

CASE STUDY:

A Look at Technology's Role in Real Estate's "New Normal"

WASHINGTON, D.C.

Several technology experts from The National Association of Realtors (NAR) gathered on Nov. 18 during the 2020 Realtors Conference and Expo to examine the real estate industry's growing reliance on technology and how the integration of artificial intelligence, augmented and virtual reality, digital transaction management and 5G innovations will impact the buying and selling experience, event officials recently announced.

Jeb Griffin, director of strategy and innovation for NAR, suggested that the coronavirus pandemic only accelerated changes that were already occurring in how Realtors conducted business.

"Technology has rapidly evolved how we do real estate," Griffin said. "Remember, everything used to be analog and required us to manually fill out forms. In 2020, a lot has changed. We're maintaining social distance. In-person showings have declined. Realtors have adapted by using technology to get business done."

Dan Weisman, a director of emerging technology within the Strategic Business, Innovation and Technology Group at NAR, agreed.

"During this pandemic, I think the use of technology has really come to the forefront in the real estate industry, and it should be used as an opportunity to improve the process and provide the best client experience possible," he said.

Artificial intelligence, or A.I., is a technology with a long history and its practical applications are expected to see explosive growth within all segments of society, including real estate, NAR officials said.

"Decades of research on artificial intelligence is now becoming available to startups and enterprises alike," said David Conroy, NAR's director of emerging technology. "The barrier to entry has been completely lowered as A.I. is affordable, powerful and making a direct impact today on real estate decisions."

Improvements (Subhead)

With the advent of 5G technology, Weisman said that he expects it will lead to significant improve-

ments from the previous generation of wireless connectivity innovation and result in a variety of tangible benefits.

"We've seen some incremental changes in wireless connectivity technology over time, but the jump from 4G to 5G is an exponential jump in speed - that's great, we'll have fast Internet, but what will it offer?" he said. "There's a better potential to have coverage in rural areas, something for which NAR continues to advocate on behalf of our members. We'll also see lower energy consumption. For a potential homebuyer, imagine using a drone to view or photograph an area where you'd want to live. The possibilities are endless."

Digital transaction management tools, like electronic signature applications and remote online notarization, allow for documented-based tasks to be handled virtually, and Griffin told the session audience that these resources will have staying power.

"Digital transaction management helps real estate professionals and consumers continue buying and selling property. Realtors should incorporate DTM within their business operations since consumers like the technology and it's here to stay for them," Griffin said.

Griffin added: "Some small firms aren't using digital transaction management, thinking it's cost prohibitive, but the barriers to entry are low. NAR is working very hard to support legislation for remote online notarization in states where it's not allowed. We want our members to have the tools to bring that full digital transaction to the table and create efficiencies."

Further information from NAR on new and emerging real estate technology trends, resources and programs can be seen at <https://www.nar.realtor/technology>, association officials said.

NAR is America's largest trade association, representing more than 1.4 million members involved in all aspects of the residential and commercial real estate industries, association officials added.

A Lack of Inventory and Higher Prices Push Housing Affordability Near to a Two-Year Low, Building and Realty Industry Report Says

WASHINGTON, D.C.

Record-low mortgage rates were not enough to offset inventory shortages and rising home prices as housing affordability continued to decline in the third quarter of 2020.

That was the assessment contained in the latest National Association of Home Builders (NAHB)/Wells Fargo Housing Opportunity Index (HOI). The index was released on Nov. 5.

The report said that, in all, 58.3 percent of new and existing homes sold between the beginning of July and the end of September were affordable to families earning an adjusted U.S. median income of \$72,900. The figure is down from the 59.6 percent of homes sold in the second quarter of 2020 that were affordable to median-income earners and the lowest reading since the fourth quarter of 2018.

"Though low mortgage rates and favorable demographics have helped spur demand, a lack of inventory exacerbated by supply chain issues stemming from the COVID-19 pandemic have contributed to rising home prices," said NAHB Chairman Chuck Fowke, a custom home builder from Tampa. "Surging lumber prices also peaked more than 170 percent above mid-April levels in September, raising building costs. However, lumber prices are now trending lower, which is good news for prospective home buyers."

