The Apartment Owners Advisory Council (AOAC) and Realty Officials Begin Their Preparations for the Upcoming "Rent Guidelines Season"

By Jeff Hanley, IMPACT Editor

WHITE PLAINS

The Apartment Owners Advisory Council (AOAC) has begun its preparations for the realty industry's testimony on rent guideline increases for rental apartment buildings affected by The Emergency Tenant Protection Act (ETPA).

AOAC officials recently said that the association has begun its preparations and the studying of its possible strategies in response to the overall guidelines process. Those preparations, AOAC officials added, are part of the process of the realty industry in fully preparing for the upcoming Public Hearings and Deliberations of The Westchester County Rent Guidelines Board.

The guidelines board is the entity that annually decides on guidelines for lease renewals affected by the ETPA. Those guidelines are decided upon after the board conducts its Public Hearings and Deliberations. The guidelines board released its schedule of Public

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Impact

Serving Westchester and the Mid-Hudson Region

News for the Building and Realty Industry

BRI 75 Years of Providing Knowledge to the Building Community

FEBRUARY - MARCH 2021 VOL. 20 NO. 1

FEATURES

The Paycheck Protection Program Is Now Available for Cooperatives

By Dorothy M. Finger, Esq., Daniel S. Finger, Esq., Carl L. Finger, Esq. and Kenneth J. Finger, Esq.

WHITE PLAINS

On Dec. 27, 2020, Congress enacted the COVID Stimulus Relief Bill (Consolidated Appropriations Act) which was then signed into law.

This legislation included relief for COVID hard-hit industries (airlines, restaurants, etc.) and provided direct relief to many Americans in the form of enhanced unemployment benefits and $600 direct payments to qualified persons making under $75,000.

For the first time, however, the government cured an omission (the prior legislation allowed farming cooperatives to be eligible for the Paycheck Protection Program (PPP), but did not allow housing cooperatives). Now, for the first time, the legislation included a provision that makes co-op corporations specifically eligible for forgivable loans under the PPP.

Certain criteria have to be met and if met, the loan will be forgiven. This second PPP (PPP2) program has both plusses and minuses. The basic plus is the eligibility of housing cooperatives. The big negative in PPP2 is that in order to be eligible for the program, the eligible business (including housing cooperatives) has to have had a drop in income of 25 percent or more in income as compared to the comparable period in 2019.

A significant benefit of PPP2 is that even if the co-op does not meet the threshold of the 25 percent loss of income, which is the situation with most Westchester County co-ops, it can now qualify under the original PPP.

The PPP works as follows: a small business completes a loan application to their bank and/or lender, which then submits it to the Small Business Administration (SBA). A housing cooperative, in order to be eligible, has to certify that it is currently experiencing financial uncertainty due to the pandemic and that the loan is necessary to support its ongoing operations.

Looking at the requirements, there cannot be more than 300 employees, and the loan applied for, to be forgiven, will not be more than 2.5 times the monthly payroll expense and provided at least 60 percent of the loan is used for payroll and the other 40 percent must be utilized for other eligible expenses.

> *"We strongly recommend that every cooperative contact its legal and financial professionals to determine if there is eligibility and the possibility of forgiveness as well as the procedures for same."*

Payroll Costs may include payments for group life insurance, disability insurance and dental and vision benefits paid by the employer. Other eligible expenses can include certain mortgage interest, rent (if any), certain supplier costs and expenses of PPP items, among other things.

If the criteria is met, the loan will be forgiven to that extent and loans under $2,000,000 will presumptively be favorably considered for forgiveness and loans under $150,000 may be forgiven based on self certification without significant additional documentation. If not forgiven it will have to be repaid with 1 percent interest over a five-year period.

We strongly recommend that every cooperative contact its legal and financial professionals to determine if there is eligibility and the possibility of forgiveness as well as the procedures for same.

***Editor's Note:** The authors are attorneys with Finger and Finger, A Professional Corporation. The firm, based in White Plains, is Chief Counsel to The Building and Realty Institute of Westchester and the Mid-Hudson Region (BRI) and its seven component associations.*

Building Industry Analysis:

Record-High Lumber Prices Across the U.S. Are Hammering Housing Affordability

WASHINGTON, D.C.

Soaring lumber prices across the U.S. are adding thousands of dollars to the cost of a new home, pricing out millions of potential home buyers and impeding the residential construction sector from moving the economy forward, according to the National Association of Home Builders (NAHB).

"According to Random Lengths, the price of lumber hit a record high the week of Feb. 12 and is up by more than 170 percent over the past 10 months," said NAHB Chairman Chuck Fowke, a custom home builder from Tampa. "NAHB is urging President Biden and Congress to help mitigate this growing threat to housing and the economy by urging domestic lumber producers to ramp up production to ease growing shortages and to make it a priority to end tariffs on Canadian lumber shipments into the U.S. that are exacerbating unprecedented price volatility in the lumber market."

Lumber price spikes are not only sidelining buyers during a period of high demand, they are causing many sales to fall through and forcing builders to put projects on hold at a time when home inventories are already at a record low, NAHB officials said.

"The increase in lumber prices is forcing our company to delay construction starts, which will only exacerbate the lack of supply in our market," said NAHB First Vice Chairman Jerry Konter, a home builder and developer from Savannah, Ga.

Alicia Huey, a high-end custom home builder from Birmingham, Ala. and second vice chair of NAHB, said that the price of her lumber framing package on an identically-sized home has more than doubled over the past year from $35,000 to $71,000.

"This increase has definitely hurt my business," she said. "I've had to absorb much of this added cost and even put some construction on hold because I would be losing money by moving forward."

"Appraisers are not taking rising lumber costs into account, which is disrupting home sales and preventing closings," added NAHB Third Vice Chairman Carl Harris, a custom builder from Wichita, Kan.

Housing has been an economic bright spot amid the COVID-19 pandemic, but the industry's potential to lead the

Continued on p. 7

The Suburban Shift for Construction Across the U.S. Continued Throughout 2020, Industry Report Says

WASHINGTON, D.C.

The suburban shift in home building to meet growing buyer preferences for lower-density, lower-cost markets stemming from the COVID-19 pandemic that was first reported in the second quarter National Association of Home Builders (NAHB) Home Building Geography Index (HBGI) continued throughout 2020.

