

28 YEARS OF VOLATILITY

There are always
reasons not to
invest.....

Remember Any of These?

1960 Russia downs U-2 plane
1961 Berlin Wall erected
1962 Cuban missile crisis
1963 Kennedy assassinated
1964 Gulf of Tonkin
1965 Civil rights marches
1966 Vietnam War escalates
1967 Newark race riots
1968 USS Pueblo seized
1969 Money tightens – markets fall
1970 Cambodia invaded – Vietnam War
1971 Wage/price freeze
1972 Largest U.S. trade deficit ever
1973 Energy crisis
1974 Nixon resigns
1975 Clouded economic prospects
1976 Economic recovery slows
1977 Market slumps
1978 Interest rates rise
1979 Interest rates at all-time high
1980 Oil prices skyrocket
1981 Market slumps
1982 Worst recession in 40 years

1983 U.S. Embassy, Marine barracks bombed
1984 Record federal deficits
1985 Economic growth slows
1987 Record-setting market decline
1988 Junk bond scandal
1989 October “Mini-Crash”
1990 Persian Gulf crisis
1991 Recession
1992 Riots sweep Los Angeles
1993 Bombing of World Trade Center
1994 Rising U.S. interest rates
1995 Oklahoma City bombing
1997 Collapse of Thailand economy
1998 President impeachment proceedings
1999 Y2K 2000 Internet stocks plummet
2001 September 11 terrorist attacks
2002 WorldCom accounting scandal
2003 War in Iraq
2004 Madrid Terrorist Attacks
2005 London Train Bombing
2006 India, Israel, Lebanon bombings
2007 Subprime crisis
2008 Bear Stearns near collapse
Lehman Brothers
Economic Bailout package

Remember Any of These?

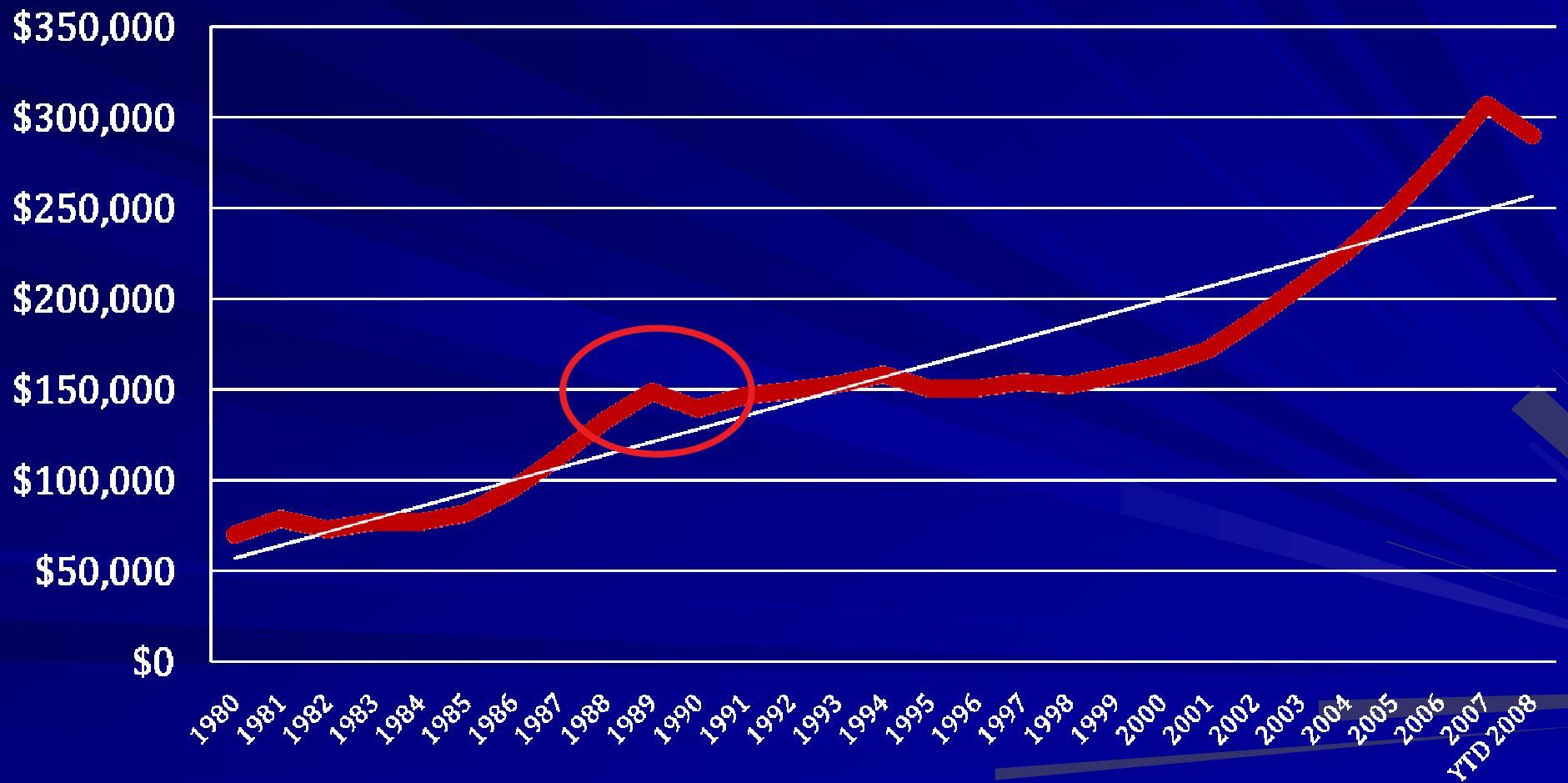
- **1979- Interest rates at all-time high Time**
- **1980- Oil prices skyrocket**
- **1981- Market slumps**

Remember Any of These?

- **1982- Worst recession in 40 years**
- **On and on....**
- **Recycling...**

Canadian Real Estate Prices 1980 – 2008 YTD

Canada



The background is a solid dark blue color. It features a series of diagonal lines in a slightly lighter shade of blue, creating a sense of depth and movement. The lines are more prominent on the right side and fade towards the left.

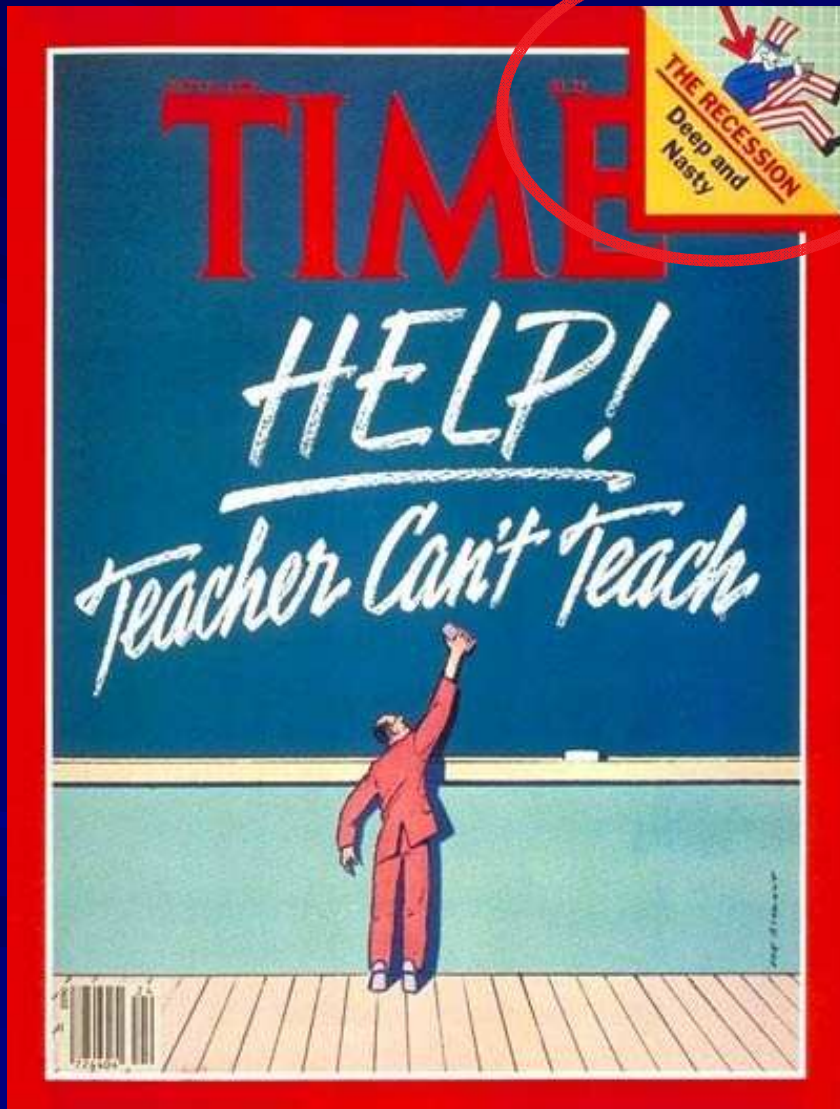
Invested in Real
Estate 1980.....

