

Ep #2: How 2020 Changed Real Estate



Full Episode Transcript

With Your Host

Harriet Libov

[Your Real Estate Connection in Westchester](#)

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Welcome to Your Real Estate Connection in Westchester. A show for people looking to buy or sell homes in the Northern Westchester County area. Join local real estate expert Harriet Libov as she shares her professional advice on the local real estate market, connects you with knowledgeable community residents, and gives you helpful insights behind the home buying and selling process. Now, let's dive into today's episode.

Hi everybody. I'm Harriet Libov with Houlihan Lawrence, your connection to real estate in Westchester.

Welcome. In my premier episode I introduced myself and my journey in selling real estate in Northern Westchester for the last 19 years. My background, my experience, and how I want my listeners to have a sense of what the ultimate real estate experience could be like when buying and selling with me in Northern Westchester.

I expressed my hope that listeners will reach out to me when they are thinking about making real estate choices, either locally or globally. But today is about 2020 and the year that the pandemic changed real estate.

No one could have predicted the rise in prices, buyer demand, and new practices we would have to adapt to when the corona virus arrived and forced everyone to stay at home, social distance, work remotely, educate our kids remotely, and rely on everything being delivered to our home safely.

I will share with you all the urgent phone calls I receive from potential buyers. And the phone calls I receive from my sellers, who's houses were already on the market. I'll share with you the most unique situations that happened to me that I never could have imagined after 19 years in real estate. And why we saw an explosion in Northern Westchester with the migration north from New York City.

[Your Real Estate Connection in Westchester](#)

Ep #2: How 2020 Changed Real Estate

Will there continue to be bidding wars in 2021? If so, what's my best advice for a buyer who wants to buy in 2021 and actually get a house? And for a seller who wants to take advantage of higher prices in 2021? We're going to be talking about all of that today.

2020 was a year like no other for all of us. I hope you and your families are well. Today I'd like to share with you how the pandemic changed real estate in Northern Westchester. I've been through up markets, down markets, and stable markets. I've had years of experience and solid advice from my broker, Houlihan Lawrence. That's what made my 2020 such a productive year for me and many seasoned realtors.

Looking back on early 2020, the first quarter of the year started off really strong and it was looking like a great year that was in the making. Then the lockdown happened in New York. And I didn't even know if I'd have a business in 2020. My family was like every other family who had kids living in New York City.

As you learned about me in the first episode, I have a son and a daughter, and I have two grandchildren. A two-year-old grandson and a granddaughter born in July 2020. And I have one more on the way. My kids who were local left Brooklyn and moved into our home. I became the babysitter to my grandson since I was the only one not working.

Houlihan Lawrence remarkably pivoted to prepare us for remote selling and buying. COVID disclosures and paperwork signed by DigiSign. Virtual open houses, virtual showings, and Zoom office meetings. It was quite an interesting moment to adapt, as all businesses were doing.

Since my favorite clients are the ones that ask all the questions, and my kids tell me I ask too many questions, I'm going to repeat out loud my most frequently asked questions of 2020. Hopefully, listening to the questions, and the answers, will help empower you about how to approach any real

Ep #2: How 2020 Changed Real Estate

estate changes you are considering in 2021. Or just enlighten you of just how crazy it really was in real estate. Here we go.

First question. What were the phone calls like that I received during the beginning of COVID? It was surreal. During the lockdown I was getting at least two to three calls a day from potential buyers and renters, from my referral network or on listings that I had. The call was always the same, “We live in New York City. We were eventually going to move to the suburbs in a few years. But I got out of my lease and we’re ready to move now.”

If they weren’t already at an Airbnb, furnished rental, or living with their parents they were looking for a short-term situation. If they were already settled, they wanted to start the process of buying a house.

There was a common theme in all of these conversations. Every buyer thought they were going to want to live within closer commuting distance to New York City. But then they said, “I doubt I’m ever going to go back to commuting five days a week. So now I’d like to explore the northern suburbs.”

Sellers called me because they were concerned about their safety. Should they let people in their doors? Once we opened up to selling houses, I got most of my sellers comfortable with the new guidelines. No more broker or public open houses, and COVID disclosures signed by sellers and buyers.

