



# COVID-19 Update

BY PAMELA BABCOCK



While the spring market had a slow start because of COVID-19, some New Jersey Realtors® are seeing what many predicted: a rush of buyers leaving New York City and other virus hotspots. Tight inventory is driving prices up and sparking bidding wars in some areas.

“The urban migration is happening, and we are experiencing a huge surge,” says Realtor® Peter Engelmann of Weichert Realtors® in Bernardsville. Realtor® Lisa Wolschina of Lisa Wolschina & Associates Keller Williams Haddonfield, is also witnessing an outmigration as people have been quarantined in tiny apartments or condos. “With no yards, maybe even no balcony to go out on, they are seeing more benefits to the suburbs,” says Wolschina.

Around the Garden State, Realtors® adjusted to a “new normal” in a no-contact world. Open houses were shuttered, and hand sanitizer, masks, and gloves became part of the job. Many staged virtual open houses and added virtual tours to their listings. Meanwhile, some worked to give back to the community by raising money to help small businesses or giving back to their local food pantry.

The coronavirus pandemic may have taken a lot of the in-person interaction out of the picture and while many buyers—especially the younger generation—have become increasingly more comfortable shopping for a home online, Realtor® Brendan Da Silva, leader of The Da Silva Team Keller Williams-NJ Metro Group in Montclair, says he thinks quality Realtors® are here to stay, particularly since investing in your single largest asset can be overwhelming, stressful and full of “logistical booby traps.”

“The American consumer, by and large, wants to be able to have the professional support and expertise from a

Realtor®,” Da Silva says. The key? Having solid systems that can thrive in all markets. “The good Realtors® will learn to lead-generate via tech and get in front of the buyer or seller first to offer them that care, service, and expertise that a website simply cannot provide,” Da Silva adds.

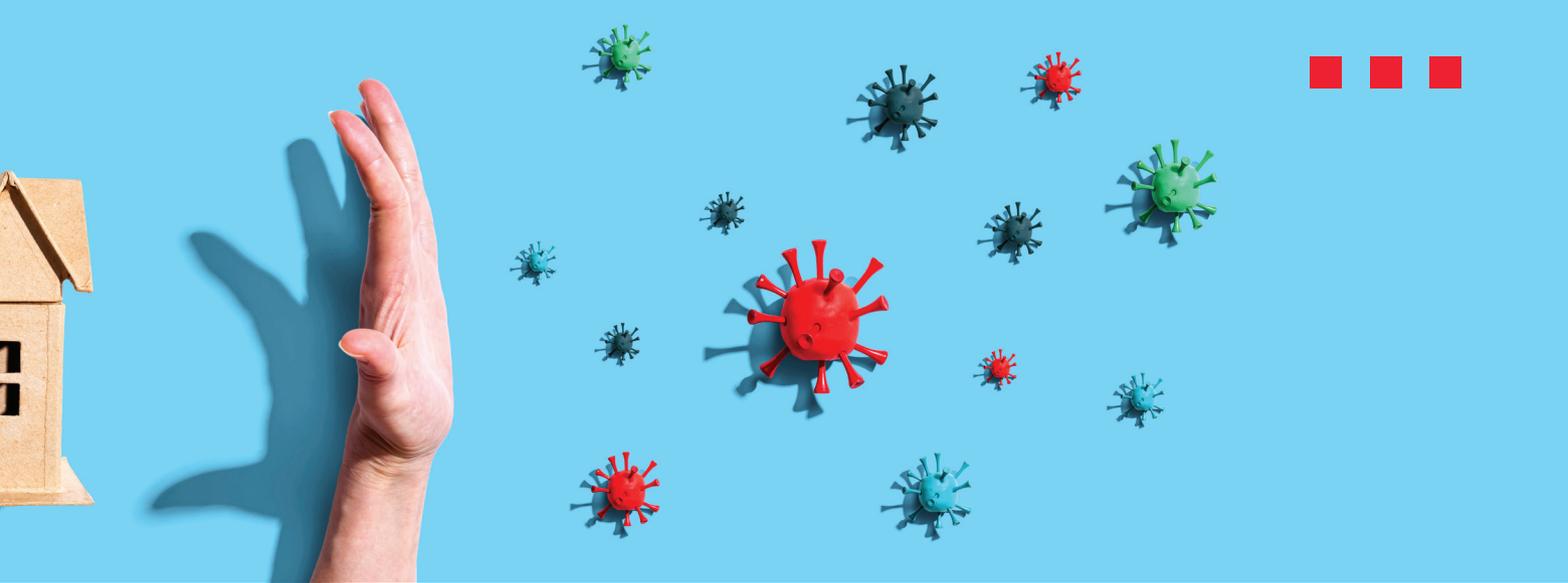
## On the Ground

Since the March 21 lockdown, Engelmann has closed four sales and is working with about a half dozen other buyers. He adds that there’s been a boom in activity on his listings from out of area Realtors®. Most buyers are from New York City or Bergen County, both hard hit by the coronavirus. “I am on track for my best year in 28 years in the business.”

Realtor® Ryan J. Bruen, C.P.A., who leads the Bruen Team in Coldwell Banker’s Morristown office, says he’s also seeing an influx of buyers from the city as well as people either moving from, or that would normally be looking in, South Orange, Maplewood, Summit, Chatham, Springfield, moving farther out to towns such as Morristown, Madison, Mendham, Randolph and Bernardsville.

