We need all those poll questionnaires done soon. The 15th anniversary of the ET is upon us.

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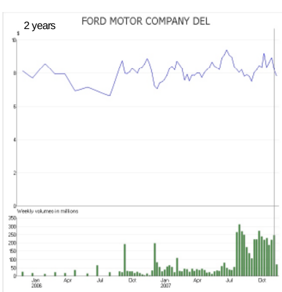
Investment Tips

In this crazy up and down market how can anyone make any money? They can, and they do. Warren Buffet and Bill Gates continue to grow their net worth at incredible speeds regardless of market conditions.

If you are interested in market investments it is always a good idea to consult with a licensed securities dealer of financial planner. Remember that investing can be risky as well as safe. Sticking your money in a 5% certificate of deposit with FDIC insurance is very safe. But 5% is hardly exciting. The most dangerous investing is the in and out quick type. This is very risky because markets can move around significantly in short periods of time. For example, the Dow Jones index shedded over 300 points last week and then rebounded back this week. Most people think that if the Dow is down the "market" is down. Not even close. There are 30 large industrial companies on the Dow. That's it. I have had days where my portfolio was up 5% on a week the Dow was down 3%

The smart investors are willing to hold their investments for long periods of time. I have held investments for years and I have had some that I held for just a few months. I am always prepared to hold them for a long time though. Day trading and short term investing is not for the faint of heart or lean of wallet.



2 years ago I bought 100 shares of GM stock at $18. My investment was $1800. The stock had just come off a low of just under $17. I held it about 6 months and then sold it for $28. I made $1000 on the deal which works out to about 110% annual rate of return. Wow! I was prepared to hold that stock much longer, I got lucky and GM had some nice earnings reports, etc. Actually I could have held it one more year where it peaked at about $40, it is now trading around $33. Right now I like Ford, ticker symbol "F". I bought 100 shares of Ford in July at $8.37. Ford is worth way more than 8 bucks a share. The hard capital alone is worth that, but yet still it sits around 8 bucks a share. I have to be patient. It could take years or months for Ford to come roaring back. It will happen. If I sold Ford today I would lose a little money on the deal when you factor in trade fees. I will hold it longer. I think Ford is worth about $12-16 a share. I hope the investors feel the same. Hey Frank, go buy a Mustang will ya!

One of the coolest investments are the relatively new ETFs. Exchange Traded Funds. These are very much like mutual funds in that one ETF has many stocks inside it. Unlike mutual funds these are traded on the stock exchange just like individual stocks. So rather than take a risk on one automaker, you could buy an domestic auto ETF. This would likely have stocks from the automakers, suppliers, etc. This spreads the risk

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Real Estate Woes

What does it really mean?

Many people are freaking out about the current real estate slump that is affecting most of the US. Many are worried that this slow down may have serious consequences to the overall economy. What does it really mean?

The housing market is allot like gas prices. It is a topic of great discussion. When gas prices are high people are negative and talking about have "bad" it is and remembering the good 'ole' days when it was cheap. No one ever talks about gas when it is cheap. Yes, like from 1996-2001 when they were giving it away.

Interestingly, the topic of housing has a different effect. It seems that people are always negative on housing. When the market is booming I hear "these prices are just crazy", "Housing is so unaffordable" blah blah blah. Now that the market is in correction it's like the sky is falling and boo hoo we are all doomed. Please. Knock it off will you?

Let's look at some familiar markets shall we. Let's start with Santa

(Homes continued on page 2)

Evergreen Bulldogs Drop Apple Cup Championship

The Pop Warner Division Two Jr Pee Wee Apple Cup Championship was held last weekend in Spokane, WA. This game serves as a "bronze medal game" so to speak as the top teams from Eastern Washington and Western Washington will play in Western US playoffs in Santa Clara, CA this weekend.

The Bulldogs dropped their Western Washington Championship game to the dreaded East County Jets two weeks ago at Mackenzie Stadium in Vancouver. So they took their 6-4 record over the Cascades to Spokane where the weather was chilly and wet but not snowy as was forecast. The Spokane Seahawks we the opponent.

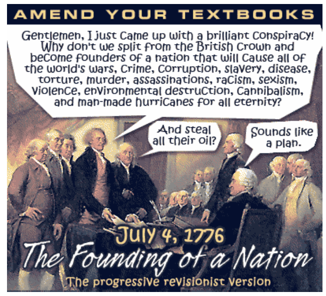
The Seahawks had a big advantage. We had to travel 350 miles and we are spoiled over here in the West. We have beautiful covered stadiums with announcers and scoreboards and locker rooms. They had a run down old field with nothing more than some beat up 1950s bleachers.

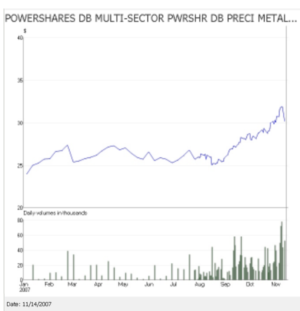
The Bulldogs run an aggressive offense with lots of motion and shotgun. Unfortunately the weather did not cooperate. 35 and raining with 25 mph wind is tough to play in when you are long snapping a football. The Seahawks opened the game with a 60 yard kickoff return, ouch! The Bulldogs turned over the ball twice deep in their own territory and quickly found themselves in a 19-0 hole.

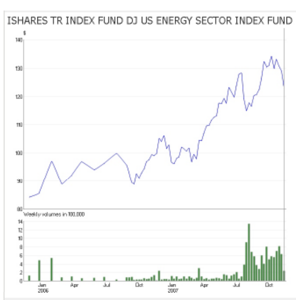
Finally the coaches began to exploit a weakness in the defense by running the bruising number 99, Bryan Goble up the gut over and over again. Time in the half expired with the ball inside the Seahawks 10 yard line. Frustrating! It would prove fatal.

