Markets

No Doorman? No Problem. Covid-19 Changes NYC's Real Estate Rules

By <u>Britton O'Daly</u> and <u>Tom Maloney</u> July 6, 2020, 10:00 AM EDT

- ► Homebuyers want to avoid elevators for potential germ spread
- ► Ground-floor apartments suddenly hot in era of social distance



The terrace at 220 Riverside Boulevard could be a selling point in the pandemic. Source: Douglas Elliman via Bloomberg

Doormen have long been a treasured perk in New York City -- apartment building gatekeepers who greet guests, take deliveries and hail cabs.

But the pandemic is upending the rules of <u>real estate</u> in the city. As residents avoid elevators and face-to-face lobby encounters to socially distance, some potential homebuyers now see doormen as a liability. Ground-floor apartments, meanwhile, typically shunned for their proximity to the noise and chaos of the street, are suddenly having their moment.

The new attitudes about doormen were apparent recently when two potential buyers got in touch with Mike Lubin, a broker at Brown Harris Stevens. One wanted an apartment for under \$1 million on the Upper East Side. The other was looking for a \$4 million property in Tribeca.

The two buyers had one thing in common: neither wanted a doorman. Lubin isn't used to that request, but he understands the mentality.

"A doorman is putting himself or herself at jeopardy all the time," Lubin said. "Doormen are magnets."

Doormen have adjusted their practices during the pandemic to keep homes safe, and they provide valuable service that residents appreciate, said John Santos, head of the New York residential division for the building workers union SEIU 32BJ.

Listing Changes

Ground-floor apartments are gaining favor because they offer an escape from elevators and lobbies, where germs can spread. Samantha Rose Frith, an agent at Warburg Realty, hadn't bothered to advertise that an apartment at 779 Riverside Drive has a second, street-level entrance when she listed the property in late February. The owner of the apartment, she said, had been using the vestibule as storage space.

Rose Frith changed the listing description to mention the entrance in May and the seller recently accepted an offer.

"Now, it's a big selling point," she said.

The pandemic has amplified other New York real estate preferences. Outdoor space is at an even higher premium now, and people are increasingly searching for apartments with laundry in the unit.

New Yorkers Who Fled Lockdown Struggle to Plot Return to City

The work-from-home era, which has eliminated commutes for many office workers, also has more renters looking beyond expensive areas in the central part of Manhattan to Brooklyn and Queens, where space is more affordable, according to Nancy Wu, an economist at StreetEasy.

Outdoor Living

More users are searching for rentals with outdoor space and in-unit laundry on StreetEasy.

Source: StreetEasy

Shows percentage of searches that include specific amenities.

The first thing that buyers ask about these days is private outdoor space, according to <u>Greg Kyroglou</u>, a broker at Modern Spaces. One of his listings in Long Island City with a backyard has seen six times as much interest as a similar one just next door that doesn't have outdoor access.

Outdoor Space

<u>Michele Kleier</u>, president of Kleier Residential, had a client who signed a contract to buy an apartment with a terrace for close to \$7 million in Carnegie Hill without even seeing the property in person. The buyer was sick of quarantining indoors, Kleier said, and made an offer on the first day of the listing.

Sellers who can offer outdoor space are trying to take advantage of the moment. Sally Davis, who owns a condo at 220 Riverside Boulevard, <u>listed</u> her apartment last week for just under \$3.5 million after months of delay due to the pandemic.

She thinks the wait played to her benefit: The condo has a freshly landscaped terrace.

"It seems to have worked out OK so far," said Davis. "I just think I would probably have a better market right now."