

SHELTERING

Making a Move During the Pandemic? Not So Fast

As New York cautiously reopens in the shadow of a potential second wave of infections, home buyers and sellers are racing to complete the almost impossible task of closing on time and safely moving.

By Tripp Whetsell

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Last summer, Steve and Ellen Resnick followed their daughter and son-in-law from the Harlem condominium where both families lived to a new life in New Jersey. That was the plan, anyway.

The kids were moving to a house in Glen Rock, N.J., so the couple aimed to upgrade to a three-bedroom in Horizon House, a luxury co-op in nearby Fort Lee. To sell their Harlem apartment, the Resnicks hired Josh Lieberman, a broker at Douglas Elliman who had recently handled their daughter's condo. He listed theirs for \$1.35 million and, after a few false starts, sold the unit in early March for the original listing price.

As the coronavirus began its assault on the East Coast, the Resnicks forged ahead. With an expected closing date on both places in late April and a move by mid-May, they began packing up. That's as far as they got.

After Gov. Andrew M. Cuomo issued the New York Pause order on March 20, closing all nonessential businesses, both of the Resnicks' closings were delayed indefinitely. Neither building was allowing anyone to move in or out, even though moving companies were considered an essential business.

"Nobody was telling us anything and we didn't know what was happening from one day to the next," said Ms. Resnick, who is in her mid-60s. "Our one saving grace was that the moving company had dropped off some boxes before the shutdown so we could start getting ready, but then we had no place to go."



Ellen and Steve Resnick with their moving truck in Harlem. “Nobody was telling us anything and we didn’t know what was happening from one day to the next,” said Ms. Resnick. Karsten Moran for The New York Times

The Resnicks eventually arranged a virtual closing on the Harlem condo and were able to lease it back while they waited for their co-op in Fort Lee to close, which it did June 29. They moved the next day.

The Resnicks’ plight has been typical in this year of chaos. “It’s had a domino effect on everyone,” said Michael J. Romer, a Manhattan real estate attorney. “People weren’t looking to close on an apartment they couldn’t move into, and then a lot of sellers couldn’t move out either.”

As New York cautiously reopens in the shadow of a potential second wave of infections, thousands of buyers and sellers are racing to complete the almost impossible task of closing on time and safely moving — vexed by a patchwork of rules and guidelines handed down by local governments and the boards of the buildings themselves.

Paul J. Herman, president of Brown Harris Stevens Residential Management, said that many of the city and state’s recommended best practices for reopening have been confusing, especially as they relate to apartment buildings. (The city entered the fourth and final phase of its reopening plan on July 20, though many indoor activities remain prohibited.)

“It’s been tough throughout the various phases because the language about what the specific requirements are coming out of the governor’s office and other state and city agencies hasn’t been that clear and we’ve had to interpret a lot of it ourselves,” Mr. Herman said. “For example, we know what to do with the movers, but we still don’t know the definition of what a visitor is, whether it’s a nanny, a friend or a delivery person.”

For those dealing with co-ops and their infamously fastidious boards, what was already an invasive and tedious process has become an expanding maze of logistical hurdles.

“Each building has been affected differently by the pandemic and no single approach is likely going to work,” said attorney Neil B. Garfinkel, broker counsel to the Real Estate Board of New York, which issued its own set of guidelines in April. “In my view, boards have the right to set their own policies as long as they are acting with uniformity and in the best interest of shareholders.”

Lailani Moody had just begun moving out of her Upper East Side co-op to a Westchester retirement community when the pandemic arrived and moves were stopped, forcing her to leave behind clothes and furniture.

Ms. Moody, 77, a former accountant, decided in December to sell her co-op studio on 72nd Street, where she had lived since 1997. Despite an already sluggish residential market, it sold briskly. “We already had a signed contract, and everything seemed fine,” said Ms. Moody’s broker, Harriet Norris of Douglas Elliman.

But the deal got held up when the co-op board demanded additional financial information from the buyer. Ms. Moody had hoped to stay in the studio part-time while she waited for the issue to be resolved, but with her retirement community under quarantine, she wasn’t able to return to Manhattan, nor could she complete the move because her old co-op had banned all outsiders, which meant no moving companies, cleaning services or visitors.