Average Canadian House in 1980

\$70,209

Investment of

\$17,552



If **\$17,552** was
invested in 1980

Amidst 'Deep
and Nasty'
Recession

\$70, 209

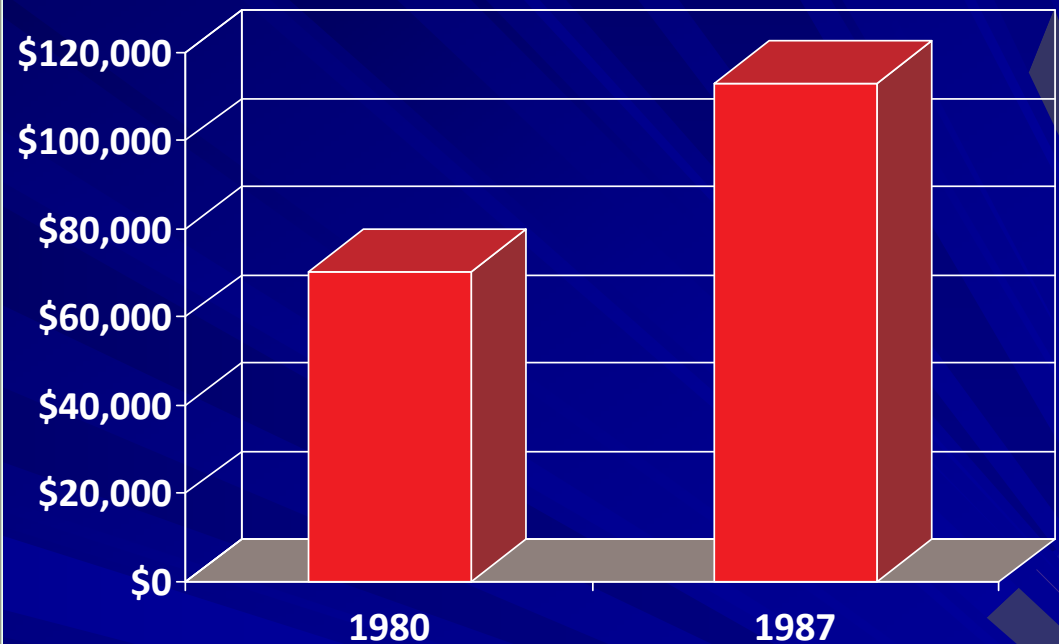
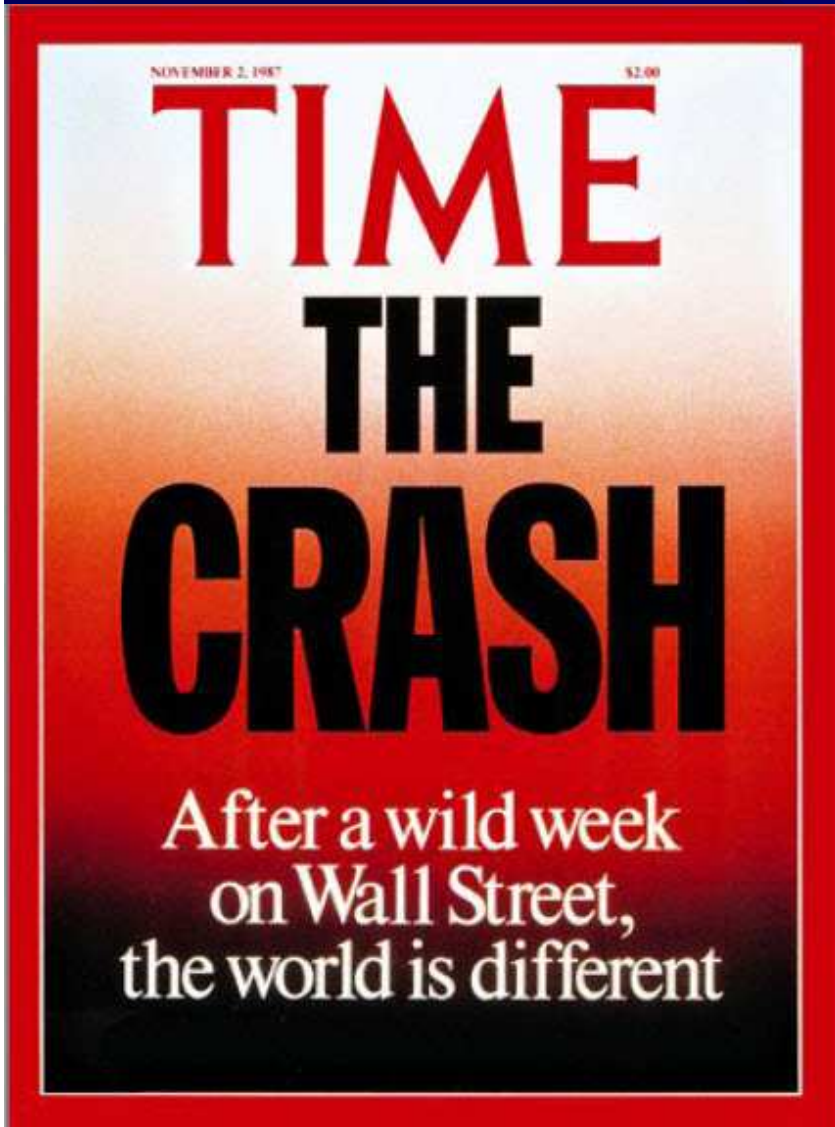
House in 1980 Would
Be Worth

