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Caution!! Eddie's theory: The biggest shadow inventory in the residential market is burned out landlords ("BOL") who are frustrated and have equity. They can and will sell in a first declining, later to become a crashing, market. They can afford to drop their price. People with no equity (2008) can't do that, in which case the banks have to. Year 2008 was the calm before the storm, with no sales and no giant drop in price...until the new owner took control in 2009 (the banks). I believe this crash will look different because the ("BOL") owner can afford to sell. No inventory all the realtors say?!? I say wait! There's 18 million rental residential doors more than in 2010. Just a theory...

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**EDDIE SPEED**

# THE REALTORS SAY: "NO INVENTORY." I SAY: "WAIT!"



I want you to read an important article by Keith Jurow from [marketwatch.com](http://marketwatch.com). There's a link to the article at the end of my short introduction.

The article starts with a frightening statistic: By the end of 2020, several million homeowners will have gone 9 months without making a mortgage payment. Moratoriums for both evictions of tenants and foreclosures of mortgage holders are currently in place. But soon, banks and landlords will run out of patience, so all these tenants and homeowners will have to pay the piper. If they can't come up with the money (and many won't be able to), the market will be flooded with inventory and home prices will plummet. This is what I call a "shadow inventory." You can't see it yet, but it's coming.

In 2020, there are 18 million more rental residential doors than in 2010. That means there will be millions of burnt out landlords ("BOL") who will

want to relieve their headaches by unloading their properties at a discount. They can afford to drop their price because they've built up equity over the recent good years. It's a huge opportunity for note investors who understand creative financing. You'll be able to buy these properties and let the current owner finance their equity to you. BTW: Now is also the time to start cultivating relationships with these burnt out landlords to become passive investors in your future note deals.

Back in the crash of 2008, homeowners couldn't drop their price because they had no equity. They were like a sinking ship with no freight to throw overboard. But prices will be dropping this time around.

In 2008, there was a calm before the storm and lots of people went blissfully and ignorantly into the

crash. We're seeing similar, misplaced optimism right now because many indicators are still good. But as the article explains, the storm is coming and we've never had more time to prepare.

There are people in the real estate industry who disagree and think things are fine. That's good, because they're the ones who can buy up all the troubled assets you want to unload now before we bottom out.

Please click the link below and read this important, eye-opening article. You'll be glad you did, because it explains all the factors coming together for the coming a-price-alyipse.

Link to article here: <https://www.marketwatch.com/story/the-covid-19-lockdown-is-squeezing-real-estate-from-all-sides-and-threatens-to-burst-the-housing-and-mortgage-bubble-2020-09-21>