Most sellers required per-approvals before showing, that way we could weed out the lookers and only let qualified, real buyers into their homes. We also offered travel questionnaires, and of course the required masks, gloves, sanitizer, and shoe covers. Some sellers refused to let people in and went off the market temporarily.

Ep #2: How 2020 Changed Real Estate

Next question. What was the most unique thing that I experienced in 2020 after 19 years in the business? Any realtor will tell you the most exciting part of this business is that it's always new with every transaction. But no one could have prepared me for 2020.

I sold a house in 2020 with a FaceTime virtual tour in a bidding war. I represented the buyers who are living in London and wanted to have a new home to return to in the US. I was very surprised when they got the house. But they're cash buyers, and they offered a really strong price. The listing agent asked for a family member to visit the house prior to accepting the offer. Which is really smart on her behalf, and we did it. The deal is closing this month.

I also sold a house in the lockdown that I did not even see until the walk through in June. The sellers were allowed to show buyers directly and leave the premises. But agents were not allowed in at that time. My buyer clients had looked throughout 2019 and early 2020. They knew they wanted to be in Briarcliff, and after they saw the house we negotiated and we went to contract remotely. When I finally saw the house, I was so excited for them as it was perfect for them. And it even felt more right in person than it did in the photos.

Another common question. Why the explosion in Northern Westchester? Houlihan Lawrence has always tracked the data of where buyers are coming from. For example, Bedford saw an increase year over year from New York City buyers. From 11% to 43%, which is a 291% increase, year over year. Why? Land, outdoor space, pools, tennis courts, gardens, and outdoor hiking trails in the area. Fueling the prices is the lack of inventory and the low interest rates.

Other reasons for the explosion, local buyers are also seeking larger homes in our own community for outdoor amenities, multiple offices, and homework space for remote learning that didn't exist in their current homes.

Ep #2: How 2020 Changed Real Estate

That carried through in Armonk, Bedford, Chappaqua, Pleasantville, and Pound Ridge.

Buyers are now willing to commute 15 minutes longer because they don't anticipate commuting five days a week anymore for the next couple years. Walkability and access to the train are much less of a concern than in previous years. It's the difference between choosing Armonk versus Scarsdale or Larchmont and getting a lot more for your money.

Starting the school year in September was much less of a concern in 2020 because of remote learning. No buyers were worried about their child being the new kid. And being in school for the first days of September.

Next question, will buyers continue to pay up in bidding wars? The answer is yes. Buyers are much less concerned about their return on investment. And they're putting a price value for quality of life and safety. Nobody likes to overpay for a house and until more inventory comes on, we won't see the stop of bidding wars.

My advice to sellers is to list with pre-pandemic prices. Let the market take their house and the price higher as if it were a commodity. It works every time. It gives you the most opportunity to pick the best price and terms and the flexibility of the closing date.

What's my best advice for a buyer? Working with an experienced professional in bidding wars is crucial. Experienced buyer's agents can advise best ideas and practices, and have relationships with listing agents to give confidence to the seller about the buyer.

And real estate is local, teams that go into every town in Westchester or agents that will travel anywhere with a buyer are doing their buyers an injustice, in my opinion. Those agents do not know the nuances of local markets and the best value of a property.

Ep #2: How 2020 Changed Real Estate

Call me old fashioned, but I still believe working with a local expert and referring to local experts is the way to go. A successful full-time agent has a network to help you, as a buyer, go wherever you want to go.

What's my best advice for a seller? If you can figure out where you want to go next, take advantage of this buyer demand and increased prices and sales. We all have no clue how long it will last. It's a good idea to understand the value of your home and learn if the market demand is there in your price range. Maybe that will help you make a decision.

A local agent is best to represent you as a seller. There are so many out-of-town agents showing that don't understand the value and the location of your home. A local agent can also defend the buyer's bank appraisal if they know the inventory and lead you to a problem free transaction. The list goes on and on.

So, that wraps up the questions regarding the pandemic and how it changed real estate. The next episode will focus on a tour of my hometown of Armonk New York. That's where my office is located too. I hope you'll tune in.

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Ep #2: How 2020 Changed Real Estate

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