

New Special Report

Strategic Realignment

*A Rescue Plan for Ascending from
Financial Ruin to Creating Unlimited
Wealth in the New Economy!*



By

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The Great Recession

The financial debacle we are living with today will go down in history as the Great Recession; the most devastating economic downturn of our generation. Its negative effects are only second to the Great Depression of the 1920s and 1930s. Many people are still stunned by how it all happened. In a nutshell, we saw the results of a bad combination of easy access, greed, abuse, and naiveté. All of these factors aligned at once to create one of the most profitable times in our history (2001 to 2006) and then one of the most rapid and crushing downward trends ever.

The Average American Experience

After enjoying several years of easy borrowing, big spending and little inflation, by the end of 2007 you saw your world turned completely upside down. After a full year of hearing about the real estate crash, the domino effect had finally hit the mainstream. A sudden surge in gas prices, food prices, increased interest and minimum payment on your credit card had tipped the delicate balance of your household budget and sent you into a rapid downward spiral. By the end of 2007 most of your savings was probably wiped out and your credit cards maxed to the limit.

In 2008 you had a glimmer of hope as the Bush administration left office and the Obama administration came in full of promise and fire that they could stem the devastation and begin the recovery process. Those hopes were quickly dashed as it soon became evident that the 7.4 trillion dollars of allocated funds for bailouts did not include a plan to save you. The promise of creating jobs by building a new “green” infrastructure in America never materialized. As a matter of fact, Job losses continued at a feverish pace, and your situation became even more fragile.

2009 had you dazed, lost, and confused as there appeared to be no deceleration of the fall into financial despair despite Federal Reserve Chairman Ben Bernanke announcing the end of the recession. Bankruptcies hit a historical high, as did the unemployment rate and foreclosures. No one on Main street was immune to the ceaseless pounding, yet despite the poor performance of whatever was left of your investment portfolio of home equity, stocks, bonds, mutual funds or retirement accounts, Wall Street enjoyed record profits of \$50 billion in 2009.

In 2010 we saw no let up in losses; we breached the record high foreclosure rate as 1 out of every 45 homes in America received at least one foreclosure filing during the year. Unemployment held steady at close to 10% and again the US Government fell short on a real effort to improve the lives of the tax payers. Despite the average Joe/Jane struggling just to get by, J P Morgan Chase, a recipient of the federal bailout, increased its profits by 48% to a whopping 4.8 billion dollars.

It is 2011, and by now it should be abundantly clear that the rescue is not coming. If you are to turn your situation around it will be by your own efforts. The good news is that there is ample opportunity for you to turn your situation around if you have the right plan.

Strategic Realignment

The world as we once knew it has changed forever, and those changes require us to examine our current situations with new eyes and to structure a plan of action that replicates nothing from our recent past. Our new course of action must not be an emotional knee-jerk reaction, but a well thought out and strategic plan to stop the losses and rebuild personal wealth to a level that far exceeded what we had before the recession.

I call this effort **Strategic Realignment**. Strategic Realignment refers to the act of assessing your current financial situation from a new economic paradigm, evaluating current sources of profits and losses (assets, debt, etc.), designing the best course of action to obtain your desired financial outcomes; and then aligning your plan, resources, capital, skills, relationships, technology and actions with new opportunities created by the changed economy in order to transcend your current financial situation.

Make An Honest Assessment Without Judgment

Proper realignment requires you to perform an honest assessment of your current skills, confidence, resources, mental and physical health, time management, asset values, and soundness of potential business ventures or investments. It is easy to minimize or exaggerate your financial situation if you are judgmental about how you got into the situation.

