

**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?

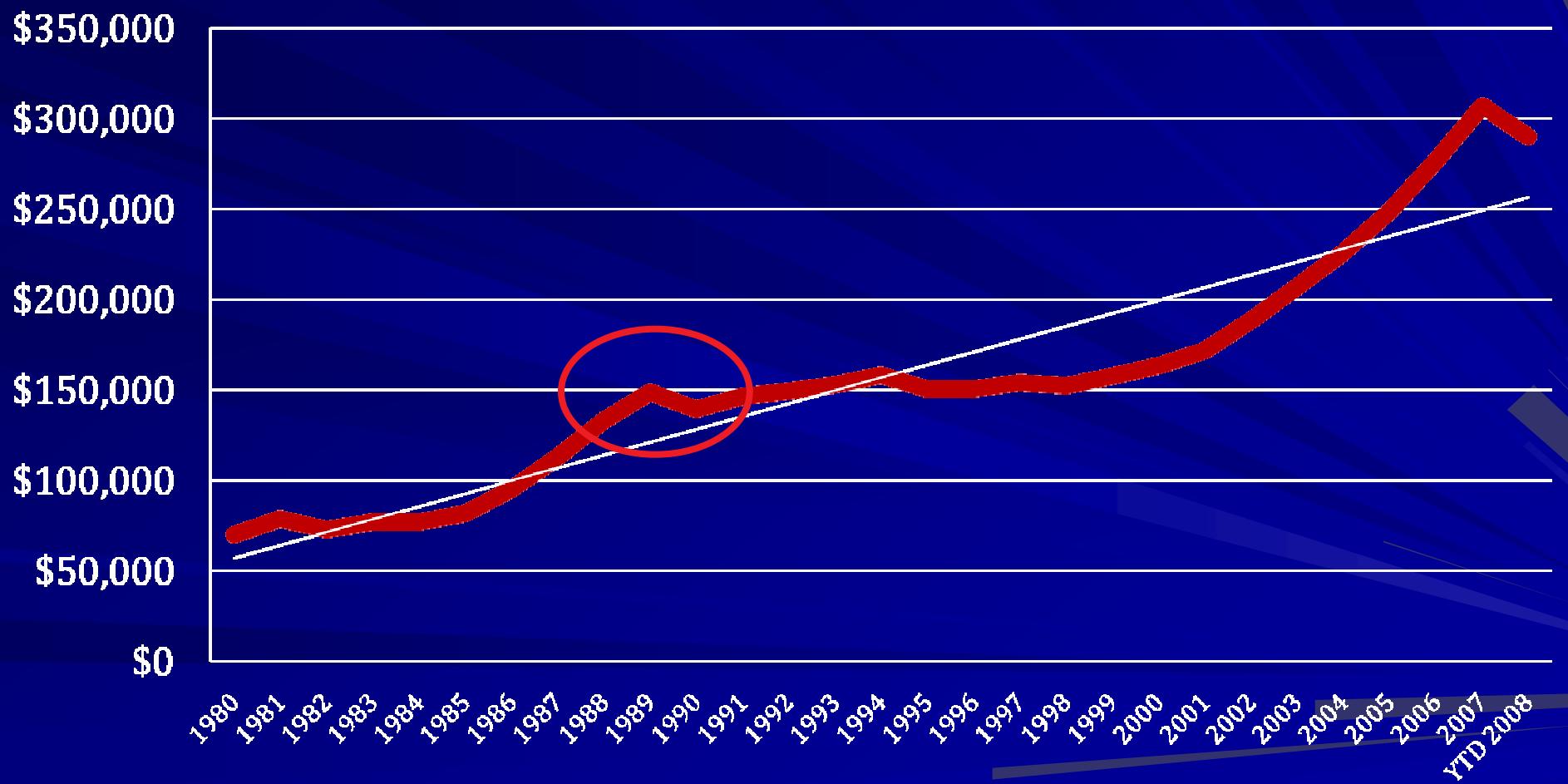
- 1979- Interest rates at all-time high Time
- 1980- Oil prices skyrocket
- 1981- Market slumps

Remember Any of These?

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

Canadian Real Estate Prices 1980 – 2008 YTD

Canada



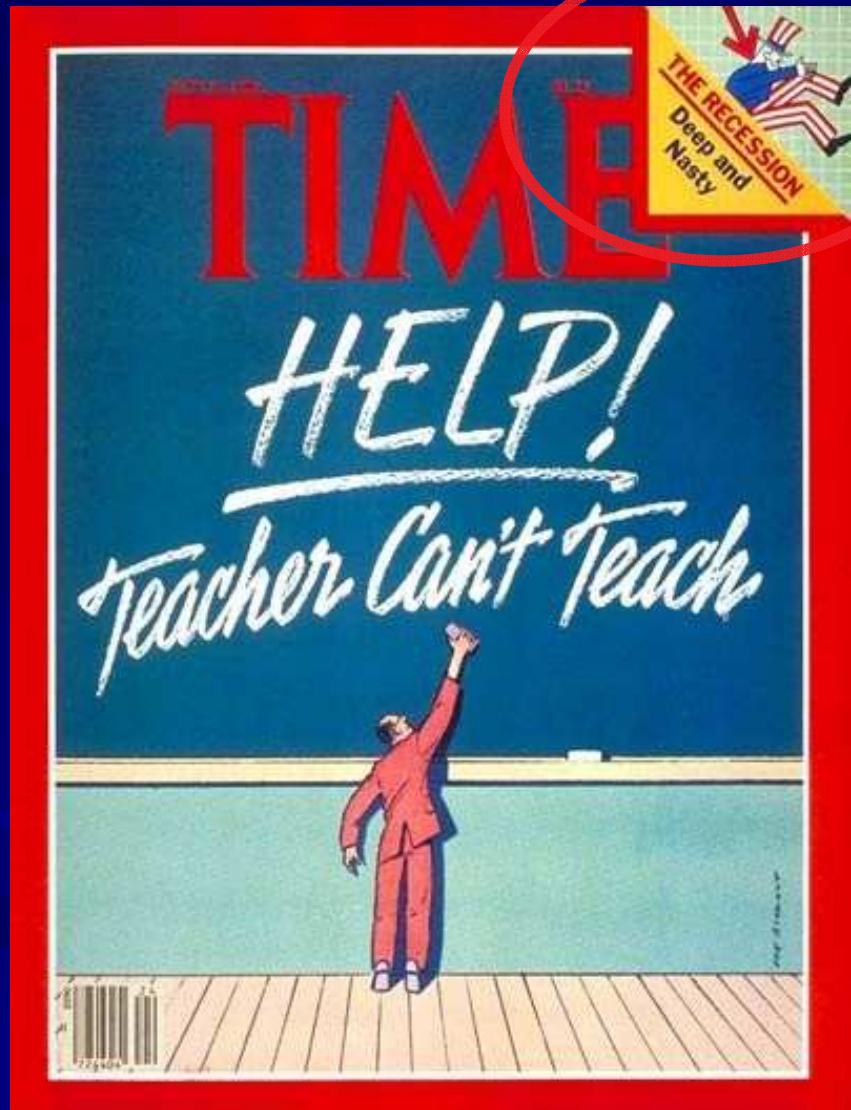
Invested in Real
Estate 1980....

