

» THE STATE OF REAL ESTATE «

ESCAPE from New York

Our Real Estate Market in the Age of Covid-19



BY JILL JOHNSON MANN

above: 10 Gray Lane in Westport (our cover shot) showcases perfection in every detail—from professional landscaping to modern amenities, like a sauna. Nothing to do at home, but rest and recharge in style and pure comfort.

IMAGE COURTESY MICHELLE & CO., WILLIAM RAVEIS REAL ESTATE

Something has changed lately in the streets of Westport, the backroads of Weston and the driveways of Wilton. Perhaps not every citizen has spotted it, but every realtor has: New York license plates are everywhere.

Going into 2020, long before anyone was talking about the C-word, realtors predicted a strong market in our area. “We started out thinking supply would be short and demand higher because millennials are moving into the housing market,” says Joni Usdan, of The JoniHomes Group at Coldwell Banker. “They’ve been interested in cities but also suburbs, as they begin thinking about schools. Then the pandemic hit, and all of a sudden we had a burst of interest in the suburbs.”

As New York City quickly became the epicenter of the pandemic in America, families locked down in close quarters started looking north to more indoor and outdoor space, commodious home offices, excellent schools and a commute that—for the foreseeable future—was irrelevant.

“In all my years in the business, I’ve never seen a market swing so quickly, with the exception of the post-9/11 market in the city,” says Jim Gricar of William Pitt Sotheby’s. “City buyers are responsible for the flip from a longtime buyer’s market to a roaring seller’s market. From basically 2007–08 until early 2020, our markets were overloaded with inventory in virtually every price category. Buyers were scarce and unwilling to bid on any house not perceived as a ‘deal.’ When the initial Covid lockdown happened, nearly 50 percent of our sellers withdrew their listings, understandably. We went from an inflated inventory to a wanting inventory virtually overnight, just as the flood of buyers from the city hit.”

Why Westport, Weston and Wilton?

Our towns are desirable for the same reasons they always have been: the charm, beautiful beaches, great amenities, excellent schools, lower taxes than New York or New Jersey and easy access to the Big Apple. But as that Apple turned sour last spring, shaken city dwellers who had never before considered venturing this far up the New Haven line landed here. Some who imagined hitting the ‘burbs eventually, pressed fast-forward on their life plans.

“Prospective buyers who work in the city often would draw a circle around the area within a sixty-minute commute,” says Joni Usdan. “Now, as so many people are working from home, commute time is lower on the list of criteria. Westport, having more than a sixty-minute ride, has come back into their circle.”

Jim Gricar adds, “There was one more x-factor for us here: Westchester, the usual first suburban stop, was closed. Unlike Connecticut, the state of New York deemed brokerage nonessential, causing city buyers to vault over



left: The long driveway appeals to buyers wanting seclusion. Built in 2006 with built-ins, kitchen with high-end appliances, six indoor fireplaces, luxury bath and steam shower, and more. 22 Michael’s Way, Weston / Beth Saunders, Berkshire Hathaway SOLD



right (and opening page): Spectacular 5-bedroom contemporary built in 2018 with panoramic water views (see opening page). Aside from impeccable interior design, the property has three levels of decks and balconies as well as an in-ground saltwater pool and spa and designer landscape. The home also has a fitness room, sauna, theater, wine cellar and office. 10 Gray Lane, Westport. \$10,900,000 / Michelle & Company / William Raveis Real Estate



left: A remodel of a custom 1830s home—by John Toates Architecture and Design LLC—includes a barn and lush gardens over 5.44 peaceful acres in Southport Village. The home features three floors and plenty of covered seating outdoors. 98 Banks Pl., Fairfield. \$4,200,000 / Amy Waugh Curry, Berkshire Hathaway

right: Built in 2010, the light, bright and sophisticated 5-bedroom home features 3.5 baths and approximately 100 feet of gated, private Long Island Sound beach frontage. 248 Hillspoint Rd., Westport. \$6,210,000 / Leslie Clarke Homes



Westchester into Fairfield County.” People weren’t as concerned about how long it takes to travel into the city as how quickly they could move out of it.

“Buyers from New York will usually look in the bigger towns, Greenwich and Westport, first,” comments Nancy Pantoliano of Berkshire Hathaway. “They like the cosmopolitan feel, the shopping and theater in Westport. At the same time, many want a bigger yard. In Weston and Wilton, they can get a larger house and yard at prices that are a little lower. Luxury homes that have been sitting there are now selling because people are willing to consider a longer commute.”

Usdan says, “Westport is hot, hot, hot, and Weston and Wilton are up a lot. In Wilton, the increase is unbelievable; there was a 250 percent increase in volume from October 2019 to October 2020. The mentality has changed. People are saying, ‘If I’m ninety minutes from the city, I’m okay with that, because even when Covid is over, I’m not going to go in every day.’”

Buyers from New York made up 30–35 percent of buyers in Usdan’s office last year. “Normally, Westporters moving within Westport is the biggest chunk, but that segment was about equal to New Yorkers in 2020,” she says. “People in many areas are looking at us. Compared to desirable areas in California, we look like a bargain. We complain here but it’s all relative. A couple of years ago, I sold a good friend’s house. They were concerned with ‘problems’ in Connecticut. But when they went out to the Midwest, they realized how much they missed it.”

With our school districts safely and effectively managing a hybrid schedule this fall (with minimal phases of full virtual schooling to mitigate Covid cases), while some districts in the nation remained virtual (and often not so effectively), the appeal of our area to families is likely to remain robust.

