

Thousands still banking on real estate investing

At L.A. real estate wealth expo, many aim to cash in

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The stock market may go up and down, but the only investment in recent years that has only gone up is real estate.

That's either a sign of an opportunity, or it means the train has left the station. Either way, many people who wish they had invested in the industry earlier are hoping it's not too late to make some money in housing.

Thousands of those housing hopefuls squeezed into the Los Angeles Convention Center earlier this month to attend a real estate wealth expo put on by the Learning Annex.

Forget about home price appreciation, at this expo it was all about crowd appreciation. At the first real estate expo held last fall in New York, 25,000 people showed up. In L.A. the organizers estimated 40,000 people attended.

The event was heavily promoted, and attendees paid anywhere from \$30 to \$500 to learn as much as they could about real estate investing, including how to buy homes using other people's money.

One attendee told CNBC she had purchased about six properties, bringing her total to nine, adding that she "just wants to keep going." Another said she hoped the expo would teach her how to increase her income.

In a seminar on flipping — the practice of quickly buying and selling properties for a profit — people learned the IRS doesn't charge capital gains taxes on sold rental properties, as long as profits go toward another rental property. The way to make your money grow, they were told, is to roll your money from one building to the next.

Big draws at the expo included Robert Kiyosaki, author of "Rich Dad, Poor Dad," who believes we are in a housing bubble.

"You know, California will have so much immigration, so again it's a supply problem and an over demand problem, so it'll go up and down," Kiyosaki said. "There'll be a bubble ... something will happen, but that's when the investor goes back in again."

Another famous attendee was Mr. Real Estate himself — Donald Trump.

"Real estate is the biggest industry in this country," said the Donald. "Houses and homebuilding and office building ... you add it all up and it makes General Motors look like a tiny little company."

The Learning Annex is planning more expos later this year: In New York in October and in Chicago in November. The organization is planning nine expos for next year, believing that no matter what interest rates may do to the housing market, the rate of interest in real estate investing will remain high.

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