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

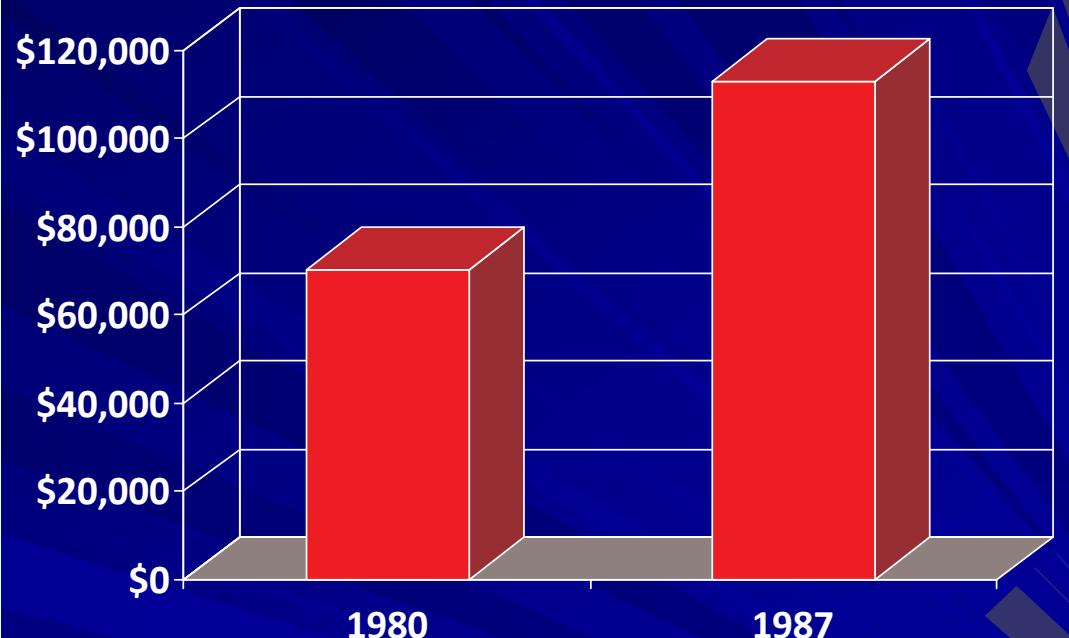
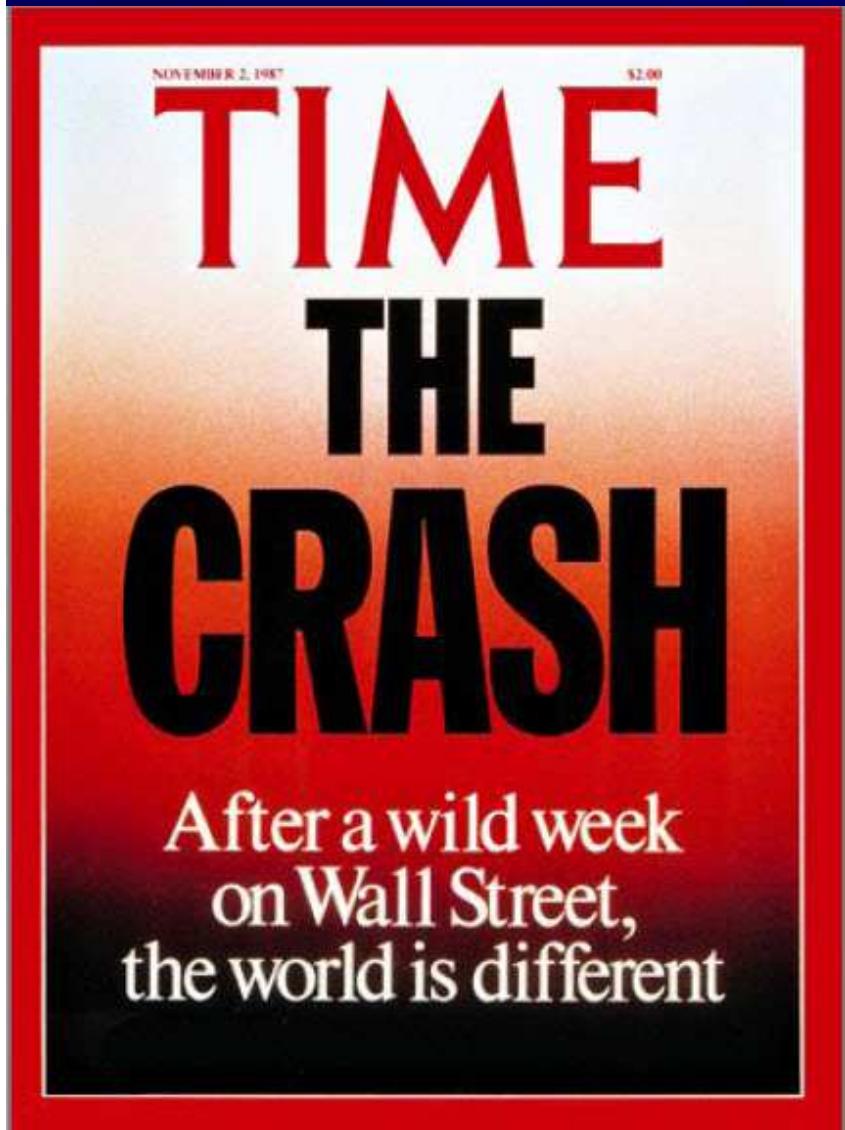
House in 1980 Would
Be Worth

\$290,347

on August, 2008

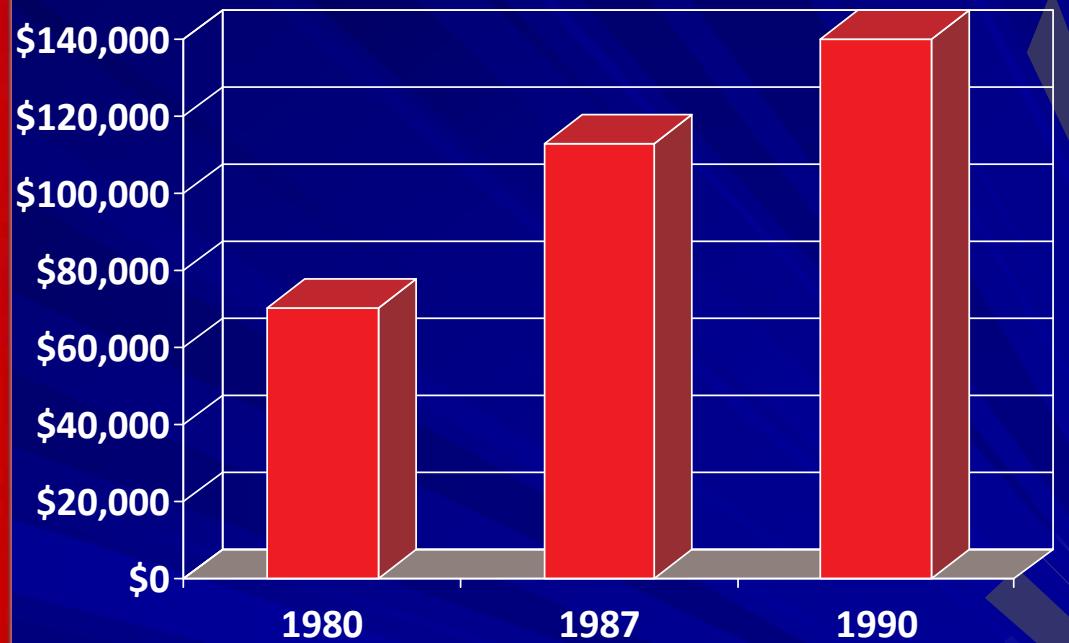
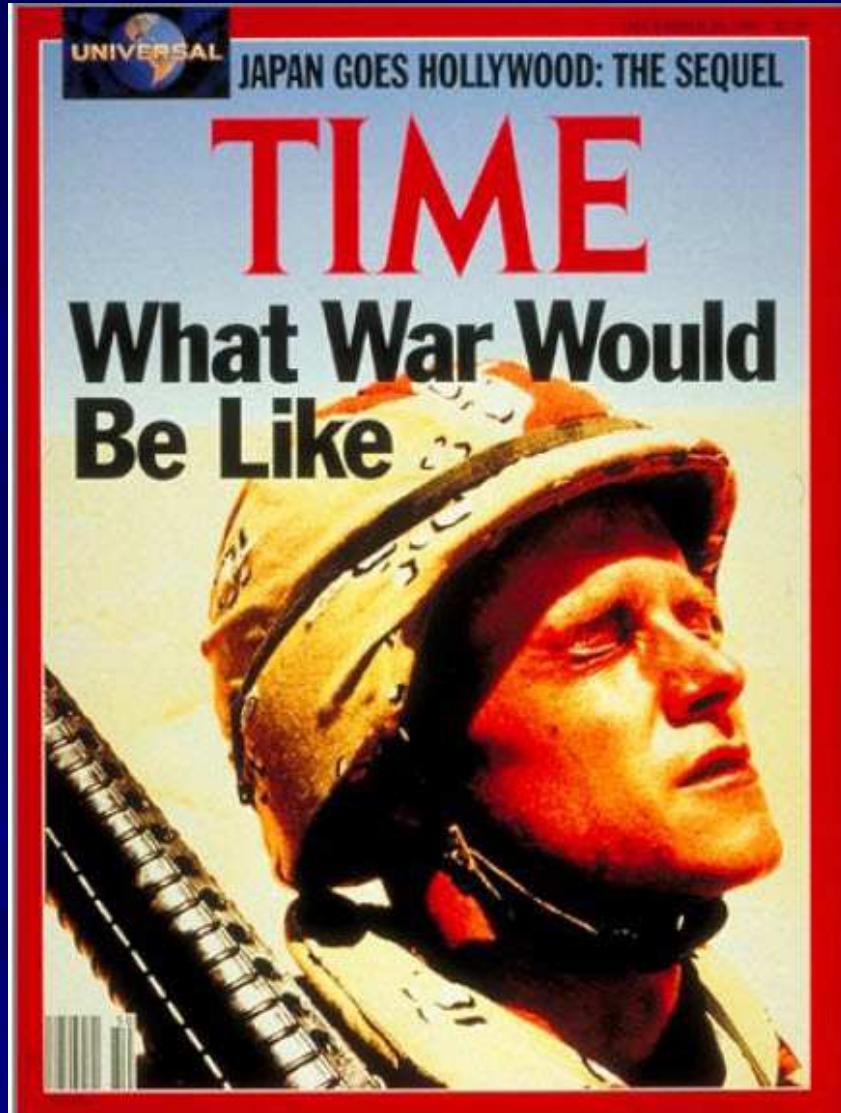
+220,138

