

# CENTRAL FLORIDA REAL ESTATE NEWS

Keeping You Up To Date On Housing Trends  
& The Local Real Estate Market

Provided By: Phil Holliday, Real Estate Specialist

September Edition

## Is It Time To Rescue Your Retirement?

Most of my real estate clients have been very happy with the increase they've seen in the value of all their investments over the past few years. When the economy is strong, nearly everything is going up in value. Stocks, bonds, real estate, 401k and more just seem to keep climbing and climbing.

Do you consider this good news or bad news?

As of right now, it's great news right? But we all know what happens when the economy goes back down within it's normal cycle. Yes, the market will drop again and there will be a major market correction. This is normal and healthy. But if you leave your investments where they are currently and that drops 30% or 40% or even 50%, things can get a little stressful because you immediately lose all of the gains you've experienced in the past.

I've lived through several of these market and economic cycles and I've seen it over and over. I'm certainly not an investment advisor and I only specialize in real estate but I can certainly tell you what I've seen personally since we deal with so many families and the finances they are working with.

Personally, I like taking money out of particular markets when it appears it's at a peak just to go into a safer and more stable investment. Preservation is key during down-turning markets.

I've seen lots of home buyers cash out their 401k

## WHAT'S INSIDE:

---

**P2 - To Improve or Not To Improve?**

**P3 - Around Our Town**

**P3 - Featured Home**

**P4 - Service Pros In Our Area!**

to redirect it over to housing. They use it as down payment on real estate which stays MUCH more stable during down-turning markets.

While most people think that they have to pay some kind of big penalty if they cash out their 401k, they find that there's actually no penalty if it's used towards a home.

Of course, I'd recommend you check with your financial advisor or professional to get their advice because everyone's situation is unique. And with what we are seeing from the national economists, it looks like real estate will REMAIN on a slow creep up, even during the looming recession. Their specific words say that real estate will likely NOT see any reduction in value as everything else begins to slow. Again, check with your advisors and see what they recommend you do with your nest egg. But personally, I'm not going to let it sit where it is much longer. Why lose it?