That was the assessment contained in a Mar. 2 report by NAHB on its website (nahb.org).

Single-family construction continued to overperform in suburbs, exurbs and rural communities, according to fourth- quarter HBGI data released on Mar 2. This continuing trend is a direct result of the pandemic, as more workers were able to telecommute and preferences shifted favoring larger homes. These changes prompted buyers and renters to seek out more affordable markets in order to accommodate home offices, home gyms and specialty rooms.

"Housing was one of the few economic bright spots in 2020, as builders worked to meet growing demand for single-family and multifamily housing, particularly in more affordable, smaller metro areas," said NAHB Chairman Chuck Fowke, a custom home builder from Tampa. "Housing can continue to be an engine of job creation and help the economy move forward in 2021. But in order to do so, policymakers need to address rising regulatory burdens and sharp increases in lumber and other building material prices that are harming housing affordability."

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Economists: Housing Is an Economic Bright Spot Across the U.S., But Regulatory, Affordability Challenges Persist

WASHINGTON, D.C.

As the U.S. continues to rebound from the impacts of the COVID-19 pandemic, housing has been a bright spot in the economic recovery.

And while the home building industry is poised for another solid year in 2021, regulatory and supply-side challenges could harm housing affordability, slowing momentum and limiting growth.

Those were the assessments of economists who spoke at an online press conference in conjunction with IBSx, the 2021 virtual International Builders' Show that ran from Feb. 9 through Feb. 12.

"Housing affordability will continue to be a top concern this year," said National Association of Home Builders (NAHB) Chief Economist Robert Dietz. "On the demand side of the housing market, limited inventories of single-family homes generated strong price gains in 2020. While supply-side pressures - such as resurgent lumber prices, a short-

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From the Editor's Desk

Hanley's Highlights

by Jeff Hanley

Associate Executive Director, Building and Realty Institute (BRI), *Impact* Editor

Citing A Very Special Milestone for The Building and Realty Institute (BRI) of Westchester and the Mid-Hudson Region

ARMONK

The Builders Institute (BI)/Building and Realty Institute (BRI) of Westchester and the Mid-Hudson Region recently reached a magnificent milestone – the 75th anniversary of its formation.

On Feb. 11, 1946, the association that is now known as the BI/BRI was created as a building and construction industry membership organization called The Home Builders Association of Westchester (HBAW). After 13 years of growth from that date, the HBAW decided to change its name on Mar. 11, 1959. The change resulted in the birth of The Builders Institute of Westchester and Putnam Counties, Inc. It also set in motion the evolution of what is currently the BI/BRI.

Based in Armonk, the BI/BRI has 1,800 members in 14 counties of New York State. Members of the association are involved in virtually every area of the building, realty and construction industries. Members of the BI/BRI include Builders, Developers, Contractors, Sub-Contractors, Remodelers, Owners and Managers of Commercial Properties, Co-op and Condo Boards, Owners of Rental Apartment Buildings and Complexes and Property Managers. Service Firms and Suppliers of materials to the building, realty and construction industries are also members of the BI/BRI.

Officials from the BI/BRI recently announced that the organization will be marking the 75th anniversary of its formation throughout 2021. Details on the commemoration will be sent to members of the association in the weeks ahead, officials added.

A report on the impressive history of the BI/BRI is featured in this issue. Other stories in this edition include:

- A page one report on how the Apartment Owners Advisory Council (AOAC) of the BRI is preparing for the upcoming Public Hearings of The Westchester County Rent Guidelines Board. The guidelines board is the entity that annually decides on guidelines for lease renewals affected by the Emergency Tenant Protection Act (ETPA). Those guidelines are decided upon after the board conducts its Public Hearings and Deliberations. The article stresses the urgent need for members of the building, realty and construction industries to participate in the Public Hearings as speakers and representatives of the building and realty sectors.
- A page one story on how housing cooperatives are now eligible for participation in the Paycheck Protection Program (PPP). The report was written by representatives of Finger and Finger, A Professional Corporation. The firm is Chief Counsel to the BRI and its seven component associations.
- A building and construction industry analysis on page one examining how record-high lumber prices across the U.S. are hurting housing affordability. The report is from The National Association of Home Builders (NAHB).
- An analysis on page two in Insurance Insights on how the eventual re-openings in buildings and complexes are raising two questions - is there liability if someone contracts COVID-19 and, if there is liability, is there insurance coverage? The report was written by Ken Fuirst and Jason Schiciano, co-presidents of Levitt-Fuirst Insurance. Levitt-Fuirst is the Insurance Manager for the BRI and its seven component associations.
- A story summarizing how the unprecedented turmoil of the pandemic has accelerated existing trends in Westchester County's commercial real estate market, with the multifamily and industrial/flex sectors faring well while office and retail vacancies continue to rise as investment sales have hit a brief lull. Those were the assessments contained in the Houlihan Lawrence 2020 Commercial Market report.
- A summary in Tech Talk that reviews empathy and entertainment in marketing, written by Andrea Wagner, president of Wagner Web Designs.
- A report from The National Association of Home Builders (NAHB) that summarizes how housing production across the U.S. weakened in February as higher material costs and interest rates continue to affect the housing sector.

Continued on p. 3

Insurance Insights

by Ken Fuirst and Jason Schiciano

Levitt-Fuirst Insurance

Liability for COVID Infections and Insurance – A Look At the Considerations for the Re-Openings of Facilities

TARRYTOWN

With the pandemic entering its second year, vaccinations ramping-up, and spring approaching, Building and Realty Institute (BRI) members are all optimistic for a return to "normal."

Condos, co-ops, Home Owners Associations (HOA's) and apartment building landlords are considering opening their pools, fitness centers, playgrounds, and social rooms. Contractors, suppliers, managing agents, and service providers that have allowed work-from-home are thinking about how and when to bring employees back to work.

Consideration of all of these back-to-normal re-opening activities raises two common questions: 1) is there liability if someone contracts COVID? and 2) if there is liability, is there insurance coverage?

Before we explore these questions, consider this: whether you are an employer, or responsible for running a property, facility, or office, liability for COVID infections can be reduced by:

- Following all federal, state, and local safety protocol guidelines (e.g. requiring masks, distancing, limiting capacity, etc.);
- Taking "extra steps," such as hiring monitors to enforce safety protocols, requiring reservations/appointments/sign-in, prohibiting guests at pools, etc.
- Where applicable, utilizing carefully drafted COVID liability waivers.