1987



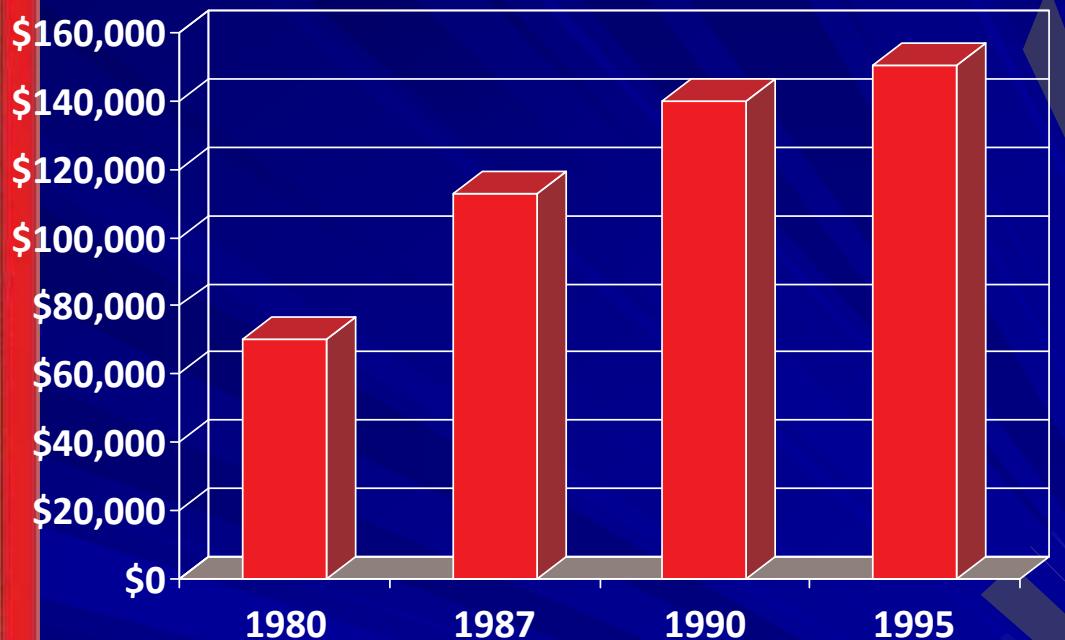
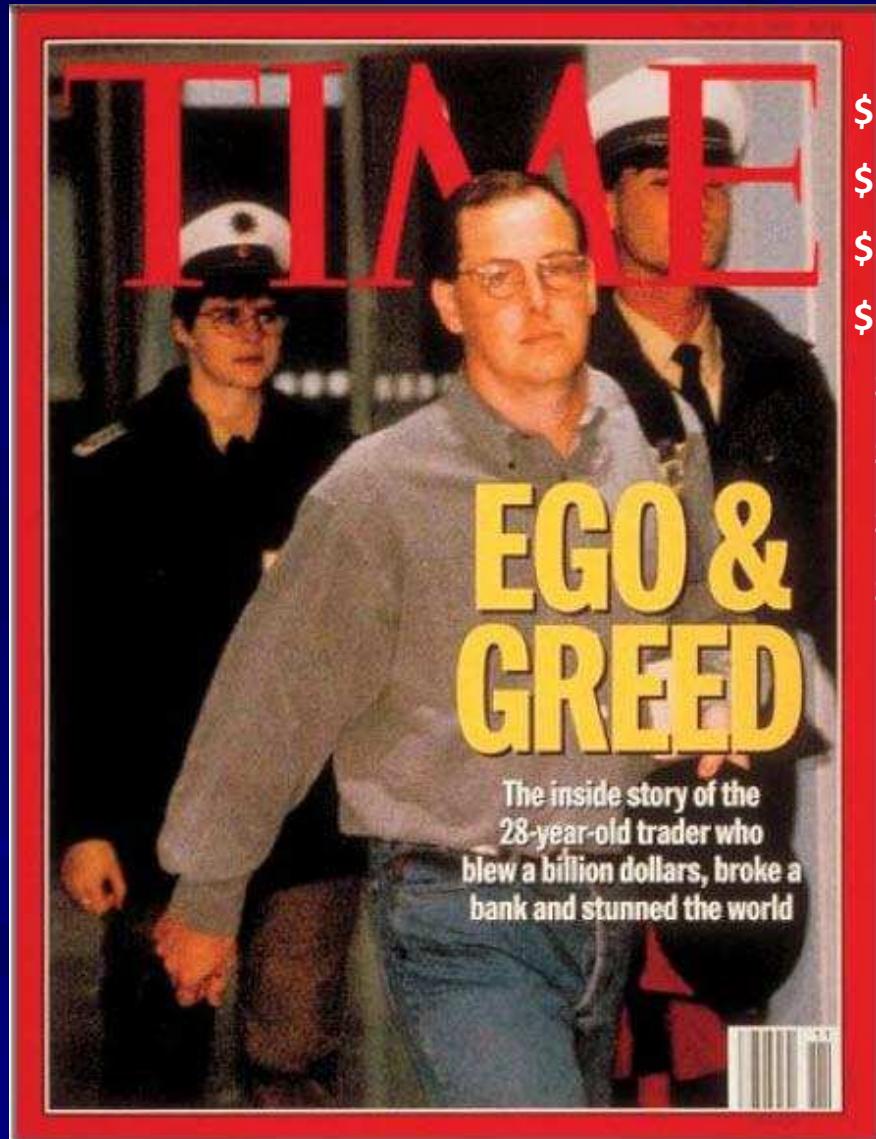
+ \$42,799
Since 1980

1990



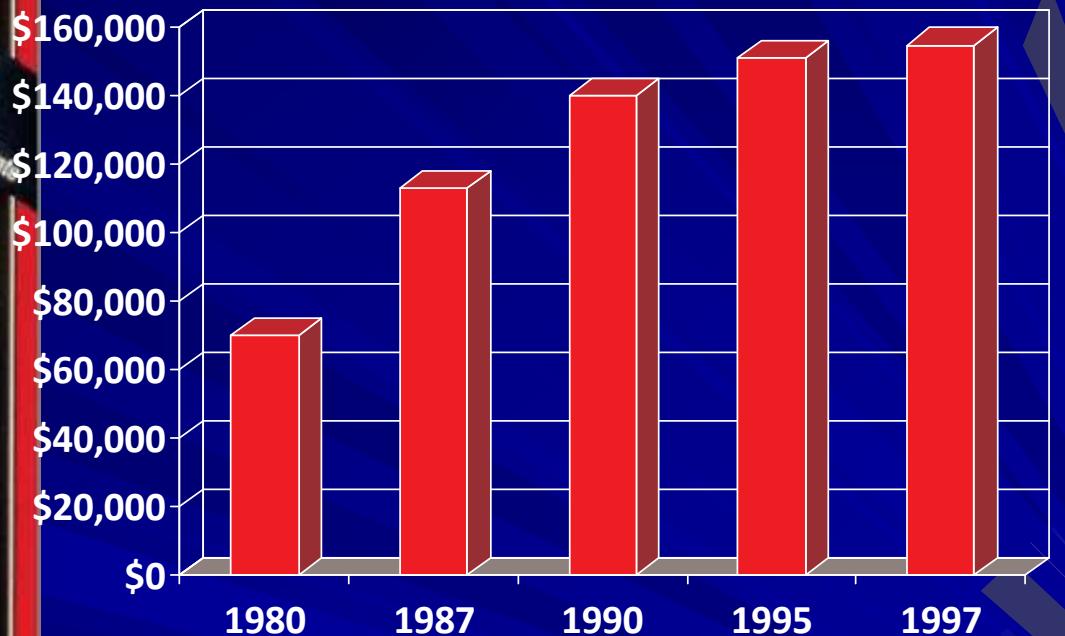
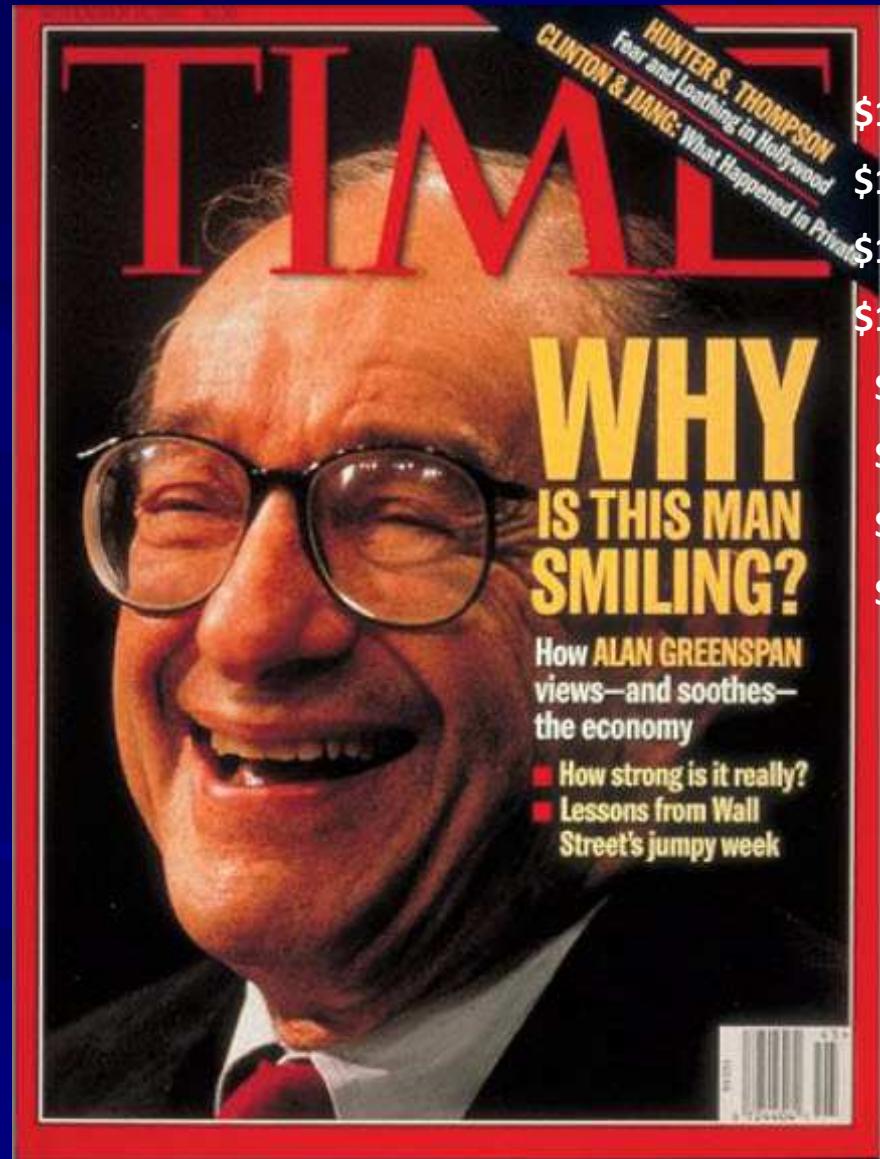
+ \$69,661
Since 1980