"A six-month supply of homes is considered a normal supply and demand balance, and this figure has been running below a four-month rate since July, putting upward pressure on home prices," said NAHB Chief Economist Robert Dietz. "As builders look to ramp up production, the work-at-home trend is contributing to a suburban shift, meaning that buyers have additional market power to shop for affordable markets."

The Numbers

The HOI shows that the national median home price jumped to an all-time high of \$313,000 in the third quarter, surpassing the previous record-high of \$300,000 set in the second quarter. Meanwhile, average mortgage rates fell by 29 basis points in the third quarter to a record-low of 3.05 percent from 3.34 percent in the second quarter, the report added.

Lansing-East Lansing, Mich., and Scranton-Wilkes Barre-Hazleton, Pa. were tied as the nation's most affordable major housing market, defined as a metro with a population of at least 500,000, according to the index. In Lansing-East Lansing, 89.4 percent of all new and existing homes sold in the third quarter were affordable to families earning the area's median

income of \$75,000. Likewise, 89.4 percent of all new homes sold in Scranton-Wilkes Barre-Hazleton were affordable to families earning the area's median income of \$66,600.

Rounding out the top five affordable major housing markets in respective order were Pittsburgh; Harrisburg-Carlisle, Pa.; and Albany-Schenectady-Troy, N.Y., the index said.

Meanwhile, the report said that Cumberland-Md.-W.Va. was rated the nation's most affordable smaller market, with 96.2 percent of homes sold in the third quarter being affordable to families earning the median income of \$57,500. Smaller markets joining Cumberland at the top of the list included Wheeling, W.Va.-Ohio; Lima, Ohio; Binghamton, N.Y. and Monroe, Mich.

San Francisco-Redwood City-South San Francisco (Calif.) was the nation's least affordable major housing market. There, just 9 percent of the homes sold during the third quarter were affordable to families earning the area's median income of \$130,900, the study said.

Other major metros at the bottom of the affordability chart, the report added, were in California. In descending order, they included Los Angeles-Long Beach-Glendale; Anaheim-Santa Ana-Irvine; San Diego-Carlsbad; and San Jose-Sunnyvale-Santa Clara.

The index said that all five least affordable small housing markets were also in California. At the very bottom of the affordability chart was Salinas, where 10.9 percent of all new and existing homes sold in the third quarter were affordable to families earning the area's median income of \$75,800. In descending order, other small markets at the lowest end of the affordability scale included Merced; Santa Cruz-Watsonville; San Rafael; and Napa.

NAHB officials said that further information can be obtained by visiting www.nahb.org/hoi for tables, historical data and details.

The index is a measure of the percentage of homes sold in a given area that are affordable to families earning the area's median income during a specific quarter. Prices of new and existing homes sold are collected from actual court records by Core Logic, a data and analytics company. The release incorporates the use of Freddie Mac's 30-year fixed effective interest rates series, following the discontinuation in mid-2019 of the FHFA series previously used in HOI calculations. National and metropolitan area HOI numbers were revised back to the first quarter of 2012 using Freddie Mac's interest rate series, NAHB officials said.

Counsels' Corner

A Look At "No Pet" Policy and the 2020 U.S. Department of Housing and Urban Development (HUD) Guidance

By Kenneth J. Finger, Esq., Dorothy M. Finger, Esq., Carl L. Finger, Esq., and Daniel S. Finger, Esq., Finger and Finger, A Professional Corporation, Chief Counsel to The Building and Realty Institute (BRI)

WHITE PLAINS

As has been set forth in previous articles by Building and Realty Institute (BRI) Counsel, "no pet" policies in multiple dwellings (apartment houses / cooperatives / condominiums) have been the subject of increasing concern. Many buildings, co-ops and condos have in their House Rules various clauses prohibiting pets or limiting them.

Regarding "Service Animals," historically, of course, "service" animals have been the exception to "no pet" policies. Service animals are "seeing eye" dogs, for example, or dogs that can sense an upcoming epileptic episode. These animals have to have special training and are universal exceptions to "no pet" rules, whether in living accommodations; public transport and the like. Federal "Guidance" states that in order to be a "service" animal it must be a dog. As to a "service" animal, the only two questions that can be asked are "(1) is the animal required because of a disability; and (2) what work or task has the animal been trained to perform."

