CLARION [Klar'i-on] *adj.* brilliantly clear; loud and clear
(A clarion call to action)

ClearView Wealth Management

The Clarion

COVER STORY

Meet The Sponsors

Our New Seminar Series

Almost all of our clients have several things in common: many of them are in retirement, others are looking at retirement in the next few years and a lot of them are planning ahead for the day when retirement comes. Our clients tend to be risk avoiders, not risk takers. Like most people, our clients have worked hard for their money and they want their money to work hard for them without losing capital. They don't like to pay taxes so they like tax-advantaged investments and tax reduction strategies. Most of all, the vast majority of our clients seek investments that will preserve their capital and provide them with a regular stream of income they can spend, save or reinvest.

If this description sounds like you, then you are probably one of our clients. If it sounds like you, but you are not yet one of our clients, then you should become one. In either case, we have created the monthly "Meet the Sponsors" seminar series to introduce you to our sponsor companies who offer investment programs designed to preserve your assets while providing you with monthly and/or quarterly income. At each luncheon or dinner event, three of our sponsors will present investment options that will enable our clients to further diversify their investment portfolio into a broadly allocated set of non-correlated investments to help potentially reduce volatility and investment risk. These investments include gas & oil, real estate investments trusts (REITs), notes & debentures, managed futures, real estate opportunity funds, bonds and equipment leasing.

The schedule for these seminars can be found on page 8 of this newsletter and on our website. Invitations with details about the programs are sent out by email approximately two weeks before each program. If we do not have your email address, please email us at seminars@cvwm.com and we will add you to our notification list. If you do not have email, please call us at 425-557-0559 or 866-557-1031 to register or obtain information about these monthly seminars.

We look forward to seeing you soon!

Client Corner

ClearView Wealth Management provides a broad array of financial services to individuals, families and businesses focusing on three key areas: Asset Allocation and Diversification in Non-Correlated Investments, Financial and Estate Planning and Tax Advantaged Investments.

We would like to congratulate the following new and returning clients who invested in one or more products in February & March as well as those that requested not to be listed.

Justin Hulvershorn
& Leslie Aberman
Robert Dwyer
Sue Lowery
Calvin & Marge Wang

Financial Services

- Tenant-in-Common Real Estate
- Delaware Statutory Trust
- Natural Gas & Oil Investments
- Managed Money
- Notes & Debentures
- Equipment Leasing
- Real Estate Funds
- Managed Futures
- Fixed Income
- Mutual Funds
- Annuities
- Cash Management Funds
- Life Insurance

PRESIDENT'S MESSAGE

Buy Low And Sell High

Something Everyone Knows But Few Do

Bob Cannon, President/CEO

Most of us have hobbies, those things we find are fun for us to do and we enjoy while filling up our spare time. One of my hobbies is to collect adages or expressions. I often call them sayings from life. These expressions become colloquialisms because they hold some significant meaning, a hidden truth or maybe are just funny or cute. In any event, we choose to keep them alive by repeating them thousands of times a day everywhere English is spoken.

In the investment world, one of the most popular and common adages is "buy low and sell high." It makes sense. It is good for us. It is an obvious strategy of how to create and build wealth. It is so obvious most of us would consider it to be common sense. Right? Then why do so few investors follow this obvious strategy when making their investment decisions?

One reason may be people are emotional animals and we make many of our day-to-day, and even some of our most important long-term decisions based upon emotion and not logic, or even careful planning. Another could be many people do not pay close attention to their investments. There is the old expression, "If you know how much money you have, you don't have very much." My opinion is, if you never know how much money you have, you may never have very much.

Two good examples of recent and current opportunities to buy low and sell high are the free-fall market in 2008 and the current 30-40% drop in real estate values. Instead of activating a stop-loss strategy when stock values fell by 30-40% in 2008, most people just rode the market all the way down. Fortunately, we enjoyed an unusually strong rebound in the market in 2009 and much of the 2008 loss in value was recaptured. A wiser strategy than buy and hold, ride the market up and down, back down and up again (eventually), would be to set sell and buy parameters to reduce losses and to buy back in when the market bottoms out and begins a period of recovery. That opportunity is now largely a part of history.