\$290,347

on August, 2008

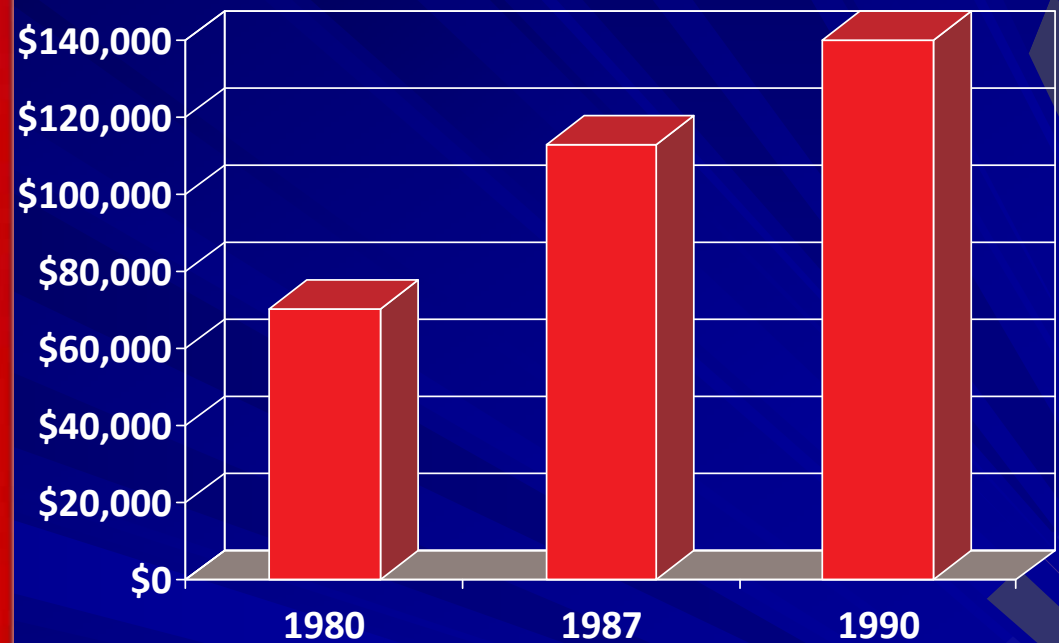
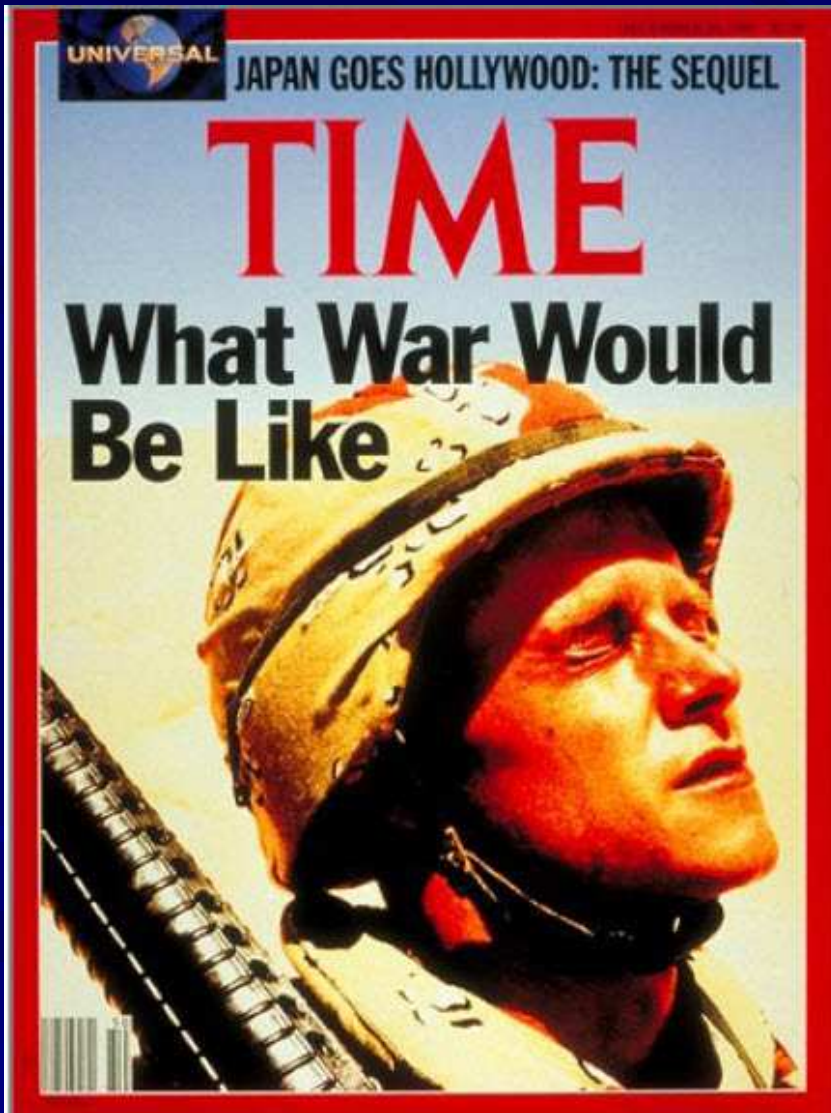
+220,138

1987



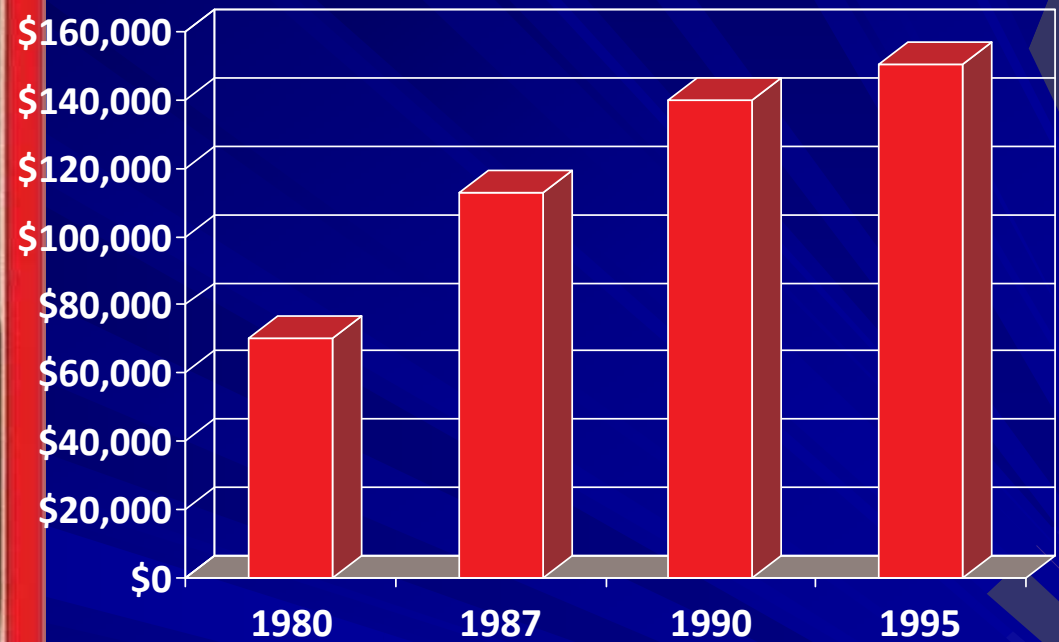
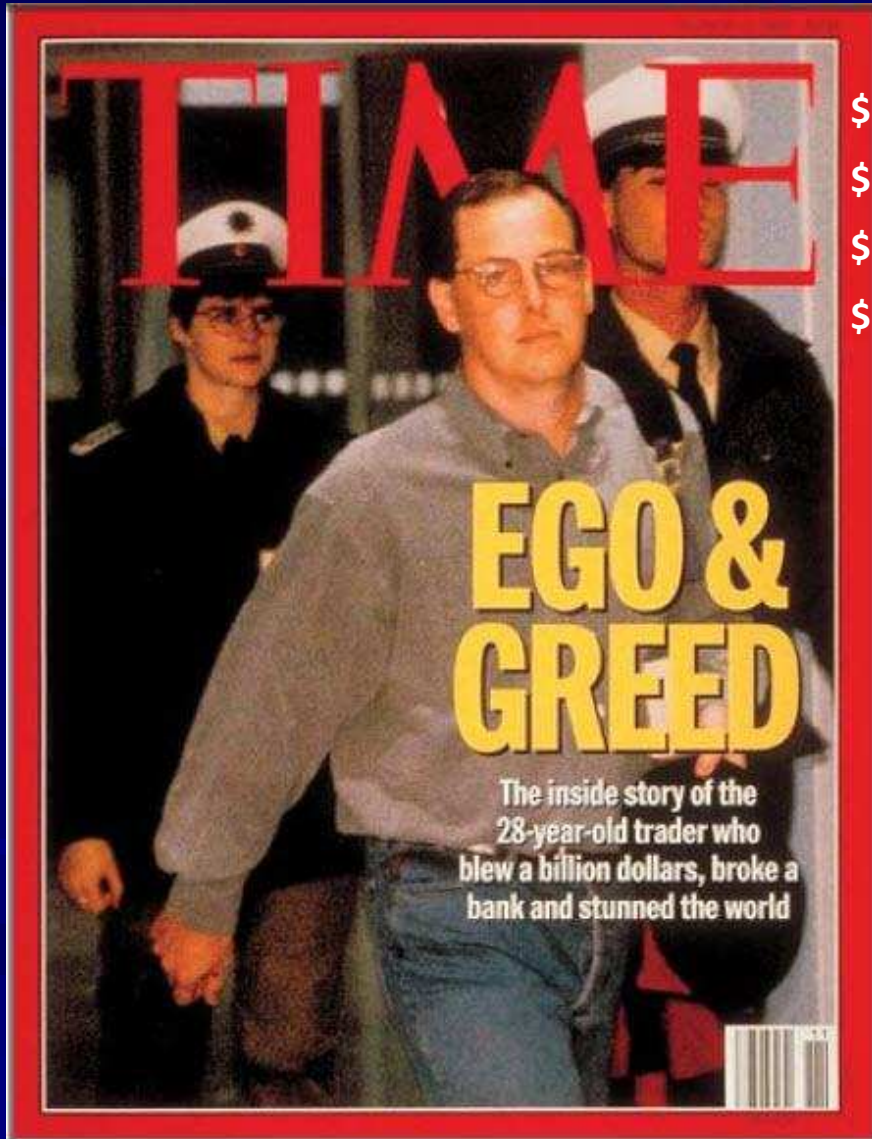
+ \$42,799
Since 1980