All of these efforts may further reduce the potential for COVID-related legal liability, but they will not completely eliminate it.

There are many possible liability cases relating to someone contracting COVID. An employee could allege infection during work. A condo unit owner, co-op shareholder, or apartment tenant (or a guest) could allege infection while using a pool or a fitness center. A customer could allege infection from visiting a bank branch or material supply store.

"In short, the possibility of your facility or business being liable for someone contracting COVID may be low, but it is not "zero." And, insurance coverage for a COVID liability claim is possible, but not probable. If you choose to re-open your pool, fitness center, community room, office, or store, the more liability-reducing steps that you take, the less likely someone will have a viable legal claim against your organization or company."

These liability scenarios are more easily considered by dividing them into two groups: 1) employee COVID infections scenarios, and 2) COVID infections of "others" (who are not employees). "Others" could include a (non-employee) user of a pool or a fitness center, or a visitor to an office or a retail place of business.

Employees

An employer is usually liable if it can be proven that an employee contracted a sickness (such as a COVID infection) while at work.

Continued on p. 5

New Home Sales Were Higher in January, But Supply Side Concerns Remain, Building and Realty Industry Report Says

WASHINGTON, D.C.

Strong demand stemming from low interest rates, favorable demographics and a suburban shift for home building to smaller, more affordable housing markets helped to lift new home sales in January across the U.S., but rising lumber and material costs threaten to blunt the momentum.

Those assessments were contained in a Feb. 24 report of The National Association of Home Builders (NAHB). The report can be found on nahb.org.

Sales of newly built, single-family homes in January rose 4.3 percent to a 923,000 seasonally adjusted annual rate, from an upwardly revised December reading, according to newly released data by the U.S. Department of Housing and Urban Development (HUD) and the U.S. Census Bureau.

"Historically low mortgage rates and solid demand spurred an increase in new home sales in January, with the sales pace more than 19 percent higher than a year ago," said Chuck Fowke, chairman of NAHB and a custom home builder from Tampa. "However, rising affordability issues are looming this year, particularly increasing building material costs, including lumber, which is adding $24,000 to the price of a typical newly-built home. Builders also cite rising regulatory issues as a potential concern."

"With existing home inventory at all-time lows, the demand for new construction remains strong," said NAHB Chief Economist Robert Dietz. "Though, rising building and development costs, combined with recent increases in mortgage interest rates, threaten to exacerbate existing affordability conditions. Builders are exercising discipline to ensure home prices do not outpace buyer budgets."

A new home sale occurs when a sales contract is signed or a deposit is accepted. The home can be in any stage of construction: not yet started, under construction or completed. In addition to adjusting for seasonal effects, the January reading of 923,000 units is the number of homes that would sell if this pace continued for the next 12 months, the report said.

Inventory remains low at just a four-months' supply, with 307,000 new single-family homes for sale, 6.3 percent lower than January of 2020, the report added.

The report said that the median sales price was $346,400, up 5.3 percent over the $328,900 median sales price posted a year earlier.

Regionally, new home sales declined 13.9 percent in the Northeast and rose in the other three regions: up 12.6 percent in the Midwest, 3 percent in the South and 6.8 percent in the West, the report added.

BUILDING AND REALTY INDUSTRY INDEX:

Higher Material Costs and Interest Rates Are Lowering Builder Confidence Throughout the Nation

WASHINGTON, D.C.

Despite high buyer traffic and strong demand, builder sentiment across the U.S. fell in March as rising lumber and other material prices pushed builder confidence lower.

The latest National Association of Home Builders (NAHB)/Wells Fargo Housing Market Index (HMI) released on Mar. 16 showed that builder confidence in the market for newly built single-family homes fell two points to 82 in March.

"Though builders continue to see strong buyer traffic, recent increases for material costs and delivery times, particularly for softwood lumber, have depressed builder sentiment this month (in March)," said NAHB Chairman Chuck Fowke, a custom home builder from Tampa. "Supply shortages and high demand have caused lumber prices to jump about 200 percent since last April. Policymakers must address building material supply chain issues to help the economy sustain solid growth in 2021."

"Builder confidence peaked at a level of 90 last November and has trended lower as supply-side and demand-side factors have trimmed housing affordability," said NAHB Chief Economist Robert Dietz. "While single-family home building should grow this year, the elevated price of lumber is adding approx-

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Chris O'Callaghan

COMMENTARY:
What We Can Learn from Westchester's Evolving Office Market

By Chris O'Callaghan, Managing Director, Office Division, RM Friedland

Famed American Bandstand host Dick Clark once clarified his multi-decade influence over the music industry.

"I don't set trends," he offered, "I just find out what they are and exploit them."

Much the same can be said of Westchester County, where the area's changing real estate landscape is more a reflection of emerging national and regional demographic, psychographic and economic trends rather than unique events that are reshaping the lo¬cal marketplace. Obsolete office buildings have been repositioned into multifamily, medical and quality retail. For all its prominence, COVID-19 is only accelerating – not igniting – dramatic changes in the way we all work, live and play, and these transformative changes will continue impacting the county and its office space post- pandemic.

Building Amenities a Key to Success

Westchester County's office market remains 15 percent smaller than 30 years ago, shrinking from 32 million square feet of office space down to 27 million. Companies continue taking smaller office spaces as more employees work remotely. Businesses are expanding "within the cloud" instead of on the ground, resulting in shrinking lease requirements.

However, when choosing an office space, there is still flight to quality, a need for greater flexibility and desire for a wider array of amenities. Companies want their employees to enjoy coming to the office. Building amenities are critical even in B buildings. In an environment where office space is highly commoditized landlords are forced to make investments in their buildings to compete.

The theme of making an investment in one's corporate environment is strongly evidenced by one of the county's largest tenants, Morgan Stanley. In 2002, Morgan Stanley acquired Texaco's former global headquarters in Purchase for $42 million dollars (roughly $56 per square foot). The massive 750,000 square-foot building sat upon a sprawling 100 bucolic acres of prime Westchester County real estate. Without Morgan Stanley's investment, single-and multi-family dwellings might have replaced a powerful financial engine generating much-needed revenue, high-paying jobs, and economic stability.

