

10 Reasons to Buy a Retail/Office Condominium.

1. **You can get a good deal.....**This is a buyer's market. Most of the other buyers have now vanished, and prices have dramatically dropped— about 30% nationwide. It is mixed around the country. New York is only down 20%. Arizona has halved. Will prices fall further? Sure, they could. You'll never catch the bottom. It doesn't really matter so much in the long haul.
2. **Mortgages are cheap.....** You can get a 25-year commercial loan for around 5%. What's not to like? These are the lowest rates on record. As recently as two years ago they were about 7%. That drop slashes your monthly repayment by a fifth. If inflation picks up, you won't see these mortgage rates again in your lifetime. And if we get deflation, and rates fall further, you can refinance.
3. **It's forced savings.....** If you can lease space for \$2,000 month instead of buying one for \$2,400 a month, renting may make sense. *But will you save that \$400 for your future?* A lot of people won't. Once again, you have to do your math. The part of your mortgage payment that goes to principal repayment *isn't a cost*. You're just paying yourself *by building equity*. As a forced monthly saving, it's a good discipline.
4. **Depreciation.....**Owning real estate allows you to take advantage of the depreciation.
5. **Appreciation.....** You, as owner of the real estate, get the benefit of appreciation not the landlord.
6. **It's yours.....** You can decorate and have the office *you want*. You can move the walls, or paint everything bright purple. Few landlords are so indulgent; for renters, these types of changes are often impossible. You'll feel better about your own place if you own it than if you rent.
7. **You'll get a better Office.....** In many parts of the community it can be really hard to find a good rental. All the best places are sold as condos or have exuberant prices. Money talks. Once again, this is a case by case issue. Generally speaking, if you want the best location you're better off buying.
8. **It offers some inflation protection.....** No, it's not perfect. But it beats losing everything in the stock market or related financial instruments.
9. **It's Investment capital.....** Your business location isn't the stock market and you shouldn't view it as the way to get rich. But if the economy does surprise us all and start booming, sooner or later real estate prices will head up again. It is well known that business owners who own their own business location *enjoy a significant part of their retirement income due to their investment*. For practical as well as psychological reasons, equity in real estate is another way of linking part of your portfolio to the long-term growth of the economy.
10. **Pride of Ownership.** Need we say more?

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