1990



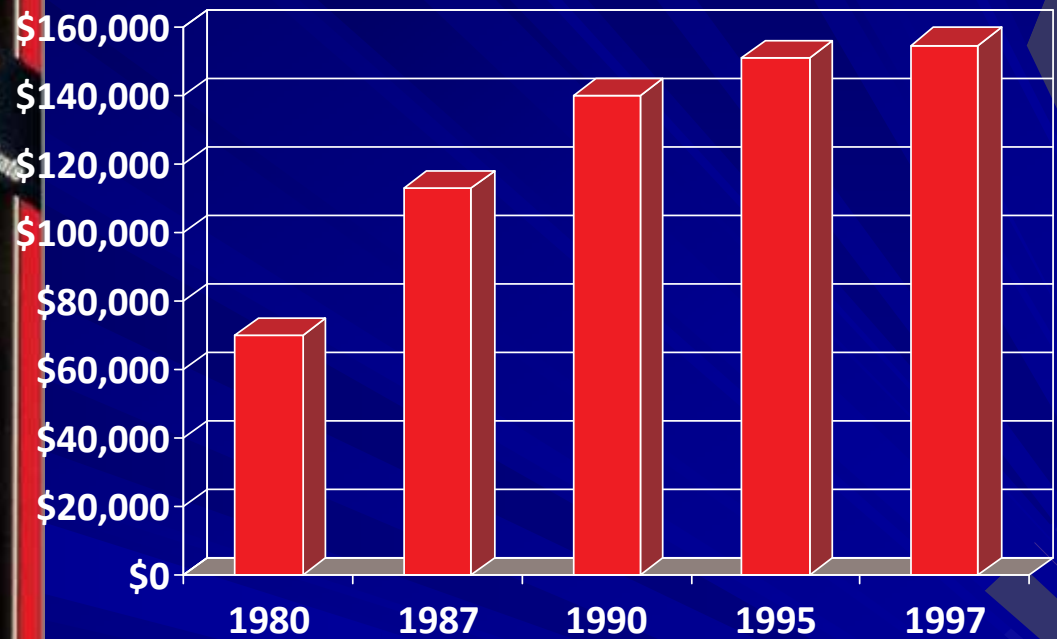
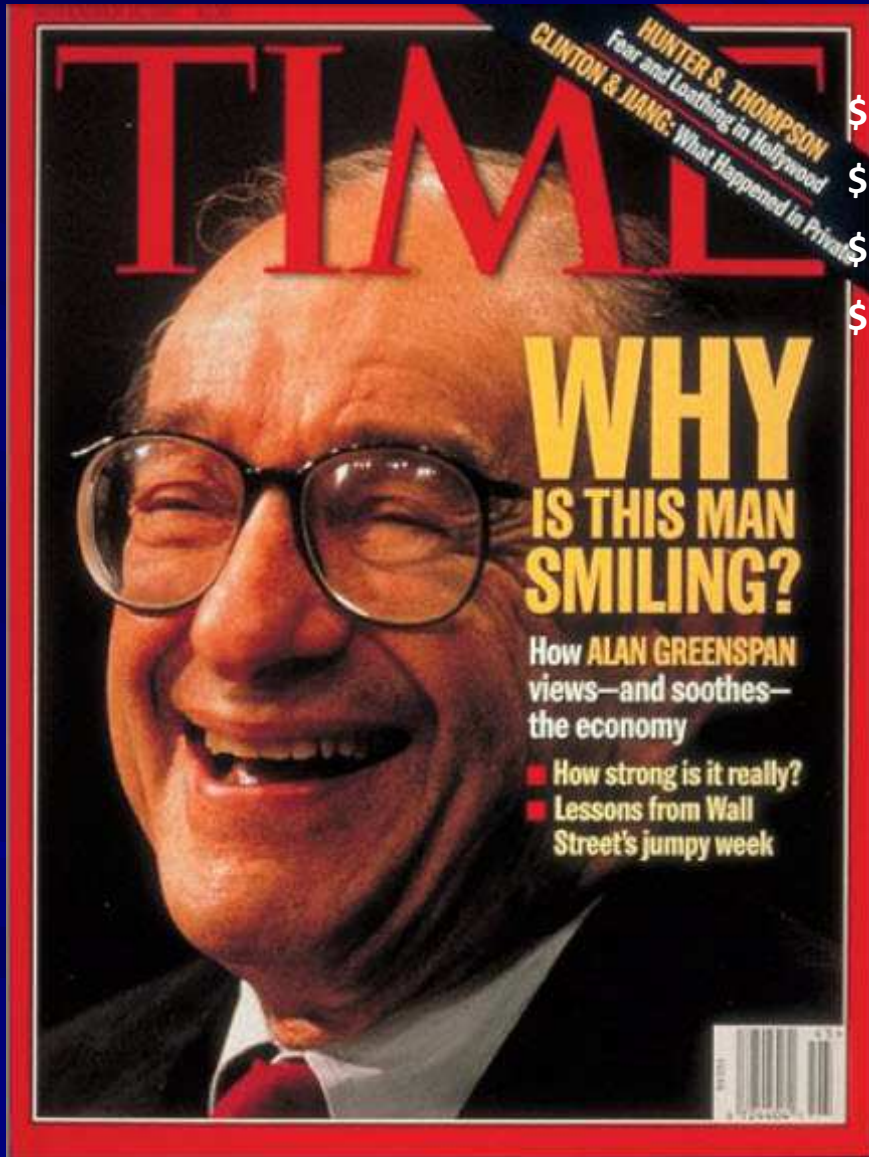
**+ \$69,661
Since 1980**

