



HOUSING WATCH

HGTV's 'Selling New York': Q&A with CORE's Maggie Kent

By **Shira Levine** Mar 25th 2010 @ 10:00AM



Expect drama and disappointment in the second episode of "Selling New York" airing tonight on HGTV. We chatted with CORE broker Maggie Kent who appears in Episode 2, spending most of her time trying to find a tactful yet honest way to tell fashion photographer Alex Deutsch that \$6 million is way too much to ask for his Little Italy loft if he wants to sell it right now. While Deutsch thinks it should be listed for 30 percent more than it's already listed at, Kent breaks it to him that he's gonna have to at least drop it a million. Yes, a million.

There's a lot of disappointment in this episode.

It's a delicate process but you have to do your job. I had to give my opinion on how we could realistically sell [Deutsch's 132 Mulberry Street] property. Of course he wants to capitalize and make the most money on it. But at the end of the day, it doesn't benefit if it's priced too high. It ends up a waste of time for all of us. If he didn't come down, I might have suggested he just take it off the market totally.

Take it off the market totally? Why?

People are savvy in New York and especially now with everything so accessible online. You don't find people in New York willing to pay too much for a property anymore. New Yorkers really do their research and often without a broker. There is a lot of transparency and information at the press of the button. They can access the data for themselves and see what is out there, see how long a property has been on the market, if it was taken off the market, how many times, etc. Everyone is a consultant these days -- but we're the ones who can really analyze it.

Does that make the work of the broker not as needed anymore?

You can self-diagnose, but you need the opinion of the expert who is out there everyday and has their ear to the ground. We really know and understand the market's financial issues, inventory issues, price-per-square foot issues, and how to tackle them.

Why did Deutsch have to drop the price so much?

It was so maxed out in terms of its finishes. You see it for yourself in the episode. It is absolutely beautiful, but it is maxed out and especially for the location. There's a steel mesh door that rotates and closes off the industrial professional chef's kitchen, there's the high-gloss wood floors, the Infinity bathtub. The windows are steel individual cut frames. It's a private, quiet, keyed elevator entrance in Little Italy.

Any advice for homeowners to avoid this problem?

You have to want to live in your home. It's your investment, but if you don't plan to hang onto it for more than five years, then you want to find neutral, beautiful finishes. Keep renovations between \$150 and \$300 a square foot.

How do you break it to a seller without offending?

It took showing him other high-end listings that compared with his ... other spaces with beautiful high ceilings, outdoor space, and amenities he doesn't have. It's finding how to do this without offending him and dismissing his hard work on his own place. But you have to look at what kind of value those finishes have in a neighborhood. I help them understand their price and their property's place in the current market.

Sounds like you also have to work as a therapist!

It's more you become a consultant or expert that they turn to. They brought me into the picture for a reason and that is to have someone with real access and knowledge of the market. My job is to sell, but if it's over priced it doesn't serve the seller any good and that's when it's better to take it off the market.

So did all this price dropping and comp-visiting work? Is the place sold?

It's still on the market. It really requires a very specific buyer. The right buyer just hasn't happened.

Is this non-sale indicative of the market?

The market has definitely picked up. People are really taking advantage of discounts -- there are no basement discounts, but there are some good deals. I'd say a recovery is coming very soon. Inventory is shifting a lot more quickly than before. We have a lot of cash buyers now. We're hoping financing will loosen up.

Besides having to break it to a seller that he or she is too pricey, what other dramas do you typically face?

I sold a loft this year where a short-term renter had literally left a huge pair of men's underwear on the floor, eggs in the pan and bottles of alcohol lying around. In those situations you just have to kick the stuff aside and show the apartment. Damage control is a big part of our job -- not just the physical. It's personalities and communication. But there are no outlandish requests when someone is spending millions on a place, just unrealistic offers from stubborn sellers.

The other storyline has a broker showing a former property of Annie Leibovitz's, who herself has has a lot of trouble with her real estate.

She was overextended in many ways. There was a lot of attention put on her bankruptcy. Real estate played into it and lifestyle too. You can borrow too much money. Because she's such a big personality it magnifies what happens to the best of the best people who appear to have it all. We think she's a celebrity and that shouldn't happen to her. In Manhattan the real estate wheel can turn on you if you're not careful. But New York has gone through these cycles before. Things will be OK again, especially if you hang on to what you have.

Stay tuned for our Episode 2 recap tomorrow or read the previous "Selling New York" episode recap or our other coverage of reality home shows.