

COVID-19 PREPAREDNESS FOR HOMEOWNERS



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CORONAVIRUS AND THE REAL ESTATE MARKET: WHAT TO EXPECT

As businesses slow to a crawl and the stock market continues to react to uncertainty, how will this affect real estate? As of March 16, not by much, but a short-term slowdown is anticipated through June.

A March 13 National Association of Realtors (NAR) survey found that 78 percent of agents saw no change in business at that time. Through May and into June, NAR projects transaction volume may be between 8 to 10 percent lower than what the 2020 spring market would have normally seen.

Since spring volume is higher than winter in most markets, that means that experts still expect increased activity like every spring, just not at as high a rate as the pre-Virus forecast.

Across the country, agents are reporting that buyers are still planning to buy, and sellers are still willing to sell, although both groups are coming to the table in reduced numbers compared to last year. The most recent NAR data shows an agent-reported 11 percent reduction in buyer traffic, and 7 percent reduction in listings compared to last year. In badly affected areas, some agents are no longer driving buyers to showings or holding open houses, but they're finding workarounds and 9 out of 10 deals are still happening. There's a lot of disinfecting and elbow-bumping happening, but so far, no drastic drop-off. Most markets are still seeing near record-high prices, driven in large part by record-low interest rates; it appears more buyers and sellers are motivated to move versus concerned about doing so.

Most families and businesses realize that life will soon resume. In the coming weeks, home-

owners may see fewer offers due to buyer uncertainty, or they may see little change because buyers want to take advantage of low mortgages and they actually have time to plan a move.

No expert can tell us for sure how quickly we'll contain the virus and move on. But we can make some educated guesses. Wuhan, China, provides a baseline worst-case scenario. There, it took about six weeks for cases to peak – after a full month of very little government intervention, enabling rapid spread of the virus – and then about 4 to 6 weeks of taper-down. Now, in Wuhan, the virus is under control and life is slowly returning to normal.

“With schools being closed and thousands of workers at home, this update may surprise you,” reports top agent Adam Cothes of Kirkland, Washington (the first markets to experience community shut-downs). “Buyer demand is extremely strong, and inventory is low. We're seeing multiple offers and homes often selling in under one week... it's remarkable.” This may not be the case in every market, but it's an early indication that life intends to go on, and motivated buyers and sellers will carry on despite endless COVID-19 newscasts.

With all the government interventions at work to patch businesses and employees through a slow period, most agents are hopeful that permanent job losses will be minimal and folks will be able to quickly pick up where they left off. And for those buyers not facing drastic life changes, they have time to plan a move, house-hunt (albeit online), and time to go through the loan approval process.

Sellers, too, remain well positioned. They



JANE LEE

holly@janeleehomes.com
(847) 295-0800

now have time to properly clean the house, do repairs, and stage, where before they'd be juggling those important selling functions between work and the kids' activities. While adaptations are critical (see our “Safe Selling” article in this guide), most families will not have a reason to delay selling this spring.

As far as long-term concerns, the good news is that the stock market has several degrees of distance from the housing market. The recent stock market sell-offs and buy-backs have been in response to unknowns, not in response to an underlying economic problem like a housing bubble. It's impossible for homeowners and even investors in the rental market to react as quickly as stock market investors, forcing them to take time to act intelligently rather than emotionally. Because homeowners and potential buyers have more information – and less fear – as each day passes, we may be able to overcome a long-term drag on housing. A correction? Probably. But stamping “recession” requires two full quarters of data, so we have time to allow government interventions to play out and fears to be quelled. ■

For more information on how the Coronavirus is likely to affect your own home's value, give me a call at my number listed above.

Keeping the workplace safe

GOOD HYGIENE

- Stop handshaking – use other noncontact methods of greeting
- Clean hands at the door and schedule regular hand washing reminders by email
- Avoid touching your faces and cover coughs and sneeze
- Disinfect surfaces like door-knobs, tables, desks, and handrails regularly

CAREFUL WITH MEETINGS

- Use videoconferencing for meetings when possible.
- Hold meetings in open, well-ventilated space
- Assess the risks of business travel



HANDLE FOOD CAREFULLY

- Limit food sharing
- Strengthen health screening for cafeteria staff and their close contacts
- Ensure cafeteria staff and their close contacts practice strict hygiene

STAY HOME IF...

