

BRONX, NY, October 01, 2013 **/24-7PressRelease/** -- Investments are an important part of preparing for retirement. Part of having a secure portfolio is diversifying investments and real estate investments play an essential role in any portfolio. As of 2013, the economy is still recovering and home values are on the rebound. Real estate investor and licensed broker Joseph Armato sees this as an important sign and signals to him and others that now may be the time to reinvest in real estate.

Of course no investment is without risk. When housing fell apart, many people were caught off guard and unprepared for such a big hit to their portfolio. However, with real estate prices low, Joseph Armato sees this as the perfect time to buy real estate before prices increase and the opportunity to buy cheap is lost. "Many investors are leery about investing in real estate because of the big hit, but it may be time to reconsider it once again," says [Joseph Armato](#).

Not everyone looks at real estate as an essential part of their retirement portfolio which Joseph Armato and others see as a mistake. According to an article in Forbes: "In a well-designed retirement portfolio, a small holding in real estate acts as a hedge against inflation that generates income, similar to bonds but with the inflation-dampening effects of commodities investments."

Risks to portfolios come into play when there is not enough diversity in investments. Real estate investor and contractor [Joseph Armato](#) himself maintains a diversified portfolio. "The expression never put your eggs into one basket applies when investing in your future," says Joseph Armato. And there are two forms of investors: active and passive real estate investors.

An active investor purchases the property while passive investors pool money with other investors owning a small share of the property and minimizing risks. However, passive investors do not have the money making potential active investors have. The decision of being an active or passive investor comes down to the investor and their willingness to weigh profit over risk.

As we have seen recently, even as a hedge real estate investments do not guarantee a loss of income. "With markets recovering, many investors are hesitant but see the potential that lay in reinvesting in real estate," says [Joseph Armato](#). When it comes to investing, there is plenty of advice on where and how much to invest. According to the legal website NOLO, Law for All, a general rule of thumb for investing between stocks and bonds depends on age. Their example: a twenty year old should invest about 10% in real estate investment trusts or REITS. However, real estate investments generally should compose 5% to 10% of an investor's portfolio.

Joseph Armato Advises Adding Real Estate Investments to Portfolio

Written by Australian Business

As an investor, Joseph Armato sees REITs as the best investment option for passive investors and active investors looking to protect some investment. However, according to Fox Business, there is a potential for REITs to tumble soon. Their tips: "Avoid newly issued REITs... stick with publicly traded REITs... and avoid REITs that use borrowed capital."

About: [Joseph Armato](#) is a real estate investor who helps clients determine where and how to invest in real estate. He believes people should include real estate investments in their portfolio.