

March's Rental Rush Ends

Jamie Bufalino | April 9, 2020

People seeking an East End refuge during the Covid-19 pandemic caused a rush in real estate rentals in March, but the market is now at a complete standstill, according to brokers from Town and Country and Nestseekers.

“Two weeks ago, it was pandemonium, with everyone looking to get out of the city to a safe haven,” said Judi Desiderio, the chief executive officer at Town and Country. Now, however, people are sheltered in place and focused on staying healthy. “It wasn’t just a pumping of the brakes, it was shutting the valve off,” she said of the transition.

The directive to remain at home except for trips to the grocery store or pharmacy, and to avoid gatherings, has made it impossible to hold open houses or other showings, she said, which means no sales are happening. “Houses can be rented sight unseen, but not sold.”

Geoff Gifkins, a broker at Nestseekers, said rentals had increased 40 percent at the start of the pandemic. “People wanted to move in immediately,” he said, some after seeing only video footage of a house. As far as sales go, however, “it’s hard to do any planning,” he said. “People are holding off, and deservedly so.”

The New Yorkers who have found a rental with his firm have been self-isolating, he said, and he has not heard any reports of animosity between year-round residents and new arrivals. “People appreciate that it is a difficult time for everyone.”

Despite the market’s current malaise, Mr. Gifkins believes a turnaround is just a matter of time. “It rebounded well from 9/11 and the 2008 financial crisis, so I expect it will gradually come back again,” he said.

“Real estate will be the first industry to rebound, because this crisis put a microscope on the value of owning a house to be safe in,” said Ms. Desiderio. For residents of the city, she said, “having a home on the East End is like having a lifeboat.”