Pandemic Amenities

“There is increased interest in having a true family compound and private outdoor spaces,” says Michelle Genovese of Michelle&Company at William Raveis. “Amenities like outdoor kitchens, swimming pools and firepits were in demand last summer with more families opting to stay closer to home. Home gyms are seeing increased demand and home offices to work and learn from home became essential in 2020. More buyers are looking for guest houses to create additional office space or accommodate extended family. It’s all about flexible spaces now.”

Gricar concurs: “Today’s buyers want space and safety.” As public pools, beaches, tennis courts and basketball courts either closed or felt risky to parents, families looked for ways to bring the fun home. “People are looking for all-inclusive, self-contained properties. This is why houses with pools and other leisure activity amenities are selling so well,” says Gricar. “And there’s a huge focus on home work space—for adults, for school-aged kids, for college students. The more flexible a house, the greater the attraction in terms of live and work.”

Larger properties fulfill a new desire for a “buffer from neighbors,” explains Usdan. “Woodsy locations with more privacy, which were not in favor before the pandemic, now are. Buyers used to be looking for smaller houses in perfect condition on postage-stamp sized lots, and they would time the trip to train.”

Most realtors do not expect the new emphasis on comfortably working from home

to fade as promising vaccines hit the market. Leslie Clarke at William Raveis comments, “This time of ‘work from home’ has helped so many realize they can be more productive at work and have time for themselves and their family. It wasn’t always possible with a three-hour commute. Some may choose to split time between their office and home office for a better life balance.” Fighting for seats on Metro-North rush-hour trains may be a thing of the past.

Whether due to necessity or more time for reflection, 2020 propelled people into bold moves. Linda Blackwell of Houlihan Lawrence says, “I have a client who closed in December in Weston. The wife grew up in the city and the husband in this area. She never thought she would leave the city. They had a great apartment in downtown Manhattan and three kids in school. Covid really forced them to decide what they wanted for their future. Not only did they decide they wanted to move to the suburbs, they chose ‘to live in the country’ as they said and settled on a beautiful Colonial farmhouse with a chicken coop...and they were so excited to get to keep the chickens!”

Bidding Wars

Buyers who could browse at a casual pace in 2019 no longer have that luxury, if they want to nab the house of their dreams—or at least one that will save them from another cramped shelter-in-place nightmare. “Inventory is significantly down across the county,” says



left: Perfect for big families, this 9,600-foot home has 7 bedrooms and 9 full and 2.5 baths. It also features a theater, cocktail lounge, gym, staff room, finished third-floor executive office, craft area and bedroom. The one-acre property includes a pool, spa and direct water views as well as three outdoor fireplaces. 264 Hillspoint Rd., Westport. \$10,995,000 / Jim Gricar, William Pitt Sotheby’s

264-HILLSPPOINT RD. BY DAN MILLSTEIN

right Five-bedroom Nantucket stone-and-shingle home. Two-levels, with 6,000 feet of space, including gourmet kitchen, butler’s pantry and spa-like bedroom suites—plus, full basement and walk-up attic, three-car garage and generator. Enjoy walking to Compo Beach or Longshore Club. 5 Mayflower Pkwy., Westport. \$3,899,000/ The JoniHomes Group



Blackwell. “In fall we saw sales way above and inventory significantly below the year before. This resulted in many multiple bid situations and bid wars. Some houses go on the market and within the day they have multiple offers. Buyers have to be ready to move on a house right away if they love it. It’s important to be pre-approved and have everything ready to put on their offer.”

Prices have risen, but that doesn’t mean buyers won’t find value for their money. “We had a good deal of price repair to get through first—the difference between the historic high, in 2006, and the pre-pandemic low, in

2019,” says Gricar. “Much of the initial activity led to market price repair. Appreciation followed.”

Nancy Pantoliano comments, “There was a significant increase in the number of home sold in 2020 versus 2019; Westport saw an increase of 79 percent, Wilton 67 percent and Weston 82 percent. As far as sold prices, there was also a significant increase in all three towns: up 17.2 percent in Westport, 16.6 percent in Wilton and 14.6 percent in Weston.”

Herd mentality factors in. “Buyers have confidence, so prices go up,” says Usdan.

“We aren’t any different from a year ago; we were always a great place to live! Sellers were feeling so hurt and beat up then. Now they are feeling good again.”

Leslie Clarke comments: “This time has also been an opportunity for Westporters to trade up or down, having confidence their property will sell in this active market. Since last March, I’ve helped many of my past clients sell their new home and find a new one locally.”

Pantoliano predicts inventory will remain low and prices will continue to rise in 2021.



THE RENTAL MARKET

As ubiquitous as New York license plates last summer were tales of crazy rental rates. “We had Hamptons’ prices last summer,” says Joni Usdan, JoniHomes Group of Coldwell Banker. “I had a client who came here from Hong Kong looking for a rental, and he found something much lower in price in the Hamptons—true story! All of sudden, people were getting multiples of what they would have expected for a rental. Renters were looking for a couple weeks, a month, anything, not just summer. It became a concern with sellers that if they sold their house, they would not be able to find a temporary rental.”

According to Nancy Pantoliano, Berkshire Hathaway, Westport racked up 200 flexible-lease rentals in 2020, versus 85 in 2019, and 99 of those 2020 homes rented for over \$10,000/month, compared to only 24 in that high-budget tier the year before. (Yearly rentals of more modest three-bedroom homes declined slightly from an average of \$2,900/month in 2019 to \$2,700/month in 2020.)

The limited supply of rentals has been exacerbated by a trend in people who had been renting out their homes in recent years (because they didn’t want to sell in a down market) deciding to sell their homes instead.

Michelle Genovesi, Michelle&Co., says, “Both the rental and sales markets are very active, but I think interest rates being at such a historic low have influenced purchasing as opposed to just renting.”