

Living the Palm Springs Life

"On the Rocks"



The Capitis Group of Luxury Home Services celebrated its partnership in quintessential Palm Springs style at "On The Rocks" the latest edition to Beau Monde Villas portfolio of exquisite vacation properties. We were pleased to share the event with some of the industry leaders in architecture, jet charter services, luxury car services, title, escrow, real estate, insurance as well as financial institutions. We were lucky enough to have local vendor's, luxury partners, and of course amazing friends, family, and guests. Due to our involvement with charities and events you will be seeing more of the Capitis Group of Luxury Home Services and their partners in upcoming issues of our newsletter. Some upcoming events you may want to watch for include the **Palm Springs Short Film Festival**, **Living Desert Garden Tour**, the annual **Palm Springs Museum Fundraiser** in which both will be taking place at the Sinatra Estate, also look for our new event taking place in March with **Concourse d'Elegance**. We are excited and proud to be able to give back to the community by supporting functions and charities that affect us locally in the Greater Coachella Valley area.

www.thecapitisgroup.com

Beau Monde Villas features "Bella Clancy"



With Tuscan influences this villa features stone and brick treatments and hand applied plaster walls for a dramatic look. The great room features a décor of heavy stained wood crescent windows, beautiful wood beams, and a combination of flooring from hardwood to pavers for the feeling of an old world ambiance.



This beautiful home is located behind the gates of beautiful Bella Clancy and highlights the artistic legacy of Italian architecture with cobblestone streets and natural stone pavers throughout. There are water features, pool, spa, wrought-iron throughout and beautiful mountain settings. This is a 3 bedroom main home with a 1 bedroom casita. Boasting over 4,600 sq feet of living space, every inch has been completed with designer furnishings.

Modern amenities such as surround sound system, ambient lighting and a culinary enthusiast kitchen which features natural stone, Sub-Zero/Wolf appliances.



The bedroom quarters offer luxurious amenities including en-suite luxurious bathrooms and private patios. The master suite includes a platform tub and steam shower in travertine finishing's.



Contact www.beaumontevillas.com 877-318-2090 to schedule your next stay.

Real Estate Update

California Association of Realtors closely monitors and analyzes trends in the residential real estate industry. The table to the right contains the latest reported information provided to us directly from the California Association of Realtors.

Contact Capitis Real Estate for more detailed information at www.capitisrealestate.com.

Market @ A Glance

California	Reporting Period	Current Period	Last Period	Year Ago	Change from Last Period	Change from Year Ago
Existing Home Sales (SAAR)	August 2008	490,850	482,290	313,310	1.8%	-56.7%
Median Home Price	August 2008	\$350,140	\$350,890	\$588,670	-0.2%	-40.5%
Unsold Inventory Index (months)	August 2008	6.7	6.7	10.6	0.0%	-36.8%
Median Time on Market (days)	August 2008	47.3	47.5	54.7	-0.4%	-13.5%
First-Time Buyer Housing Affordability Index	2007 Q4	24%	23%	28%	1.0%	-4.0%
30-year fixed-rate mortgage (FRM)*	August 2008	6.48%	6.43%	6.57%	0.05%	-0.09%

*SOURCE: Federal Home Loan Mortgage Corp.



Investment Counseling in Today's Marketplace— Integrated Wealth Management

Jim Casey, President and CEO of Integrated Wealth Management, a wealth management and investment counseling organization headquartered here in Palm Springs, California.

Integrated Wealth Management ("IWM") and their network of qualified business partners have over 100 years of combined dedicated service to clients throughout Southern California and the greater U.S. IWM understands that each client must be treated according to their specific needs and future requirements and not according to a cookie-cutter financial plan. As such, they consider themselves to be problem-solvers who will spend as much time getting to know who their clients are, as how they can help them to reach their current and future financial goals. This is exactly what separates Integrated Wealth Management from the rest of the pack. Through many years in the business, IWM understands that investment management needs to be a highly personal, individualized service. Unlike other investment firms, the IWM staff works one-on-one with clients to determine exactly what is required in their investment program. In effect, IWM has proven itself to be an extraordinarily capable wealth management firm with a confident and loyal clientele, especially during these times of economic uncertainty.

Integrated Wealth Management is the partner you can depend on to help you reach your financial goals. They've earned their clients' trust and confidence by helping them achieve financial success and preparing them for a comfortable, secure future. Please feel free to contact Jim and or a member of his trusted staff directly at Integrated Wealth Management **(866) 888.6563**.



Jim Casey, President and CEO of Integrated Wealth Management.

www.IWMgmt.com

"Art as an Investment" - Heather James Fine Art



Andy Warhol, (American, 1928-1987),
Rebel Without a Cause – James Dean,
1985, Synthetic Polymer Paint and Silk-
screen Ink on Canvas, 22 x 22 in

Art has taken on an interesting shine in this climate of economic turmoil; the role of a hedge in the diversification of a portfolio.

Art as an investment is generally negatively correlated with the performance of stocks and bonds and other asset classes. In times of turmoil many people flee to "hard", tangible assets as a safe haven. We saw this phenomenon occur after 9/11 when there was a dramatic appreciation in most art classes as money poured into the art market.

Economists have done little research on art as an investment until the last 20 years or so. Drs. Mei and Moses from NYU have created various art indices which track the performance of the art market as a whole over the last 150 years, as well as creating indices which track segments of the art market such as Impressionist/Modern, Old Masters, Contemporary, German, Expressionism and American. Over these long time frames art as an investment has outperformed bonds and have produced returns essentially the same as the S&P 500, about 12% compounded annually.

You do not have to buy masterpieces to participate in the art market. Mei and Moses found that lower priced art generally outperformed higher priced art. The size of the art market worldwide is estimated to be \$22 billion per year. The best performing segments of the art market over the last 50 years have been American paintings before 1950 and Impressionist and Modern art. Contemporary art is by far the most volatile with huge swings in prices.

Even knowing this, the savvy investor is wise to stick to the basic principals of art investing to ensure a solid investment that will stand the test of all economic climates. A few tenets to keep in mind:

Always buy quality. That pencil drawing sketched on a ragged piece of napkin done by a famous artist at a bar may be an interesting relic to own, but if it is bound to disintegrate in a few years it isn't worth even the best deal around. That odd picture that a famous artist doodled on a canvas before finding the voice that became known to the rest of the world may not be of interest to a serious collector of said artist's work when it comes time for you to sell.

If you are buying for potential investment returns, hold on to the work for a long time. Leave the trading and speculating to dealers.

Try to make informed decisions before buying and cull your information from various sources such as price databases online, art advisors and auction houses before jumping in. Databases such as Artnet, Artprice, and Gabrius provide historical auction price data on thousands of artists over the last 50 years. The art market is becoming more transparent and efficient due to these tools.

As a rule of thumb, don't invest more than 10% of your net worth into art. Banks and financial planners are now offering their art advisory services to high net worth clients in order to deal with ongoing purchases as well as the best methods to dispose of art already owned.

Armed with all the aforementioned information, a collector will have a more solid sense of capability as it relates to the art market, but, remember, the first and foremost reason you should buy any piece of art is because you love it and can't live without it. No matter where the market rises and falls, you won't go wrong if your piece drives you wild with pleasure. After all, art's greatest gift to the world is the emotion it inspires in the viewer.

Additional information about this piece and other amazing pieces please contact the Heather James Fine Art at **760.346.8926** or kimberly@heatherjames.com.

515 North Palm Canyon Drive. Building #C. Palm Springs, California 92262 (760) 320-1058

www.thecapitisgroup.com

The Capitis Group of Luxury Home Services