

With that off my chest, let me get something else off my chest (there's an echo in this column): in market that has grown nine fold in six years, not only does quality sell, but so does the opposite. Prove it? Last week I canvassed the biggest, most successful resort master planned community development in Hawaii... and was surprised how truly bad (some) things were.

How bad? Homes whose roofs came within fifteen feet of one another. Homes whose swimming pools went right up to the sidewalk. Homes whose beachfront consisted entirely of boulders. Homes whose design innovation was to put as much glass into the front and the back of the house, because both sides of the home kissed those of the neighbor. This last one happens a lot on Oahu, but then the homes cost \$200,000, not two and three million.

Professionally, many times I get asked, "How would you sell this?" I like the question: after talking about data and trends, and what they mean for a particular project, I get to turn from the quantitative, to the qualitative, aspect of the market. But, frankly, if asked this question for much of what I saw, my answer would be: "I wouldn't sell it."

Why? Not because it's not fair. True, for that money, one should get value... but what's value to one ain't value to all. As Einstein noted: it's all Relative. Rather, I wouldn't sell any of it because I'd want to live with myself, as well as live (on the same island) with the buyer. And I couldn't, knowing that someday soon after they closed, they'd see something better and cheaper. Immediately, thereafter, they'd come to associate me with their turkey of a home.

If I seem picky here, I am. Prickly, too. That's how I am when a load gets dumped on me. I got that feeling right after a project salesman -- flogging a million dollars plus home sites across the road from a rinky little public beach -- hit me with THE bottom line for why I HAD to buy one: "Because I'll be your best friend.'

Great.

Quality Sells, or Does it?

Beware of market analysts who think they know about (and tell you about) selling real estate: just because they work in the market, watching the data, looking for trends, occasionally finding something worthwhile talking about, does NOT mean they know a single thing about buying or selling real estate. I know (actually, I don't know, which is why I use a realtor).

The reason to beware of analysts talking about buying or selling is that it is too easy for them to lose objectivity, and become an advocate. the opposite is generally true: beware of agents who pontificate a la market researchers about trends, truths and rules of thumb. That's because, in their normal lives, agents are advocates for the buy or the sell side of a transaction, and therefore have go the extra mile towards being objective.

Having said beware, plus chanting about all the rules, let me joyfully break them, and climb out on a limb to tell one and all about something I know little about, in practice: buying and selling real estate.

But before making a fool of myself, let me at least demonstrate some competence in real estate market research with the following chart showing the number of sales over \$1 million dollars on Hawaiian resorts:

