Money Magazine warns "Real Estate is Over!" but here are …

8 new sure-fire ways to profit whether real estate prices in your neighborhood sink or soar!

By Tobias Crabtree, Income Editor, The Complete Investor

Dear TCI Subscriber:

"Should I get out of the stock market and start investing in real estate instead?" a TCI subscriber asked us the other day.

We told it to him straight: it makes little sense to abandon the market ... as long as you continue to read TCI regularly and share in the market-beating performance Stephen Leeb generates for his subscribers.

Since March 31, 1999, Stephen Leeb’s stock picks have outperformed the S&P 500 by 40%. And in his previous position as editor of Personal Finance, Stephen helped his readers avoid the losses others suffered during the tech stock meltdown, beating the Russell Growth Index by 44% over 4 X years.

Still, we applaud our subscribers for being savvy enough to recognize the potential of adding real estate to their investment portfolios …

So much so that Steve has written a new special report, Real Estate Rising, to guide you on how to best profit in today’s real estate market …

All with safe, conservative, liquid investments that don’t require you to buy and fix old houses, “flip” properties, chase tenants for rent checks, or spend all your free time pursuing complex, labor-intensive “get rich quick in real estate” schemes.

In this report, you’ll discover where the real estate market is headed (in general and in your specific region) … the 8 best real estate investments you can make in today’s market … and how to reduce the expense of owning (and operating) your own home.

Now the bad news is: you can’t buy Stephen Leeb’s just-published Real Estate Rising report anywhere at any price.

But the good news is: a copy is yours FREE when you renew your subscription to The Complete Investor today at our lowest Early Bird Renewal rate available.

Is the real estate boom really over?

Money Magazine has turned bearish on real estate, warning readers in a recent issue. "We'd be wary of real estate right now." But at TCI, we see things a bit differently.

In the inflationary years that loom ahead, select real estate markets will perform exceedingly well. That's because soaring home heating costs — potentially three or four times greater than what you're paying today — will likely lead to a sizeable population shift throughout the U.S. With rising oil prices, the monthly heating bill may actually exceed the mortgage payment in some of the colder northern states!

Residents of the colder northern areas of our country, especially in the densely populated northeast, where expensive heating oil is the main home fuel source, will head for warmer climes in the south … where the cost of living is much cheaper and the economy is stronger.

Many northerners find the more relaxed pace of a southern lifestyle a welcome alternative to their stressful, busy, high-pressure lives. And with housing and living costs so much more affordable in the
south. They can save money while living a more luxurious lifestyle in a bigger, better home. Aging Baby Boomers, fed up with cold winters and shoveling snow, increasingly view Florida as a destination in which to “winter” or even retire.

In turn, businesses are also likely to set up shop in the south to attract top talent. This movement will feed on itself as more workers move to where the job opportunities are the greatest. The result could prove to be the biggest population migration this country has seen since the end of World War II.

In our new special report, Real Estate Rising, you’ll discover 8 particularly attractive real estate-related investments that are exceptionally well positioned to profit from the coming population shift.

However, these investments were selected not just on the basis of potential profits from the north-to-south population migration trend, but also because of their current compelling valuations.

So even if energy prices remain tame, and the population shift is minimal, these picks should produce outstanding returns for early investors who get in now...

**Beat the Street with REITs**

Historically, REITs have been consistently strong performers in inflationary times. Likewise, they have fared well in periods of negative "real" (inflation-adjusted) interest rates. Soaring energy prices will likely lead to one or both of these conditions.

As a result, REITs should outperform most other stock groups in the near term ... by a wide margin. What’s more, because of their high yields and the relative safety of investing in real estate, REITs tend to be much less volatile than most other types of investments.

In Real Estate Rising, you get Stephen Leeb’s complete research recommendations on the 4 REITs he believes offer investors the optimum blend of growth potential, income, inflation protection, and safety — a rare combination in the investment world.

One of these REITs has a portfolio of more than 330 income-producing properties in 20 states, including 273 neighborhood and community shopping centers. All told, its retail and industrial properties comprise 44.6 million square feet of space.

Now, when discussing a REIT’s operating performance, the common benchmark is its Funds From Operations (FFO), rather than earnings.

FFO — net income excluding gains or losses from sales of property and depreciation of real estate — is used because property assets maintain their residual value. In fact, rather than depreciating, much of a REIT’s assets may actually be appreciating.

This company’s FFO should grow by 7% to 9% during the next several years. In the meantime, the stock is trading at less than 9 times estimated 2004 FFO. In addition, the stock yields an attractive 8.6% — and management has increased the payout every year since becoming a public REIT in 1985. Stephen’s recommendation: buy now.

**Profit from the coming home-building bonanza**

Like REITs, homebuilders offer another excellent opportunity for us to profit from the higher energy prices we’ll see in the next few years — and the subsequent population migration that will follow as a result.

People will move to the more temperate south and west in droves to escape the high cost of living in the colder regions of our country.

The 4 home builders recommended in Steve’s new real estate report stand to profit handsomely from this trend. They also offer undeniably good values at today’s levels, even if energy prices remain in check for years to come.

One of these companies is one of the largest U.S. home builders, generating more than $10 billion in annual revenue.

Because they also own a major pest control company, this builder’s specialty is constructing pest-free
homes: in each house they build, the company installs a patented tubing system within the studs — and under the slab — with an exterior connection.

The exterminator simply pumps pesticide into the connection to treat the house for bugs safely and effectively, while keeping harmful fumes out of the home itself. If you’ve ever had your home sprayed for ants or termites and then breathed in the vapors, you know what a tremendous selling point this feature can be to prospective home owners.

The company has produced an average annual return on equity of more than 20% during the past 5 years. Yet the stock trades at less than 8 times this year’s forward earnings — instead of the more appropriate P/E of 12 to 13 it’s likely to post in the years ahead. Profits are slated to grow at approximately 16% annually.

Another home builder Steve Leeb recommends in his new real estate report is the single-largest private landowner in Florida, with more than 850,000 acres (approximately 2.4 percent of the state’s land area) in the Panhandle region.

This prime Florida real estate is located primarily along the coast. It includes 5 miles of pristine white sand beaches and another 35 miles of coastal land on the Gulf of Mexico, as well as hundreds of miles of waterfront land near the coast along rivers, canals, and lakes.

Florida has long been the favorite southern location for northerners who want to buy a second home on the water for vacation or retirement. So the trend of northerners relocating to the south will greatly enhance the value of this property.

At first blush, the stock doesn’t look cheap on a price-to-book basis. But that’s because of a valuable real estate asset that lies “hidden” on its books...

In the 1930s and 1940s, the company purchased vast tracts of land at prices equivalent to $1 to $2 an acre. Today, a significant portion of its holdings would fetch in the thousands per acre, while some tracts are worth millions per acre. But since the company carries its land holdings on the books at cost, its book value is substantially understated.

However, if you value the company’s undeveloped land at a conservative $3,000 an acre, the stock is trading at a slight discount to its intrinsic book value. Most likely, its property would fetch considerably more than $3,000 an acre, suggesting that the stock is trading at a big discount to its true value.

**Act now and save up to $89**

I can think of two compelling reasons why it makes sense to accept this special Early Bird Renewal offer for TCI now, before all those pesky renewal notices begin cluttering up your mailbox.

First, you get Stephen Leeb's new special report, *Real Estate Rising*, a $39 value — absolutely FREE ... including 8 great ways to profit from the coming boom in real estate without the hassle and work of actually owning and managing investment properties. No fixing leaky toilets or hassling tenants for the rent.

Second, you can lock in your subscription to TCI for one or two years at our lowest rates available: just $99 for one year (12 monthly issues). Or renew for 2 years (24 monthly issues) at $189 and save even more while avoiding future price increases.

But I urge you to hurry. This special Early Bird Discount offer is for a limited time only. And once it expires, it may never be repeated again.

You make money ... or get your money back!

As always, your subscription to *The Complete Investor* must help you handily outperform the market all year long. If not, you may cancel your service at any time for a full and prompt refund on all unmailed issues.

That way, your satisfaction with our service is always 100% guaranteed. There's no risk of any kind.

To get your FREE report, renew your subscription to TCI at the Early Bird Discount rate now by completing and returning the Free Special Report Certificate on the back page, while it is still handy.
Or for faster service, call us toll-free 866-833-2070 today. Do it now to ensure uninterrupted service and lock in your big renewal savings!

Sincerely,

Tobias Crabtree

Tobias Crabtree, Income Editor
The Complete Investor

P.S. As a TCI subscriber, you are acutely aware of the ever-worsening U.S. energy crisis. As a bonus for renewing your TCI subscription today, your FREE “Real Estate Rising” report contains a special section revealing — “9 ways to make your home more energy efficient” — that can help you significantly reduce your heating and cooling bills.

To get this valuable free energy saving, money-making information, complete and mail the Free Special Report Certificate below today.

P.P.S. Renew for 2 years and get a second free bonus report, “Making Money in Defense and Homeland Security Stocks” … with Steve’s picks of the companies most likely to profit during America’s fight against its enemies both here and abroad.

---

Free Special Report Certificate

☐ YES! Please renew my client-membership with The Complete Investor for the term indicated. I’ll continue to get the benefits and privileges outlined in this letter, plus I’ll receive “Real Estate Rising” as my Free Bonus Gift for acting now.

Choose one:

☐ Two Years for $189 (regular rate: $278) — 24 issues plus 2 bonus reports: Real Estate Rising and Making Money in Defense and Homeland Security

☐ One Year for $99 (regular rate: $139) — 12 issues plus 1 bonus report: Real Estate Rising

☐ I don’t wish to extend my client-membership to The Complete Investor right now but please rush me a copy of the following reports for $39 each:

☐ Real Estate Rising
☐ Making Money in Defense and Homeland Security

Payment Options:

☐ Check or money order (payable to TCI Enterprises)

☐ Charge my: ☐ VISA ☐ MasterCard ☐ AMEX ☐ Discover

Card #: ____________________________ Exp. Date ______/____

Signature ____________________________ (for credit card orders only) Phone# (___) ______/____

(Month/Year) (In case there is a problem with your order)

For fastest service call toll-free 866-833-2070, fax 570-322-2063.
or mail in the enclosed postage-paid envelope to:

Complete Investor
P.O. Box 67 • Williamsport, PA 17703-9984

Please return entire form with payment in postage-paid envelope.

SLEEP EASY GUARANTEE:
Your satisfaction with our services and products must be absolute. If we ever fall below your standards of performance, we will refund your money on all unmailed issues promptly upon request. All issues and bonus reports are yours to keep, with no further cost or commitment of any kind.