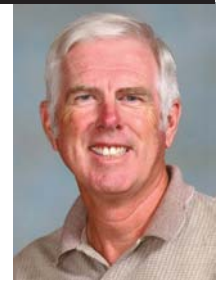


INDUSTRY INSIDER

BY LEIGH MACKAY



A BOLD, NEW CONCEPT TO HELP FIND THE COMMUNITY TO FIT YOUR LIFESTYLE

Private Mountain Communities' technology and "Discovery Store" work for the buyer, not the seller.

ASHEVILLE, NORTH CAROLINA: With more than 20 years in real estate sales and marketing as a licensed broker in the Carolinas, Harry Redfearn knew The Cliffs Communities would be a premier venue for his expertise. As senior vice president of sales and marketing from 1999 to 2005, The Cliffs' total sales increased nearly six-fold. However, Redfearn became more and more absorbed in the reasons why people did not buy there than in the reasons why they did. This fascination led to Private Mountain Communities, a bold new plan for the sale of luxury residences in which the agent represents the buyer, not the seller, and represents an entire region, not just one neighborhood.

"Private Mountain Communities features the finest upscale, master-planned communities in Western North Carolina," said Redfearn. "That's our niche market. Just as our homebuyers use experts for their portfolios, estates, and even vacations, we have become their authority on every single community in that area. We know these developments as well as their own management. We have filled a void in the industry by offering these people—baby boomers for the most part—every possible community alternative as they make what could be the most important decision in their lives."

PMC, which has a "Discovery Store" in both Asheville and Hendersonville, helps the homebuyers narrow their searches to only those communities that fit their lifestyles and pocketbooks, thus saving time and minimizing angst. Also, their website (privatemountaincommunities.com)

has become a great resource because a recent survey showed that 87 percent of the consumers use the Internet to do their own home buying searches.

PMC sales advisors make all the arrangements for tours of the selected communities and stay with the customer from the beginning of the process to the end. Ultimately, after the homebuyers have bought their lots, the PMC Discovery Store provides the new owners with detailed information about all of the professional services available in their area: architects, builders, lenders, landscapers, interior designers, etc.

THE BIG FIVE

Harry Redfearn's new project has become a success because he knows

exactly what his consumers want and where they want it. "Most important," said Redfearn, "is the security of the gated-community concept, really a post 9/11 trend. Second, they want strong architectural controls to protect themselves and their neighborhood. Third, they don't

want the cookie-cutter model with limited amenities and services. They want diversified "soft programming" where they can continue to learn and grow and be challenged. Fourth, they want an environment and a place in the country that will attract their children and grandchildren. Finally, they want the convenience of a major interstate nearby, like I-26 and I-40, which will get them just about anywhere they want to go in Western North Carolina."

PMC caters to three different buyers, all seeking the best possible homesites for their money and their ambitions: the

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—HARRY REDFEARN



PHOTO

PHOTO

retiree looking for the home of his dreams, the vacationer looking for the amenities and services that will make the frequent trips fulfilling, and the land investor looking for impressive long-term capital gains. The home builders immediately add to the neighborhood, the activities, and the sense of community, but the investor plays his part, too.

"Some speculation and investor play is a healthy thing because it creates early momentum and critical mass," explained Redfearn. "Somewhere around 80 to 90 percent of all sales, however, need to be to the user end, to the consumer who is going to build and live there. Generally, the better communities will tie a minimum build time into the contract, either in years or in conjunction with the completion of all the major amenities and social centers."

BUDGET FOR COSTS TO GO UP

One caveat emptor that all buyers must consider not only at the closing but also in the future is the impact of mandatory expenses over which the buyers have no control. A foremost example would be property taxes, which always rise when the community becomes popular and the home equity increases. A second would be dues. "Some people don't realize that membership dues will

escalate to maintain that special private club environment. Some of the early pioneers may feel stuck because they're on fixed incomes, but I know most people try to enter these factors into their financial equations."

Redfearn also knows that the dedicated golfers will be seeking out a homesite on or near the most challenging courses designed by the likes of Crenshaw, Cupp, Doak, Dye, Fazio, Hills, Jones, Nicklaus, Palmer, Player, and Weiskopf. "Oh, yes," said Redfearn, "the studies all demonstrate that having the names of nationally acclaimed architects associated with the development is almost as important as the brand name of the community. They do drive real estate values, no question about it."

Interestingly, the Western North Carolina real estate values continue to be strong, but the feeder markets, such as the Northeast and Florida, have undergone a significant softening, inhibiting those homeowners from buying into their dream communities. "Because the markets are soft there, these primary and second homeowners, who want to make the purchase, are telling us, 'We have to put our decision to buy on hold until we can sell our existing home.'"

HOT GROWTH AREAS OF NORTH CAROLINA

Where Redfearn's clients who are buying want their homes is in the hot growth areas of Asheville, Waynesville, Cashiers/Highland, and Lake Lure, but Redfearn contends that at some point not enough developable land will be available to accommodate the demand.

"It's really not even about real estate; it's about economics," said Redfearn. "More and more people from around the country want to move to Asheville, a top-ten destination in all five regions of the United States, and the reason is simple to understand. Western North Carolina is underdeveloped relative to where they're coming from. You don't have the urban/suburban sprawl; you don't have the traffic. What you do have is clean air, clean water, mountains, pristine natural environments, and the great outdoors with 18 state parks within an hour or so of your home.

"Another recent trend," continued Redfearn, "has been for these baby boomers to consolidate the three, four, maybe even five homes in favor of one or two because moving from one house to another has become stressful and expensive. Therefore, they have chosen this location as the primary or secondary one because of the moderate, four-season climate. The expression, 'Age 60 is the new 40,' is probably an understatement because this group is very active and outdoor oriented." ♦