



HIGHLANDS
PROPERTY

**Property for Landlords with Geoff O'Reilly –
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\$1,000,000,000,000.00

Big number a trillion dollars, isn't it?... It's about the total size of all economic activity in Australia for a year. And, 1.5 of these is about the amount of money owed by Australians to others. We are still one of the highest holders of debt per capita in the world. And the central driver of our current world economic situation is debt ... too much of it!

At one level I can't help but have sympathy for the idea of Governments pumping money into faltering economies like the US, UK, and Australia (and almost everywhere) to stimulate activity, but I do pause to ponder the consequences for our western economies of this creating even more debt, not less. And I cringe at the consequences of the US and the UK printing money! As I write this the G20 has resolved to pump yet another trillion dollars into world economies. I wonder where that is going to come from?

What do you think? Is it time for care, caution, and conservatism, or is it time to go forth and boldly invest counter to the cycle ... I don't know, but I'm doing a lot of reading and listening to try to figure it out ... favourites of mine are Alan Kohler on the ABC and Michael Pascoe in the SMH. And, if you want a contrarian view, google William Bonner in America or Steve Keen.

Despite the economic confusion property buyers are certainly active in the Highlands right now, seeing opportunity at most levels of the market where sellers have become realistic about price. There's no magic here: if the price meets the market, property sells!



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