

MO-TI-VA-TED

My family (sans dog) tells me I missed my calling: I should've been a motivational preacher, err, speaker. My editor tells me I missed my column last week. With this week's column coming up, she tried motivating with psychology. How was she so successful? First, she did me the favor of running a photo I took of some friends, family and dogs standing in the mud in a park.... And my explanation that they were on the verge of a new era, with new trees, for that park. Second, under my copy, she added this:

This special report on Hunakai Park by Island Homes real estate analyst Ricky Cassidy is published in lieu of his regular Commentary column, which he promises to submit for next Sunday's real estate section.

Subtle? No, but neither am I. Motivational? Obviously, for it worked.

I had another motivational moment the other day, thanks to a client, also a long-time friend of the family. We'd been talking about the market over coffee at Wisteria, when, out of the blue, he said, "Aren't you glad you're an entrepreneur..."

It was not a question, but a statement, and it knocked me right off stride. Those who know me professionally are quite used to hearing me talk like Walter Cronkite, the quintessential old-style TV anchor... slow, dispassionate, detailed, thoughtful. I think I got this from my stepfather, who talks the way a front-page article in the NY Times reads: in complete sentences, the first of which all-ways contains the 'what, when, who, how, why' facts.

So this statement stopped me from being very pompous to being thoughtful, and personable... but, it took me a second to digest the importance of it. Part of the pause was the source: the guy was someone who has his hand in two very large, very upscale, residential developments... and I'm someone who has his hands on a very large data base of residential transactions (which fortunately is useful to him and other developers). I'm a one-man show, and he has a couple dozens, who orchestrate many more dozens. Maybe part of the reason why I sound so pompous is I'm but one. More likely, it is because I'm trying to be objective. On the other hand, all of my clients are completely passionate about what they do: build something great for people to live in. So, they're emotional, I'm pompous, ummm, objective...

Yet all of us don't know if tomorrow will bring buyers to our doors (well, his doors, my voice or email). All of us are trying our best to give our buyers every reason to engage us. And all of us only have ourselves to blame if nothing happens. That's the deal: in terms of our financial security, success (and failure) is mo-ti-vay-shun-al.

And the business we're in, residential real estate is pretty thoroughly entrepreneurial. There are big businesses, landowners and developers (the biggest being Castle & Cooke); there are smaller businesses, contractors and architects; and there are individuals, real estate agents and market consultants (smile). But the biggest entrepreneurial part of the business is the homeowners and homebuyers, who are making entrepreneurial decisions that have a direct impact on their financial security.

It is a good time to be making these decisions: the costs of homeownership are manageable, the prices are tending to rise, and the economy appears headed for further growth and prosperity. That's good news for the estimated 60% of us own housing, and hopeful for the other 40% that either rents or lives at home: housing not only serves to shelter us, but home ownership serves to increase our net worth. And a decision to own a home mindful of one's financial security puts the

decision-maker squarely in the category of entrepreneur. And, if I may echo an earlier statement: "Aren't you glad you're an entrepreneur..."

I attach a chart for all of those entrepreneurs, showing the effect of lower interest rates on sales. Next week, if still motivated, I will attach one showing the rise in prices.