The price tag for replacing the same building today would exceed $280 million dollars (more than five times the purchase price), which is exactly why for over 30 years no commercial office building has been sold for even close to replacement value in Westchester County, unless it was bolstered by an above-market lease by a credit-worthy tenant.

Targeted Incentives Add Vitality to Economy

Flash-forward to late 2020. With targeted incentives provided by Westchester County's Industrial Development Agency (IDA), Morgan Stanley is pouring $200 million dollars into the same property for a major renovation of its corporate office complex.

The short-term construction project will lead to a slew of long-term benefits, including stabilizing the community tax base and creating jobs at a time of economic uncertainty affected by COVID-19, as well as meet the changing needs of the company's sizeable workforce and enticing those soon to be employed by the firm. This investment infusion equally sends a strong signal to other companies about the vitality of Westchester County as an epicenter for commerce and industry and the importance of the office environment.

With rapidly changing economic conditions weighing heavily on other Westchester-based corporate titans such as PepsiCo, Master-card, SwissRe, and Regeneron, only time will tell if Morgan Stan¬ley's bold decision is a leading indicator of the actions that others will take in the near future.

While the county's real estate market has still not fully recovered from the departure of several major corporate employers over the past several decades (such as Texaco, among others), there remains hope that from an old chrysalis will emerge a beautiful butterfly. For example, IBM maintains its world headquarters in Armonk, and in 2018, sold its 1.2 million square foot, I.M. Pei-designed Somers campus to a for-profit entity interested in converting the property to a private high school emphasizing science, technology, engineering, and math (STEM) learning, thereby providing a future pipeline of highly educated graduates for institutions of higher learning and businesses throughout the region.

Employers and employees alike are advocating for substantial changes because of the blurring lines between work and home life. Access to nearby healthcare is as much a necessity for the workplace as it is a must for the renter or homeowner, which has in turn whetted the appetite of major medical care providers – such as Northwell, New York Presbyterian and Montefiore – who are blazing trails to the northern suburbs outside of New York City, and as a bonus, finding themselves occupying lower-priced properties.

> ***"Westchester County may not be a trendsetter, but we remain better than most at reading the charts, listening to others, and making the strategic investments and fundamental changes that the public wants and the times demand."***

Turning Empty Offices into Healthcare Havens

The Hospital for Special Surgery and Sloan Kettering have built significant facilities in the county, as well as medical groups Westmed and CareMount, who have collectively invested hundreds-of-millions of dollars in once obsolete office buildings by converting them into healthcare havens overlaying millions of square feet of space with state-of-the-art diagnostic and surgical equipment operated by thousands of highly trained employees – resulting in the generation of much-needed tax revenues and job opportunities for all ends of the economic spectrum.

Much in the way healthcare providers redesign their properties to fit new workflow methodologies and customer requirements, other employers in the county are willing to make the additional investments necessary to adjust to a "new normal."

The collective impact from these changes is also driving the need for high-quality retail amenities. Another obsolete office building was repurposed into Westchester's first Wegmans supermarket. The supermarket's addition was met with a mixture of pageantry and the expectation of more to come to service the multifamily housing being constructed throughout the four corners of Westchester County.

Historically, new residents move in and business follows. With over 5,000 units of multifamily development currently approved and under construction (or scheduled to begin) with more to follow, the demand

Continued on p. 4

Citing an Impressive Milestone:
The Builders Institute (BI)/Building and Realty Institute (BRI) Is Marking The 75th Anniversary of Its Formation Throughout 2021

By Jeff Hanley, IMPACT Editor

ARMONK

Early in the morning on Feb. 11, 1946, a small group representing Westchester County's building, construction and realty industries filed papers with the New York Department of State (DOS) in Albany to form a local industry association.

Eventually, a trade organization named The Home Builders Association of Westchester (HBAW) was born. Those HBAW officials had hopes that their small organization would gradually see a respectable level of growth.

In the years ahead, the hopes of those officials about their group most definitely became reality. Their organization did grow – by epic proportions, into one of the most well-known and influential membership associations in New York State. Accordingly, with its solid history and reputation of excellence as two of the focal points, officials of The Builders Institute (BI)/Building and Realty Institute (BRI) of Westchester and the Mid-Hudson Region recently announced that the organization will be marking the 75th anniversary of its formation throughout 2021.

The BI/BRI, based in Armonk, has 1,800 members in 14 counties of New York State. Members of the association are involved in virtually every area of the building, realty and construction industries. Members of the BI/BRI include Builders, Developers, Contractors, Sub-Contractors, Remodelers, Owners and Managers of Commercial Properties, Co-op and Condo Boards, Owners of Rental Apartment Buildings and Complexes and Property Managers. Service Firms and Suppliers of materials to the building, realty and construction industries are also members of the BI/BRI.

Officials from the BI/BRI have noted that the organization has a lot to celebrate throughout 2021 as it marks the 75th anniversary of its formation. BI/BRI representatives said the association's positive record of achievements and service to the building, realty and construction industries during its history is "quite impressive."

The staff of the BI/BRI recently reviewed literature associated with the commemoration of the group's past anniversaries. A theme of determination and consistent advocacy on behalf of the building, realty and construction industries by the organization through the years is consistently found in that literature. A phrase that was created by the late George Frank, executive director of the BI-BRI from 1954 to 2001 during the commemoration of the organization's 50th anniversary in 1996, was consistently used by the BI/BRI after that anniversary: "Through wars, recessions, inflationary periods, economic disruptions – and countless emergencies and legislative battles – the BI/BRI continues to thrive while addressing issues of importance and providing services to its members."

BI/BRI officials recently stressed that 25 years later, the phrase is still appropriate.

The Complete History

After 13 years of growth from that filing date with the DOS on Feb. 11, 1946, the HBAW decided to change its name on Mar. 11, 1959. The change resulted in the birth of The Builders Institute of Westchester and Putnam Counties, Inc. It also set in motion the evolution of what is currently the BI/BRI. In 1971, The Apartment Owners Advisory Council (AOAC) of the BI-BRI was formed, providing the BI-BRI with its first major realty component. The AOAC represents Owners and Managers of rental apartment buildings and complexes throughout the Westchester and Mid-Hudson Region.