As a result, she was saddled with double maintenance fees on top of moving costs, and many of her possessions were held hostage. “The major hurdle was that I had to find someone who could finish packing and clean up, but they weren’t allowing anybody in,” Ms. Moody said.

Finally, in mid-June, she was permitted to retrieve the rest of her belongings, and closed virtually on the sale of her co-op a month later — a process that Ms. Norris, her broker, said “was like trying to push wet spaghetti.”

“What I’ve found the most frustrating is that I’ve had several deals in contract, whether it’s buyers wanting to buy or sellers trying to sell and get their money, but we’ve run into issues almost every step of the way,” Ms. Norris said. “I’ve also had instances where

managing agents were trying to get the boards to do the right thing and be accommodating.”



Lailani Moody on the grounds of her Westchester retirement community. After selling her Upper East Side co-op, Ms. Moody was unable to complete the move because the co-op had banned all outsiders, which meant no moving companies or cleaning services. Karsten Moran for The New York Times

Other co-op sellers have told horror stories about wading through mounting red tape. Gill Chowdhury, an agent with Warburg Realty, mentioned one client who got an offer in January for \$790,000 on her Gramercy co-op. As the economy soured, the co-op requested a second review of the buyer’s finances. Finally, after being approved but prohibited from moving in, the buyer stalled on the closing as he tried to renegotiate the sale price, something Mr. Chowdhury said “wasn’t as surprising as it was shocking, given the circumstances.”

Mr. Chowdhury’s client said she would never buy another co-op again.

For their part, co-op boards and managing agents are struggling to remain accommodating to buyers and sellers as coronavirus cases surge around the country.

“It worries me a lot that there could very possibly be a second wave here,” said Daniel J. Wollman, chief executive of property management firm Gumley Haft, which “guides boards of cooperatives and condominiums to become decision-makers,” according to its

website. “We’re trying to do everything we can to prepare for that by making sure our residents and staff are safe and stocking up on personal protective equipment.”

Many of the city’s more than 6,000 co-ops and condos had already begun initiating their own protocols in early March. “Before the governor’s orders came down, we created an internal task force because we didn’t know how this was going to play itself out,” said Desi Ndreu, chief operating officer of Charles H. Greenthal & Co., which runs more than 200 co-ops, condos and rentals around the city.

One of the buildings Ms. Ndreu personally manages is the Victoria, a 465-unit co-op in the Flatiron district. Longtime board member Corinne Arnold said they were among the first to require masks in elevators and temperature checks for visitors after the pandemic started. “Particularly in the beginning, we were all very hands-on-deck,” she said. “I feel extremely confident in our policies and how they’ve evolved.”

Such practices, including prohibiting open houses, are likely to remain the norm at most buildings until a vaccine or another widely accepted treatment is available, said Barbara Fox of Fox Residential, which mainly does business in Manhattan and Brooklyn.

“Advancements in technology have allowed us to facilitate negotiations, closings and open houses,” Ms. Fox said. “While not a substitute for the in-person experience, we are able to bring property showings into the virtual space as we collectively navigate the new norm.”

Regardless of their size, most buildings are limiting the number of moves they allow per day, often to just one, along with assigning separate crews in the apartment and the basement to minimize traffic. Most are also requiring buyers and sellers to pay for a professionally licensed cleaning service, while some management companies, like Gumley Haft, are requiring moving companies to provide Masonite floor coverings in halls and elevators.

“For us, it’s all been about being proactive about what we’re doing and explaining why we need to be that way,” said Ms. Ndreu.

Steve Wagner, a Manhattan real estate attorney who represents the Victoria, said he’s seen an increase in moves and closings over the past few weeks — likely a reaction to the possibility of another coronavirus surge later this year, even if it means jumping through hoops and selling an apartment at a loss.

“If you have to close down again, you have to close down,” he said. “Safety is the main concern. I have no doubt that co-ops and condos will continue to do whatever they need to do — and so will shareholders.”