The housing provider cannot ask about the nature or extent of the disability or for documentation. In recent years, however, a new breed of animals has come to the forefront as permitted exceptions to "no pet" rules in housing. These pets, variously referred to as "emotional" support or "Assistance" animals, can be dogs, cats, ferrets or almost anything.

All it takes to qualify for the exception is said to be a note from a treating medical / health care / mental health professional. However, there are limitations. The person seeking an exception to the "no pet" rule for an "emotional" support animal has to demonstrate, through either medical or psychological expert testimony or evidence, that he or she required the animal in order to use and enjoy his or her apartment unit.

Without expert medical or psychological expert testimony or evidence, the person requesting the animal will fail to demonstrate the animal is required in order for the person to use and enjoy the apartment. This is said to be the benchmark in New York regarding the exception to a "no pet" policy.

Governmental Guidance

Early in 2020 the Federal Government issued a federal "notice" or "guidance" as to "Assessing a Person's Request to Have an Animal as a Reasonable Accommodation Under the Fair Housing Act" (referred to herein as the "Guidance"). The Fair Housing Act (FHA) applies to virtually all types of housing.

The FHA makes it unlawful for a housing provider to refuse to make a reasonable accommodation that a disabled person may require in order to have equal opportunity to enjoy and use a dwelling. If the animal requested is other than a "service" animal, referred to by the U.S. Department of Housing and Urban Development (HUD) Guidance as an "Assistance" animal, a housing provider is given a set of guidelines to follow when there is a request for a "reasonable accommodation" (generally to be exempt from the building's no pet rule). The request can be made either before or after acquiring the assistance animal and at any time. However, if the building has already commenced legal action for a violation of the "no pet" policy, the Guidance provides that there might be an inference against good faith on the part of the person seeking the reasonable accommodation. Housing providers may ask certain limited questions to assist them in making a decision as to whether the animal is an "Assistance" rather than a "service" animal.

The first issue is whether the person requesting the reasonable accommodation has done so in connection with a physical or mental impairment or disability. If the answer is no, then the request can be rejected. If

the answer is yes, then the following criteria may assist in helping the housing provider to assess whether to grant the requested accommodation. If the person has an "observable disability" or does the housing provider have information giving them reason to believe that the person has a disability, then the housing provider has to assess whether there is a connection between the disability and the animal.

If there is no reason to believe there is a disability (which can be non-observable) then the landlord can ask for information regarding the disability and the disability-related need for the animal, but the landlord cannot ask for the diagnosis. If this information is not provided, that ends the matter. If provided, then the next step is to determine whether

In conclusion, as with all situations involving government regulations and interpretations of the Fair Housing Law with possible complaints to the Human Rights Commission, we strongly recommend that before any action is taken by a Board of Directors, or Managers, or a Housing Provider as to an application for a reasonable accommodation, the principals of the entities or Board should consult legal counsel.

the information reasonably supports the claim that the person has a disability. If not, then the reasonable accommodation does not have to be granted - but the requester has to be given a reasonable opportunity to provide such information.

Once the information is provided that the person has a disability, has information been provided that which reasonably supports that the animal does work, performs tasks, provides assistance and/or provides therapeutic emotional support with respect to the person's disability? If not, then that also ends the matter (provided, again, that the person is given a reasonable opportunity to give the information).

A Consistent Question

A question is frequently raised as to information provided from websites that sell certificates, registrations, etc. for assistance animals to anyone who answers a few questions, or participates in an interview and/or pays a fee. Under the FHA Guidance, a housing provider can request reliable documentation when the requester has a disability and disability-related need for an accommodation that is not obvious or otherwise known.

HUD has set forth that such "internet" documentation is not in and of itself sufficiently reliable to establish that an individual has a non-observable disability or disability-related need for an assistance animal. Reasonably supporting information often consists of information from a licensed health care professional - general to the condition, but specific to the individual.

A relationship or connection between the disability and the need for the assistance animal must be provided. The Guidance states that this is particularly the case where the disability is non-observable and/or the animal provides therapeutic emotional support. Generally, the animals must be the type commonly kept in a household. A unique type of animal will need special documentation.