1995



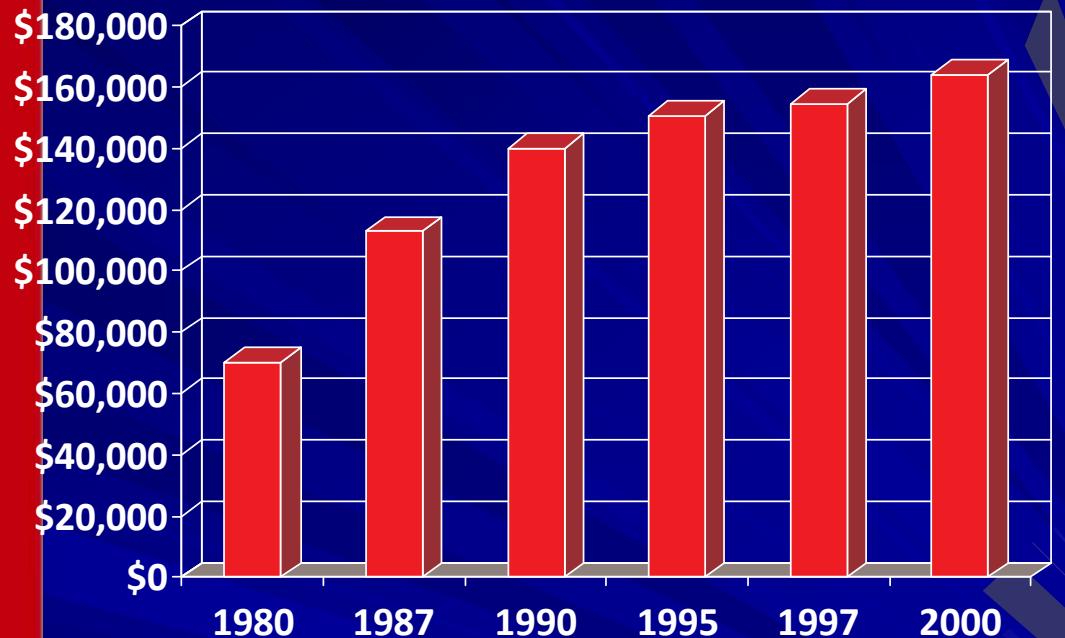
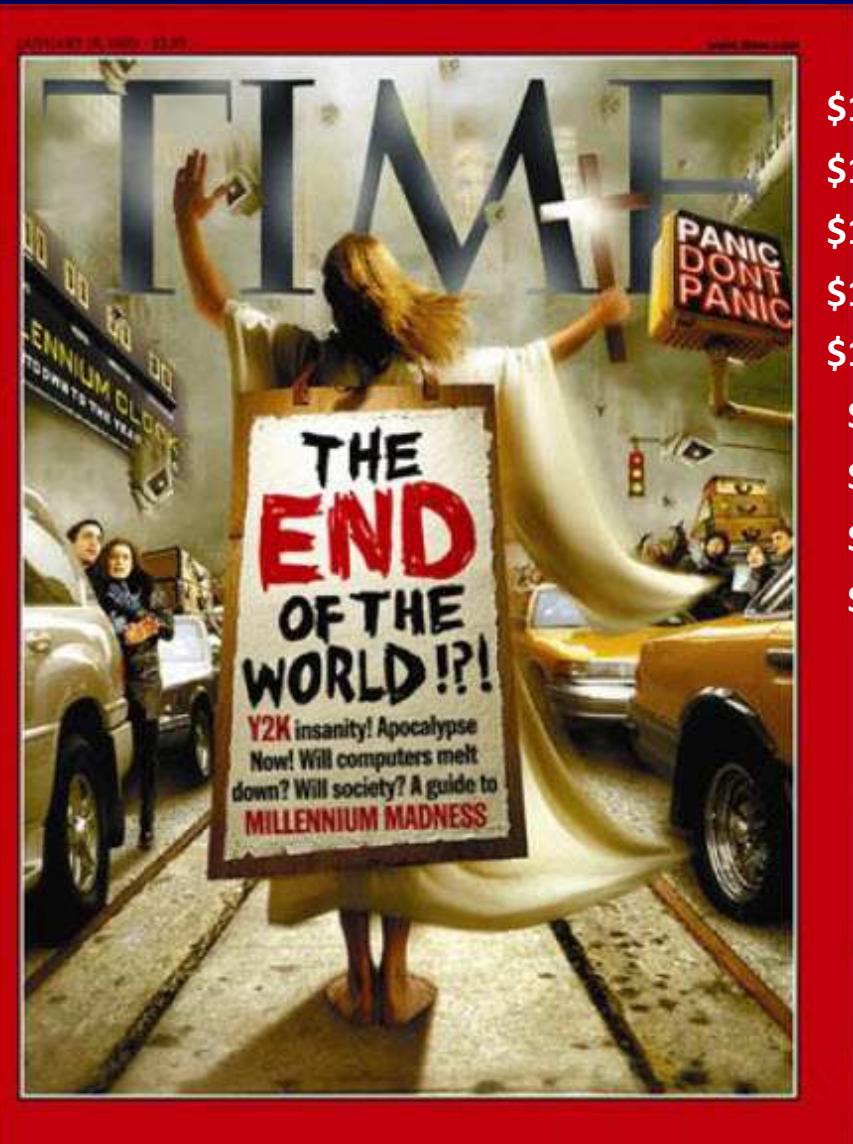
+ \$80,511
Since 1980