1995



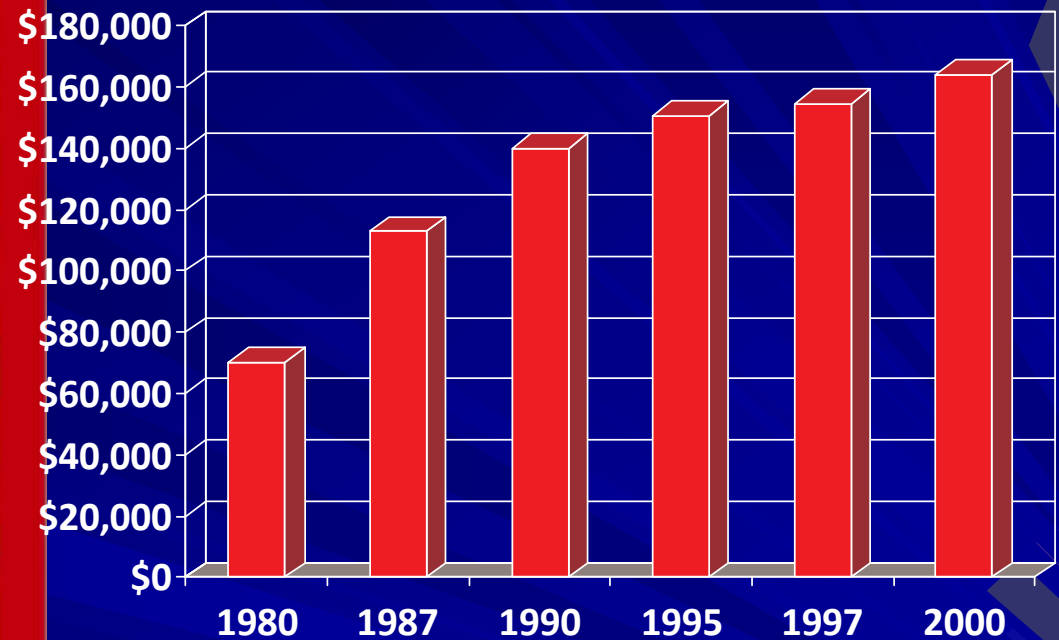
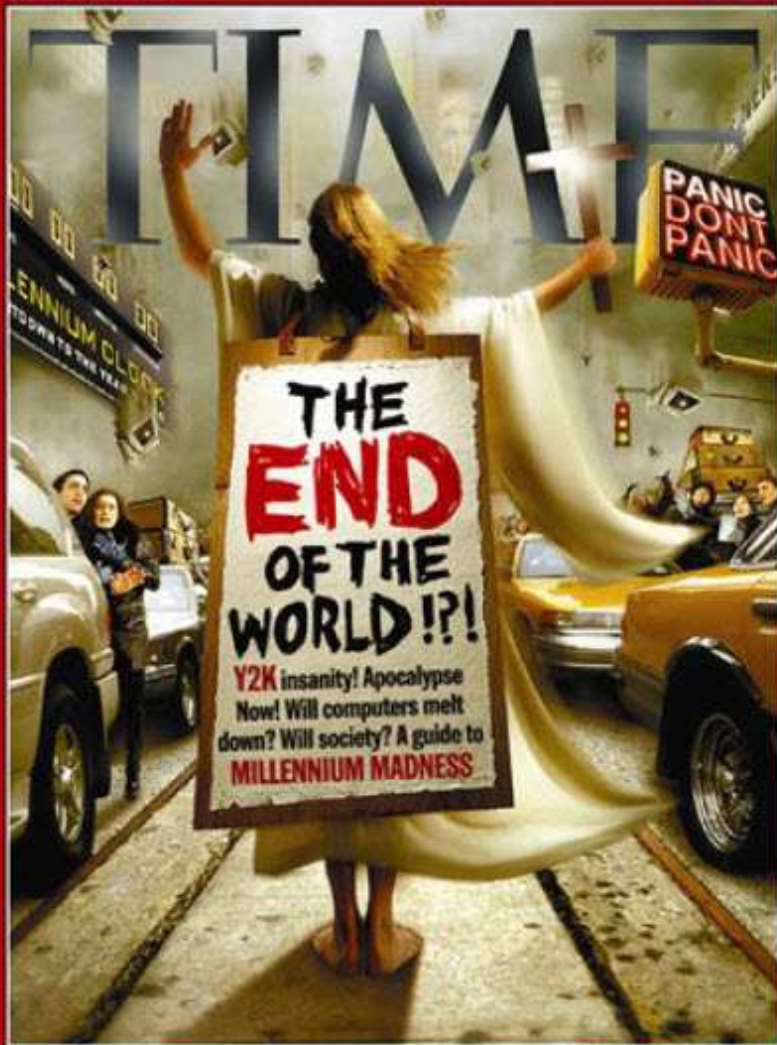
+ \$80,511
Since 1980