Another major realty component of the BI/BRI was formed in 1979 – The Cooperative and Condominium Advisory Council (CCAC) of Westchester and The Mid-Hudson Region. The CCAC represents boards of directors of co-ops and condos. The Advisory Council of Managing Agents (ACMA) of the BI/BRI was created in 1985. ACMA represents property managers of co-ops, condos and rental apartment buildings and complexes.

The BI/BRI currently has seven component associations. In addition to the AOAC, CCAC and ACMA, the BI/BRI is also composed of The Home Builders Advisory Council (HBAC), The Commercial Builders Advisory Council (CBAC), The Remodelers Advisory Council (RAC) and The Suppliers and Service Providers Advisory Council (SSPAC). Membership Benefits of the BI/BRI include:

Monthly Membership Meetings
Seminars
Networking Opportunities
Group Insurance
Consistent Legislative Monitoring
Referral Services for Members
Legal and Technical Advisories
A Bi-Monthly Newspaper (IMPACT Newspaper)
Regular Updates and Bulletins on Key Issues Affecting the Building, Realty and Construction Industries
Two Weekly Radio Shows (On 710 WOR AM, Sundays, 6:30 p.m. to 7 p.m., and WVOX 1460 AM, Fridays, 11:30 a.m. to 12 noon)
Social Events
An On-Line Membership Directory (Featuring Free Listings for Members)

BI/BRI officials said that the association and its diverse membership are proud to represent virtually every sector of the building, realty and construction industries. The officials added that details on the celebration of the organization's 75th anniversary will be sent to BI/BRI members in the weeks ahead.

IREM Celebrating the 75th Anniversary of the AMO Accreditation

CHICAGO

While The Institute of Real Estate Management (IREM) introduced the Accredited Management Organization (AMO) designation in 1945, the first AMO firms were certified in March of 1946, IREM officials recently announced.

IREM, association officials added, is currently marking the 75th anniversary of those certifications.

More than 500 firms now hold this accreditation, putting them at the top of the list for reputation, fiscal stability, exceptional management, and ethical conduct, IREM officials added.

IREM officials said that the AMO was officially introduced on September 6, 1945 as a way to maintain professional best practices in real estate management at the company level. Creating a business certification would not only enhance the perception of property management companies, but it would also elevate the employees of those firms by establishing clear guidelines on professional management and ethical best practices.

The first AMO's included 162 companies from across 31 U.S. states and the District of Columbia. Over the years, the AMO has been expanded, updated, and refined to continue to represent the standard of professional excellence in property management, IREM officials added.

"For 75 years, IREM has recognized the commitment to ethical business practices, financial responsibility, and professional management demonstrated by an elite group of real estate management companies," said 2021 IREM President Chip Watts. "Achieving AMO certification subjects a firm to intense scrutiny, but rewards them by opening doors to new business opportunities, and the recognition that comes with being the best in our business."

The AMO, IREM officials said, is now held by companies across the world, including firms in Japan, Canada, and China. Further information about becoming an AMO firm can be obtained at irem.org.

Citing A Very Special Milestone for The Building and Realty Institute, Continued from p. 2

- A story on how the weekend radio program of The Building and Realty Institute (BRI) on 710 WOR AM and 710wor.iheart.com is moving to Sundays. "Constructive Conversations with The Building and Realty Institute (BRI)" - which has been airing on Saturdays from 7:30 p.m. to 8 p.m. since Oct. 10, 2020 - will now air on Sundays from 6:30 p.m. to 7 p.m. The first Sunday segment is scheduled for Apr. 11. The half-hour program covers topics of interest to the building, realty and construction industries, as well as to the general business sector.

All of us at the BRI wish you all the best for the spring season. Enjoy the issue.

Building and Realty Industry Report:

Home Builders Stress that High Demand Across the U.S. Offsets Higher Costs, For Now

WASHINGTON, D.C.

Strong buyer demand helped offset supply chain challenges and a surge in lumber prices as builder confidence in the market for newly built single-family homes inched up one point to 84 in February, according to the latest National Association of Home Builders (NAHB)/Wells Fargo Housing Market Index (HMI).

The index was released on Feb 17. It can be found on nahb.org.

"Lumber prices have been steadily rising this year and hit a record high in mid-February, adding thousands of dollars to the cost of a new home and causing some builders to abruptly halt projects at a time when inventories are already at all-time lows," said NAHB Chairman Chuck Fowke, a custom home builder from Tampa. "Builders remain very focused on regulatory and other policy issues that could price out households seeking new homes in a tight market this year."

"Demand conditions remain solid due to demographics, low mortgage rates and the suburban shift to lower cost markets, but we expect to see some cooling in growth rates for residential construction in 2021 due to cost factors, supply chain issues and regulatory risks," said NAHB Chief Economist Robert Dietz. "Some builders are at capacity and may not be able to expand production due to these headwinds."

Derived from a monthly survey that NAHB has been conducting for 35 years, the NAHB/Wells Fargo HMI gauges Builder Perceptions of Current Single-Family Home Sales and Sales Expectations for the Next Six Months as "good," "fair," or "poor." The survey also asks builders to rate the Traffic of Prospective Buyers as "high to very high," "average" or "low to very low." Scores for each component are then used to calculate a Seasonally Adjusted Index where any number over 50 indicates that more builders view conditions as good than poor, NAHB officials said.

The index gauging Current Sales Conditions held steady at 90, while the component measuring Sales Expectations in the Next Six Months fell three points to 80. The gauge charting the Traffic of Prospective Buyers rose four points to 72, the report said.

Looking at the Three-Month Moving Averages for Regional HMI Scores, the report added, the Northeast rose two points to 78, the Midwest fell one point to 81, the South dropped two points to 84 and the West posted a two-point loss to 93.

White Plains Common Council Adopts Zoning to Let Plan to Redevelop Former Good Counsel Property at 52 North Broadway Move Forward

WHITE PLAINS

The plan for the redevelopment of the former Good Counsel school campus at 52 North Broadway in White Plains took a major step forward on Mar. 1, project officials recently announced.

Project officials on Mar. 2 said that the White Plains Common Council on Mar. 1 unanimously voted to accept the environmental findings, zoning amendment and master plan for the 16-acre property to allow construction of 335 independent and assisted-living apartments for seniors, 28 townhouses and 48 multi-family apartments.

