



*From the Law Office of Ronald H. Gitter, Esq.*

Addressing the Realities of Residential Real Estate

## Can Facebook Save Real Estate?

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### **The Latest from the Ogden Car Wash**



There's one of those automated car washes in Wilmington, NC, where you can select the degree of car wash intensity you're up for at that moment. From the basic spritz to rain x megawash and the beyond. As we were leaving the other day, I was struck by a sign at the exit, "Follow on Facebook".

Why in the world would anyone want or need to follow the daily happenings at the car wash? As it turns out, 143 people have that need or want, with a remarkable degree of enthusiasm (Entry: "On my way there, as we speak!"). Is it just about the coupons? I don't think so.

### **Reality vs. Realty**

So here we are, seven months into the year, and there's no economic wind blowing out there as the second quarter GDP illustrates all too well. Just flat numbers like the scary ocean scenes in the movie "Dead Calm". Nothing happening at the moment, but you know, any second, something could happen, something could change, and then...what? Two things got me thinking about how a recovery might happen in the real estate industry. First, the loyal followers of a local car wash, and secondly, the YouTube from Harry S. Dent, the *capi di tutti capi* of doom and gloom, "talking the dozens" about the state of the economy and how you have to sell all your real estate right now! Not for nothing, Harry, but if folks could sell their real estate now, they would...

So what does this have to do with Facebook?

### **Internet as Safety Net**

A Facebook friend posted a brilliant and prescient piece by George Carlin, entitled "The American Dream", in which he goes off on the "owners" of the country and misinformation, and you know, it's George Carlin, so it's painfully honest in its approach. As much as I enjoyed it and miss him, I do take issue with his premise that the public just absorbs whatever pablum is fed to it by the corporate media machines, good, bad or indifferent. I mean, to a great extent, that's true, but at the same time, a new phenomenon appears to be happening, that would give George comfort. After all, his monologue has been viewed more

than 504,000 times on YouTube. Or to put it another way, I think you can hear America thinking online.

### **Beyond The Schlock of Facebook**

Okay, there's that TMZ factor in social media, where folks, myself included, are posting painfully dumb stuff. And that's connected to LinkedIn, the Twitter feed, foursquare and on and on. Yet notwithstanding the chronic updates and shameless self-promotion, there is a community out there, a growing community, a thinking community, that is connected by these vast social and business networking utilities. These online connections and so called "friendships" are creating a platform for communication, for trust and dare I say it--for consumer confidence. And isn't that what's really needed at this moment--a degree of confidence that things are going to be okay again? At least that's the unspoken question I hear being asked over and over again each time I read a status update on Facebook about someone's vacation, or new business development or a Sunday afternoon at the beach: We're going to be okay again, aren't we?

### **Cause The Empirical Evidence Ain't Great**

And the scary stuff just keeps on coming. A July 24<sup>th</sup> article in Barron's by Gene Epstein, entitled "[Renter Nation](#)" uses demographic data to support two important trends: "households" formed by folks under 35, who usually rent, will substantially increase and households formed by a key market group, the 35 to 49 year olds, who usually buy, will decline, all through 2015. Whoa, 2015? But statistics be damned--that's just not the mood I sense online. Spend an hour tracking the real estate websites, blogs and social media portals and you will see an enthusiasm among many different demographic groups about all aspects of the real estate economy. From what I glean, folks are chomping at the bit to get back in the game, but the news is so negative, the warnings so dire and lending so tight, that the real estate market just drifts along. There's a little wind in some markets (fortunately, Manhattan may be one of them), but for most of the country, it's dead calm.

### **Residential Reality: Write On**

So I'm bullish on the power of Internet community to bring us out of this real estate funk and get people "writing paper" again. Against the tide of manipulative data points, keep reading, keep thinking, keep posting, keep communicating and keep the faith baby. At the end of the day, taking everything that's happened into consideration, the soothsayers really don't know much more than we do. In short, don't let the pundits get in the way of a recovery.

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