The good news is real estate is currently selling at prices not seen in a decade. The bad news is investors continue to stand on the side lines, failing to take advantage of the current opportunity to invest in real estate at deeply discounted prices. Why? I have no idea. There may not be a better time to invest in real estate in my life time. There may not be another 30-40% drop in values due to a recession this deep for many years to come. But, people are indeed emotional animals and seem to need to wait for values to rebound before they begin investing again. Their intended strategy must be to buy high and sell higher.

We currently have a number of real estate offerings available that will enable you to take advantage of current real estate market values and diversify across several asset classes. American real estate is on sale. Don't let this opportunity to buy low pass you by.

Bob Cannon

Investing for the Long Term:

Why Consider an Investment in Oil & Gas Programs?

An investment in Oil & Gas provides an opportunity for investors to diversify their portfolio with an asset not correlated directly to their other portfolio holdings such as the stock market and real estate. As a commodity, Oil & Gas can also offer a hedge for inflation.

The long-term prospects for energy demand are strong. The US Energy Information Administration has projected there will be a strong demand for energy this year and projects worldwide energy consumption will increase 44% from 2006 to 2030. US consumption also is expected to increase faster than the domestic supply during this time frame. With an increased demand and limited supply, there will be increased pressure on prices to increase as well.

Accredited Investors (individuals with a net worth of over $1,000,000 or income over $200,000 per year over the previous 3 years) can participate directly in Oil & Gas production by purchasing a working interest in a Direct Participation Program (DPP). Oil & Gas DPP programs raise funds to explore for Oil/Gas (higher risk) or to recover Oil/Gas from existing production areas (lower risk).

Investors receive cash distributions when (and if) the wells begin to produce. If a well is successful, production typically ramps up in the first years of the project and declines over time. Production continues as long as it is economically feasible. An investment in an Oil & Gas DPP is a long-term, non-liquid investment. As stated earlier, exploration programs, where the sponsor is trying to find Oil & Gas, is higher risk than recovery programs, which are designed to extract reserves from currently producing areas.

Sponsors may choose to continue to produce throughout the life of the well or may sell the well to another producer. In the case of a sale or exit, the proceeds from the sale are distributed to the investors.

The Intangible Drilling Cost deduction allows a deduction of a portion of the investment amount against ordinary income. The income from the programs can utilize deductions for depletion and depreciation to reduce or shelter the taxes due on the cash received.

The rise in energy prices in the last year incentivized many people to invest in Oil & Gas programs. Though prices did decline significantly for a few months, energy prices are expected to continue to rise for the foreseeable future. If you are interested in a long-term investment with the potential for a long-term cash flow and potential significant tax benefits, if you believe inflation is in our future and the price of energy will increase due to the pressures of supply and demand, then you may want to consider purchasing a working interest in an Oil & Gas Direct Participation Program.

The material contained herein does not constitute an offer to sell nor is it a solicitation of an offer to buy any security. Such offers may only be made by means of an offering memorandum.

Oil and gas exploration and development is speculative, involves a high degree of risk and, as such, the results of this activity cannot be forecasted accurately. Although steps can be taken to mitigate risks, no assurance can be given that an investment will be recovered nor that any profit will be realized since no assurance can be given that production will be obtained in profitable quantities.

What's Going On With The Estate Tax?

Good question. Congress has elected to keep us in suspense.

0% estate taxes in 2010 … for now, anyway. On January 1, the federal estate tax went away – at least for the time being and perhaps for all of 2010 as envisioned back in 2001. President Obama and Congressional leaders wanted the estate tax to stick around in 2010 at 2009 levels (estate taxes up to 45% with a $3.5 million exemption), but lawmakers were preoccupied with other matters.[1,2]

Will Washington really give families million-dollar tax breaks? If no estate tax is imposed in 2010, it could mean a savings of millions for wealthy families. There is talk of bringing the tax back retroactively – after all, the federal government could really use the money. Yet the further we get from January 1, the more difficult reinstating the estate tax for 2010 may become.

