

INVESTORS SCARED TO INVEST IN THE STOCK MARKET SHOULD CONSIDER COMMERCIAL REAL ESTATE NOW, SAYS AUTHOR OF NEW BOOK



Relatively Unknown Sector Of Real Estate World Offers Safe Investment With Potential Of "Infinity" Return On Money

MIAMI, FL (December 2008) – With the stock market diving to lows we have not seen in modern times, many Americans are becoming extremely reluctant to invest in stocks and are looking for safer places to invest their hard-earned dollars. In his new book, "INVESTING IN INCOME PROPERTIES: The Big Six Formula for Achieving Wealth in Real Estate," commercial real estate investor and author Kenneth D. Rosen reveals the many ways that investing in commercial real estate is a much safer and highly profitable alternative to the stock market.

"Investors need to be aware that the real estate industry is not just about houses," says Rosen. "There is a whole world of commercial real estate that remains viable and profitable. Commercial real estate has nothing to do with the subprime mess, and nothing to do with home foreclosures. It is an industry that can be both highly profitable and extremely safe, and is an excellent place to invest your money while the stock market flounders." But any potential investor must know how to seek out the "Big Six" properties, which only represent about 10% of all the commercial properties in the country.

According to Rosen, there are many key benefits that investing in commercial real estate has over investing in the stock market:

- You control your own destiny. You buy a building and control the investment 100%. With stocks, you hand over your money and then pray it goes up.
- The value of real estate is not volatile like stocks. One small adverse news story somewhere can result in a stock tanking in just one day. The right real estate investment will weather recessions; the right real estate is always stable.
- Real estate offers bank and seller financing, so you can amortize your loan up to a 25-year period. With stocks, you have to pay the full amount in cash up front or take out a nominal loan that has to be paid off over a short period of time. Stock is bought for cash; real estate is bought with leverage.
- Because of leverage, you can buy a \$1 million dollar building with only \$200,000 in cash. That leverage is not possible with stocks.
- Positive Cash Flow: with the right real estate investment such as one of Rosen's "Big Six" properties, you will have a positive cash flow every month. Stocks might offer a dividend, but otherwise there is no monthly cash flowing in.

--Infinity Return: The optimal real estate deal, which Rosen describes in his new book, offers what Rosen refers to as an "infinity return." Here you have no cash investment remaining in the deal but are getting a rate of return that is so great, it is immeasurable.

--Depreciation: You can depreciate a building and deduct it as an expense, even though it is only a bookkeeping item.

-- Trade Up With No Tax: Thanks to a federal regulation known as the 1031 Tax Free Exchange, investors can trade-up to a building of equal or higher value without paying any capital gains tax. This law defers the capital gains tax until you eventually sell, which can be 30-40 years down the road and many buildings later.

--Easy financing. The housing real estate crash has perpetuated a myth that banks are not lending money for real estate. This is not true! Local/community banks have mortgage money and want to lend it out, but the properties have to be top quality in top locations, which is the type of property focused on in the book. Getting an 80% loan for the right commercial building can be obtained in today's market from local and community banks.

According to Rosen, "Many people think that stocks are liquid and real estate is not. That is misleading because you have to sell the stocks to get the cash and pay a tax on the profit. But nowadays, most stock investors are frantic and unloading their stocks at huge losses. Real estate does have liquidity because you can increase your mortgage if the property has gone up in value; or you can get a home equity loan. Under either scenario, there is no tax to pay and can all be accomplished within a relatively short period of time."

"INVESTING IN INCOME PROPERTIES: The Big Six Formula for Achieving Wealth in Real Estate" (Wiley) is a comprehensive, step-by-step guide to purchasing commercial properties, a little-known segment of the real estate industry. The book provides all the critical information and tools needed to purchase the right type of commercial real estate, most importantly those properties that contain the criteria of Rosen's "Big Six" formula. By doing so, one can become wealthy beyond their wildest dreams.

For more information, log on to www.investinginincomeproperties.com

Kenneth D. Rosen (Coral Gables, Florida) is founder and president of Kendar Realty, Inc. He has bought and sold \$300 million in investment real estate over the past 30 years. His investments include apartment and office buildings, retail store centers, and warehouse properties. He is past president of the Realtor Association of Greater Miami and the Beaches and recipient of numerous awards. He was one of the pioneers in condo conversions and converted 1,700 units in 22 apartment complexes. Rosen is also the author of the book, "Condominium Conversions."