The council action concludes an extensive five-year review under the State Environmental Quality Review Act (SEQRA), establishes a Planned Residential Development (PRD) Zoning District for the site allowing for the mixed residential uses and approved a Master Plan setting forth the conceptual development program for the property, project officials said.

Remaining actions by the city, project officials added, include a detailed site plan review and a review by the Historic Preservation Commission. The State Office of Historic Preservation has already given its approval to the redevelopment plan.

The alternative plan for the site that was agreed to by the council was initially presented in January of 2020 by the property owner, WP Development NB LLC. The plan reflected a significant reduction in scale, density and building height from an original proposal, as well as expanding the senior housing component and enhancing historic preservation elements, while maintaining open space on the site's North Broadway frontage, project officials said.

Specific elements of the plan, project officials said, include:

- A total of 232 one-, two- and three-bedroom senior-restricted independent living apartments in a six-story building with a parking garage at the east end of the site, linked to a five-story building with a 103-unit assisted living and memory care facility.
- A total of 28 two-story, 3-bedroom rental townhouses on the north and south sides of the site.
- A total of 48 multifamily apartments in a three-story building to be constructed as part of the preservation of the west façade of the former convent. More than 90 percent will be studio and 1-bedroom.

The project will comply with the requirements of the city's affordable housing regulations.

The approved plan includes maintaining the Chapel of the Divine Compassion for ongoing use, preserving the historic Mapleton House at its present location and preserving the west wing of the former Convent that faces North Broadway, while adaptively incorporating it as part of the new development, project officials said.

Project officials said that the plan provides for public access to the 2.3-acre front lawn of the campus facing North Broadway. Not only does this preserve open space, but it maintains the street view of the property. The entire campus will have extensive new landscaping.

The approved plan proportionately reduces the number of parking spaces to 450 from 655 in an earlier proposal, and projected vehicle trips in and out of the site at peak times are reduced by up to 43 percent. There will be no access from Ross Street except for emergency vehicles, project officials said.

A maximum building height of six stories, or 85 feet, with a height of 50 feet or lower for the first 700 feet from North Broadway will be in effect for the development, project officials added.

Project officials said that the approved plan is in full compliance with State Department of Environmental Conservation (DEC) requirements related to a landfill area at the southeast corner of the property. The project complies with state regulators' requirements to safely cap the landfill during construction. Any construction activities within the landfill area will be subject to DEC review and approval. Roughly half of the landfill area will be permanently capped under a building.

The balance of the area will be covered with a new capping membrane and a new topsoil covering. In a Mar. 8, 2019 letter to the City of White Plains, the DEC stated that "sampling of the [fill] material does not show that it is contaminated at levels considered hazardous." The soil samples were provided to the state by an independent environmental consultant hired by the City of White Plains, project officials said.

For more than 100 years, project officials added, the property was exempt from real estate taxes when it was owned by The Sisters of the Divine Compassion for educational and religious use. Since its purchase in 2015 the property has been on the tax rolls, generating significant revenue for White Plains. Once the proposed residential community is developed, it will provide substantial additional tax revenues to the City of White Plains and its school district.

Industry Report:

Residential Remodeling Is Fully Recovered from the Beginning Stages of COVID-19

WASHINGTON, D.C.

Spending on residential improvements across the U.S. will continue to grow at a healthy pace over the next two years, according to a building and realty industry study.

The Feb. 12 report is based on the assessments of experts who spoke at an online press conference hosted by The National Association of Home Builders (NAHB) Remodelers during the 2021 International Builders' Show virtual experience (IBSx).

The study added that professional remodelers from across the country have agreed with the forecast, citing increased demand during COVID-19 and consumer confidence.

The remodeling market declined significantly at the onset of COVID-19 in March and April of 2020, but has since more than fully recovered, the report said. NAHB officials predict that remodeling spending for owner-occupied single-family homes will increase four percent in 2021 and increase two percent in 2022.

"After the dip at the beginning of the pandemic, remodeler confidence bounced back, and it continues to remain at a high level, as remodeling spending is expected to reach $285 billion in 2021," said Vince Butler, a remodeler from Clifton, Va. "There is steady consumer demand as Americans are at home much more during the pandemic. This gives home owners more time and a desire to invest in their homes."

"We're seeing more requests for proposals because of the pandemic," said Tim Lansford, a remodeler from Arlington, Texas. "Because people are using their time at home now to remodel, the demand and backlog for remodeling remains high."

"NAHB estimates that real spending on home improvements will continue to increase in 2021 and 2022 throughout the COVID-19 pandemic," said Paul Emrath, NAHB's assistant vice president for surveys and housing policy research. "The biggest factors prohibiting stronger growth are mainly the volatile material prices and labor shortages."

"Constructive Conversations with The Building and Realty Institute (BRI)" Moves to Sunday Nights on 710 WOR AM

NEW YORK

The weekend radio program of The Building and Realty Institute (BRI) on 710 WOR AM and 710wor.iheart.com is moving to Sundays.

"Constructive Conversations with The Building and Realty Institute (BRI)" - which has been airing on Saturdays from 7:30 p.m. to 8 p.m. since Oct. 10, 2020 - will now air on Sundays from 6:30 p.m. to 7 p.m. The first Sunday segment is scheduled for Apr. 11, BRI officials recently announced.

The half-hour program covers topics of interest to the building, realty and construction industries, as well as the general business sector. Each broadcast of "Constructive Conversations with The Building and Realty Institute (BRI)" is archived and available on 710wor.iheart.com, as well as on buildersinstitute.org.

iHeartMedia New York owns and operates 710 WOR, and is part of iHeartMedia, the number one audio company in the United States. Current program hosts on the station include Len Berman and Michael Riedel (co-hosts of the station's morning program), as well as Mark Simone, Sean Hannity and Buck Sexton. 710 WOR is one of the most popular stations in the New York metropolitan area and has been broadcasting since 1922, officials said.

Jeff Hanley, associate executive director of the BRI, is the host of "Constructive Conversations with The Building and Realty Institute (BRI)." The program aired on AM 970 The Answer and am970theanswer.com from Nov. 24, 2018 to Feb. 1, 2020. The show then moved to Talk Radio 77WABC and wabcradio.com, where it aired from Feb. 8, 2020 to Aug. 29, 2020.

