

## ***The Septuplet Of a Real Estate Agent***

### Real Estate: Part 1

Here's some advice which I offer to the people of Kuwait, especially when we are approaching a correction in the real estate market as we are now. As they say, history always repeats itself and insha'Allah—God willing—everyone's path will be green and fruitful. Let's take a look at the roots of the matter. To begin with, the wealth of a great number of Kuwaitis was built through real estate investments. Even still, real estate maintains the standard of living for many Kuwaiti families. Although it can be difficult to divide the property fairly among the inheritors, it does ultimately have a real value that enters their pockets. It's a clever person who purchases a property and leaves it to his children, as his father left him and his brothers' property before. Another fact is that, historically, the return on property is around 10%. Compared to other investments, that isn't very high.

Personally, by virtue of my position in the banking industry, I have experienced varying rates. I remember during the hustle and bustle of the KIC Souq Al-Manakh when a post-dated check gave a 200% return in paper stocks. During that time I was visited by Bu Dawoud. Bu Dawoud was a young stock market speculator and used to show off his enormous profits and ask me playfully, "With your salary, how long are you going to settle for real estate which doesn't generate any income?" My answer was that a job is a school, the real estate market is safe, debts are a burden, and greed blinds the heart. Anyways, the days passed by, the unofficial stock market in Souq Al-Manakh collapsed, profits and assets evaporated, and only the debts remained. Then Bu Dawoud came to see me again. He told me that his capital was gone, but praise God, he wasn't in debt. Our friend ended up having to work and he found himself an investment related job. After many years, we