

## How Matt Lauer Is Wrecking the Philly Real Estate Market

**One of the Main Line's star realtors has a bone to pick with the media**

By Lavinia Smerconish

In any market, people are interested in the value of their home. But I've been in real estate for 24 years, and today, the intensity of interest in the market is unprecedented. It's gotten so I can't go anywhere on the Main Line without being buttonholed by some panicked acquaintance worried about the so-called "real estate crisis." I've fielded inquiries over dinner at the Guard House in Gladwyne, in the Cosi coffee line in Bryn Mawr, in the frozen foods section at the Genuardi's in Radnor, and at the movies in Edgmont.

I tell the curious what I know: Yes, the Main Line market has indeed softened, but it's a far cry from any crisis. The softening has nothing directly to do with the sub-prime market, or the availability of quality real estate or mortgage money. The market forces in effect here are Matt Lauer, Diane Sawyer, Ann Curry and their ilk. Of course, not everyone in the media has nefarious motives. (I should know; I'm married to a member of their ranks.) But the media-driven perception of what's going on in the marketplace has me concerned.

Let me explain. The din of the network morning shows fill all of our kitchens as we hurry the kids off to school or otherwise begin our day. Inevitably, we see a plethora of so-called market experts on TV telling us the industry is in decline and the worst is yet to come. No doubt this drives ratings. But on the Main Line, there's no sub-prime failure to speak of, and we haven't created a real estate bubble so large as to precipitate a burst. So why are we soft? Because we believe what we see on TV. I can't imagine anyone changing the channel while being told that the greatest investment he or she will make in a lifetime is in jeopardy. There are never any exceptions offered. It's a blanket prognostication for the country, overlooking the deviations, such as the Philadelphia suburbs.

The minute they say it, we're on our way to a self-fulfilling prophecy. First, there are the buyers. They hear about the decline in the market and believe it must be the case everywhere. They certainly don't want to appear foolish or unsophisticated by purchasing a home at anything close to an asking price, no matter how reasonable that asking price may be. So they either make ridiculously lowball offers, or stay home and wait for a complete bottoming-out — or until those same national experts tell them the water is warm enough to jump in again. Sellers, meanwhile, are frustrated about the absence of buyers. They try the usual array of staging, sprucing-up, painting and polishing. And when that fails, they bury St. Joseph in the yard. Finally, they significantly drop their asking price to get the attention of the few buyers who have to move due to life circumstances — relocations and new babies and the like.

Prices continue to drop, but because there's been no public pronouncement that the market has recovered, homes languish on the market while buyers wait for the proverbial bottom to fall out, even though there are great values to be had. We have good inventory on the Main Line; interest rates are at some of the lowest points they've been in years; there's still no shortage of mortgage money, and even jumbo mortgages are available at no penalty to qualified buyers. Sellers remain welcoming, but buyers are stuck in a holding pattern, waiting, waiting, waiting.




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They're waiting for clearance. Not from someone like me, who knows their streets and deals with the market forces in their community every single day. No, they won't get in the game until somebody deemed a market expert, sitting in a TV studio far away, looks into a camera and tells them the crisis that never existed in their community has ended.

And where in the world is Matt Lauer then? On to the next big story.

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