1997



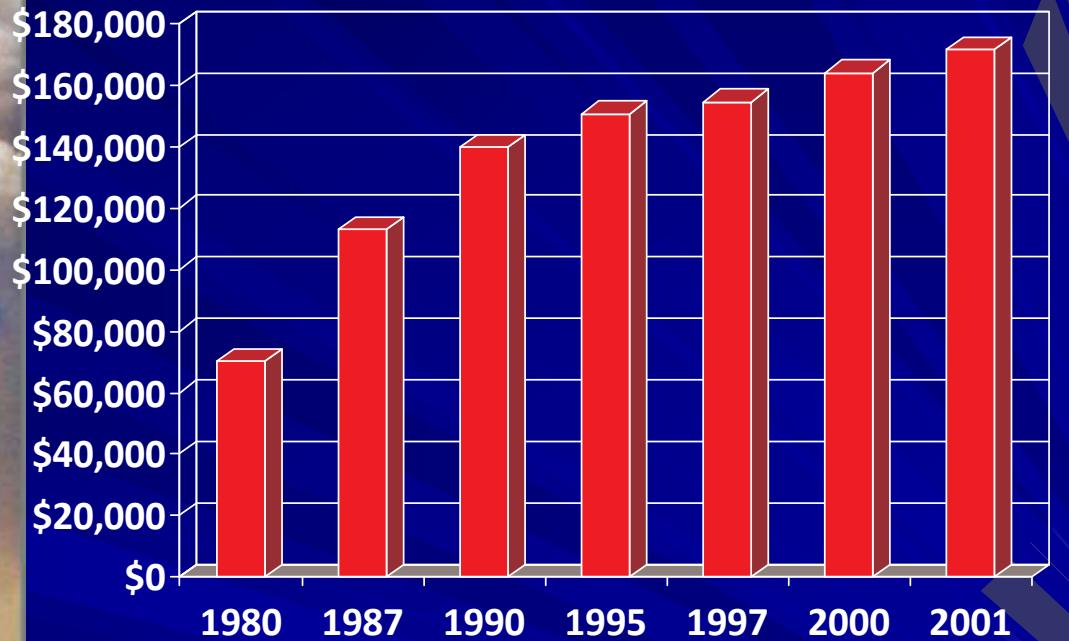
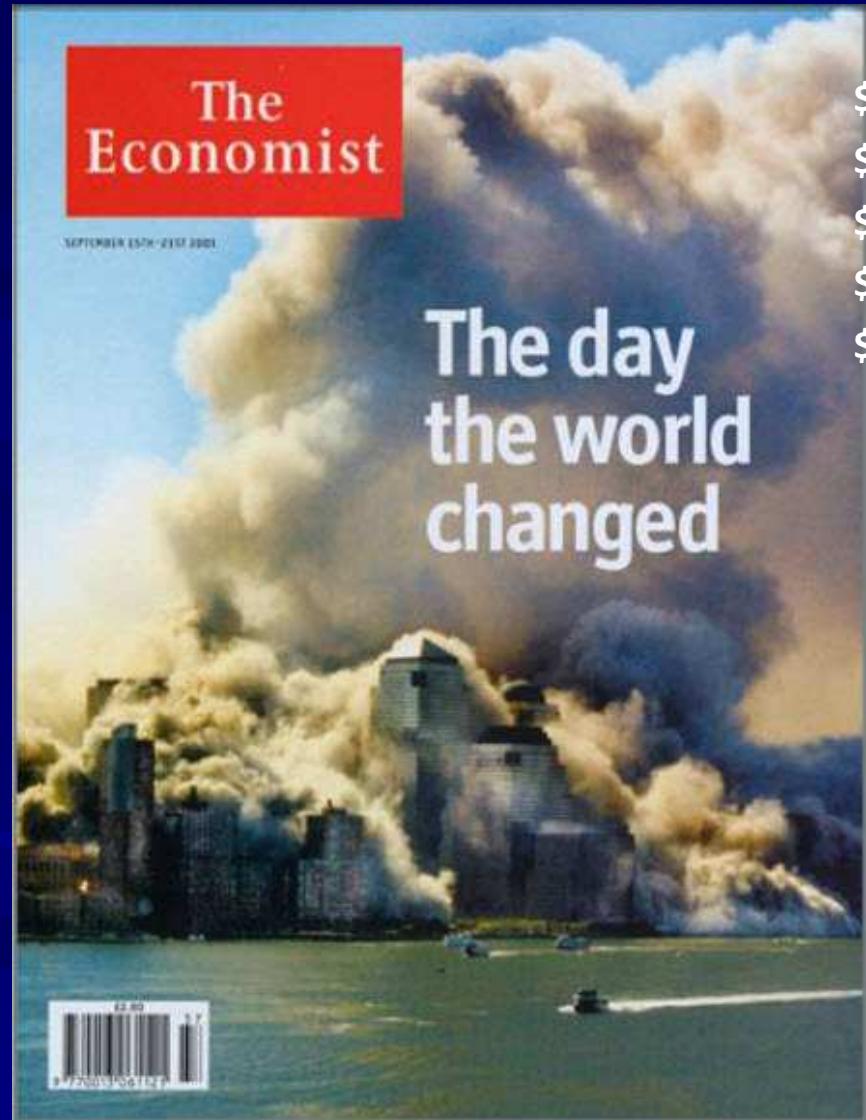
+ \$84,397
Since 1980

2000



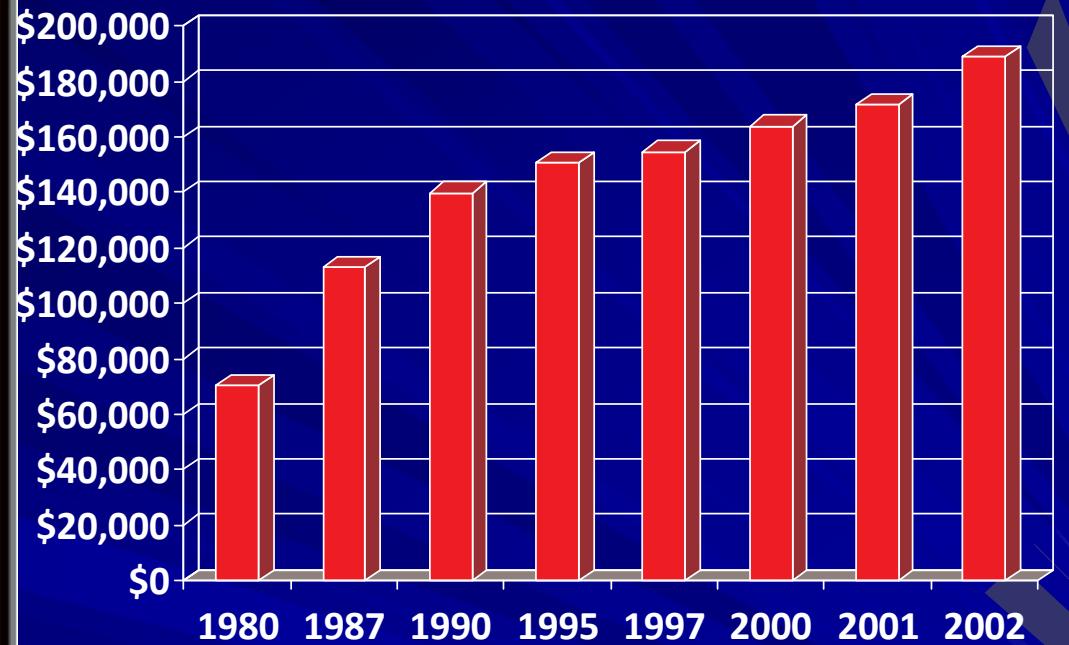
+ \$93,783
Since 1980

2001



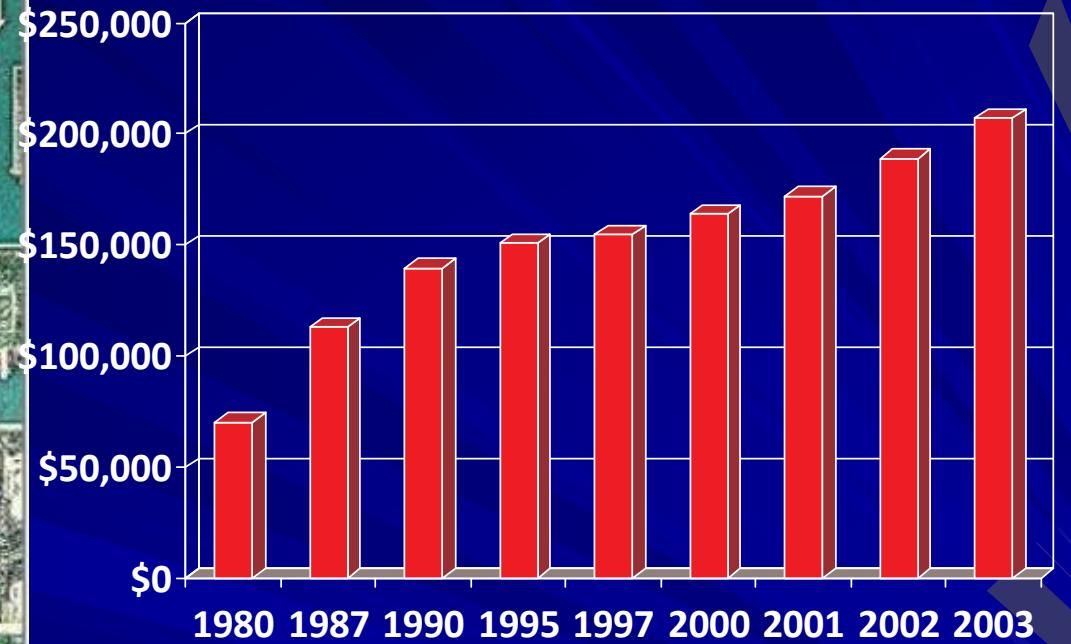
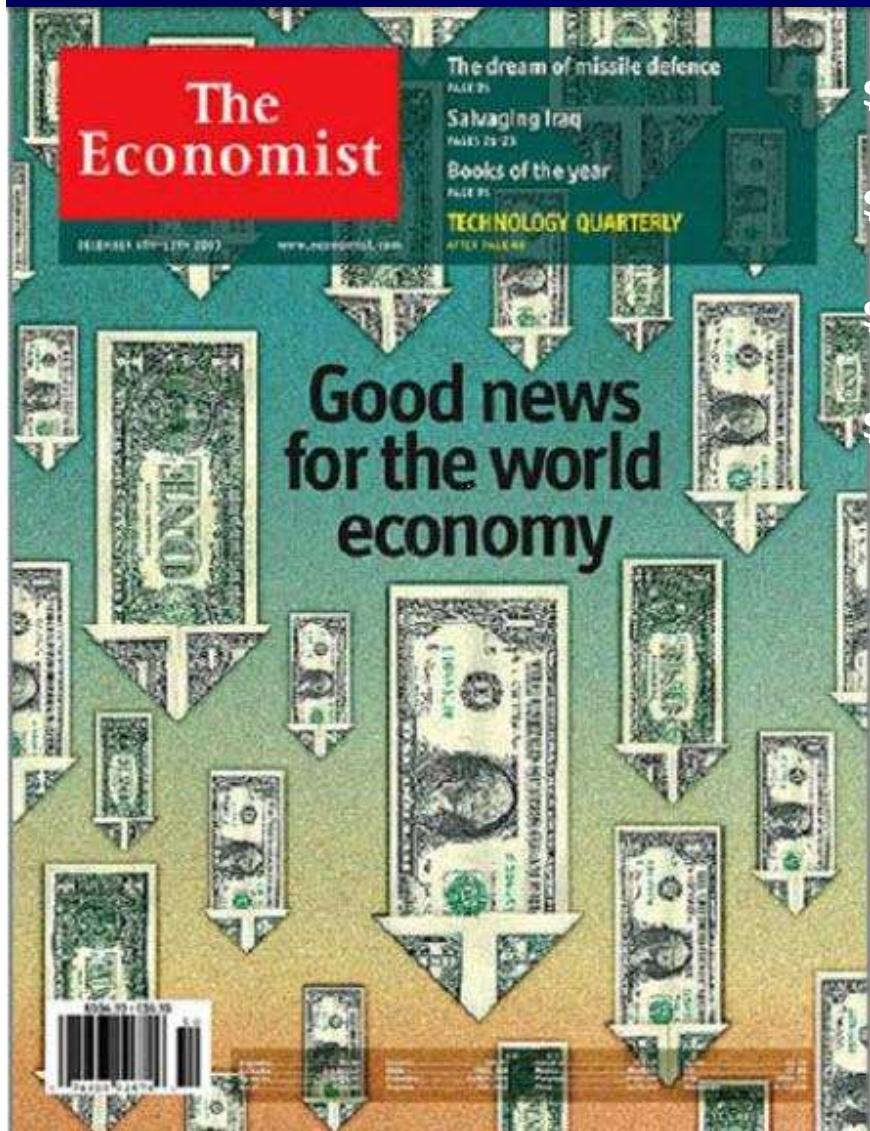
+ \$101,534
Since 1980

