

◆ *Why Buy In A Recession?* ◆

SEA PINES REAL ESTATE COMPANY—THE BEST IN THE LOWCOUNTRY!

PERSONAL: Jody and I live in Spanish Wells with our 4 children; Andrew, Morgan, Jeffrey and John David. I was on the Board at the Hilton Head Christian Academy and am currently an Elder at Hilton Head Presbyterian Church.

EDUCATION: I grew up in Bryn Mawr, PA and went to Haverford School. Graduated from Dickinson College with a B.A. in English and Education. Played NCAA tennis & soccer throughout college.

TENNIS CAREER: Moved to Hilton Head in 1974 to become a Tennis Professional at Sea Pines. In 1977 became Director of Tennis at Shipyard Racquet Club and in 1981 helped design and build Port Royal and Wexford racquet clubs.

REAL ESTATE CAREER: In 1987 I joined Sea Pines Real Estate and became their #1 Sales Agent within two years. With total sales for 2007 and 2008 of over \$70 million, I have consistently been one of the Top 10 Realtors throughout the Lowcountry. I specialize in the ocean and deep water markets as well as new home construction. Doesn't it make sense to have a Top Realtor working for you?

Brief Island History

There have been 11 recessions since 1907 each lasting anywhere from 1 year to 3 years except during the Great Depression of 1929-1939. More recently in the Low Country we have seen 4 price declines since 1990 with the following reasons for their price adjustments.

1991	-25%	Recession
1996	-5%	Interest Rates
2002	-10%	Recession
2008	-35%	Recession

Even with these drops, home appreciation over the past 18 years in Sea Pines is 8.4% annually with the average price of a home in 1990 being \$318,577 and bumping up to \$1,025,503 in 2008. Our peak was in 2007 when we had a large number of ocean and water properties sell that resulted in an average home price of \$1,583,963.

Where Are We Now?

Many buyers are still reluctant to purchase now because of the following reasons:

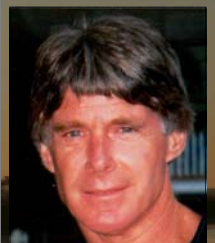
- 1. They don't believe that prices have hit bottom**
- 2. They need to sell another property somewhere else**
- 3. They are just not comfortable making a decision now**
- 4. They would rather wait until property starts moving**
- 5. They want to see the economy begin improving**

Although each of these reasons are very real to the buyer, upon further reflection each point should be looked at closer to see if they really are in the best **long term** interest of our buyers.

Now is the right time to buy on Hilton Head Island!

If you would like to become a member of my **New Listings Club** or receive any updates, please send me your email address. You will receive all new MLS listings throughout our area.

Send your email address to: rob@robreichel.com



1. Just like the stock market, it is impossible to know when our prices are at rock bottom. But unlike stocks the property you have found now that you really like won't be around when you decide to make a buying decision and probably not at the price it is now. History shows that we are certainly **close to bottoming out**.
2. It is a tough situation when a buyer identifies a home they really want and can't pull the trigger because they haven't sold their property back home. My strong recommendation is to **lower** the price of the other property so it will sell because you will probably make up the **difference** in what you buy here. Also, the opportunity for appreciation is so much better in our area than most other locations in the country.
3. People shouldn't rely on feeling **comfortable** before they buy but rather being **informed** is much more important. We all know feelings can come and go but knowledge is historically what makes buyers the most money and helps in their enjoyment of the property.
4. Most purchasers would rather wait until others start buying before they join in. This is known as the **"Herd Mentality"** and historically works just okay but not as well as being a contrarian. The folks who have purchased in down cycles are rewarded much greater than those who delay until their friends start buying.
5. Warren Buffett once said, "When we are greedy we should be fearful but when we are fearful we should be greedy." Clearly there is still hesitation on the part of many buyers but the astute, informed person should be purchasing now. Waiting until USA Today announces the recession is over and houses are selling again, **you will be too late**. Prices will have bumped up and inventory smaller therefore choices will be reduced.

Summary

Recessions are difficult and making a buying decision at this time is not for the faint hearted. But our history shows this cycle will begin to improve and those who have stepped up will **benefit greatly**. Nothing about Hilton Head Island has changed - the beaches are pristine, the 4 seasons are terrific, the 30 golf courses and 300 tennis courts are superb and this talented and giving community of 38,000 wonderful residents are as vibrant as ever. With low interest rates and still good supply, what are you waiting for? **Now is the best time to Buy!** Call me soon so I can help you realize your dreams.

If you have any questions or would like updated information about real estate island-wide, please call or email me. **THANK YOU FOR YOUR GENEROUS SUPPORT AND REFERRALS! Also, please let me know if you would like a FREE MARKET ANALYSIS of your property. My cell phone # is 843-384-6789.**



Rob Reichel

Sea Pines Real Estate Company's #1 Agent!
"Top Ten" Island Realtor for 18 Years in a Row
Island Resident Since 1974 * New Home Construction Expert
Sea Pines Property Owner for 15 years!
Life Member Distinguished Realtor Sales Award
Former Director of Tennis for Sea Pines, Shipyard & Port Royal Racquet Clubs
Put The #1 Pro To Work For You!
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THANK YOU FOR THE OPPORTUNITY OF SERVING YOU!

If your property is currently listed for sale, this is not a solicitation of your listing