INVESTING WISDOM

American Homeowners Are Accidental Investors

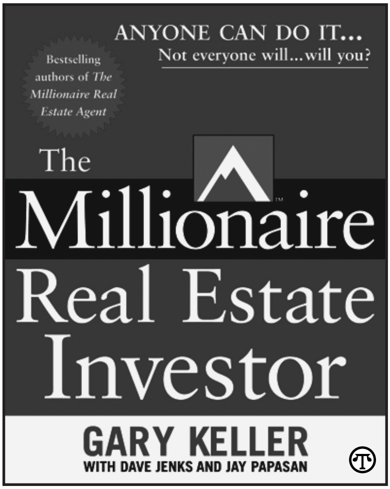
(NAPSA)—A recent national survey revealed that the majority of homeowners are “accidental investors” when it comes to real estate. While millions of people are buying homes, only 11 percent are using this time-honored investment as a retirement-building tool that could ensure long-term financial security.

“Homeowners have acknowledged that real estate is the most ‘able’ investment a person can make,” says Dave Jenks, co-author of *The New York Times* and *BusinessWeek* best-seller *The Millionaire Real Estate Investor*. “It is, among other things, appreciable, leverageable, improvable and stable. Knowing that, it’s surprising that even though 81 percent of homeowners surveyed described their primary home as a ‘good’ or ‘great’ investment, only 16 percent are seriously planning to invest in additional real estate in the near future.”

The independent study commissioned by Keller Williams Realty International, the fifth-largest, fastest-growing real estate franchise company in North America, surveyed 600 homeowners and renters in the United States to find out why they rely on traditional investment vehicles, such as 401(k) plans (43 percent) and savings accounts (40 percent) to fund their retirement, instead of additional real estate investments.

Homeowners stated they were reluctant to invest in real estate outside of their primary homes because:

- they don’t have enough money or are still saving (37 percent);
- it involves too much responsibility, upkeep or maintenance (34 percent);



THE DOOR IS OPEN but only 11 percent of Americans are using real estate as a wealth-building tool.

- they don’t want to or aren’t interested (29 percent);
- it costs too much money (28 percent);
- they don’t want mortgage payments (18 percent); or
- they have too much debt already (14 percent).

Survey respondents also highlighted a lack of financial savvy (homeowners, 9 percent versus renters, 15 percent) as a barrier to investing in real estate.

“These findings reinforce what we learned while interviewing more than 120 millionaire real estate investors for our book,” says co-author Jay Papasan. “So many people are letting this opportunity slide by because of what we call ‘MythUnderstandings.’ They think that they don’t have enough money or lack the knowledge to invest and that a MythUnderstanding holds them back. The truth is that it is possible and our investors showed us the way.”