

## “You’re a NOOB, you’d die in the storm!”

Crushing words coming from my 9-year-old son as he sat in the office playing Fortnite on a two-hour weather delay for school. I had to reflect on this statement. I’m not a NOOB and I certainly don’t want to DIE in the storm. The more I thought about it, I realized he was definitely describing real estate investing and real estate market conditions for 2025 and beyond. Don’t believe me that Fortnite, a video game for kids, is the perfect analogy for real estate investing? Well, if you don’t want to DIE in the storm in 2025, read this!

What is the STORM? Well in the game, it’s a shrinking, blue forcefield that if it catches you, will slowly steal your life until you die. In real life and real estate investing, it’s the obstacles that stop you from moving forward, hitting your goals and achieving generational wealth. We’ve lived through conditions that might be considered a perfect storm. Elevated pricing, rising taxes, high insurance costs, increased interest rates, and expensive labor and maintenance costs to name a few. The storm can be overbearing but there are ways to survive.

The first tool in your toolbelt is the map (and mini map). In Fortnite, the storm is constantly shrinking, changing the playable area and forcing players to adapt their strategy. We need to use the map, to know where to go. If you are wandering around aimlessly, you will be caught in the STORM. Similarly, real estate market data like property prices, unit absorption, rental rates, new construction, population growth and interest rates are constantly changing, forcing investors to adjust their strategies and decisions in real time. Market data including sale comps and rent comps should be your MAP in 2025.

As the storm narrows in Fortnite, players are forced to contend with fewer available positions and more competition for resources. Resource management is crucial. A confrontation between players can quickly evolve into a fort building explosion of walls, stairs and platforms. Often, the player with more resources and building experience wins and the other player is eliminated. What are your resources for real estate investing? Your capital, time, experience and property managers are your resources. How can you capitalize on this? For the main resource in real estate investing, your money, you can focus on a few main things. Maximize your current portfolio or budget if you don’t have a property yet. Look for ways to increase income and reduce expenses. Find new ways to generate additional revenue, whether it’s working overtime or a side hustle. Build a stack of capital that you can be ready to deploy when the opportunity or need arises. That capital could also be your emergency reserves. Maybe you do get a little too close to the storm, having that Medkit (capital) ready can keep you in the game longer.

The Fortnite world can be chaotic as you try to best 99 others to be the last one standing. The competition for top-tier investments properties is no different with hundreds to thousands of competitors. That’s why you play with a SQUAD. I’ve watched my son wait for his school buddies to get logged in so they can team up and play together. Real Estate investing is no different. If you don’t have a squad, you are at a disadvantage. Your team can be as simple as a lender, a real estate agent and a list of maintenance contractors. Based on your strategies, you can build out to something much larger over time with property management, maintenance employees, accountants and pools of investors. Having a team lets you play off each other’s strengths and weaknesses. Collaboration provides the opportunity to share previously mentioned resources within the group.

My final thoughts are a bit more for the veteran gamer. Players who venture too close to the shrinking storm in Fortnite may risk being caught in it, but they might also find better loot or positioning. In real estate, investors face a similar risk-reward scenario, where high-risk investments may lead to great returns if market conditions align, but they could also result in losses if the market turns unfavorable. Experienced Fortnite players learn to anticipate where the storm will shrink next and plan their movements accordingly. We as investors use market data trends (such as historical price fluctuations, demographic shifts, or interest rate movements) to predict future opportunities or downturns, helping to position investments effectively. I like to compare this to when Warren Buffett said that it's wise for investors "to be fearful when others are greedy and to be greedy only when others are fearful." There can be opportunities around the STORM but it's definitely a risk vs reward scenario that may not be for the faint of heart.

Was Fortnite secretly developed by Epic Games to help guide your real estate investing principles? That may be a stretch, but there are certainly a lot of comparisons. Now put on your favorite Santa Dogg skin and do a little Griddy because there's no better way to win that #1 Victory Royale (created generational wealth and financial freedom) than through real estate.

Footnote: For every **1,000** likes, views and shares this article gets, Jackson (my 9-year-old son and inspiration behind the article) will receive an **extra hour** of screen time. At **100,000**, I'll get him **\$100 worth of V-bucks**. Hook him up! If you thought the article was entertaining and an educational twist on real estate investing, please like, comment, share.