As American Institute of Certified Public Accountants vice-president for taxation Tom Ochsenschlager told MarketWatch, "They're still talking (in Congress) about making something retroactive, but at some point they can't do that … is it even constitutional? There's a real question about that."

The unconstitutional argument goes like this: if Congress moves to retroactively apply the estate tax for 2010, an estate could take the mater to court and point out that Congress had all year to reinstate it but failed to do so.

That argument aside, some estate planners think Congress will get around to a retroactive measure – one that would put the 2009 estate tax levels back into place for 2010.

What taxes are in place now? Some taxes still apply to estates in 2010 even if the estate tax doesn't. People who give away more than $1 million during their life still face federal gift taxes – though in 2010, they max out at 35% instead of 45%.[3]

Also, all assets with capital gains are to be taxed at 15% above a $1.3 million federal exemption when sold by heirs in 2010. The big news here is that heirs don't get to use a step-up this year. When they compute the value of an inherited asset, they have to use the basis (the original price paid for the asset) instead of how much that asset was worth when the original owner died. (In addition to the $1.3 million exemption per estate just mentioned, there is another $3 million exemption available for assets inherited from a spouse.)[3]

What precautions may be wise this year? As a potential heir, you'll want to document the cost basis of any assets you might receive in 2010. Good recordkeeping is in order.

Additionally, you may want to search a trust or a will for so-called formula clauses anchored by words such as "that portion", "that amount" or "that fraction", especially if the will or trust was created some years ago with the presumption of a constantly increasing federal estate tax exemption.

These formula clauses are fundamental to bypass trusts created to defend estate tax exemptions for a couple. However, these clauses assume that there is an estate tax. With no estate tax in place, there is the possibility (depending on how the formula clause is worded) that a deceased spouse's assets would not be inherited by the surviving spouse, but instead go directly into the family trust – not the most useful result for the surviving spouse.[3]

What will 2011 bring? Well – if there are no

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changes – the estate tax and the generation-skipping tax would come back in 2011. Only the first $1 million of an estate would be exempt from estate taxes. Assets above the exemption would be hit with a 55% federal penalty.[3] However, the Obama administration had talked of keeping the 2009 estate tax levels in place for 2010 and beyond, which would be better than returning to the pre-EGGTRA levels in 2011.

These are the views of Peter Montoya Inc., not the named Representative nor Broker/Dealer, and should not be construed as investment advice. Neither the named Representative nor Broker/Dealer gives tax or legal advice. All information is believed to be from reliable sources; however, we make no representation as to its completeness or accuracy. The publisher is not engaged in rendering legal, accounting or other professional services. If other expert assistance is needed, the reader is advised to engage the services of a competent professional. Please consult your Financial Advisor for further information.

Citations.

[1] *marketwatch.com/story/money-for-nothing-congress-awol-on-the-estate-tax-2010-02-15 [2/15/10]*

[2] *online.wsj.com/article/SB123846422014872229.html [3/31/09]*

[3] *investmentnews.com/apps/pbcs.dll/article?AID=/20100214/REG/302149985/1031/RETIREMENT [2/14/10]*

CLEARVIEW NEWS

Estate Planning Seminar

Over the years we have offered a variety of educational seminars to the public and to clients and friends of the firm. These programs have ranged from the most basic educational seminars such as “How Money Works” to “TIC/DST 1031 Exchanges” and our current monthly program, “Meet the Sponsors.” During the last year or so we have received several requests to conduct an Estate Planning Seminar. We are pleased to announce our first program entitled “The Three-Legged Stool of Estate Planning” to be conducted Tuesday evening, June 29th at 6:00 p.m. at the Courtyard Marriott in Bellevue, WA.

