



“We stand today at a crossroads: One path leads to despair and utter hopelessness. The other leads to total extinction. Let us hope we have the wisdom to make the right choice.” —*Woody Allen*

Is a Recession Looming? Looking at Key Indicators to Help Piece it Together...

[Is a Recession Looming? Developing our Investment Framework.](#) With the insanity of this Presidential cycle in full swing, everything a soundbite, and more Lies being told than Truths, we figured we would escape the madness by burying ourselves deep in data. While the data can occasionally be suspect (and much more so in China), we find great value and comfort in looking at history, looking at today's data, and piecing together the picture. The Data and Analysis is much more reliable and honest than either Hillary or Trump!

So, our team at [Agile Realty Capital](#) has been busy developing our investment framework and assessing key economic, growth, and housing indicators to try and figure out if and when a Recession will kick in. We look at a variety of metrics including New Orders (ISM and others), Production (PPI), Inventories, Housing and Apartment Starts, Housing Sales and Inventories, Mortgage Rates, Loan Delinquencies, GDP, Inflation,

Interest rates, Fed Assets, and more. Select stock market indices and the VIX volatility index are also among our favorite indicators. If the data suggests a Recession may be looming, then we look to buy commercial realty properties at lower prices, and we would expect softness in Occupancy, Rates, and Collections, among other factors. Otherwise, we push forward judiciously. Here are some conclusions:

- [Download our free Investment Framework research piece here.](#)
- **Generally, controllable factors in the economy are at healthy levels, though Fed Assets is one that makes us nervous.** We see solid and improving employment numbers (within the context of a low labor participation rate and significant social unrest), suggesting businesses are hiring and growing. We see that Loan Delinquencies are very low, Housing Starts are rational, and total US Construction spending is still in control. Other metrics like ISM new orders and the PPI are suggesting the economy is humming ahead.
- **We do see economic risks too.** We do see a variety of broader economic risks for the US too including from: 1) Government Debt; 2) Federal Reserve balance sheet assets; 3) Cheap Money Risks; 4) The lower and middle class workers are seeing wages rise more slowly than prices of goods and services, creating unrest; and 5) It has been eight full years since the last Recession and these events happen cyclically. That said, adding it all up, when we look at key economic indicators (mostly US-based), we see that generally things look pretty healthy at this moment, though we admit things can change quickly.

Ramping Crowdfunding Effort via Meetup.com Platform. Recently, Agile Realty Capital began to build out it's Crowdfunding Platform. While this effort is in its early and formative days, we intend to Crowdfund deals, analysis, and capital to pursue the most attractive MFU Apartment and Hotel opportunities in the market. Join our [Commercial Realty Investment Club](#) if you would like to participate in analyzing and investing in sizable commercial realty projects. If you have a deal you would like to pursue as the Project Sponsor, reach out to us with deal specifics here.

We seek Accredited Investors and Off-Market Properties. If you are an accredited investor interested in reviewing some of our current deals, just let us know. Also, we seek attractive off-market opportunities, particularly class B/C value-add MFU Apartments in the 100-200 unit size. If you have any such opportunities please email us [here](#). Also,

Thank you for your time and have a great rest of the week

-- Craig and Dave



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**Delivering Outstanding
Customer Experiences
and strong risk-managed
Investor Returns**



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