A housing provider may not charge a fee, deposit or surcharge for the processing or maintenance of the Assistance animals. Housing providers may not limit the size or breed of the animals. If the animal's conduct poses a direct threat to the health or safety of others or would result in substantial physical damage to the property of others that cannot be reduced or eliminated, it is possible that under those limited circumstances there might be a refusal to provide a reasonable accommodation. Disclosure of details about the diagnosis or



Ken Finger



Carl Finger



Dan Finger

Continued on p. 8

SERVICES PROFILE: How You Can Make “The FutureWork(s)” For Young People

MOUNT VERNON

As new development continues throughout Westchester County, construction companies and those in the related fields struggle to find young, qualified candidates ready for entry-level employment.

As members of the building and construction industries know, the problem isn't a lack of jobs. It's a lack of programs that can get candidates trained, credentialed, and ready to work in an effective and timely manner.

The answer is The Guidance Center of Westchester's (TGCW) FutureWorks, a construction and vocational skills training program. Run through TGCW's Center for College and Careers (CCC), FutureWorks is funded by the Westchester Community Foundation and presented in partnership with Soulful Synergy. FutureWorks includes Construction Trainings and Certifications, and a new Urban Handyperson program.

Since beginning in March of 2019, FutureWorks Construction Trainings and Certifications has conducted six cohorts in preparing close to 75 young people, aged 16 to 24 from Mount Vernon and New Rochelle, for entry-level construction jobs. The cohort-based training helps create a culture of peer-to-peer support, accountability, and creates a sense of belonging and community.

“Even throughout the pandemic, we've continued to provide the necessary training, and now we need employers in the industry to open the door to opportunity for these eager young people,” says Amrika Sieunarine, who oversees FutureWorks as the director of the Center for College and Careers.

FutureWorks includes four weeks of certifications courses and career development workshops.

“We prepare our youth to thrive in the workforce by incorporating work readiness and career development workshops such as time management, email and interview etiquette, and communication,” Sieunarine said.

Sieunarine explains that the focus is not only the certification training, but also on providing participants with hard and soft skills they need to build a sustainable career.

“This is what makes FutureWorks a unique program,” she said.

An Example

Murphy Brothers Contracting in Mamaroneck has partnered with FutureWorks through internships, mentorships, work-site tours, job coaching, and more.

“It's been an exciting opportunity allowing us to connect with amazing young talent in the construction industry,” said Michael Murphy, director of new project development for Murphy Brothers Contracting.

“Our real need is finding companies in the industry who want to work alongside young people and provide entry-level work experience for our participants,” added Sieunarine. “FutureWorks pays for 140 hours of employment per participant. We are very focused on this being a positive experience for our youth participants and employer partners. We conduct weekly check-ins, provide access to more certifications, and are available throughout the entire experience.”

As of this fall, the FutureWorks program includes Urban Handyperson training, which teaches participants how to safely use power and hand tools and how to read blueprints. The training also provides additional certifications. In Urban Handyperson, participants will take part in the demolition and reconstruction of a bathroom or kitchen.

Businesses interested in partnering with FutureWorks can contact Sieunarine at (914) 362-5250. Information can also be obtained at FutureWorks@TheGuidanceCenter.org. To learn more, visit TheGuidanceCenter.org/FutureWorks.

FutureWorks Details

Construction Trainings and Certifications

Classes: Occupational Safety & Health Administration Training (OSHA-30 hour), Flagger & Scaffolding, CPR/First Aid Training, LEED Green Professional Building Skills Training (G-Pro), and FDNY Prep Course F-01, F-03, F-04 and F-60, 8 HR. & 16 HR. Security Guard training, Fire Guard, G-Pro Green Fundamentals, and Career Development (resume and job search).

Certifications offered: OSHA-30; 4-hour Supported Scaffold*; 3-hour Flagger*; CPR/AED/ First Aid; GPRO - Fundamentals of Green; Security Guard; Firewatch & Fireguard Certification Test

*These courses are NYC Dept. of Buildings approved

Urban Handyperson

Classes: Building Construction, System and Environment, Building Science (G-Pro O and M), Building Materials, Hand Tools and Power Tools, Material Handling and Hands-on Training.

