

ISBA RE Cycle

*Real Estate and Moon's Nodes,  
Money and the Fed*

By Robert Gover

The price of real estate tends to move in an 18-to-20-year cycle. From one top to the next, as from one low to the next, about 9 or 10 years usually elapses.

The Moon's Nodes move backwards or retrograde in an average 18.6-year cycle around the Zodiac. Most real estate price tops have occurred with the North Node in Taurus and/or moving into late Aries.

The Nodes are points where the Moon's orbital path intersects with the Sun's path. The Moon's Nodes influence mass psychology, which translates economically to ups and downs in interest rates, employment and productivity. A real estate calculation called the Brennan Cycle moves in tandem with the Moon's Nodes.

Where real estate is concerned, the 20-year cycle of Jupiter-Saturn conjunctions is also of interest. Jupiter, the influence of optimism, energizes speculative buying, and cautionary Saturn is associated with land.

From an astrological perspective the expectation is that real estate prices should rise when the North (Jupitarian) Node moves through Cancer, the Sign most associated with Home. The North Node arrived in Cancer in April 2000 and moved into Gemini October 2001, when a bubble in stock prices crashed. The Fed lowered interest rates to stimulate the stock market, which in turn brought a dramatic rise in home buying, creating what is seen now in retrospect as a speculative bubble in real estate.

This latest surge in RE prices peaked in the spring of 2005 when the North Node moved from early Taurus into late Aries.

Prior to this latest speculative bubble in real estate prices, history shows tops occurred with the North Node in Taurus or Aries - unless distorted by other planetary cycles, especially those coinciding with wars or depressions.

Through the 1800s, RE price tops were made in 1819, 1837, 1857, 1873 (distorted by the great depression of the 1870s) and 1893. In 1819, the North Node was in Aries; in 1837 moving from Taurus into Gemini; 1857 moving through Aries into Pisces; 1873 and 1893 moving through Taurus into Gemini.

The next top occurred in 1918, 25 years after the top of 1893 with the North Node moving into early Sagittarius. The Federal Reserve System (Fed) was created by Congress in 1913, shifting control of the US monetary system to a group of bankers, and institutionalizing a debt-based money system. Henceforth, the bankers of the Fed sold dollars into circulation. In effect, the government borrows money from the Fed's bankers and sticks the public and/or taxpayers with the bill at ever-compounding interest.

Another definitive RE cycle top was made on the cusp of the Great Depression 1929. At this time the North Node was again in Taurus and moving into Aries.

Through the roughly 40 years of the Great Depression and the aftermath of World War II, real estate prices made no dramatic tops, as the Fed now controlled interest rates. And to curb an expected spike of inflation, the Roosevelt Administration imposed price

controls during and after World War II. Construction of new homes boomed through the late 1940s and 1950s.

The next definitive RE top in prices came roughly 4 cycles after 1893, or 80 years later in 1973.

Prior to the creation of the Fed in December 1913, interest rates (which drive real estate development and buying) were unregulated. The prime duty of the Fed is to control interest rates. Nevertheless RE prices returned to their correlation with the North Node when calculated over longer periods of time, as evidenced by the most recent top arriving in 2005 with the North Node moving from early Taurus into late Aries, roughly five Lunar Nodal cycles after 1893.

By March 2007, with the Node moving through Pisces, there were plenty of economic indications that RE prices were on a determined downswing. Some “sub-prime” lenders and borrowers were in trouble. The number of building permits issued nationally had plummeted. In suburban Las Vegas, the fastest growing area in the USA, 9,800 of roughly 22,000 homes on the market were empty and desperate home sellers were cutting prices by 45%.

Based on past history, we can expect the downtrend in housing to turn around when the North Node reaches the constellation opposite Cancer, where it usually is when prices rise. That constellation is Capricorn and the North Node is due to enter it in August 2009, 20 years after the last low in 1989.

But don't rush headlong into the real estate market in 2009 without being aware of two major reasons the RE cycle may again be distorted and its downside extended.