Bruen says many of the buyers include families who’ve been cooped up in their homes perusing listings on their computers who have grown “more anxious to get into the new home that they have been looking forward to.”

Today’s buyers are much more serious, Realtors® say, because window shoppers seem to have essentially stayed home to adhere to guidance limiting in-person contact. Realtors® are doing more to screen buyers because open houses were not allowed until mid-June and home showings severely limited.



Children seem to be a big influencing factor, so outdoor space and playrooms are key, Bruen says. Home offices are popular but not deal killers because as more work can be done remotely, people often are fine as long as there's some space where they can isolate themselves from the rest of the family for remote work meetings.

Bruen says inventory is low and demand is high. "We are seeing a lot of bidding wars," Bruen says, noting that a \$975,000 listing in Randolph languished for four months last summer with no offers received multiple offers above asking price the first week on the market in April.

While entry-level price points are still the most popular, there's also growing demand for higher-priced homes that were previously slower to move. Bruen attributes that to the fact city dwellers are used to paying higher prices and some people are shifting more of their entertainment budget to their home budget.

Jennifer D'Elia, a broker salesperson and broker manager for Samsel & Associates Realty in Clark, says her office has seen quite a few buyers from Brooklyn and Staten Island. "We had one client, she said she just wanted to mow a lawn and garden in her backyard," D'Elia says. The woman, who lived in a third-floor condo in Brooklyn, paid \$305,000 for a Cape Cod in Rahway. Inventory varies town by town, D'Elia says, with towns such as Westfield having a lot of "overpriced" homes, while others, such as Colonia, still have inventory "but the stuff is going so fast that you can't even get in to show them," D'Elia says.

Da Silva reports an uptick in buyers from Jersey City, Hoboken, Manhattan and Brooklyn looking to buy in Newark, Bloomfield, Belleville and Clifton. Sellers are much more serious and not just trying to test the market to

see what they might get, although there are a lot fewer—new listings in Essex County were down 65.9 percent since April 2019, Da Silva says.

Selling during the pandemic is not for the faint of heart. From mid-March to June 1, The Da Silva Team had nearly 20 deals fall through due to unemployment and changes in lending regulations. At the same time, the team had multiple Newark properties go into bidding wars and ultimately sell for as much as 10 percent above asking price.

### Upping their Game

During the lockdown, The Da Silva Team conducted virtual tours for any property that wasn't occupied. It also implemented what it called a "9-1-5 strategy," with a Zoom call every morning at 9 a.m. to set goals, another at 1 p.m. to track progress and a final check-in at 5 p.m. to provide accountability for accomplishing goals.

Wolschina says she upped her social media presence and has worked to be "more in the moment" with her family and personal life. While she has been quite busy with clients, working from home has allowed her to spend more time with her family than she typically does. "Taking long family walks with our dog and kids has been great for reconnecting," Wolschina says. "I am thankful for that, but wish this horrific pandemic wasn't the reason for it."

D'Elia and Samsel & Associates owner John Samsel have regularly reached out to the company's agents to see if they need help moving transactions along, for example, by offering to pick up permits at the town building department if an agent fears contracting the virus. "We are definitely more hands-on in the agents' transactions," D'Elia says. Sometimes they just check on a personal level to see how



they're doing. "We're making an effort to call the agents and not talk about real estate, too," D'Elia says.

### **Giving Back**

Meanwhile, many New Jersey Realtors® are using the crisis to strengthen ties with the communities where they do business.

On Easter Sunday, The Da Silva Team gave away nearly \$6,000 worth of gasoline to frontline workers such as nurses and police officers in Newark. Da Silva says the idea came to him when he read about a Good Samaritan in Detroit who had done something similar.

"What I thought would be 50 cars turned out to be about 250," Da Silva says. "It was surreal to see all the faces, and honestly, very humbling. People waited in line for over an hour for some gas."

After hearing that many business students had lost internships because of the pandemic, The Da Silva Team brought on two summer interns who are graduates of the Knowledge is Power Program schools, a nonprofit network of public charter schools.

His team also called past clients to check in and see if they needed anything. The Da Silva Team delivered groceries to one client and sent pizza to another in the hospital.

In Ho-Ho-Kus, a borough in Bergen County, Megan Fox and Maxwell Stokes, Realtor-Associates® in Christie's International Real Estate Northern New Jersey, helped establish the Focus on Ho-Ho-Kus Campaign to raise funds for local healthcare and other frontline workers. The group is working with the Ho-Ho-Kus Chamber of Commerce to provide support via gift cards purchased from small businesses in town. As of June 8, more than \$26,000 had been raised.

Cherry Hill Realtor® Nikunj Shah mobilized hundreds of clients and friends to help raise funds to purchase masks for healthcare workers. In just two weeks, Shah raised \$100,000 and donated masks to 204 hospitals and medical facilities across eight states.

Meanwhile, Leaf Realtors® in Oldwick has made several trips to the Flemington Area Food Pantry with hundreds of dollars of food collected from former clients and left in a collection box outside its office.

"There has been food insecurity in our community that was made worse by the pandemic but hasn't ended with the easing of restrictions," says Kelly Gordon, broker of record for Leaf Realtors®. Gordon also collaborated with Bex Kitchen, a Califon café owned by friend and licensed appraiser Becky Geisel, to bring nutritious meals to healthcare workers at Morristown Medical Center. ■