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By: Dan Radel and Austin Bogues

## Coronavirus NJ: How do you sell homes in the age of social distancing?



**Realtor Patrick "Ted" Hanley stands Friday, April 3, 2020, outside 365 Ocean - Luxury Oceanfront Residences in Long Branch. Hanley is the Builder Representative for the project. (Photo: Thomas P. Costello)**

The real estate market was "humming along," as one industry member put it, and then the coronavirus pandemic hit.

Real estate agents were ordered to cease open houses and showing homes to prospective buyers as part of social distancing measures to stop the spread of the novel coronavirus.

Now, agents are waiting to see what the total impact will be.

"The minute the pandemic started to spread we started to see a change," said Jarrod Grasso, chief executive officer of New Jersey Realtors, a trade association and advocate for the real estate industry. "By all indications, there has been a market slow down, but what those numbers look like, it's too soon to tell."



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Grasso said their indicator reports for March have not all come in yet. The group publishes monthly real estate sales reports, usually by the middle of the month. March's report should be available by mid-April.

It might not show much of a drop-off because agents had enough inventory properties in the pipeline that were closing.

"There might have been enough transactions occurring before COVID-19 to keep the numbers up. We might not see a decline until April's numbers are in," Grasso said.

## **Pre-coronavirus market report**

In Monmouth County, 1,803 single-family homes were listed for sale in January and February, 67 more homes over the same span in 2019.

There were 842 closings in the first two months of 2020, compared with 818 last year.

The median sale price was \$455,000 in January and February. Last year, it was \$416,000. A home took an average of 70 days to sell, compared with 71 days last year.

In Ocean County, fewer single-family homes were put on the market, with 2,288 now compared with 2,518 this time last year. However, closings were up by more than 11%, 1,104 to 991, as were home prices, at \$315,000 compared with \$292,000.

The numbers were pulled from New Jersey Realtors' [monthly reports](#).

## Real estate agents react

When Gov. Phil Murphy ordered agents to stop showing houses to prospective buyers on a 1-to-1 basis or having open houses, some agents adopted new strategies.

For example, the sales team for 365 Ocean, a luxury condo building at the Long Branch beachfront, offered clients virtual tours where they could virtually walk through available residences, model homes and amenity spaces.

Digital signatures, which have been around since about 2000, means contracts and mortgages could continue to be obtained without buyers, sellers and lenders necessarily having to come face to face.

Grasso said they've been advocating for digital notarization, the last piece of the real estate transaction. As of now, that is not allowed, but the COVID-19 experience could change that.

Murphy lifted part of the order on March 30, allowing agents to show houses to individuals again. However, open houses are still not permitted.

## Will the market survive?

Industry experts interviewed by the Asbury Park Press were confident that the local real estate market could handle a short-term slowdown.

"It shouldn't have an impact on house values. It's almost like a little freeze in place," said Peter Reinhart, director of the Kislak Real Estate Institute at Monmouth University.

The slowdown has caused interest rates to drop to where they're hovering around 3.75% on a 30-year fixed mortgage.

Jacob Smith, a real estate agent with Ward Wight Sotheby, said buyers have much more leverage when purchasing. Still, he's advising his clients not to make impulsive decisions

"Buyers should be very cautious right now. The low interest rates are enticing, but the potential for downturn here is there," Smith said.

One thing that concerns Reinhart is people's credit reports. What will happen if they miss a bill because they are laid off from work due to coronavirus social-distancing measures?

"My hope is a bank or credit agency doesn't make a person pay for missing a payment," Reinhart said.