Some Things to Assess

- **Debts** – credit cards, loans, mortgages, etc.
- **Investments** – real estate, stocks, bonds, IRA, TDA, 401(K), bank account, Certificate of Deposit (CD), gold, collectibles, etc.
- **Asset Values** – real estate equity, gold appreciation, stock prices, collectible value, etc.
- **Income Sources** – job, business ownership, dividends, rental income, etc.
- **Relationships** – partnerships, family, friends, dependants, etc. Are they supportive or detrimental?
- **Skills** – relevance and market value of skills, obsolescence of skills, etc.
- **Resources** – time, cash flow, credit, partnerships, professional team, etc.
- **Expenses (liabilities)** – basic living expenses, appropriateness of expenses, where and how to minimize expenses, etc.
- **Insurance** – appropriateness of coverage, lack of coverage, excessive coverage, cost of coverage, etc.
- **Taxes** – appropriate shelters, deductions, structure, etc.
- **Information Sources** – news sources, opportunities, networking events, clubs, organizations, advisors, mentors, etc.

After taking an assessment of your current assets, you must seriously evaluate what resources you currently have to work with. These resources might include cash reserves, creditworthiness, insurance, professional advisors (accountant, broker, financial consultant, attorney, etc.), support from family or friends, knowledge, skills, etc. If you find that you are lacking necessary resources, then part of your realignment plan must include gathering needed resources.

Design the Best Course of Action to Obtain your Desired Financial Outcomes

Once you have determined the reality of your financial situation, it is important to determine where you want to be financially, and how fast you want to get there. Answering these questions, and being realistic about your skills and resources, will help you design the most effective course of action to reach your desired outcome.

Traditionally, the three top ways to create significant wealth from passive income have been real estate investing, business ownership and securities investing. Although the means for creating wealth in general has not changed, what has changed is the method of acquiring and extracting the value from each. The global economic shift has led to the emergence of new markets, suppliers, capital investment, etc. around the world, and innovations in communications, technology, and transportation have created the ability to capitalize on global opportunities.

It is important when considering your plan that you think globally. This will broaden your base of opportunities and prevent you from being limited to dying or less profitable markets. The world is a large place and as we struggle with our economy, emerging economies around the world are ready to spend money on goods and services to feed their new appetite for the middle class dream. They are also open to foreign investment to finance their growing economies.

Cash in on the Real Estate Crash

Bank Owned Property OPEN HOUSE ➔	CASAS REPOSEIDAS DES DE \$99,000 (909) 322-9419	BANK OWNED PROPERTIES STARTING \$99,000 909-957-8646
AVOID FORECLOSURE SAVE YOUR HOME & YOUR CREDIT! (800) 208-2072 Toll Free 48¢ Perceived Message free consultation	SEASIDE MOBILE HOMES Lucy Rascon Email - manager Phone: 909-443-4876 Fax: 909-443-4885 CHECK OUT OUR WEBSITE MHDEALS.NET	AVOID FORECLOSURE We negotiate with your lender: • Lower Your Loan Balance • Lower Your Payment • Lower Your Interest Rate 480-284-1293 FREE CONSULTATION
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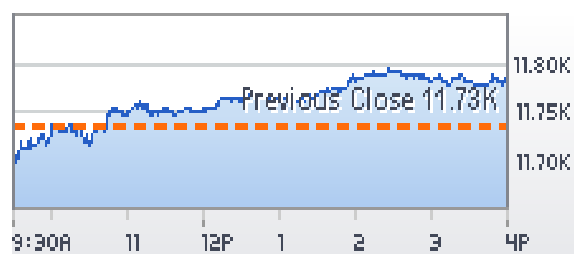
Although gloomy news reports would have you believe, this market presents the worst time to be a real estate investor, it is actually the best time – if you know how to maneuver in this game. At the national level, housing prices peaked in early 2005, started to decline in 2006, and may not yet have hit bottom. Prices are still falling. This has created an opportunity to gobble up real estate at bargain basement prices.

The challenge for the inexperienced investor is figuring out how to take advantage of the changing market. Two issues are significant. First, it has become increasingly more difficult to gain financing from banks. The second is the slew of properties on the market including those in foreclosure. The first issue presents a disadvantage. The second issue provides great opportunity.

Let's address the first issue. If you are very creditworthy, and have employment history, and can show heavy assets, then you can still get a mortgage from the bank. If you have issues in any one of those areas, you will have to get creative to finance your investment purchase. One great strategy is to offer a seller to do a lease with the option to buy. With sellers desperate to generate some income from a property, this can be easily negotiated. You lock into today's low prices and have the opportunity to purchase the property over a period of time. Try to negotiate a 2-4 year lease-option. This gives you a longer time to purchase the property and to make yourself creditworthy. The way to maximize this opportunity is to include the right to sublet the property and have the tenants cover your costs. This could potentially provide monthly cash flow as well as the ability to acquire a property with little money out-of-pocket.

