

Standing up for the Greatest

Last week's column: Standing Up. This week's: the greatest. What's the greatest? At the risk of raising the ire of the ACLU (but profiting by putting my editor on edge), the greatest is God. Or, depending on your spellchecker: god. It also can be GOD.

Did you know that the ALCU, in its role as watchdog for civil liberties, takes umbrage whenever this word comes out in the press? They probably don't mind the word Devil. Or the concept of ultimate reality. But a three-letter word? Yep. As you can tell, I'm having god, umm, good fun: teasing the ALCU and my editor in the same breath. WoW! To quote Muhammad Ali: I am the greatest.

But, if the ACLU won't let me use that word (G-O-D) in a family newspaper, then what else is there that really IS the greatest? Simple: surfing (just don't tell my mom, rolling in her grave, remembering all those times I came home from school with my hair wet).

But wait: this is a real estate column, so why not talk about the GREATEST in terms of this market? Isn't this just the greatest market ever? Could be: Greatest interest rate environment in thirty years. Best job growth potential in ten years. Lowest months of remaining inventory in the resale market ever. And prices set to go higher than they've ever been (heaven-ward, if you'll stand for that).

As your intrepid real estate analyst, I can run off stats at the drop of a hat: 6% interest rates, \$395,000 median price for a single family resale home, 2.5 months of remaining inventory for resale condominiums. Great stats, great market, but that does not a great story make. what makes a good story is having to overcome something, or at least striving to do so. And here, let me tell you about what really inspired this column (with its comments on surfing, God and stories).

It was a TV program on PBS last Sunday about fighting for your life against cancer. And it was told by someone who fought the disease... and lost, but, along the way, won my vote for being the greatest. Rell Sunn was this someone, a much beloved, gentle soul from Makaha who was, in turn a great surfer, a great friend, a great Mom and a great adult. And the onslaught of cancer served to clarify all this who she was, rather than confuse it.

Why do I say so? Because she had the guts, and the kindness to others watching and wondering, to go on camera. This program on PBS let us into her life, and be with her for every step in that ultimate journey. And what made it the greatest was that she kept living life every step of the way. And the camera caught it all: it caught her surfing, it caught her loving the little kids on the beach at Makaha, and it caught her talking about her love of life. Yes, she lost her struggle, but her struggle, and her loves, makes her my greatest.

My mom also struggled with cancer and lost, but she had some of that same greatness: honesty. When I was but 11 years old, I was rebelling, this time against going to church. Living on the beach, I'd walk out to the end of the reef and get back right before Sunday services. On the fifth Sunday in a row she had to clean off the muck, she asked, 'You don't want to go to church, do you?'

Nope, I said... and she burst into tears, and left me to go to her room. I followed shortly thereafter, in the fullness of guilt for having made mom cry, and recanted: 'I want to go to church.' Her response? 'No, you've made your choice, and that's that.'

And so it was. From then on, for 10 years, I didn't return. But when I did, I wanted to. That was my first real taste of responsibility. The awesomeness of making a decision. Did it make me great? No, but it made me bigger than I was. And, at 11 years old, it made me bigger than I wanted to be. But mom wanted me to grow up, and she made sure I understood the reality of what I did.

Not to digress, but does honesty and being the greatest intersect here, in a column about real estate? Let me ask you to make a long stretch (or leap) of imagination.

While enjoying the greatest residential real estate market in my lifetime, something is going wrong. To be sure, it is a very small something, given that almost everything else is going well: economic growth, low interest rates, and busy builders. But, the small thing, is that there's not enough houses to go around. Especially at current prices. Not enough supply means prices will rise even higher. The sad part is that some families will not become homeowners due to this.

This also could bring about some dishonesty, as it did at the top of the last cycle. Remember the early 1990s? A high prices and people standing in line to buy a house triggered a popular sentiment 'greedy developers gouging the poor.' More than two politicians bought into this, and tried to be good guys by solving it. How? By forcing these greedy businesses to 'build homes at below cost and then sell it to those who make less than most everyone else.'

This solution, known as the affordable housing policy, was, to my mind, a halfway solution: it rightly attacked the problem of low supply, and it wrongly made private enterprises lose money. So, when times got tough, it fell apart. Remember the tough times after the good ones. I remember: I lost my job doing residential research twice, once in 1993 and again in 1997). I remember organizations that left the market all together (Stark, Watt, Meyers, McCormack).

So, speaking of struggling, honesty and real estate, please politicians (and the editor of Honolulu Weekly) remember that development is a struggle, and is done over a very long time. And doing it at a profit is a vital ingredient, as the reality of the business of building homes and communities that it is a struggle. I reference Honolulu Weekly, which did a long article about housing development on Oahu (good), but sank to a level well below objectivity (bad). How so? By casually throwing in the fact that someone in their story didn't finish college. Having almost been kicked out of college (for low grades), that caught my attention. But worse, the remark was dishonest: it had nothing to do with the storyline. Instead of looking into the reasons for and against development, it characterized the gentleman (and, by extension, his company) in a mean-spirited way, and intruded an irrelevancy that undermined the utility of the story, at least for me.

Given Rell's example, let's be try to be true and honest about the serious issues. If it's housing and development, then let's start with the reality that the business of building homes and communities is a long-term, hardscrabble, risky struggle. Then, if you want to

attack high prices and a lack of reasonably priced housing, then go to the source: low or no supply. A good column, or a good story, should start at the source. And leave greed out, unless you can prove it.