This program is designed to provide you with current information on estate planning strategies, concepts and options for your practical use and implementation. The three-legged stool is symbolic of the three main elements of successful estate plans: tax, legal and investment planning. Marc Hutchinson, CPA and Managing Partner of Bashey, Hutchinson and Walter; Steve Waltar, Esq. and Principal of Stephen M. Waltar, PS; and Bob Cannon, President/CEO of ClearView Wealth Management will present on a variety of topics ranging from charitable giving, trusts and estates, current taxation on estates, living on retirement income, gifting, wealth and asset protection, wills and living trusts, college planning/funding, investing IRAs in income-generating products, minimizing taxation on retirement income and much more. The program will be followed by an extensive question and answer session to address the specific issues of the audience.

We expect this seminar will be very popular and anticipate a full house. Please call 425-557-0559 or 866-557-1031 to register and reserve your seat. If you plan to attend and have a specific topic you would like addressed during the presentation, please let us know when you register and we will make every effort to incorporate the topic into our presentation. You are welcome to bring a friend or relative to the seminar.

Register early and we will see you there!

Quarterly Economic Update for 1Q 2010

Quote of the quarter.

"Do you know the difference between education and experience? Education is when you read the fine print; experience is what you get when you don't."

– Pete Seeger

The quarter in brief. The opening quarter of 2010 can be summed up in four words: so far, so good. Despite murmurs warning us of a correction, a double dip recession, and a tepid recovery with sustained high unemployment, stocks were red hot. It was a quarter in which major healthcare reforms became law, the dollar made a comeback, the housing market lagged and the global economy revved up its collective engines. Despite murmurs and warnings that the recovery was going to be weak and prolonged, it was a very positive time for investors.

Domestic economic health. Consumer spending, obviously the prime driver in a recovery, increased by 0.4% in January and 0.3% in February. Consumer sentiment was up and down: in the Reuters poll, it went from 74.4 in January to 73.6 in both February and March, about where it was last September. The Conference Board survey read 52.5 for March, up from 46. a month earlier yet below January's reading.

Inflation was on the minds of investors, but it wasn't affecting consumers much. The Consumer Price Index went north by 0.2% in January but stayed flat for February. At the end of February, the Bureau of Labor Statistics estimated that we had seen 2.1% inflation over the last 12 months.

Turning to the business side of things, the quarter brought some very good news. From January to March, the Institute for Supply Management's manufacturing index read 58.4, 56.5 and 59.6; its service sector gauge also went positive in all of those months, coming to 55.4 in March. Durable goods orders soared 3.9% in January and increased another 0.5% in February for a third straight monthly gain. Retail sales advanced 0.3% in February after an adjusted 0.1% gain in January.

The unemployment rate was 9.7% in every month of the quarter. The notable development: the economy added 162,000 jobs in March, the largest month-over-month surge in payrolls in nearly three years.

Another notable development: the health care picture changed in America. The public option died, but the reform bill lived: the House passed the Senate version, with not one Republican voting yes. So in 2014, just about all Americans will have to have health insurance and companies with 50 or more employees will have to sponsor a health plan or pay penalties of $750 per worker (which could be cheaper than the cost of maintaining a health plan).

Major indexes. The DJIA had its finest first quarter in 11 years, and the S&P 500 had its hottest first quarter in 12 years. The NASDAQ notched its best 1Q since 2006.

% Change	1Q 2010	4Q 2009	Y-T-D
DJIA	+4.11	+7.37	+4.11
NASDAQ	+5.68	+6.91	+5.68
S&P 500	+4.87	+5.49	+4.87
10 Yr TIPS Yd	+8.11	-5.13	+8.11

(Source: CNBC.com, ustreas.gov, 4/1/09)13,14,15

Indices are unmanaged, do not incur fees or expenses, and cannot be invested into directly. These returns do not include dividends.

Global economic health. The story that earned the most headlines was Greece. Its government was in debt; it was on shaky ground. As March ended, the

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European Union indicated a bailout was forthcoming, putting world markets more at ease and perhaps putting out a fire that worried investors all quarter.

The more positive story was the surge in global manufacturing. PMI indices were up around the world, and Germany's index was way up at 60.2 last month. Some other notable March PMI readings showing growth picking up: Taiwan, 62.7; India, 57.8; South Korea, 55.6; Great Britain, 57.2; China, 55.1.