Certifications offered: LEED G-Pro in Operations and Maintenance; Site Safety Card; OSHA-30; 8-hour Fall Protection; 2-hour Drug and Alcohol Awareness



A rendering of Porte Cochere at the St. Regis Residences in Rye

Development Case Study: The St. Regis Residences, Rye Announces Brisk Sales Activity, Continued from p. 6

by a full-time St. Regis staff,” said Marcella Pellicano. “It's exactly what we needed. It's wonderful!”

Another plus for the Pellicanos is living in Rye.

“It's very walkable and active,” Marcella Pellicano said. “It has everything to offer. It is really a plus for us.”

The Pellicanos have also really enjoyed attending recent social events for new buyers hosted by The St. Regis Residences, Rye.

“We've already met some very interesting and lovely people. That makes it easy for us to move from a totally different location. It's very nice,” Marcella Pellicano added.

Specifics

Project officials said that The St. Regis Residences, Rye will be the world's first St. Regis Residences property to operate without a hotel. Situated on what officials termed as “seven beautifully landscaped acres,” The St. Regis Residences, Rye offers one- to four-bedroom residences in five interconnected buildings.

The unique development, project officials added, will feature gated entrances, lushly manicured gardens, a large central courtyard, walking paths, a grand drive court entrance with porte cochère, and an underground, heated parking garage.

Residents of The St. Regis Residences, Rye will experience exceptional, bespoke services provided by a Marriott International-trained St. Regis staff seeing to every detail. The services will include the signature St. Regis butler service, a 24-hour concierge, full-time property management, valet parking, package and mail delivery, and doorman and porter services. Residences are priced from \$1,065,000, and at least one resident

per home must be 55 years of age or better. Occupancy of the first residences is expected in early 2021, project officials said.

The Sales Gallery, which was previously onsite at 120 Old Post Road, Rye, was relocated to 38 Purchase Street in Rye. The new location is at the heart of downtown Rye, which has been transformed into a lively, pedestrian-only mall with a wide array of indoor and outdoor dining, project officials said.

“The Purchase Street location has provided us with tremendous exposure to potential buyers among the many area residents who are flocking to downtown Rye,” said Weissman.

Three model homes, designed by Rye-based interior designers Dale Blumberg Interiors and Elissa Grayer Interior Design, will be opening before the end of the year, project officials said.

Project officials added that The St. Regis Residences, Rye are not owned, developed or sold by Marriott International, Inc. or its affiliates.

With what company officials said is its focus on quality construction and timely completion, Alfred Weissman Real Estate (AWRE) has earned the trust and confidence of civic and business leaders through its professionalism, high corporate standards and personal commitment to quality projects, spokesmen added.

Founded by Alfred Weissman in 1983, AWRE is located in Harrison and employs a staff with expertise in real estate investment, management, and development. The AWRE portfolio includes retail, office and industrial properties, as well as student housing and hotels, company officials said.

A Look At “No Pet” Policy and the 2020 U.S. Department of Housing and Urban Development (HUD) Guidance, Continued from p. 3

severity of the disability or medical records or a medical examination cannot be required. Information related to an individual requesting a reasonable accommodation must be kept confidential.

Thus, an Assistance animal is one that does work, performs tasks or provides emotional support for a person with a physical or mental impairment that substantially limits at least one major life activity or bodily function. The definitions of physical or mental impairment include any physiological disorder or condition; cosmetic disfigurement or anatomical loss affecting one or more of certain bodily systems; a mental or psychological disorder includes intellectual disability; organic brain syndrome; emotional or mental illness and specific learning disabilities.

Various conditions or diseases such as orthopedic, visual, speech and hearing impairments and others, including cancer, diabetes, mental retardation, emotional illness, virus infection and alcoholism are considered impairments, among others. Major life activities or major bodily functions are seeing, hearing, walking, breathing, performing manual tasks, caring for one's self, learning, speaking and working and others based on individual cases. As can be seen by the foregoing list, the “major life activities” or “major life functions” are broad.