2002



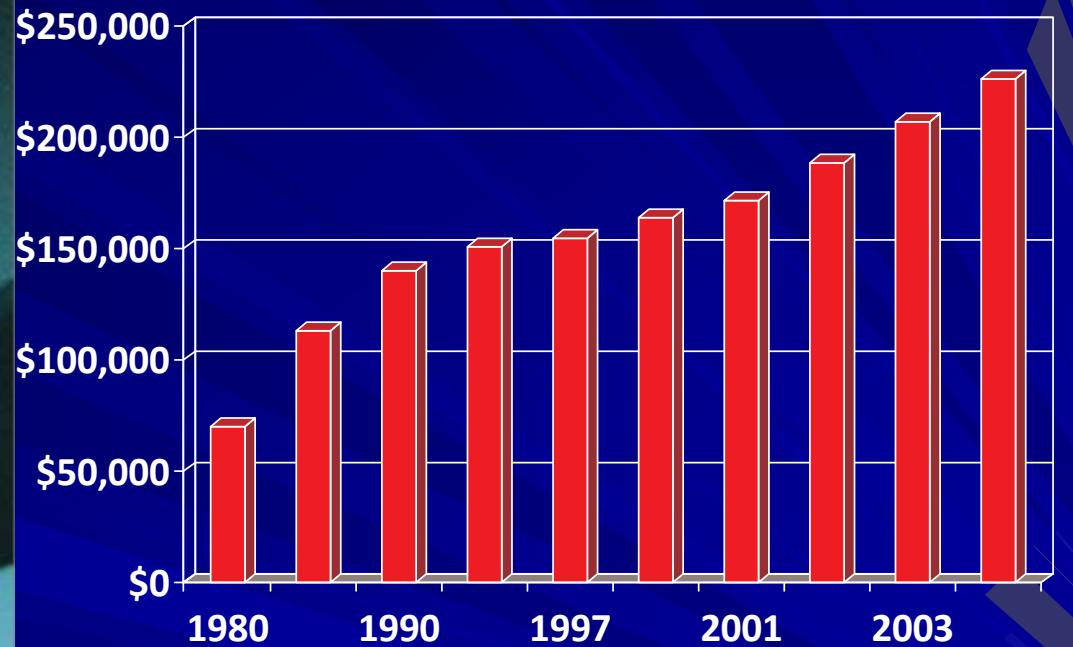
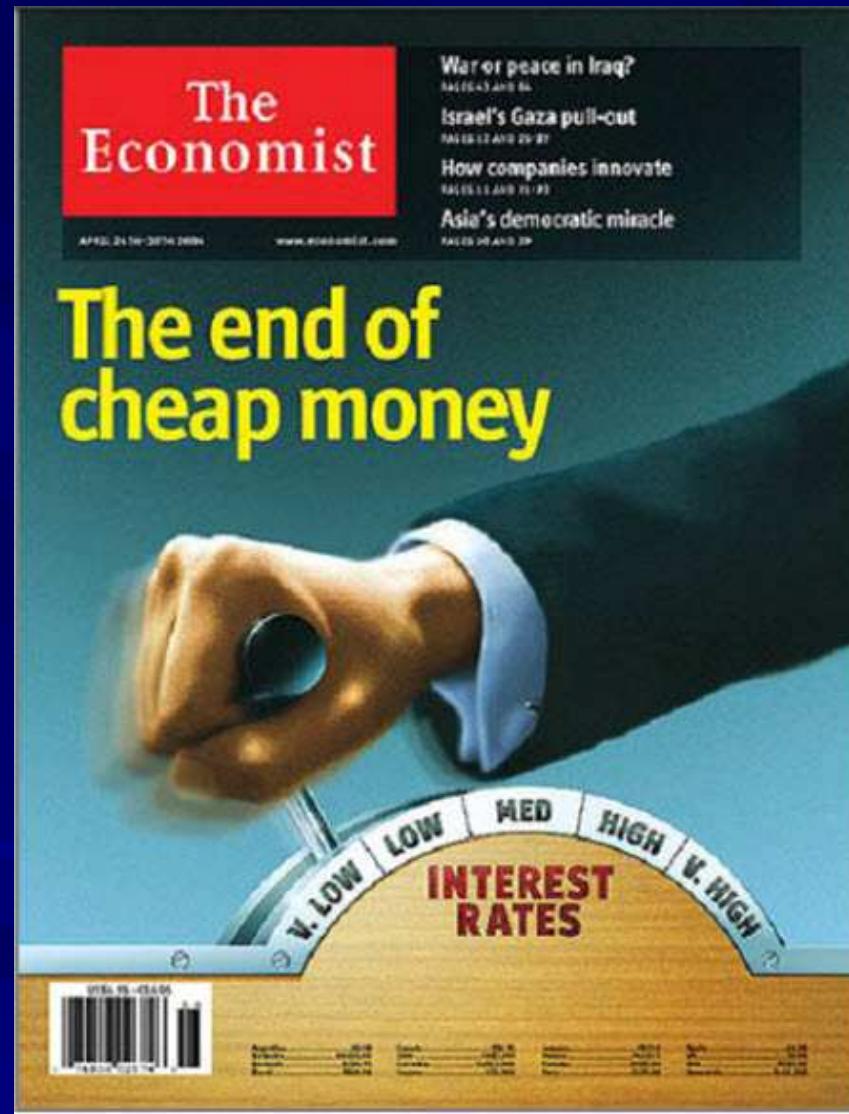
+ \$118,545
Since 1980

