

Tale of Two Floridas

By Jeffrey Hull

If you hold on to the handle, she said, it's easier to maintain the illusion of control. But, it's more fun if you just let the wind carry you." Brian Andreas

How do you deal with these scary times? Would you like to learn how to release fear and get back on track in tough economic times? Today I want to share with you two real-life examples of "life-shifting" in action. The stories I'm about to share here are real (the names have been changed to protect the innocent), and I think it is safe to say that their tales of woe in dealing with Florida real estate are not rare--at least not these days! The situations that each of these clients find themselves in are similar. The ways that each deals with FEAR are completely different. Let's see what we can learn from their plight.

This is a tale of two Gary's. Gary #1 is in his early 60's, a semi-retired professional, living in Florida. A few years ago he and a friend became next-door neighbors in the second-home condo world of beachfront Florida real estate. Buying a beautiful top-floor condo right near the water, near the peak of the market, Gary #1 looked at the location, the upscale developments going up all-around, and decided this was a great time to make a solid investment. He had done well with Florida real estate in the past, and as the market was roaring along on all cylinders, all indicators--beach front, upscale, sought-after location, growing population, good financing, etc.--signaled that this was a no-brainer.

Gary #2 is much younger, mid-30's New York professional, just getting into career planning, 401K's, and investments. He too purchased an ocean front condo--on a different coast--in a fast-growing, affluent neighborhood. He too, got great financing. He too, believed that the market would continue to head up.

Both Gary's thought of themselves as "long term" investors; that is, at least a couple of years! At an upward rate of appreciation in the market of 10% or more each year, both believed that they would make good money if they decided to sell within about 3 years.

We know what happened next. Hurricanes hit Florida all the time, but economic tsunamis are relatively new phenomenon. Mortgage crises, plummeting home prices, foreclosures all around, rising taxes, and few renters...all the worst possible events have occurred.

Jump forward two years. Both Gary's are in shock, anxious and fearful. "Stressed out" would be the phrase I most often hear. For a while they thought the storm would abate, the tide would turn...but the opposite has proven true. With the global financial debacle hitting every corner of the economic globe, the situation in Florida has just gotten worse. Both Gary's find themselves in the "perfect storm"--losing money every month on their mortgages, no renters in sight, no prospects for profit if they sell...and a month is beginning to feel "long term".

The road to Florida riches is paved with good intentions. Both Gary's are great guys. Not crooks, not idiots, not even fly-by-night investors. Given the facts and figures they had to

work with at the time, both investments truly looked viable. But, as we now know, no one can predict the future, and the tide simply turned against them. Looking back we might say the storm was inevitable, visible on the horizon. Of course, far enough out on the horizon there is always a storm, and always clear skies as well. What are we gonna get on any given day? Unknown.

So how have my two Gary's fared in the maelstrom? Both have become incredibly anxious, worried--and yes, fearful--that the situation, both emotionally and financially, is not sustainable. Both have felt the tinge of regret, self-recrimination, and self doubt. In Life-Shifting parlance, both have found themselves in a RUT. Stuck: change is required, but fear is in control. We've all been there. Real estate is just a metaphor for life. We all know what it feels like to reach the END of something and be oh-so-reluctant to let go, of a deal, a relationship, a job.

Gary #1, perhaps with the wisdom of years, recognized when fear was taking over. And he did two key things: 1. He talked about it and asked for support; 2. he made the decision to sell; to let go and move on. Gary #2, perhaps due to his naivete and feelings of humiliation upon discovering that this kind of thing can REALLY happen, did the opposite: 1. He told no one (except me); 2. He pretended that all was well (recognize denial in action?: see previous post "Fear Not!").

Of course, we all know where my story is heading: Gary #1, with the help of a compassionate group of friends and professionals, worked through his fear and regret, made the decision to sell, took a deep breath and accepted the big loss on his balance sheet (very painful!), and moved on. A few months of agony, yes, but release, relief, and peace followed. And, as you might expect, there is good news from Gary #2: he heard about the story of Gary #1 and got the message: he is beginning to shift. He is sharing his story with friends and family, getting advice from professionals and asking for help. Soon, he too, will make a decision and move on. He may need to declare bankruptcy if the property won't sell--even at a loss--but even that, for a hard-working, professional in the prime of his career, is not the end of the world.

Now you may be wondering if I'm writing this story to make Gary #2 look bad. Not at all. I'm writing this story because I think we are all more like Gary #2 most of the time. I know I am. Be honest with yourself: how many times have you stewed on a decision, isolating yourself and holding on to your fear and anxiety about the need to END SOMETHING--an investment gone sour, a relationship over, a job at a dead end? We've all been there. Letting go is hard. BUT it is a necessary part of any cycle of self-renewal.

Everything in life moves in a cycle of birth, growth, death, and re-birth. When we can recognize the cycle as natural, and not let our fear constrict us mentally and emotionally, when we can join the human race and ask for help instead of hiding out, pretending that everyone else has got it handled...well, then we can move through fear, let go of whatever it is that needs to be released--condos, stocks, girlfriends, parents--and get back in the flow of life.

Gary #2 is most of us. Gary #1 is my life-shifting role model; a master teacher in the school of RELEASING FEAR and NAVIGATING LIFE CHANGE. Fortunately, he has not only moved on from the ash heap of burned out condo investments, he is out in the world, sharing his wisdom and insight with others, mentoring those Gary #2's that roam the streets of Florida (and elsewhere) looking like caged animals--anxious, starving for support, alone.

My hat is off to both Gary's. I thank them for the opportunity to learn--to see ourselves in their plight and to see the gift of re-invention in the life-shifting mastery of Gary #1. So...here's the summary point:

If you find yourself in a bad economic situation and over wrought with fear, anxiety and stress, take a lesson from the play book of Gary #1. Step back, recognize your fear, accept it and move forward. Talk about it with others; ask for help. When you're ready, make a decision and let go....and let GOD.

Dr J

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