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Founder's Message: The Best Buy

February 14, 2013 - Front Section

I have been writing these messages for longer than many of you readers have been around. It appears very interesting that the most replies come from when I touch on touchy subjects - most that I try to avoid. The same is true when I appear on Waterbury, CT Tom Hills' popular afternoon radio talk show. I am always asked to discuss commercial real estate, a subject that I am supposed to know something about. And he invariably tricks me into the tender subject of politics leading to the phone lines lighting up. I told myself a long time ago that there are three things I had to avoid writing opinions about in the newspaper. One was obviously politics. If I sided with Republican ideas I would most likely lose Democratic readers, and visa versa. If I preached Jesus philosophies, Atheists and other religions would boycott the newspaper. And if I rooted for the Red Sox against the Yankees, or the other way around - well you know what would happen then.

Since 2008 I haven't really had a lot of positive things to write about in the real estate field. But one positive thing about real estate is that it is always there in good and bad times. Hey, the Roman Coliseum still stands, and so does the Sphinx in Egypt. Not that they are rentable now, but they could be remodeled into useful structures if needed. I have also seen a few caves in my mountain climbing days that housed the original human beings. So the moral to this month's message is simple. When purchasing anything useful that will give immediate return and a guarantee future return, only one thing fits that description, and that is a piece of real estate.

When immigrants arrived here from Italy at the turn of the last century they were so used to living in a very small country where land was highly valued, when they made few extra dollars they invested it in what appeared at the time was useless acreage located in what appeared at the time to be (what we called it back then) the boondocks. Then in the fifties, sixties, and seventies when the population began to explode, those so-called "boonies" became attractive suburbs, not more than a hour or less drive-time on the newly constructed highways into the cities. Shopping malls, industrial and office parks sprung up surrounding the cities, further and further away, but still assessable.

In the second half of the 20th century real estate became the best investment. I remember many brokers telling me that instead of taking a full commission on a sale or development, they took a small piece of the deal. I naively asked why, and their answer was that in twenty or twenty-five years they would begin to reap what was sewed - and they did. Good for them

for anticipating the value of real estate then, now, and forever.

I just Googled the word "business" and these headlines popped up: "Housing Recovery Contributing to Economic Growth," and another one "Banks Beginning to Increase Mortgage Lending." So I guess the real moral of today's message is to forget the stock market for awhile and buy real estate. It might not be this inexpensive again for several decades, and if banks are really starting to lend again, the rates are still the lowest in years. And, by the way, have you attended a real estate auction lately?

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