1997



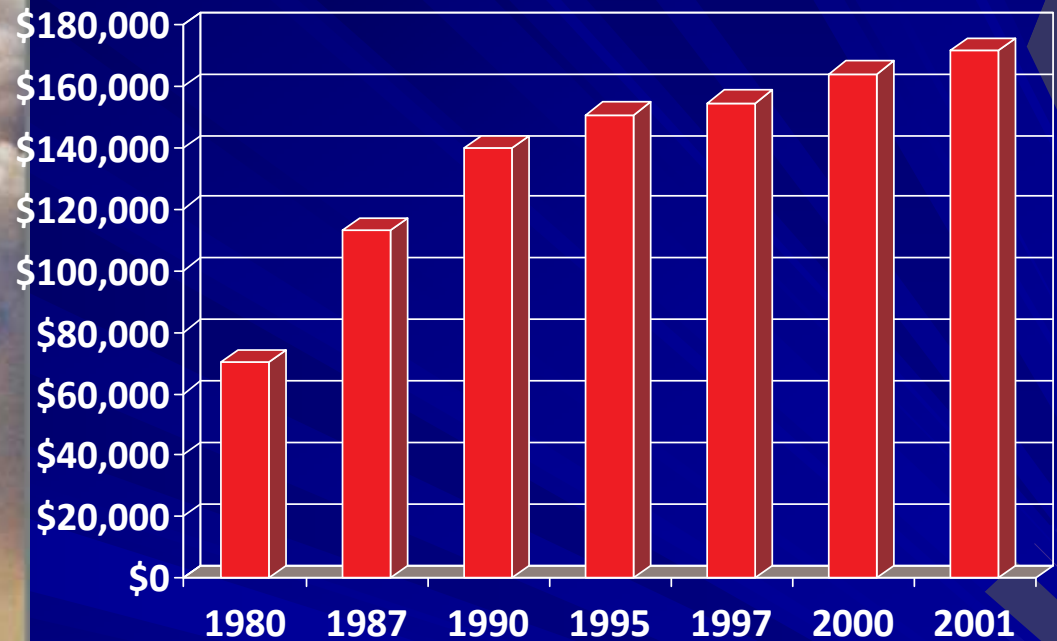
+ \$84,397
Since 1980

2000



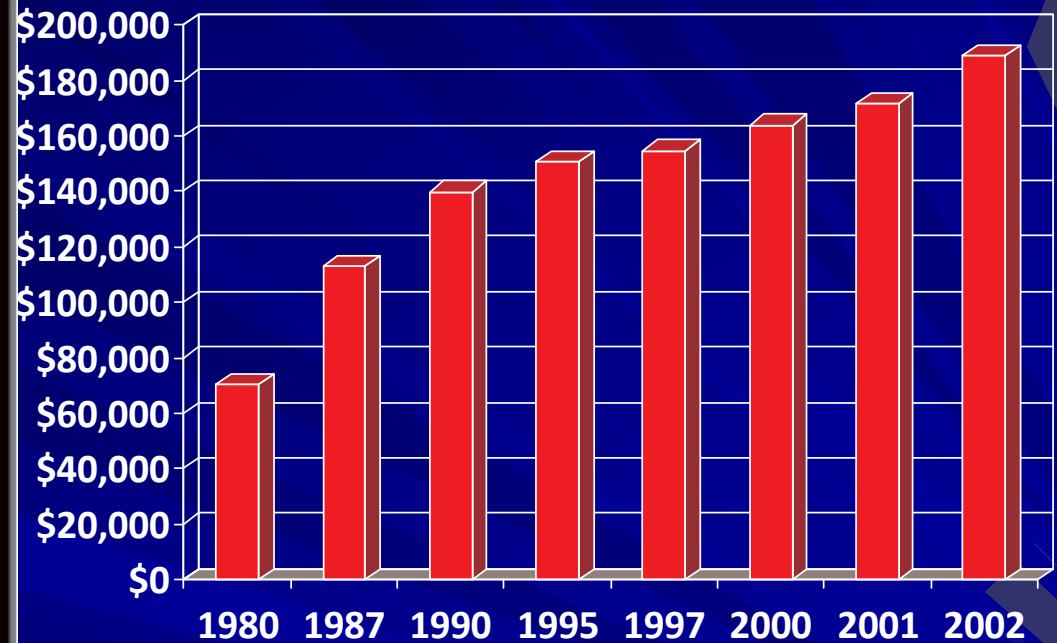
+ \$93,783
Since 1980

2001



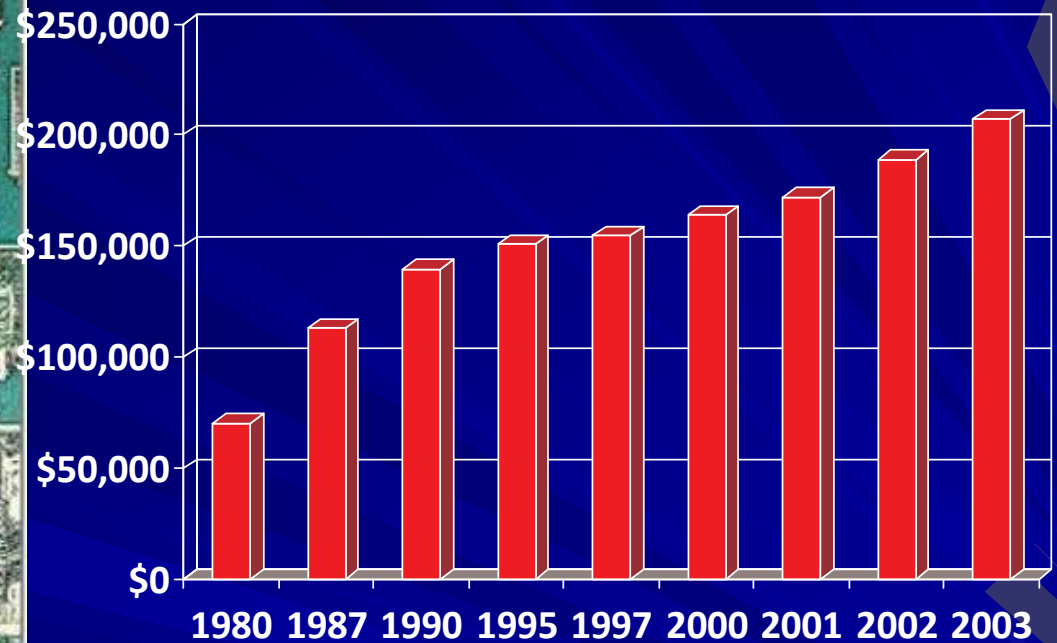
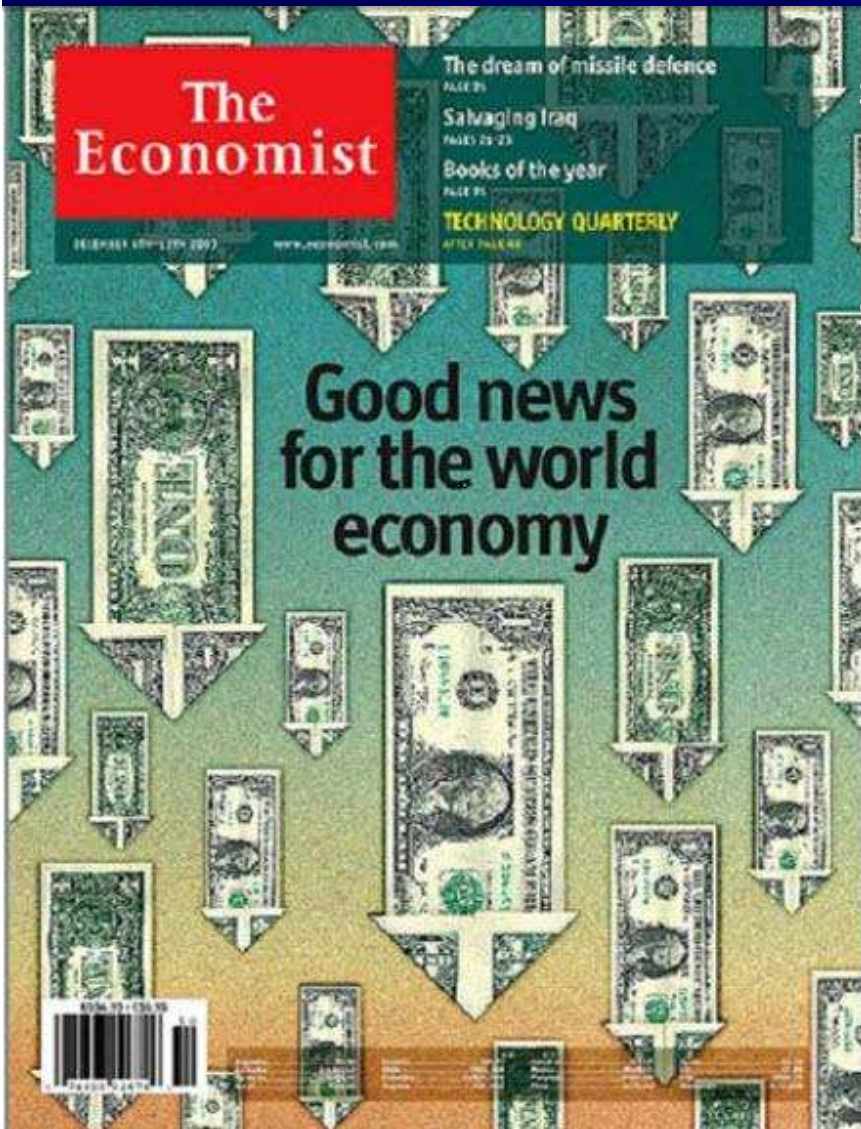
+ \$101,534
Since 1980