Past shows of "Constructive Conversations with The Building and Realty Institute (BRI)" have illuminated issues affecting the building, realty and construction sectors. They include the likely impacts and aftermaths of the 2019 revisions to New York State's rent laws, the labor shortages in the construction industry and their effects on the housing market, new opportunities for energy efficiency and clean energy in buildings, insurance conditions and developments, and issues affecting all employers.

Based in Armonk, the BRI has more than 1,800 members in 14 counties of New York State. Those members are involved in virtually every sector of the building, realty and construction industries. The BRI, is one of the largest business membership organizations in New York. The BRI also sponsors "Building Knowledge with The Building and Realty Institute (BRI)" on WVOX 1460 AM and wvox.com, which airs Friday mornings from 11:30 a.m. to 12 noon. The show, which is also hosted by Hanley, began on Jun. 2, 2017.

The BRI is marking the 75th anniversary of its formation throughout 2021.

– An IMPACT Staff Report

Commentary: What We Can Learn from Westchester's Evolving Office Market, Continued from p. 3

curve will improve and bring along new office, retail, recreational and hospitality spaces. Bold real estate developers recognize the considerable benefits of this marketplace outweigh a somewhat daunting list of challenges and will continue purchasing (and repositioning) formerly distressed office assets to meet the demanding needs of today's agile corporate and residential users.

Big Demand for Last-Mile Distribution Facilities

The more demand we see for multifamily housing, the faster the growth of e-commerce – a seismic-shifting trend unto itself. The digitization of the broader economy is a trend that cannot be ignored. It has led to a voracious appetite for establishing last-mile distribution facilities to service all these new customers and is driving investors to consider repositioning office buildings and parks to industrial properties filled with boxes and products rather than cubicles and people. The prospect of this repositioning is shocking to many as no one thought industrial rents would ever support such a conversion from office to industrial. It is remarkable that it is all just to keep up with the maddening pace of doorstep deliveries.

Yet, the allure of Westchester County is not all about how fast a click will lead to a package delivery. We are also blessed by having an expansive 18,000 acres of beautiful parks, trails, and pathways; amazing cultural and non-profit institutions; world-class colleges and universities fed by superior public and private schools; a diversity of housing options; and endless intellectual capital and entrepreneurial activity. All of this acts as a magnet that draws more and more capital investment year after year.

New, dynamic businesses are moving here from all over representing exciting, high-growth industries such as life sciences, advanced manufacturing and financial technologies. From across the country and around the world, the best and brightest young professionals want to live, work, and play here, which translates into raising families and laying down roots in Westchester County. We have a far-reaching interconnected system of public agencies, private sector partners and non-profit organizations to support this growth, and an outstanding network of leaders at the helm of all these entities to advise and guide the next generation of tenants, residents, and workforce.

Westchester County may not be a trendsetter, but we remain better than most at reading the charts, listening to others, and making the strategic investments and fundamental changes that the public wants and the times demand. The repositioning of office buildings in Westchester County is ultimately not as much a commentary on the health of its office market, but rather on what the local population demands. More immediate access to healthcare, more multifamily housing, more high-quality retail amenities, better e-commerce infrastructure and improved brick and mortar work environments are all among these demands and tell the story of the county's ever-changing real estate landscape.

***Editor's Note:** RM Friedland is the largest privately held commercial real estate brokerage company in Westchester County, company officials said. The firm specializes in industrial, investment, retail and office brokerage in the New York Metro Area.*

Report:

Pandemic Impact Accelerates Existing Trends in the Westchester Commercial Market

Multifamily and Industrial Sectors Fared Well, While Office and Retail Vacancies Rose and Investment Sales Hit Brief Lull

RYE BROOK

The unprecedented turmoil of the COVID-19 pandemic has accelerated existing trends in Westchester County's commercial real estate market with multifamily and industrial/flex sectors faring well, while office and retail vacancies continued to rise and investment sales hit a brief lull.

Those were the assessments released in the Houlihan Lawrence 2020 Commercial Market Report. The study was released on Jan. 21.

"The pandemic has had a profound effect on corporate cultures and individual priorities. Companies have realized that business objectives can be accomplished in a more flexible operating environment if a culture of productivity and shared goals is preserved. Individuals have discovered the benefits and weaknesses of working from home as compared to a traditional work setting," said Tom LaPerch, director of Houlihan Lawrence Commercial.

"Corporations and individuals are resetting their priorities with regards to location of work, length of commute, and financial obligations vs. benefits that are attached to different decisions. The result of these important assessments, and their impact on commercial real estate, will begin to crystalize during 2021. There is already tangible evidence that Westchester is likely to benefit from companies and individuals re-evaluating their commitment to New York City's urban core," he added.

The highlights from the report said:

Westchester Multifamily Buildings Maintaining 96 Percent Occupancy, Year-Over-Year Pricing Holds On For Now

Westchester multifamily has fared better than many urban core multifamily assets. Westchester's privileged location in proximity to both local and national parks offers recreation and open-air enjoyment opportunities to households and residents of all ages. Replete with services and conveniences, in addition to being only a short drive to Manhattan (if preferred to public transportation), the benefits that Westchester offers are innumerable, the study stressed.

Reported occupancy levels for multifamily assets in Westchester remain high (at 96 percent). Vacancy did increase approximately 1 percent to 1.5 percent during 2020, but demand continues to be strong. The report said that it does not foresee major difficulties ahead.

Rental price momentum was robust when entering the "distancing months," but some of this momentum was lost to the negative impacts of the pandemic. As a result, lease prices were mostly stable during 2020. As of the fourth quarter, there was only a modest reduction in effective lease prices as compared to the same quarter of 2019.

The existing pipeline of new multifamily projects is robust (6 percent of stock). It remains to be seen if some of these projects will be reconfigured to include a different mix of apartment sizes. The popular studio or one bedroom, catering to the millennials working in New York City, may lose some attractiveness in favor of slightly larger units. Millennials may find that the smaller units in New York City are now more affordable and larger households appear to be inclined to choose the suburbs, the study cited.