1. Astrologically, Uranus and Pluto will be within orb of a square, with Pluto opposite the US natal cluster of Venus, Jupiter and Sun in Cancer. And Saturn will be moving through Virgo, coming conjunct the US Neptune, which is square the US Mars – a combination that has coincided with stock market crashes historically. Also, in 2009 Pluto and the North Node will conjoin in Capricorn. The combined effect of these astrological patterns bodes ill for the overall economy, of which the housing industry is a major part.

2. Because the recent housing price bubble was extended and taken to new record highs, its deflation may be extended. We may experience a crash of the dollar and a subsequent spike in inflation, causing the Fed to raise interest rates dramatically. Also waiting in the wings is the weather-related effects of global warming, expected to bring catastrophic storms, Hurricane Katrina being a hint.

If the dollar crashes or continues its slide down against other world currencies, foreign investment in US assets (a major stimulus to the most recent housing bubble) will be withdrawn, worsening the situation by exacerbating US debt - federal, corporate and personal.

The world's monetary system, now based on the dollar, is likely to go through a wrenching change, mainly because US total debt is approaching the point where it will be un-repayable, which in turn could lead to a change in the existing Fed-dominated, debt-based monetary system.

When Congress created the Fed in 1913 and institutionalized a debt-based money system, it meant that, instead of the federal government lending money into the system at no interest, bankers lend money into the system at ever-compounding interest. In turn,

this creates a gradual but snowballing rise of inflation, as the money to pay the interest must be “found,” and the primary “finder of interest” is inflation, called “the hidden tax.”

By March 2007, when the downturn in RE prices became undeniable, the North Node was moving through the middle of Pisces. The North Node will enter Capricorn in August 2009, signaling the bottom of this down cycle, and move into Sagittarius in March 2011, signaling an expected rise in RE prices. But other factors in the overall economy – especially the debt-based US monetary system, snowballing inflation and the likelihood that the dollar will continue to slide or crash – can be expected to distort the RE cycle this time.

During the RE bubble that followed the stock market crash of 2000-2001, a lot of investment money went into real estate, and prices continued to rise after the North Node went into Gemini. As a consequence of the boom and the Fed’s holding interest rates down, the housing bubble was extended beyond the average cyclical top. As a consequence of that extension, the RE price bottoms may be extended beyond 2011.

The cycles of the outermost planets overwhelm lesser cyclical indicators to coincide with well-defined economic turning points. And we are moving toward one that can be expected to bring the most difficult decade since the USA was founded in 1776: Pluto moving through Capricorn, a Uranus-Pluto square lasting from 2008 to 2019, forming a grand cross with the natal US Sun-Saturn square. In August 2009, Pluto will conjoin the North Node in Capricorn, with both opposite the USA’s natal Jupiter and Venus. This combination can be expected to distort the RE cycle, and more importantly, bring an atmosphere conducive to changing some basic economic assumptions.

Our present economy is based on medieval assumptions, and we have moved into a period when democracy is on the rise, so we are looking at a clash between two philosophical forces: “traditional” medieval beliefs (an unproductive ownership class dominant) and the modern move toward more and purer democracy. Currently most of the world’s wealth is owned by less than 1 percent of the world’s population.

We are approaching a time of transformations as huge as those experienced by Native Americans after the arrival of Columbus, and then during the years leading up to and through the American and French Revolutions, when Pluto was where it will be again during the second decade of the 21<sup>st</sup> Century.

Related to this is the Mayan Calendar, which famously “ends” at the winter solstice 2012. Some Mayan scholars have interpreted this to mean human consciousness will undergo a major change. Changing our assumptions about the “divine” right of an ownership class would lead to change in how we make and distribute money and provide ourselves with food and shelter. If creation and control of money is removed from for-profit bankers and returned to democratically responsive civil authorities, it would revolutionize the whole economy, including the real estate market.

This in turn could lead to a time of peace and prosperity, as famously predicted by “the dawning of the age of Aquarius.”