2002



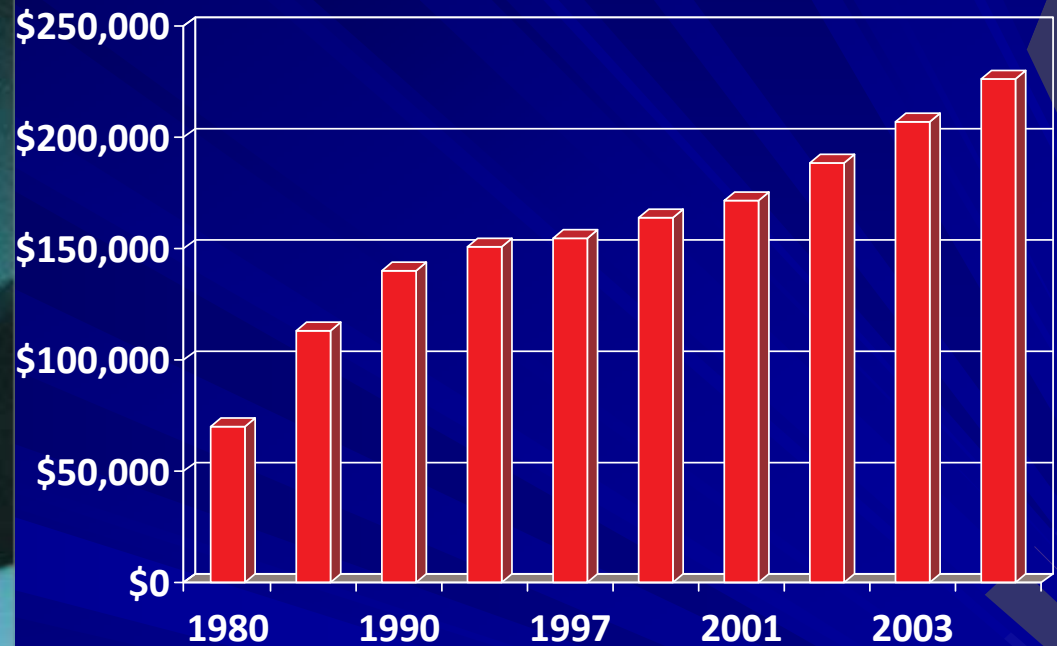
+ \$118,545
Since 1980

2003



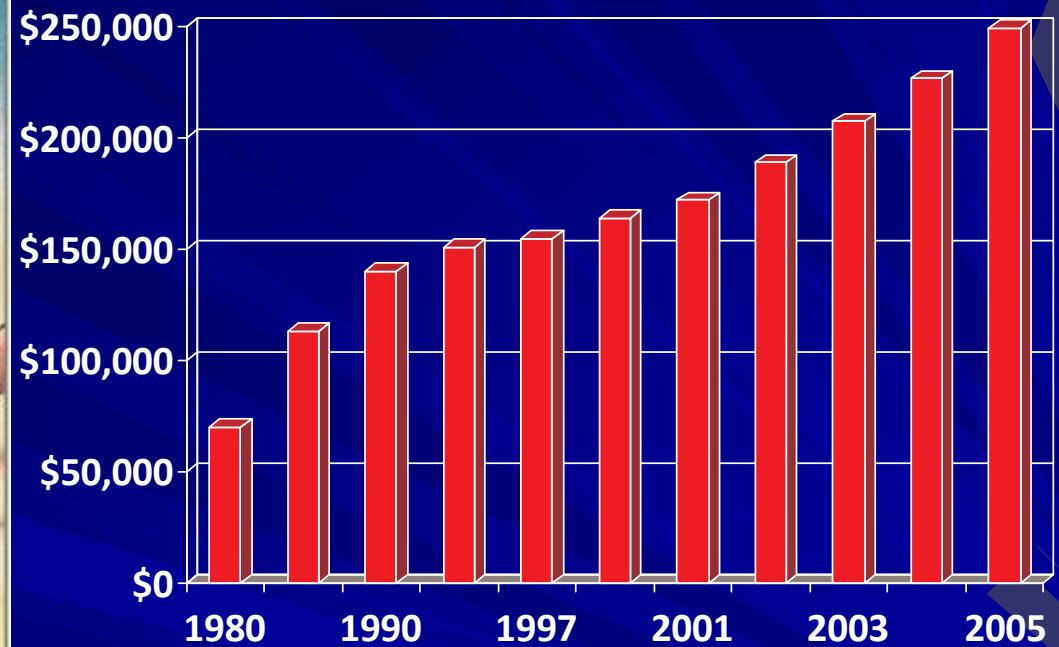
**+ \$136,902
Since 1980**

2004



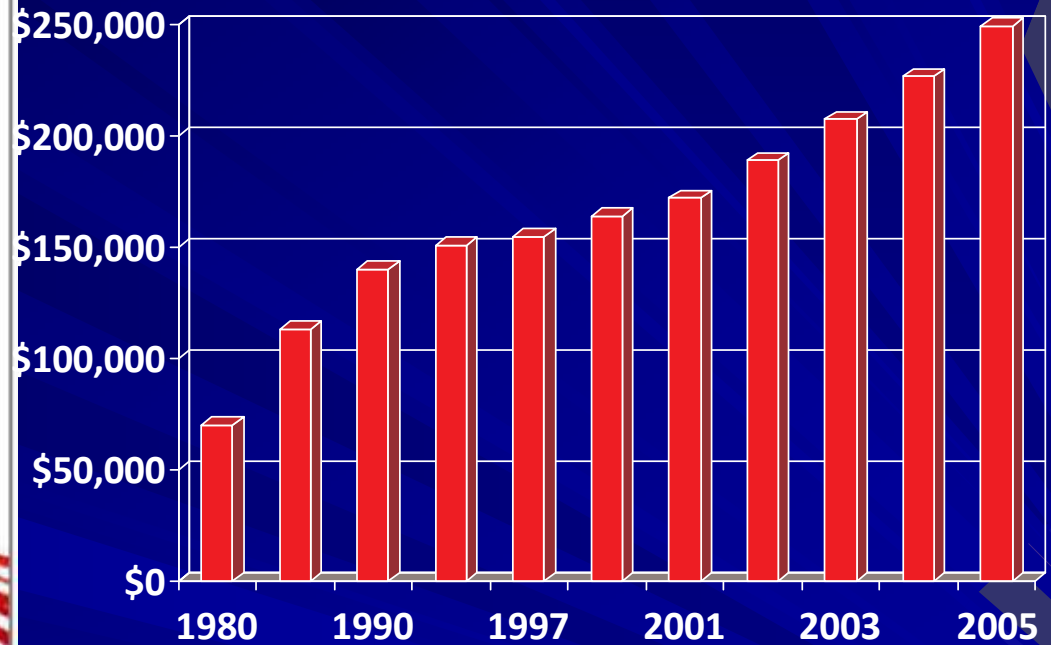
+ \$156,128
Since 1980

2005



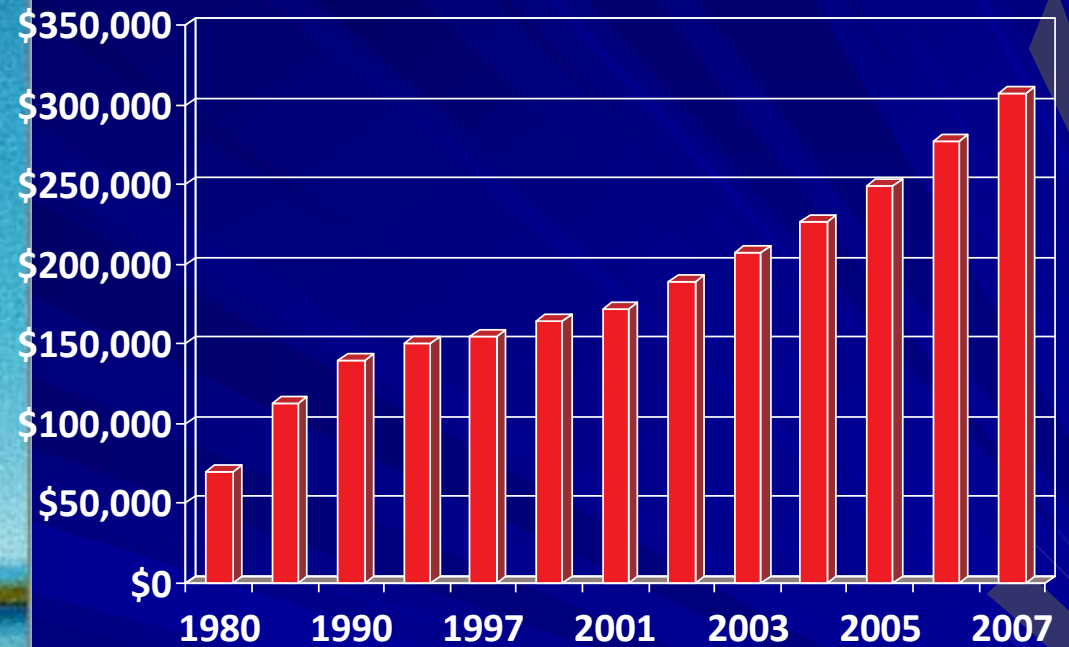
**+ \$178,992
Since 1980**

2006



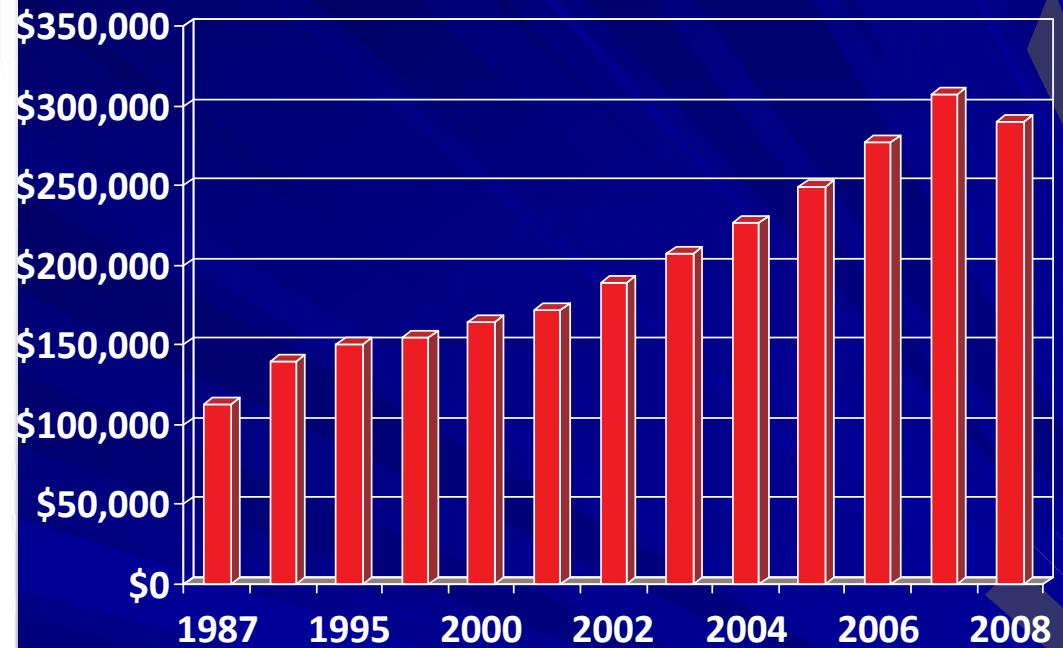
+ \$206,750
Since 1980

2007



+ \$237,097
Since 1980

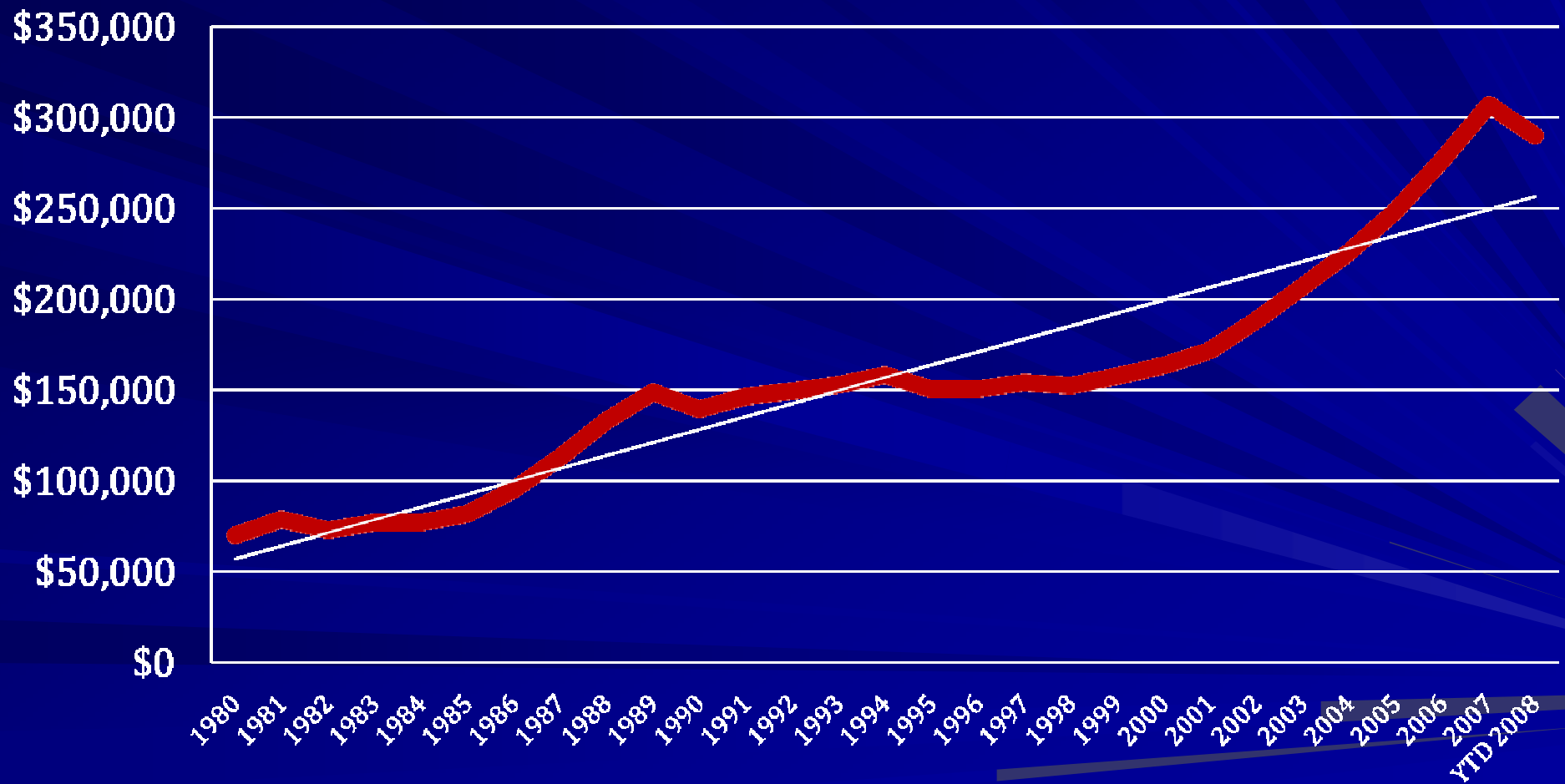
2008 YTD



+ \$220,138
Since 1980

Canadian Real Estate Prices 1980 – 2008 YTD

Canada

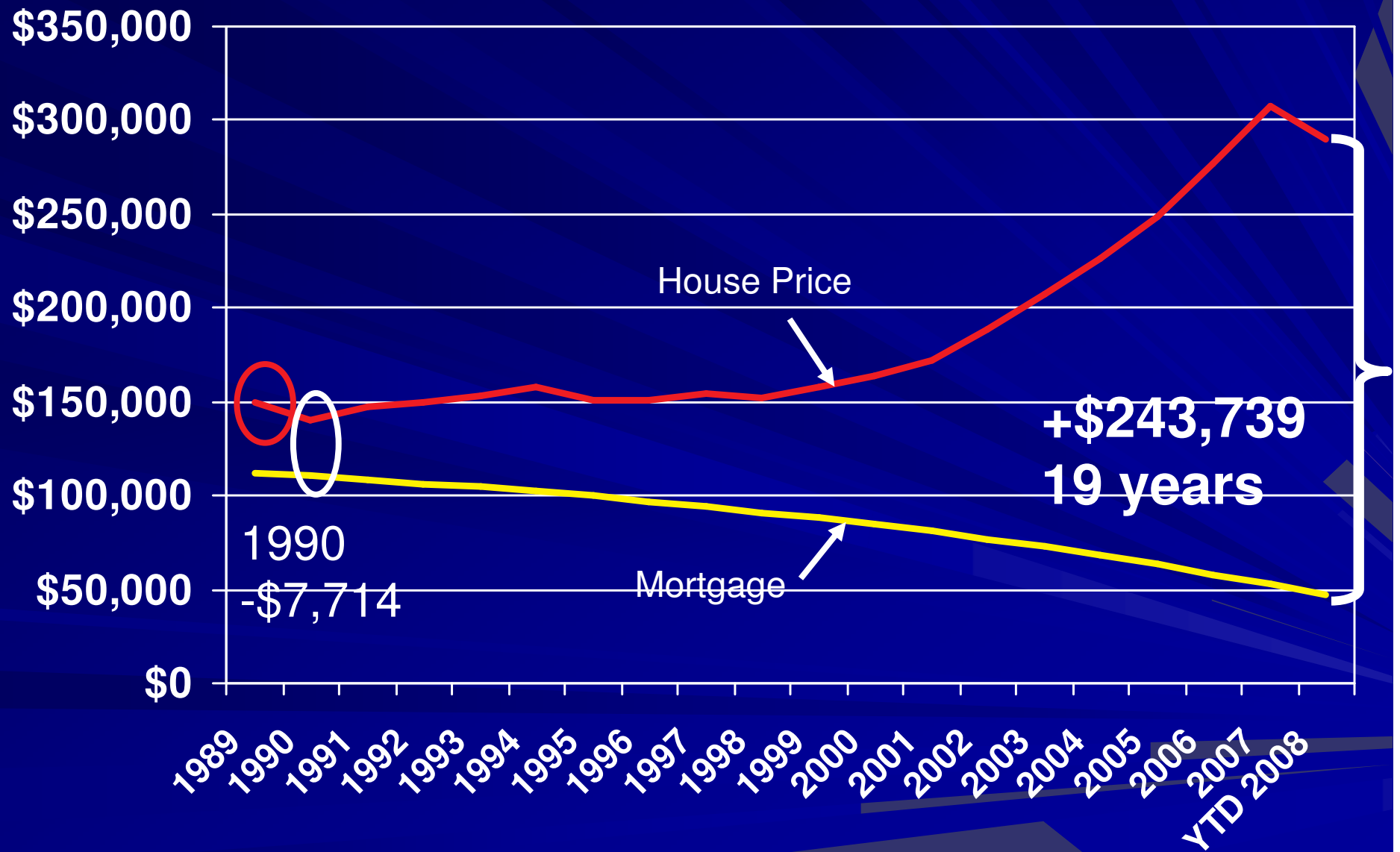


1980 - 2008

- \$17,552 Investment
in 1980
- Free and Clear
\$290,347 house in
Aug. 2008?

1989 to Today

Equity growth with Break-Even Cash Flow



Perspective

- 1989

- Over Time looks insignificant

- Loss in first year

- Break-even in year 2

- \$243,739 Equity in 19 years

Perspective

- \$37,293 investment in 1989
- House price 1989-
\$149,173
- House price 2008-
\$290,347
- Equity of \$243,739

Summary

- **Always reasons
not to invest**

- **Time**

- **Cash Flow**

Summary

- Significant ROI over time
- Prices did not go up every year
- What did someone miss out?
- Staying invested



"Turning Business Dreams Into Realities... One Entrepreneur At A Time!"TM