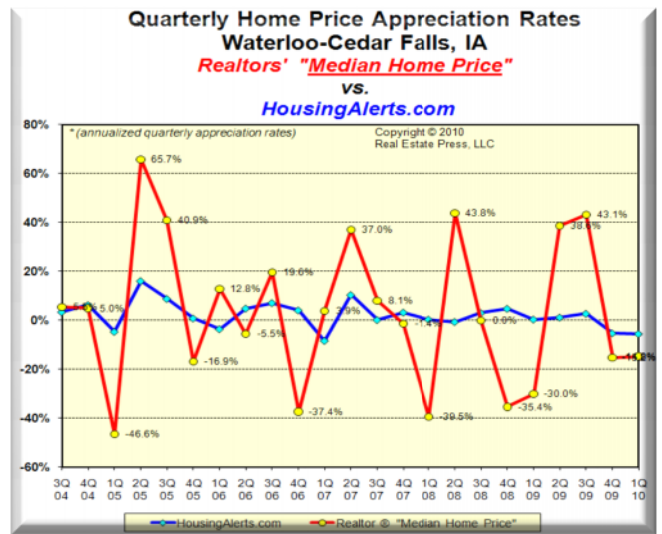
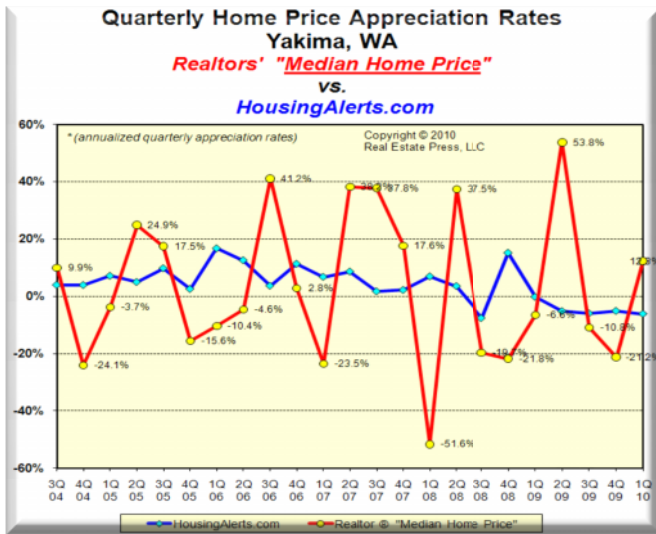


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By now, you know that your success is dependent on the market cycle, not the lever inside your kiddy copter – our metaphor for specialized knowledge, strategies and tactics...

...and you can't master your local market using the most common real estate data out there... the Realtor's® MEDIAN home price reports... or you'll be in big trouble, as these markets can confirm.

Look at Milwaukee WI – compare the wild red 'median' price line to our blue HousingAlerts data.

Newark NJ – same thing – while my blue line shows a slow, steady decline in home appreciation over the last six years – the median home price reports from the Realtors would have you believing home prices in Newark went down 20, 30 or 50% one quarter, then increasing 20 or 30% the next period.

How about Rochester NY?

Trenton, NJ?

Buffalo

Atlantic City?

Boulder Colorado?

Dayton OH

Dover DE

Biloxi Mississippi

Honolulu

Ocala, Florida

Akron

Glen Falls

Elmira

Indianapolis

Syracuse

South Bend

North Port Florida

Bridgeport CT

Cape Coral - Fort Meyers

Cleveland

Cumberland, MD

Gainesville, FL

There's our Gary Indiana example

*Lansing MI*

*Los Angeles, CA*

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*Memphis TN*

*Palm Bay, FL*

*Pittsfield MASS*

*Springfield*

*Toledo*

*Yakima WA*

*Waterloo, IA*

*Fort Wayne*

*and*

*Chicago – look how much it’s off... imagine if you didn’t know what you know now... and had a home in Chicago – or wanted to invest there... and heard these Realtor reports on the news, or in some data service you’re actually paying for... at least by flipping a coin you’d know – it’s a crap shoot...you wouldn’t make the mistake of THINKING you were acting on good information.*

*Decatur*

So there you have it – the most commonly quoted real estate market information in the world – put out every three months by the National Association of Realtors...

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These charts speak for themselves – median home prices measure a change in the MIX of properties - it doesn't have any use or value when trying to understand or predict your local market cycle.

Now that you're clear about where real estate wealth creation – or destruction – comes from, and how real estate cycles decide your success or failure.

... here's what's coming next...

We were overwhelmed by the number of you who grabbed our “Single-City” beta test offer from the first two videos!

Thank you very much! Your feedback has been great!

We're not offering the beta-test deal on this or future videos... it'll be remain available at the end of those first two training videos for a little while, if you want to check it out.

It's taken a bit longer for our programmers

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to write the membership upgrade script – so the current ‘city’ beta-testers can to upgrade to the State, Regional or National levels.

I know a lot of you want to upgrade right now... I appreciate your patience... the culprit was PayPal.

We basically had to write our own shopping cart system so it would work seamlessly with PayPal as well as the credit card system.

We’re just about done... and will send an email to all you single-city members in a few days once we’ve finished testing.

The Upgrade link in will be in your ‘My Account’ tab at the top.

There are still a few more critical training videos coming... where we’ll cover ‘public’

sources of market cycle information, local market case studies, locating markets for specific strategies, FAQ's, and a lot more!

Somewhere in between these videos is a big webinar I'll be hosting – to show you the really good stuff!

...and make you a one-time offer you can't refuse. ;)

We've not yet set the date for the webinar – at least as I'm recording this video right now... maybe it'll be scheduled by the time you click the 'Register Now' button on the right.

In any event, we're taking reservations now; it'll be on a first come first served basis.

Click the 'Register Now' button in the top right corner... you don't want to miss it; the content or the deal I'm going to propose!

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