The second issue which is the huge surplus of properties on the market including record numbers of foreclosures allows you to negotiate to buy properties that had little or no equity at a significant discount. Banks are desperate to unload properties in the foreclosure process because they know they have little chance of selling most seized properties at the auction because they have no equity due to the overpricing and over leveraged loans that occurred over the past few years. You have an opportunity to negotiate what is called a short sale; meaning that the bank agrees to accept less than what the seller owes on the mortgage. Sometimes you can get the bank to accept up to 50% less than the amount owed on the mortgage. Although the seller is not able to receive any money from the short sale, it allows the seller to walk away without owing the bank and without having a foreclosure on their credit report which can be devastating when trying to start over.

Create a Winning Securities Portfolio



We must reexamine the old model which suggested playing it safe by diversifying, investing in domestic businesses with long standing histories or hedging by sticking with index funds that invest only in the S & P 500. The old model suggested that you hold onto the assets in your portfolio no matter how poorly they perform until you are ready to retire. This model made the assumption that the average of good performing years and bad performing years would balance out mitigating your losses and give you a comfortable income to live on. It was a bet of averages.

In this economy, we need to be considering shorter term investments that give us quick returns and cash flow and then we move on. This takes bold action because it defies conventional wisdom (security seeking vs. maximum profit oriented).

This bold thinking will have you exploring mutual funds and Exchange Traded Funds that invest in foreign stocks in Asia and Latin America as we see emerging economies beginning to flourish in those areas. This bold thinking will have you investing in energy, both “green” and traditional sources as the global demand for each skyrockets. The demand for commodities in these countries is growing as well.

We can't escape the reality that gold prices are soaring as well. Gold is being bought at a record pace; driving the price to record high prices (at this writing gold was \$1,413 per ounce). The questions to consider are “how high will it go?,” “is it too late to capitalize on it since it has appreciated so much over the past few years,” and “will gold bubble?” If gold bubbles, can we predict when so you can time your purchase and liquidation to get the maximum return on investment?

Become a Business Owner



We have witnessed long time giants of industry crumble under the weight of this recession so it is no wonder why many people would shy away from the thought of starting a business in the midst of this economic turmoil. It is important to understand that as older industries crumble, new opportunities for both short term and long term profits are springing up daily. The smart entrepreneur that can quickly mobilize his resources towards those opportunities will make profits faster than any other time in history.

To create a profitable business, the process is very concrete and devoid of emotion. The first thing you must do is market research to find a hot target market that has already demonstrated a willingness to spend money on a product or service. Once you discover what that market has an insatiable appetite for, simply find or create that product or service, market that product or service in a way that is appealing to that hot target market where the hot target market can find it (internet, print ads, sales letters, etc.). Finally, make it easy to purchase (by phone, online, mail order, etc.), and ensures that they will come back by providing excellent customer service.

If we continue to follow the premise that emerging middle class markets in foreign countries with a strong currency are thirsting for goods formally consumed in US markets, then you should consider tapping into that market via the internet. Foreign currency has tremendous purchasing power. If you provide those goods that can easily be shipped quickly around the globe, you can profit despite a local recession. Do your research and determine what is in high demand. Find out how you can get the product from a manufacturer and have them do the order fulfillment. You simply become a middle person and get paid for each transaction.

Are you ready to do what it takes to emerge from the recession better off than when you went in?

That's a question only you can answer... but... if you feel you'd like to explore these and dozens of additional secrets more deeply, feel free to call or email me and ask about our workshops, course, one on one consulting and other programs that reveal powerful wealth building secrets.

I look forward to helping you take your success to the next level. Call 718-622-2271 or email me at heru@insidersgroup.com. Be sure to check out www.insidersgroup.com to watch free videos and get lots of free information that can skyrocket your success.

Yours in Success,

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