2003



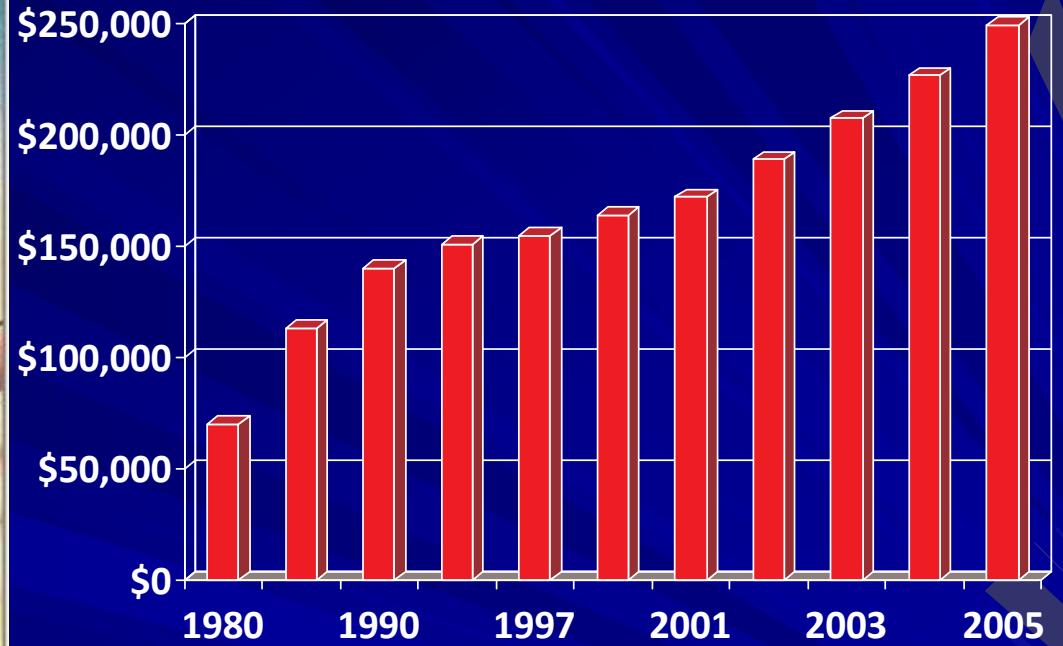
+ \$136,902
Since 1980

2004



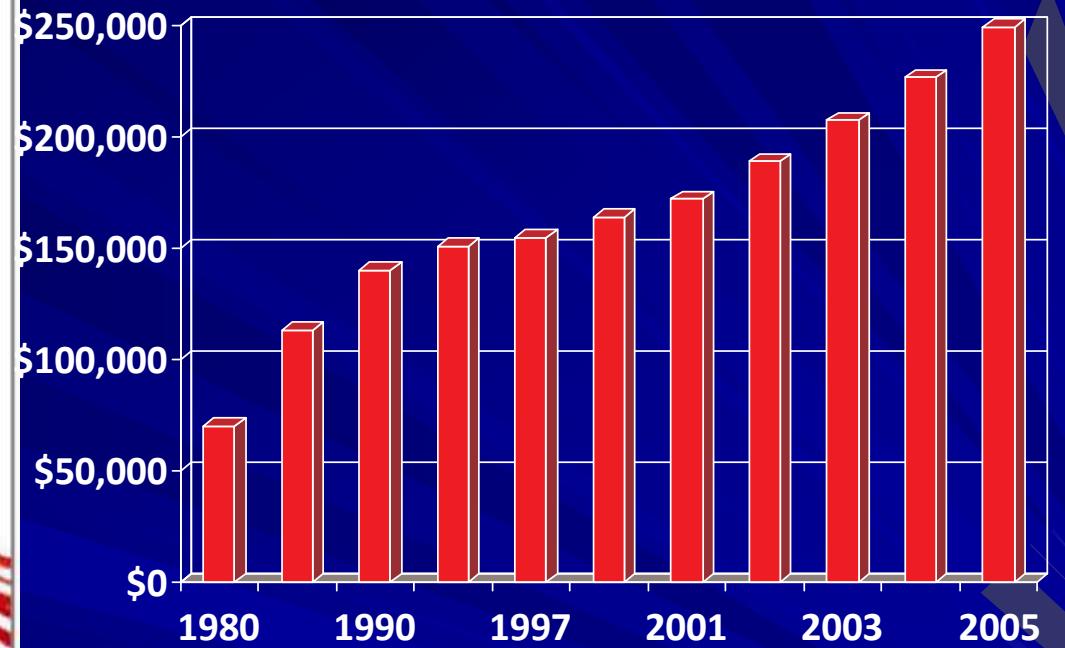
+ \$156,128
Since 1980

2005



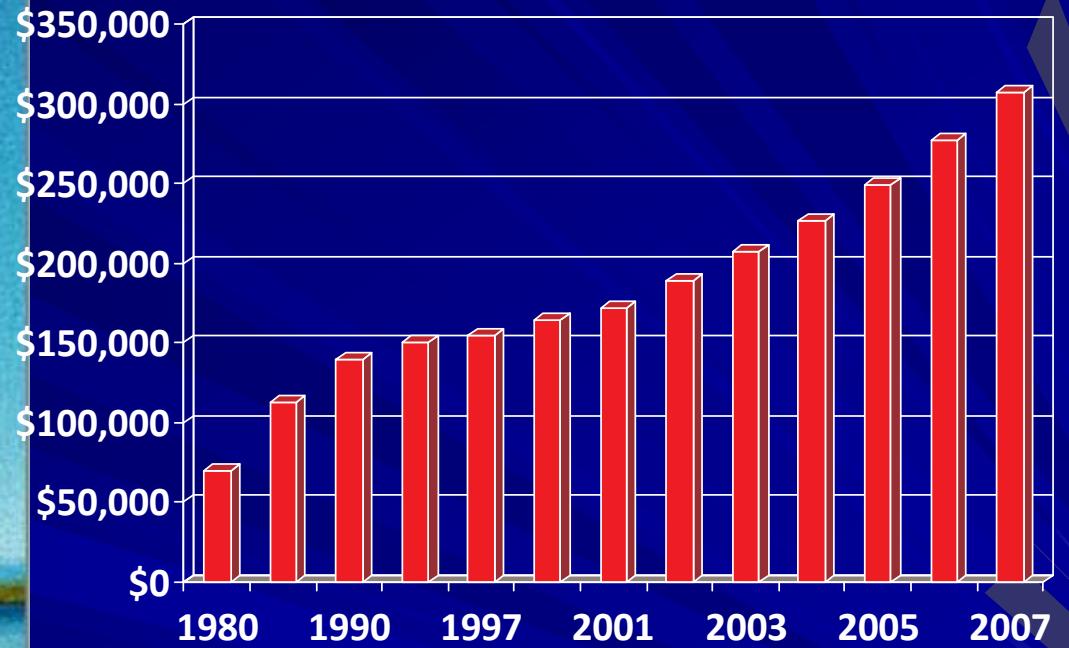
+ \$178,992
Since 1980

2006



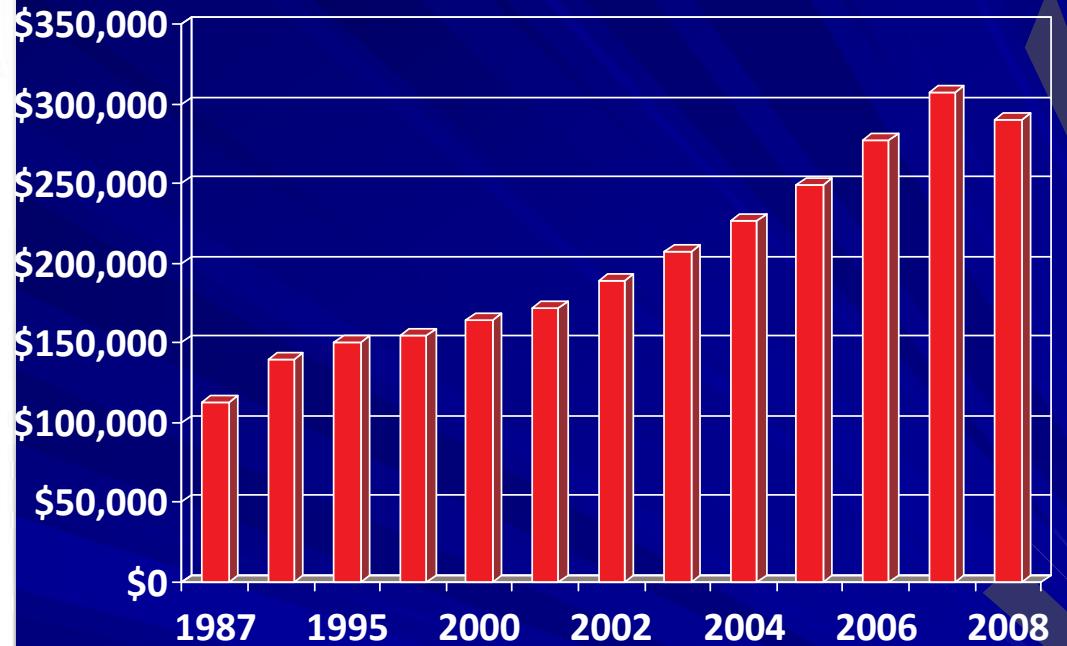
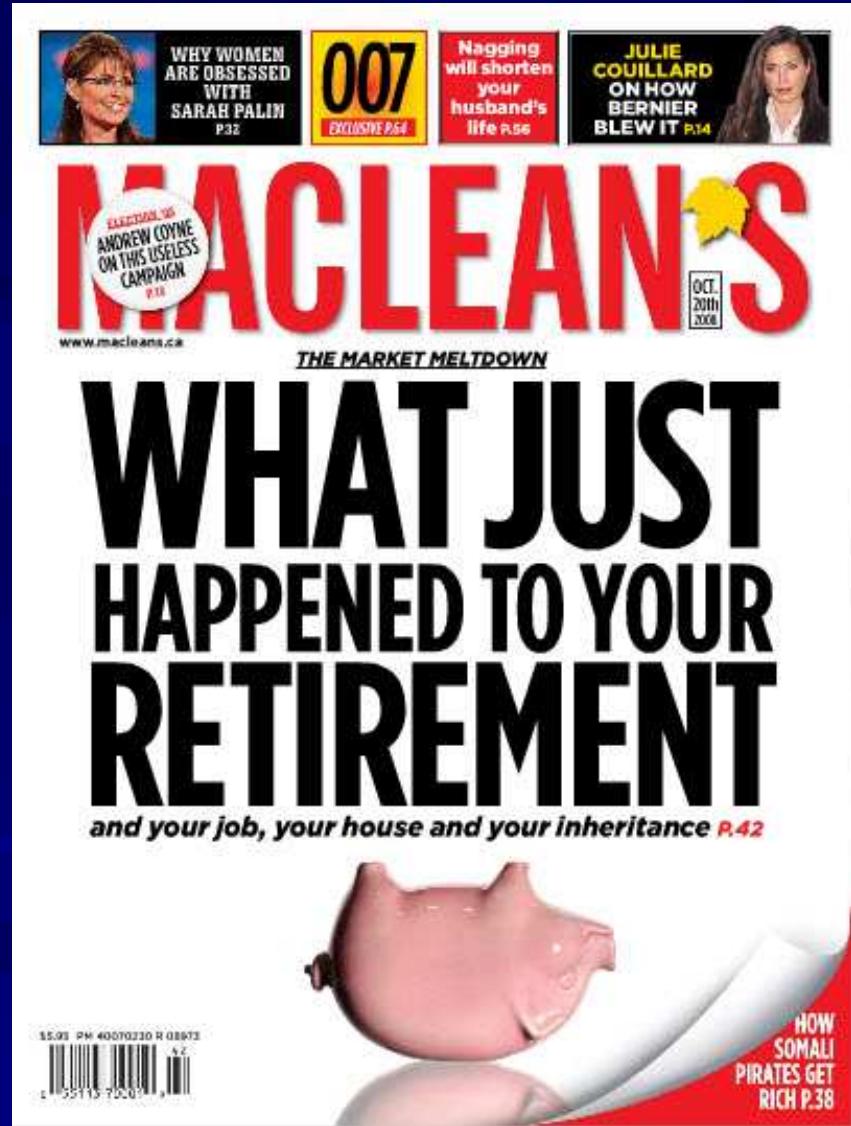
+ \$206,750
Since 1980

