

New Year's real estate investment check-up

Could you benefit from a review of your personal and corporate real estate investments? **By James Berger**

The pace of change in the world continues to get quicker, and savvy executives know that change is both a threat and an opportunity to any business activity.

This is especially the case with investments in real estate, where numerous changes may have altered the potential value of either personal or corporate real estate. These changes may provide opportunities to lock in gains or hedge against potential market declines.

■ **Change abounds.** Changing economic factors, changing life style patterns, changing demographics, changing development patterns and changing construction component costs, both in South Florida as well as nationally, all can have an impact on the value of your real estate investments. For every real estate investment, consider the market changes that may be impacting value.

■ **Change creates opportunity for you.** Some of your real estate investments may be peaking in near-term value and thus present an ideal opportunity to monetize your gains. Others may be poised for a decline, and a strategic exit could protect you from future losses. Some of your investments may benefit from refinancing or restructuring ownership.

For every real estate investment, be thinking about ways to benefit from changing market forces.

■ **The right professionals can help you assess your position.** The breadth of changes impacting real estate values necessitates that even the most savvy investors consider getting competent advice as to the market dynamics likely to impact real estate values for a given property.

Spending quality time with the right real estate broker, consultant and/or investment banker could be a very wise investment. Couple your real estate knowledge with fresh market data from a competent source.



■ **Carefully consider the tax consequences of any planned changes.** Sale of real estate and even changes in the structure of your holdings can produce serious tax consequences. Fear of these consequences should not become an excuse for not performing an analysis of your options.

Savvy real estate tax lawyers can help you meet your objectives while minimizing the tax impact of changes in your portfolio. Make tax planning an integral part of your real estate check-up.

Investments in real estate usually represent a significant portion of the assets of wealthy individuals and of many businesses. Changes are likely impacting the

value of your real estate investments.

Prudent executives and individuals will want to periodically assess what changes in the composition of their real estate investments could increase returns and/or reduce risk. Using competent real estate advisers can bring expertise and objectivity to your review.

The new year is a great time to schedule reviews for all of your real estate investments, both personal and corporate.

JAMES BERGER is a real estate lawyer at Berger Singerman. Read more about how Berger's team is helping real estate owners to optimize the value of their holdings and to deal with the tax consequences of restructuring investment portfolios online at www.bergersingerman.com.