Recommendations

The following is recommended in the documentation that should be supplied to the housing provider by the requester's doctor / therapist: Patient's name, whether the health professional has a professional relationship with the patient involving the provision of health care or disability-related services; the type of animal; whether the patient has a physical or mental impairment; whether the patient's impairment substantially limits at least one major life activity or major bodily function and whether the patient needs the animal because it provides assistance or performs at least one task that benefits the patient because of his or her disability or because it provides therapeutic emotional support to alleviate a symptom or effect of the disability of the patient and is not merely as a pet.

If unique animals are required, there is further information required. The Housing Provider cannot ask the nature of the disability; nor for medical records; to talk to the doctor or inquire as to how severe the disability is, among other things.

In conclusion, as with all situations involving government regulations and interpretations of the Fair Housing Law with possible complaints to the Human Rights Commission, we strongly recommend that before any action is taken by a Board of Directors, or Managers, or a Housing Provider as to an application for a reasonable accommodation, the principals of the entities or Board should consult legal counsel.

Spano Joins with Erin Construction for Groundbreaking of \$9.4 Million Mixed-Use Building on Riverdale Avenue In Yonkers

YONKERS

Yonkers Mayor Mike Spano and other city officials joined with Erin Construction and Development Co. on Oct. 20 for the groundbreaking of 9-11 Riverdale Avenue, a nine-story, mixed-use residential and commercial building to be built on a vacant lot along a prime corridor of Getty Square, project officials recently announced.

The \$9.4 million development, which last year received financial incentives from the Yonkers Industrial Development Agency, will feature 29 rental apartments and 2,150 square feet of ground-level commercial space. The building will have a mix of six studios, 21 one-bedroom units and two two-bedroom units. It will also have a roof-top terrace with sweeping Hudson River views, a 700-square-foot common area for residents, as well as basement storage and a bike rack. Monthly rents will start at \$1,200. The project will create four affordable apartments and will generate an estimated \$700,000 in additional property tax revenues for the city, project officials said.

“We are happy to see this long-vacant lot come to life with more residential and commercial space, inviting more activity to our downtown,” Spano said. “Shovels are in the ground, dollars are being invested and Yonkers is back to business. Thank you to Erin Construction for your commitment to Yonkers.”

“Many thanks to Mayor Spano for being our most ardent supporter by encouraging our work here and seeing things through, despite unprecedented constraints. Thank you to Councilwoman Williams (Shanae V. Williams, 1st District) for always making time for us and providing important feedback on behalf of her constituents in the neighborhood. We thank Jaime McGill and her team at the IDA for helping us connect the dots and navigate the people and places that make Yonkers a great city to do business in. Our thanks go out to the entire development team - Alana Smith at Calyx, David Steinmetz and Kate Roberts from Zarin Steinmetz, Rob Ikes at H2M, Mike Kroog at The Community Preservation Corporation (CPC) and Matt Hall and Darryl Austin at Goldstein Hall. So many hours have been spent in close collaboration with all of you and we are grateful for your time and expertise,” said John Murnane, chief executive officer and founder of Erin Construction.

Murnane added: “From its inception, we continuously sought ways to bring to bear a project that would meet the needs of the community without pricing out the market. This is no easy feat, particularly now in light of dramatic changes to our industry in light of the pandemic. With the continued support of all of you here, we can accomplish that goal, whatever it takes.”

“The Yonkers IDA is delighted to have provided assistance for this outstanding mixed-use project that will add vitality to the downtown with new affordable housing and retail space. We commend Erin Construction for their vision to transform a vacant lot into an attractive building that will be an asset for our city,” said McGill, the executive director of the Yonkers IDA.

Project officials said that the property is in the DM-X Mixed Use District, which has a high concentration of commercial, residential and institutional development in the downtown. The zone encourages ground-floor commercial uses to activate the street-level environment. The new building will retain the current look of the existing streetscape, while adding a modern touch and modern amenities.

Since its founding in 1991, Erin Construction and Development has participated in the redevelopment and preservation of quality multi-family housing in New York City and the metro area. Often partnering with non-profit, mission-driven organizations, Erin has experienced exponential growth. The company is based in New Hyde Park, company officials said.

Established in 1982, the Yonkers Industrial Development Agency is a public benefit corporation that provides business development incentives to enhance economic development and job growth in Yonkers, officials said.

Advertise in
Impact!

Call (914) 273-0730