2007



+ \$237,097
Since 1980

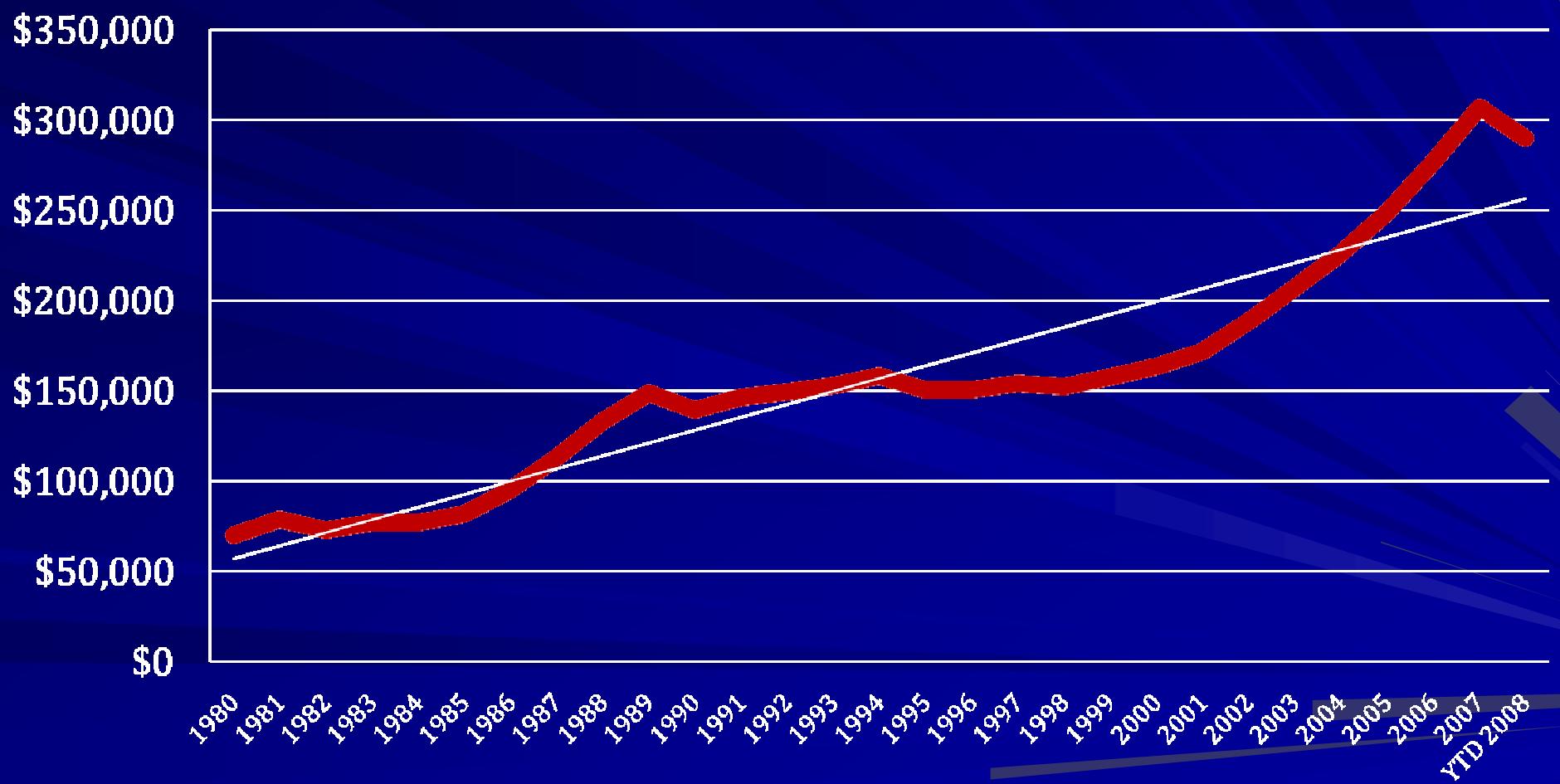
2008 YTD



+ \$220,138
Since 1980

Canadian Real Estate Prices 1980 – 2008 YTD

Canada

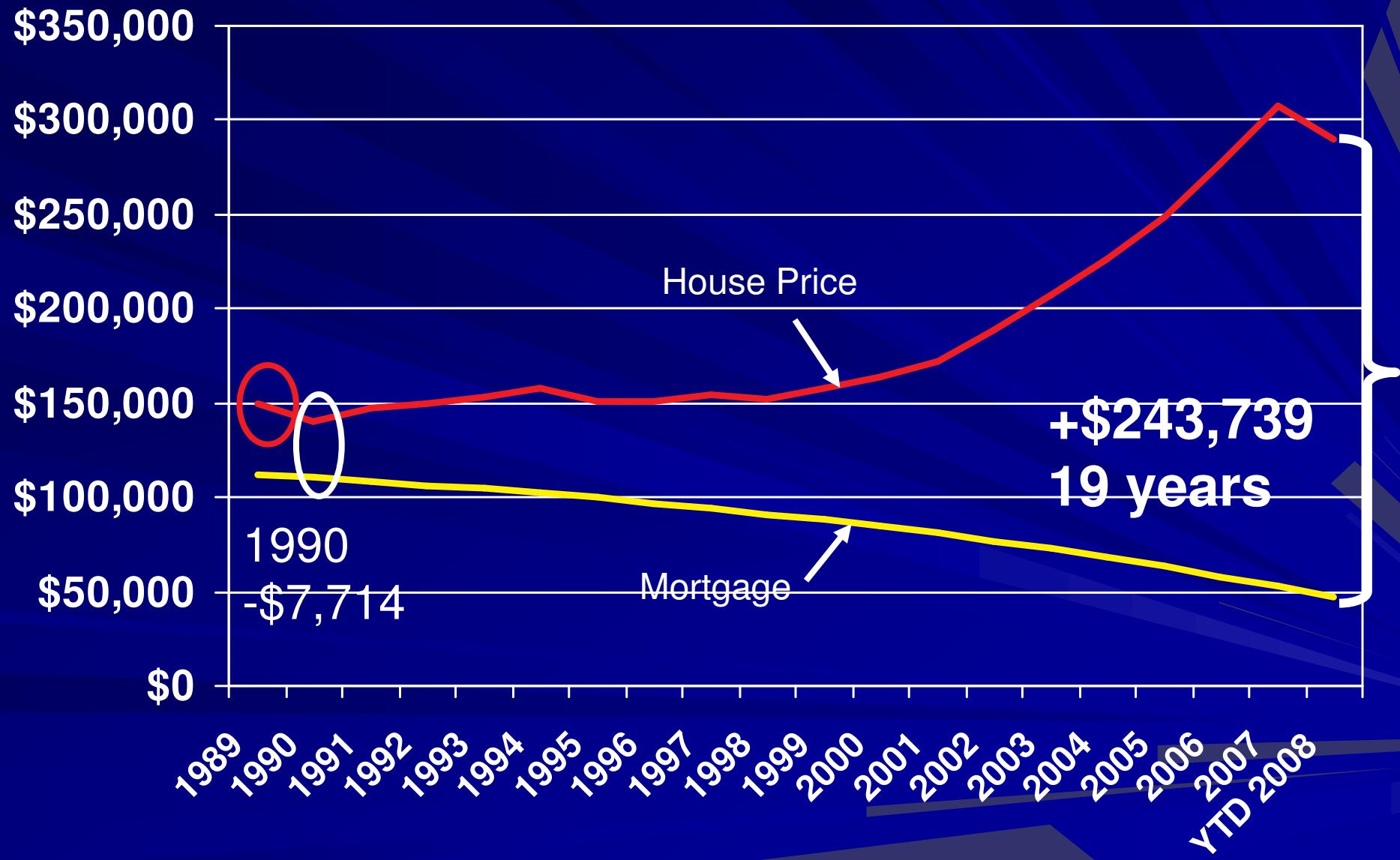


1980 - 2008

- \$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!"™