World financial markets. Stock indices in China and Hong Kong (and Portugal and Spain) had a rough quarter. Outside of those regions, other benchmark indices posted quarterly gains. A roll call: DAX, +3.3%; FTSE 100, +4.9%; CAC 40, +1.0%; Nikkei 225, +5.2% (buoyed by a great March of +9.5%); Australian All Ordinaries, +0.2%; RTSI, +6.7%; Bovespa, +2.6%; Sensex, +0.4%; MSCI World, +2.7%; MSCI Emerging Markets, +2.1%. The Hang Seng slipped 3.0% for the quarter and the Shanghai Composite fell 6.7%.

Commodities markets. Nickel is hardly precious, but this base metal was the hottest commodity of the quarter, thanks to a drop in inventories and high demand (especially in emerging markets) for stainless steel. Nickel advanced 34.9% on the LME (London Metal Exchange) in 1Q 2010. Gold futures gained 1.5% for the quarter; silver futures rose 4.0%, while platinum futures rose 12.0% and palladium soared 17.4%. How about copper? Another gain: 5.5% this quarter. The U.S. Dollar Index had a strong quarter, gaining 4.1%. As for energy futures, oil gained 5.5% and heating oil 2.2% in 1Q 2010, but natural gas futures fell a miserable 30.6%. The winter was rough on some notable crops: while orange juice gained 4.8% last quarter, soybeans were down 9.5%, cocoa 9.7% and corn and wheat both dropped 16.8%. Sugar did worse: -38.4%.

Housing & interest rates. This was the quarter in which the clock ticked – the perception was that time would soon run out for homebuyers to take advantage of federal housing credits and federally-aided low mortgage rates. So what happened? Home sales weren't that great, leading analysts to wonder what they would be like next quarter without tax breaks and the Federal Reserve buying mortgage debt.

Existing home sales fell 0.6% in February for the third monthly dip in a row. New home sales dropped 11.2% in January and then 2.2% more in February to the lowest level on record. The bright light was pending home sales, particularly the February statistic from the National Association of Realtors: +8.2%, reversing January's 7.6% retreat.

Mortgage rates trended slightly downward, at least by Freddie Mac's measure. The average rate on a 30-year FRM was 5.09% in Freddie Mac's first survey of 2010 (January 7) and 5.07% in its April 1 survey. As for movement on other rates, here are the numbers across the same time span: 5/1-year ARMs, 4.44% down to 4.10%; 1-year ARMs, 4.31% down to 4.05%; 15-year FRMs, 4.50% down to 4.39%.

Second quarter outlook. Are we on pace for Dow 12,000 or higher and double-digit gains this year? The first quarter of 2010 hints at that direction. Of course, past performance does not indicate future results. However, during years in which the S&P, DJIA and NASDAQ have had positive 1Qs, those indices have notched average annual gains of 12% or better.

So far, the potholes on the road to recovery haven't been that deep - or maybe the market has figured out how to drive around them. Outside of the housing sector, the manufacturing and service sectors are growing and consumers are spending a little more. Notions about the stock market being ahead of the recovery may fade as evidence mounts that the recovery is gaining strength.

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SEMINARS

Upcoming Seminars

Tuesday, May 11, 2010	**6:00 PM**	**Portland, OR**
Wednesday, May 12, 2010	**6:00 PM**	**Tacoma, WA**
Thursday, May 13, 2010	**12:00 PM**	**Bellevue, WA**
Tuesday, June 15, 2010	**6:00 PM**	**Oak Brook, IL**
Wednesday, June 16, 2010	**12:00 PM**	**Chicago, IL**
Wednesday, July 14, 2010	**6:00 PM**	**Bellevue, WA**
Thursday, July 15, 2010	**12:00 PM**	**Seattle, WA**
Tuesday, August 10, 2010	**6:00 PM**	**Portland, OR**
Wednesday, August 11, 2010	**6:00 PM**	**Everett, WA**
Thursday, August 12, 2010	**12:00 PM**	**Tacoma, WA**

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