Rob Brooks Realty

HONESTY JOY DILIGENCE CHARITY

State of the Company Address

January 7th, 2025

Thank you for your attendance today.

In 2008, I was out of work, nearly broke, and newly married. My bride remained confident that I would find work as she maintained her low paying job to pay the bills. Although I had 13 years of a successful real estate career, circumstances with the downfall of the real estate industry left me without opportunity or options. After several months and many hours of humble prayer before the God of the Bible, I decided it was time to start Rob Brooks Realty. I dedicated the startup to God, vowing the company would remain His and I would follow His lead as much as He provided it.

Rob Brooks Realty started quietly with nearly a zero budget, and it was a one man show. It didn't start as a home-based business because my wife and I couldn't afford internet at home. Instead, I would do my work at libraries, ducking away from the computer when a call came in on my $.10/minute flip phone. I knocked on doors asking for business, looking for anyone who needed real estate help. Finally, a friend asked if I would be willing to manage a $500/month trailer, earning me $50 a month for the work. I gladly took it. By 2010, I was managing a few more properties and managed to make a few sales, but income remained tight. My first office was a single desk underneath a foyer's stairwell for $100 a month. The following year, with business income slowly growing, I was able to rent an actual office and hire my first employee. In 2012, Florida Realtors Magazine published an article about how Rob Brooks Realty (still a one man show with an assistant) received all of its business because I was known as business person that stuck to the values of honesty, diligence, charity, and joy. Other real estate agents who shared these values started reaching out to me, asking if they could join the company. I opened our current Fort Walton Beach location at that time and eventually rented a larger more distinguished office in Pensacola. From 2014 to 2024, we have had terrific growth, adding solid agents and excellent support staff. Today, our 2 offices of 12 elite people list, sell, and do property management of commercial, primary residences, and vacation properties, covering 6 counties of Florida and Alabama, with sales over $22 million and management of over $21 million in assets. We have never had debt,

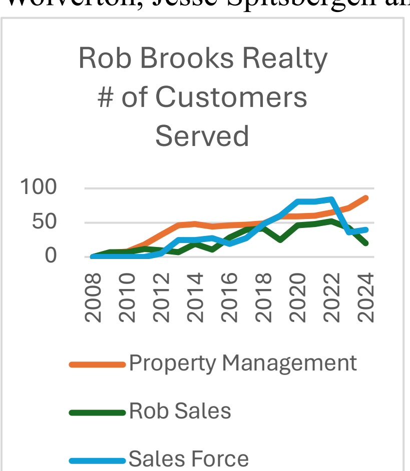
we have seen incredible growth, and we have always been profitable. We consistently rank in the top 10% of real estate companies on the Emerald Coast.

Why do I say this? My motive is to give honor where honor is due, namely the Lord God who heard my prayers in 2008 and whom I still humbly pray to today. We worked hard and He provided the harvest. He deserves the credit for the past 16 years of success… we are the beneficiaries of His generous hand.

What was 2024 to the industry and us as a company?

The real estate industry had a difficult year. The new rules resulting from the National Association of Realtors Class Action Settlement were the biggest single industry disrupter seen in 25 years, followed closely by the disruption of communication changes and lower sales. The industry's best year ever in both number of sales and appreciation was 2021. The years following have seen much lower sales and almost 0% appreciation. While everyone appropriately points to the culprit of higher interest rates diminishing buyer's home affordability or purchasing power, it is rarely discussed that the interest rates are also the primary reason for our current inventory shortage. Sellers just haven't wanted to leave their 3% or better interest rate for a 7% rate on a new house. Instead of selling, many choose to not take the job transfer or buy bunk beds for their expanding family. While there are 6 million more households than residences in the US, many are choosing to live with family until they can afford to buy. All that resulted in lower profits for the real estate industry. Many agents and brokerages have decided to leave the industry altogether.

These difficulties of 2024 were a challenge for us at Rob Brooks Realty as well. Yet most agents at Rob Brooks Realty improved sales from 2023. Now is a good time for awards: Please join me in congratulating Jackie Houseman as the 2024 Agent of the Year. She worked tirelessly making sure her clients were well taken care of, and they responded by doing a great amount of business with her. Other agents of Julia, Linda, and Dawn had very good sales for this time in their careers, despite hurdles they had to overcome. These agents couldn't have done their great job without the support of amazing people. I'm personally thankful to Kathy Baker who helped me with my sales and showed great love to my existing and past clients. Sara McCann, Mollie Wolverton, Jesse Spitsbergen and Ryan Hamilton did a terrific job with their organizing and marketing for all of us, whether it be through dedication to getting the details right, innovative ideas on web traffic, social media, or photography. They made us look great in front of our clients by supporting us well while maintaining the values of honesty, diligence, charity, and joy to the highest degree. It seems appropriate at this moment to give the 2024 Values Award…. that goes to Ryan Hamilton. While he maintains all 4 of the values we hold close, I'd like to highlight the joy that never seems to leave his presence. I'm most proud of the Property Management Team of Rob Brooks Realty, Michael Gregg and Atresia Lambert. They provided superior service to both their owner and tenant clients, growing our Property Management division by 16% in 2024 to a record breaking 86 units, again earning them the special Rob Brooks Realty Market Share Award.



2024 is done. Those industry difficulties are behind us and our successes of that year have been achieved. Let's look ahead to 2025.

First, a few 2025 real estate market predictions: Sales will increase from 2024, but not reach the height of 2021. Although no one can accurately predict the government and the interest rates, they are likely to remain close to 7% for several months and for sure will never reach the lows we experienced a few years ago. Many aforementioned 3% owners will become sellers as the job transfer is too good to refuse or decide they can't live without the larger house for their family. Buyers who have been saving for years will finally be able to purchase. This will be aided by pro-business and housing leadership in the government. Builders will continue to try to make up the shortage of housing supply but will be hindered to make a marketable product by land affordability and the costs of construction. Appreciation will remain mostly flat for the first part of the year, then increase at a rate of around 4%.

In 2025, Rob Brooks Realty is poised for growth and taking great market share. There are several reasons for that: 1) Our values that guide us, 2) Our client base and reputation along the Emerald Coast, 3) We have showed endurance through difficult seasons and have experience in winning, 4) We have superior marketing systems, 5) I have increased my financial investment into the company, while many brokerages are reducing their investment after a difficult couple of years. This reinvestment was made in the form of empowerment training for staff, improvement of service systems, as well as extra marketing for both listings and the company. Looking at the entire company history since 2008, it seems clear that the moment of the greatest potential to achieve is right now. In our 16 years, we have never been more poised for success than we are now on January 7th of 2025.

But your and my success doesn't come directly from our individual efforts nor indirectly from the outside market forces. As history has shown from Biblical times all through the centuries through the beginning of Rob Brooks Realty, God is involved in the lives of men. To that end, it behooves us to humbly come before the God from whom all blessings flow to ask for His favor again. We will do that now in a prayer, led by my friend and guest Dan Davis of Hillcrest Church. Let's pray….

Everyone, I thank you for coming to this State of the Company Address. We thank you for your involvement in our company. God bless you all, and God bless the clients of Rob Brooks Realty.

- Rob

Leave Us A Review