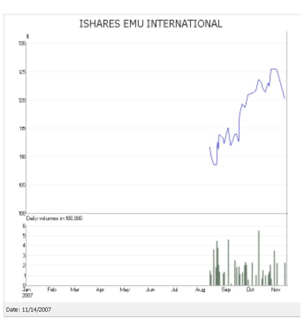
Second half and the Hawks come out and score again… ugly. 26-0. But the Dogs exploit the Hawks soft belly and move effortlessly down the field for a score. 26-7. Now the defense comes alive and 3 and outs the Hawks. On 4th and long they try a pass. *(the sun was coming out by now)*. Nobody told them you can't pass on this defense, INTERCEPTION by number 12 Tony Carter returned 25 yards for touchdown! That first half touchdown that should have been would come handy now. Time was short and the ensuing onside kick failed to go 10 yards, so the Hawks drained the clock and won 26-13. Kyle Sager had a solid game with several tackles and a sack from his OLB position.

Cartoon Musings from Around the Country









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over multiple securities and reduces the risk for the small investor. The big problem for small investors like me, is that I can't buy 150 different stocks. The trade fees would eat me alive. So I have several ETFs. These things are awesome.

Right now the world economy is volatile. One thing that has proven to be solid in volatile markets is precious metals. I have an ETF in precious metals that is up over 17% since July! That translates to over 50% annually. It's not without risks, but is is less risky than buying individual stocks and the fund is professionally managed. Unlike mutual funds which are expensive and difficult to trade in and out of, ETFs have only the trade fee and a small part of it's returns are held back for management. A good ETF has fees less than 0.5%. You can trade ETFs online with any of the providers, e-trade, ameritrade, etc.

Are you pissed off at all those oil companies making big profits by charging you three and half bucks a gallon? Buy their stock, dummy! Or buy an energy sector ETF. I bought ISHARES DJ Energy Sector ETF in July and it is up 8% since. That translates to about 24% annual return. My car gets about 37 mpg highway. I put about $150 a month in the tank. Since July, I spent about $600 on perhaps 190 gallons. Call it $3.15 a gallon. I have $2000 invested in the energy ETF. I made $160 over that time period. My gas cost me $2.31 a gallon. Remember the good 'ole' days? OK, I know, it's a stretch, but I like it anyway. My personal non-retirement portfolio is up 4% since July and I have had just a few trades in between. The Dow Jones is down about 2%.

I have a few of the ETFs I am invested in at the moment. The graphs show a two year history except for the international fund which has only been available since July of this year.

(Homes continued from page 1)
Rosa, CA. According to Moody's (*a major wall street economic trends firm)* Santa Rosa's housing market peaked in the 4th quarter of 2005. Market values are projected to be down 7.9% at the bottom of the market which is predicted for the 2nd quarter of 2008. The median price of a home in Santa Rosa at the peak was $550,000 and that house will be worth about $506,550. For someone who used 90-100% financing, this could be a problem should they need to move. Compare that to the worst of the USA in Cape Coral, FL where values peaked in Q4 2005 and dropped 18.9% at the bottom which hit back in Q2 2007 and prices are back on the rise *(slightly).* Here in the metro Portland, OR area prices peaked in Q3 2007 and the bottom is expected in Q2 2009 with a modest decline of just 0.8%. A median priced home at $275,000 at the top will be worth $272,800 in Q2 2009. Of course Moody's is a very respected firm these are estimates and variances will occur even within different neighborhoods. My home was appraised last fall at $325,000 and this summer it came in at $315,000. That's 3.1% in less than one year. Take that Moody's. Seattle, WA has yet to hit the peak, go figure.

The real problem with this current real estate trend in the cycle is that the mortgage lending market has crashed hard. This is why we have the "crisis". What happened was simply this. During the 2003-2006 period investors we not making much money in the domestic stock market and bonds were not paying didley squat either. The post 9/11 market was rather unique in that investors were not sure where to put their money. The real estate market however was red hot. Investors started buying up mortgages. Soon the demand for mortgage backed securities was so high that lenders decided to come up with more "creative" programs to expand to the market for mortgages and fill the insatiable appetite for wall street investors looking for a reasonably high yielding and relatively safe investment. They couldn't get enough, they started gobbling up sub-prime mortgages. Soon sub-prime lenders were doing loans for people, one day out of a bankruptcy with 500 FICO scores! Hey as long as values climb they felt safe. Then long term rates began to fall, suddenly that risky sub-prime mortgage was only paying 6% yield and when the real estate market slowed down the investors said "no mas". Suddenly all these sub-prime mortgage companies had funded billions in loans with no investors to buy them and they got stuck with the bill. Doors closed, companies folded, adios.

Of course here come the Feds. These idiots are trying to pass a bunch of stupid laws that will make it even harder for someone to get a loan and thus slow the market even more. Don't worry about the market. Worry about the government. The market corrected itself. 150 lenders are out of business. These are the lenders that for the most part wrote bad loans. Problem solved, They are out of business. The lenders that remain are the good lenders. They were cautious and followed protocols and underwriting guidelines and so that's why they are still around. If the congress passes crazy restrictive regulations on the remaining lenders the ensuing loss of business may very well put them out of business as well. No loans, no home sales; no home sales, no real estate recovery. Write your congressional reps a letter, email them or call them. Tell them to leave the mortgage business alone. It is already highly regulated. As for the economy in general things are not so bad. Job growth is up, GDP is up, the economy is moving along fairly well. Real estate slowdowns will have an adverse impact on the overall economy but if the government stays out of it, we will be fine.