- You are feeling sick
- You have a sick family member in their home

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VIRUS ECONOMICS: CORONAVIRUS AND COMMERCE

By Leo Thomas

Economist Austin Goolsbee recently spoke on NPR, easing fears of a looming recession. He said “Virus economics” are different from regular economics.

He explained, for example, how the 2008 crisis was a direct result of an off-balance economy – not a virus. Today, by most measures, our economy is well balanced and strong. When a non-economic event – the Coronavirus – causes economic disruption, the long-term outlook depends on how well underlying economic conditions can enable us to weather the storm. Right now, many industries are well-capitalized, homeowners have equity, employment is high, and interest rates are low. The deck is stacked in our favor to pull through relatively well.

Even so, the Coronavirus, coupled with an oil dispute at just the wrong

time, sent investors into a tailspin around mid-March. The ups and downs may continue, but once investors are no longer able to resist the low prices, the trajectory will change. When other investors see that prices are rising, they’ll follow suit.

The money people and companies pulled out of the market is right now sitting in bonds or bank accounts, waiting for the virus to blow over. For some, a portion of those funds may be needed to cover expenses during reduced company revenue or personal paychecks, but the majority will be available for re-investment when the time comes.

Major closures, cancellations, and travel restrictions will have a big short-term impact on industries like pro sports, tourism, hospitality, travel, and brick and mortar businesses both large and small. The federal government is stepping in with two weeks of paid

leave for qualified workers, as well as \$50 Billion in SBA loans to patch hard-hit businesses through. Loans are no substitute for business revenue, but they may at least help keep the lights on – and folks employed – until business resumes.

The good news is that customers for these businesses will be there after the virus tapers down; all the airline tickets, basketball game seats, and concert tickets that people won’t buy in the short term has nothing to do with the economy. This is what Goolsbee means by Virus Economics.

While no one can predict exactly how our economy will play out, underlying conditions are the best predictor we have about any long-term impact. We will no doubt experience a month or two of slowdown, but we are well positioned for recovery once the virus is no longer perceived as a national threat. ■

FORCED FRUGALITY: PENNY-PINCHING HABITS TO HOLD ONTO

If there’s anything to thank Coronavirus for, it’s forced frugality! No movies, restaurants, basketball. No practices to drive your kids back and forth to in your expensive SUV. No concerts, jewelry shopping, theatre, or weekend trips with airfares and hotels, and certainly no cruises! So even if you wish it weren’t so, you’re already saving lots of cash. These are on the passive side of the equation.

These forced benefits shall pass when things return to normal. No one knows exactly when that may be, but the good news is that Coronavirus is nothing close to as deadly as the Spanish Influenza of

1918, SARS, Swine Flu, or Ebola, all of which attacked all age groups. We’ve heard hundreds of times whom it affects and current mortality rates, and both factors seem to be getting “better” as numbers are recorded. Fewer people per capita succumb to the microbe and those that do are averaging much older than originally speculated. We stay vigilant and prayerful, but back to normal we shall be soon enough.

Meanwhile, have a little fun and you may be in for some surprises. Grab a legal pad and jot down the things you are NOT doing with your family. Estimate

the cost for a full month, and total when you’re done. Hold on to these figures.

Next, think about the maintenance services you normally buy in the Spring. Things like weeding and mulching your flower and shrub beds. Fertilizing your lawn. Power washing your decks, walkways, and driveway. Now for the \$64 Question: can you, your spouse, and children handle this work? Are you up to taking it on? You’ll feel terrific and even more bonded with your family if you can pull this off. If this is a go, jot down the cost of materials and equipment rental and subtract from your landscaping ser-

vice charges. Add this to the first set of figures and see how much you can save by being productive while stuck at home.

If you opt away from landscaping, how about cooking? Most restaurants will offer delivery or carry-out, but try prepping meals yourself and calculate the savings. You’re not going to buy another Beemer from these ideas, but when business resumes and the kids go back to school, your bank account may be beefier than before. The big bonus? Some of these money-saving habits may stick with you long after the Coronavirus leaves town. ■



Keeping the home safe

IN GENERAL

- Clean hands at the door and at regular intervals
- Create habits and reminders to avoid touching their face and cover coughs and sneeze
- Disinfect surfaces like door-knobs, tables, and handrails regularly

HOUSEHOLDS WITH VULNERABLE SENIORS

- Have the healthy people in the household conduct themselves as if they were a significant risk to the person with underlying conditions.
- Ensure all utensils and surfaces are cleaned regularly

OBLITERATE CABIN FEVER

4 LIFE-CHANGING PROJECTS IN 4 DAYS

During extended periods at home, Parcheesi with the kids and grilled cheese cut into rhomboids are thrilling for only so long. The problem is that we've been knocked out of our routine. We're built to be productive; that's what really drives the human spirit.

Many of us may find ourselves working from home. But even after the 5 o'clock bell, we'll be left with long stretches we aren't accustomed to. No activities to drive kids to, no sports to watch, and in many places, no church services to attend. We found the magic cure.

You won't like this at first, but just hold onto your iPad. The magic comes well into these projects and is at full intensity at the end. Here we go, and get the kids to help!

1. DAY ONE: CLEAN YOUR REFRIGERATOR.

Everything out, onto the kitchen table and counters. Big trashcan for all the expired organic applesauce and mold-encrusted cauliflower

bites. Now take out drawers, shelves, dividers and soak in the sink while you take your pan of hot, sudsy water and clean the walls of your fridge. Fast forward. Put the hardware back together and reload the food by wiping clean all the jars, packages, etc. as you organize things. Added bonus: you'll get rid of any germs lurking on ketchup bottles, pickle jars, and vegetable drawers.

2. DAY TWO: DITTO #1 FOR YOUR PANTRY.

Yes, scrub the shelves free of those crusty, ancient residues of what was surely something once delicious but now home to funky microbes.

3. DAY THREE: POSSIBLY YOUR FAVORITE!

Clear a private space and gather books you bought and never read. Think it through, then put together your Personal Home Study Program. Once set up, you can dedicate a certain amount of time each day growth and enrichment, on any

subject from Black Holes to Day Trading.

4. DAY FOUR: CLOSETS.

This could extend to multiple days. Someday you may decide to move, and if you tackle your closets and storage areas (basement, attic, garage, etc), you will one day be less overwhelmed by the amount of preparation that's needed to move. Well, let's use this forced break for the perfect opportunity to de-clutter our houses. Remember the rule of three: Donate, Keep, or Toss.

Before you begin, organize your plan. Have a family meeting with a clipboard, and give each child their own mini-projects or have them work alongside you on the bigger ones. Teenagers can take responsibility for their own closets, dresser drawers, video game areas, or sport equipment shelves. Younger children will be eager to help with the fridge and pantry. If it's a tough sell, think of fun rewards like baking cookies after the pantry is organized. ■



HOUSEHOLDS WITH SICK FAMILY MEMBERS

- Give sick members their own room if possible, and keep the door closed
- Have only one family member care for them
- Consider providing additional protections or more intensive care for household members over 65 years old or with underlying conditions

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SAFE SELLING: STAY HEALTHY WHILE YOU SELL YOUR HOME

Yes, you can safely sell your home this spring even amid Coronavirus. Here are six tips from Realtor.com and top agents nationwide about staying healthy throughout your transaction.

1. CREATE A SHOE-LESS ENVIRONMENT

A 2008 University of Arizona study found that the average pair of shoes carries more than 420,000 units of bacteria! The simple solution? Have home viewers take them off, store them far away from the interior. If available, have buyers wear protective disposable booties.

2. SANITIZE SURFACES AND

REQUIRE CLEAN HANDS

Before touring, require buyers to wash with soap and water or disinfect with hand sanitizer. If your store's shelves are lacking these items, worry not, suppliers are working overtime to re-stock them. And, before and after each showing, wipe high-touch areas with 409 spray or Clorox wipes.

3. STORE YOUR TOOTHBRUSH

Before allowing a buyer inside, put all your personal grooming items away. This way, any airborne microbes from buyers wandering through won't land on any products you may later come into con-

tact with. This, plus the before-and-after sanitizing of surfaces, will keep you well protected from contact with any viruses.

4. LIMIT SHOWINGS AND POSTPONE OPEN HOUSES

Advise your agent to conduct showings only with serious, qualified buyers, rather than with any Tom, Dick, or Harry who wants one. This can dramatically reduce the traffic in your house, and ensure that walk-throughs are limited to folks who are ready and willing to make an offer. And until the virus is well contained, many agents recommend holding off on open houses.

5. SKIP THE SNACKS

Often, agents will put out fresh baked cookies or coffee during showings. To limit the spread of germs, it's advisable to skip this for now. Instead, you can offer to-go bags with a bottle of spring water and a brochure.

In addition to all these practical steps, it's important to consult with your agent about the do's and don't-s of selling right now. Buyers are eagerly on the prowl to take advantage of low rates, so rather than missing out on a prime selling season, your agent can help you take smart precautions to stay safe. ■

REMAINING CALM DURING A CRISIS

ADVICE FROM A MENTAL HEALTH PRO



With 24-hour newscasts about Coronavirus, it's no surprise many folks feel frightened, anxious, or both. Those among us likely to be hardest hit emotionally are people with underlying mental health conditions.

So what to do? How do we keep our own fears and concerns in check, and how do we help our loved ones cope? We looked to a mental health professional for guidance.

Cathy Olberding, licensed pro-

fessional counselor and clinical director for Counseling & Recovery Services of Oklahoma, has this advice:

1. MAINTAIN A ROUTINE.

"You still need to have good sleep and you still need to eat balanced meals. You still need to have a routine because those are the things that calm us," said Olberding. This is especially good advice for people who are more disposed to anxiety than others – there is an abundance of research about how

structure and routine works wonders for those with anxiety disorders, depression, and even autism.

2. TALK ABOUT IT.

Olberding explains that addressing fears head-on is the best medicine for coping with them. Talk openly and honestly about how you feel, and encourage your loved ones to do the same. It's important that our concerns are validated; it helps us process them in a productive way. Be careful, however, not to exasperate someone who already struggles with mental health with your worries – and on the other side of that coin, speak to someone who can validate and calm your fears rather than scrutinize or intensify them.

3. PRACTICE SYSTEMATIC BREATHING.

Systematic breathing is when we take time out to intentionally breathe. When emotions overwhelm, it's a great idea to find a quiet place and breathe deeply for several minutes. Olberding practices this with her patients and encourages everyone to try it at home whenever they begin to feel

anxious. Prayer and meditation are also wonderful stress-relievers that we can practice with our families.

4. TURN OFF THE TV.

Olberding said an important way to reduce anxiety right now is to tune out of all the news and information about the Coronavirus. Images of mass graves in Iran, Chinese healthcare workers in hazmat suits, and a non-stop ticker of reported cases does more harm than good for our mental health. As long as families are informed of what precautions they should take, it's a great idea to turn off the TV and focus on more positive, uplifting activities.

5. SEEK PROFESSIONAL HELP.

Some of us may not have someone at home we can talk to about our worries, or may be experiencing a very high degree of stress. If you or a loved one is having a very hard time coping, it's good to seek professional guidance. Many counseling offices offer telephone or video counseling, so these services are within reach even while at home. ■



THE JANE LEE TEAM

Jane Lee is the President of RE/MAX Top Performers in Lake Bluff, Illinois. In her role, she has cemented herself as one of the most successful real estate brokers in the United States.

holly@janeleehomes.com
(847) 295-0800
www.janeleehomes.com