

Use the Economic Downturn to Your Advantage

If you are like a lot of investors, you are not a big fan of watching what is happening to your current investments as of late. The market has been having a tough time for the past year. Those who had great investments a year ago are now seeing that all that money they put in in the first place is just a mere husk of what it used to be.

So what is an investor to do? for many people the answer is to run for the hills. They are taking whatever money they have left out of the market and hoping to make their profits some other way. Sadly, this is the complete wrong answer in this situation.

In many sectors you should be doing just the opposite. You should be investing. One such market is real estate.

Let's take a look at what has been happening in the real estate market in the past year or so. The value of real estate has dropped, occupancies in commercial real estate has dropped and with it the value of REITs (Real Estate Investment Trusts) and real estate mutual funds. In many cases, these investments are at an all time low.

That means a wise investor will be pooling his or her resources right about now to start a buying spree.

For some reason most people think that when things are going great on the stock market is when they should buy. They hear the market is booming and that everyone is making lots of money on the market and that's when they buy in. But that's when the market is already at it's high. While you may make a little profit, you will not be able to really see a major growth, because the investment is already at a ceiling.

Meanwhile, in bad economic times, when all the prices are low, is when you should be buying. When the market does level out and start to go up again it will take your money with it and you will be able to enjoy a great profit. The reason is that you have a big area between that low you are buying in on and the ceiling that you could possibly reach if you wanted to.

The first thing you need to do is get to know the REITs and real estate mutual funds you are considering investing with.

Log onto a website like REITBuyer.com. On this site you can completely research the various REITs and real estate mutual funds. By looking at how they have performed over the last year, during the downturn, and how they have historically performed you can get an idea of what they are capable of in better economic times.

Once you are ready to buy, you don't have to go anywhere. REITBuyer.com also will let you make that purchase of the REITs you want online. They are the first and only online brokerage that specializes in REITs and real estate mutual funds.

And after your purchase you will be able to monitor your portfolio as well so you can watch your profits grow.

This article was written by Earl E. Bird, spokes person for the REITbuyer.com, a site dedicated to educating Real Estate Investors on how to invest in Real Estate Mutual Funds to diversify their investing portfolio. Learn more at <http://financeand.blogspot.com>