

I am not a big fan of Warren Buffett, but liked what he said recently regarding the financial crisis, "You never know who is swimming naked until the tide goes out." Well, the tide is out, and one would think we are at a nudist beach! Many of us have lived the past several years like the boom days are going to continue forever. They never do and they haven't.

Times are tough and getting tougher. We all know what is happening in our economy, so I won't repeat it here. So, how do we get ourselves out of this mess we got ourselves into?

First of all, we need to admit to ourselves individually, and as a country, that we are responsible for exactly where we are. Not Wall Street, not the banks, not Congress, and not the Auto makers (well, maybe the inept management team and the UAW deserve some blame). We either support these entities with our money or votes or both. We decided to buy a car, a house, and get a home equity line when we really could not afford it. We voted for those in Congress who spend our money without regard. Remember when we actually had to have money to buy something? You get the picture.

Secondly, let's get our own personal finances in order. Pay off those credit cards and pay them off each month. Pay for what you buy with cash. If you don't have the cash ... don't buy it! Build up a savings account with six months of living expenses, just in case. Do a budget for your household and stick to it. Plan for those major expenses and be prepared when they are due.

Once the financials at your house are in order, help a family member or friend do the same. Being a teacher is the best way to learn. By the way, these times are great for educating our children on financial responsibility.

Third, mind your self-storage business. Clean it up and spruce it up. Spend some time training your manager. Pay off any short-term debt. Maximize your rental collections. Start a new facility or expand an existing one. It creates jobs and produces revenue. A thriving business provides you with cash flow and the country with tax revenues.

Finally, help our country's leaders make the right decisions to get the economy back on track. Write your congressman and tell them the financial industry and auto industries must make sacrifices just like you and your family did. Demand they live on a balanced budget, just like we do. Make sure they minimize their meddling in our economy. The markets will correct themselves just fine, thank you. Remind them you are watching and are very willing to replace them if need be.

If we all do the above, in a very short time we will wake up one day, look around and say, "Hey, the economy is great! I'm going swimming! And this time I am going to keep my bathing suit on!"



John H. Gilliland  
President  
Investment Real Estate, LLC