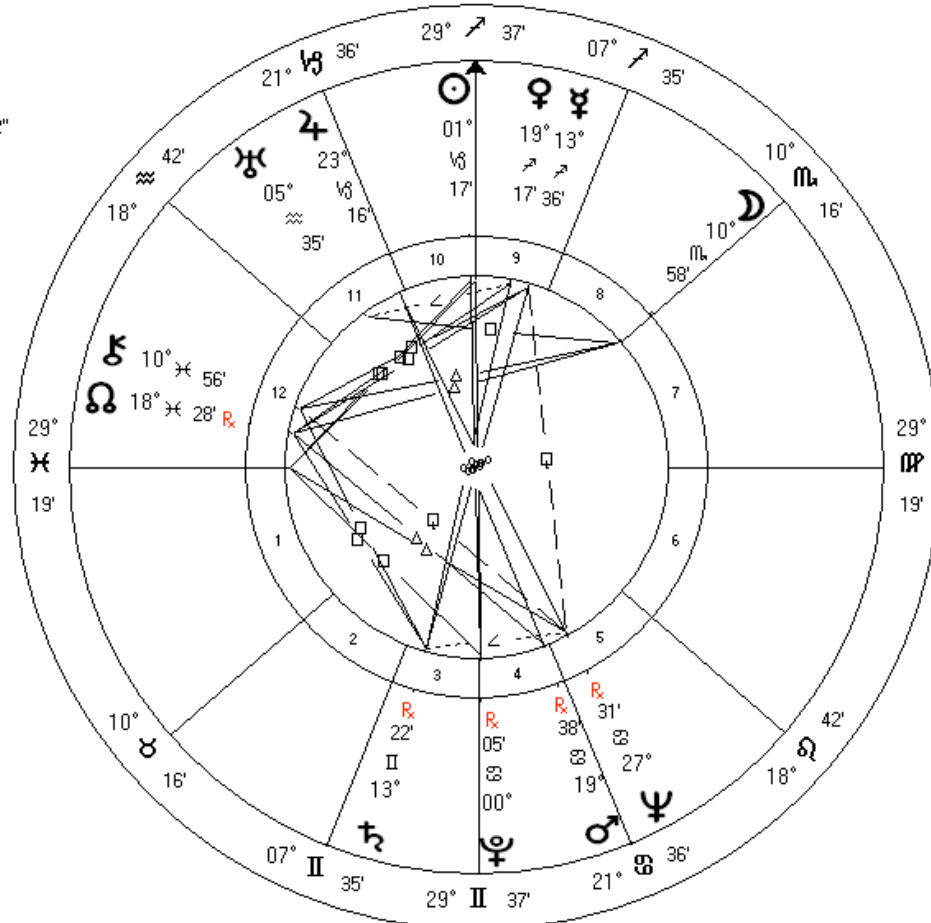
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I include here two charts. For the birth of the Federal Reserve System, note that the Fed’s Sun is opposition Pluto, with both square Pisces Ascendant.

In the biwheel showing transits to the Fed's chart for December 2008, note that T Pluto and T Mars are conjunct the Fed's Sun and opposite the Fed's Pluto, with T Saturn and T Uranus widely opposite and conjunct the Fed's Ascendant.

I read this to mean the Fed will be on the hot seat by this time, probably because of the dollar's fate as the world's "reserve currency." Which in turn means the debt-based monetary system instituted by the Fed in 1913 will be seen as the crux of the problem. To find out more about this, Google "debt-based monetary systems."

**The Fed 1913**  
**Natal Chart (2)**  
 Dec 23 1913  
 12:00 pm EST +5:00  
 Washington, DC  
 38°N53'42" 077°W02'12"  
*Geocentric*  
*Tropical*  
*Placidus*  
*True Node*



Inner Wheel  
**The Fed 1913**  
**Natal Chart (2)**  
Dec 23 1913  
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Washington, DC  
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*Geocentric*  
*Tropical*  
*Placidus*  
*True Node*

Outer Wheel  
**US Money 2008**  
**Natal Chart (3)**  
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*Tropical*  
*Placidus*  
*True Node*