Regional and Westchester Office Vacancies Increase While Office Use Controversy Intensifies

Supply of office space exceeded demand during the fourth quarter of 2020 resulting in an additional 1 percent of office stock becoming vacant. This number reflects positive sublet leasing activity which mitigated occupancy losses. In general, leasing was weak as few tenants felt confident enough in their office space needs to either expand or take new space. As a result, the number of deals fell to the lowest level of the last few years. Office lease pricing, as reported by Costar, has remained firm. This suggests that landlords have not shown price flexibility and deals are taking place mainly in full-service buildings which are higher priced, the study added.

Going forward, the report cited, the market is beginning to see some landlords increasing term flexibility in order to attract tenants. The report said that it expects office space turnover and repositioning to increase meaningfully once the tenant market becomes more active and post-COVID tenant needs begin to crystalize.

Westchester Retail Vacancies in the Eye of the COVID-19 Storm and in the Eyes of the Public

Reported retail vacancies have risen 1.1 percent for 2020 but only modestly during the fourth quarter. The report said that it believes that information captured across databases is lagging what is observed on the ground. Retail space classifications include most restaurants and other food-related establishments, fitness centers, and personal service businesses, many of which are currently fighting for survival. Despite the Government and landlord support that many of these businesses have received, the duration of the COVID-related restrictions is putting significant pressure on all property stakeholders, the study stressed.

Going forward, new businesses occupying retail space will likely explore different avenues to keep cost and risk under control. Perhaps landlords will identify the "ideal" white box able to fulfill a broad range of basic retail needs and a plug and play format ideal for new businesses and start-ups that is ready to be leased on flexible terms. Clearly, landlords will require a lease pricing that is consistent with taking a larger share of the risk related to the space, the study added.

Westchester Industrial Segment Continues to Propel Forward, Riding the Wave of Transitions

The pandemic significantly accelerated e-commerce evolution, compressing multiple years of expected growth into 2020. Consumers expect quick deliveries and companies have been retooling their logistic infrastructure to compress delivery windows, the report noted.

As a result, industrial and flex space demand continues to escalate, and lease prices are on the upswing. With warehouse space in short supply in Westchester, large format retail owners, developers, and municipalities are increasingly faced with demands to create or repurpose existing space in proximity to consumption centers to become warehousing space. For the time being, industrial asset occupancy remains high although some tenant turnover is taking place due to COVID-related user dislocation. Lease pricing appears to have spiked during the fourth quarter, according to Costar data. Some of this increase is likely to reflect new contracts on expired leases that were well below market, the study added.

Brief Lull in Investment Sales Considered Temporary

Commercial Real Estate investment sales were depressed, hitting a multi-year low. Similarly, the number of transactions was low, and transactions involved smaller-sized assets, the study added.

The report said that these are not surprising statistics as the pandemic has upended property cash flows, and with that, valuation visibility. Investors that were active in this environment took advantage of poor market liquidity and bought at a discount to replacement value, locking-in attractive future returns.

The study said that it expects that the investment market will recover during 2021 as the heath crisis subsides and investors contemplate a period of low interest rates, economic recovery, and political continuity. The report added that it is inevitable that some percentage of the current stock of retail and office space in Westchester will have to be re-positioned through investment to regain viability. That reality will encourage investment transactions as current owners may not be willing or able to undertake the much needed, and sometimes costly, repositioning required by their real estate assets.

Houlihan Lawrence is the leading real estate brokerage serving New York City's northern suburbs. Founded in Bronxville in 1888, the firm has 30 offices and 1,300-plus agents serving Westchester, Putnam, Dutchess, Columbia, Ulster and Orange counties in New York and Fairfield County in Connecticut, company officials said.

Spano Joins with Project Developer for the Groundbreaking of Regency on the Hudson

Building to Feature 126 Rental Units with 13 Affordable

YONKERS

Yonkers Mayor Mike Spano and other city officials joined with executives of Regency Apartment Ventures LLC on Feb. 25 to celebrate the groundbreaking of Regency on the Hudson, a seven-story residential building featuring 126 rental units, project officials recently announced.

A total of 13 of the units will be designated as affordable under the city's Affordable Housing Program, project officials added.

Located at 56 Prospect Street, the $32.6 million project, project officials said, received financial incentives from the Yonkers Industrial Development Agency (IDA). It is estimated the project will create 250 construction jobs and six permanent full-time jobs.

"We are delighted to celebrate today's groundbreaking for Regency on the Hudson, an exciting residential project that will transform several vacant properties into 126 new rental apartments, including 13 affordable units. This is another great addition to our city's growing residential community," Spano said. "We applaud Regency Apartment Ventures for their significant investment in Yonkers."

"My partners, Ben Heitner and Craig Kirsch, and I are committed to the growth of the City of Yonkers. We are grateful for the support received from the Yonkers IDA and Yonkers city officials for the Regency on the Hudson" said Project Developer Peter Dalaker of Regency Apartment Ventures LLC. "We are dedicated to the well-being of Yonkers residents and feel honored to be part of community growth and development. It is important to us that we not only provide housing, but also important that we are a resource for job creation, especially during the difficult economic circumstances being experienced at this time."

> ***"We are dedicated to the well-being of Yonkers residents and feel honored to be part of community growth and development."***
>
> – Peter Dalaker, Regency Apartment Ventures LLC.

"We are excited to be part of this project that is an intricate part of the revitalization of downtown Yonkers, offering the opportunity to live in suburban surroundings with the 'live, work, play' lifestyle that Westchester County provides," said J.D., Summa, chief executive officer and president of Kings Capital Construction Group, the general contractor of the project.

Founded in 2009, Kings Capital Construction Group is a full-service general contractor that self-performs civil construction and site development. The company was named one of the fastest growing companies in the country for four consecutive years, according to project officials.

Located on vacant properties on the corners of Prospect Street, Buena Vista Avenue and Hawthorne Avenue, the project will be comprised of 90 studios, 18 one-bedroom units and 18 two-bedroom units with a rooftop terrace overlooking the Hudson River. The units will have full-sized kitchens, large and fully accessible bathrooms and individual laundry facilities, project officials added.

Project officials said that there will be a private landscaped courtyard on the first-floor residential level of the building with benches and picnic tables. The building will have an underground parking garage for 130 cars. Security for the building will be provided by a decorative fence around the perimeter and security-controlled access gates. The building will utilize a "green roof" and other sustainable features.

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.

Liability for COVID Infections and Insurance – A Look at the Considerations for the Re-Openings of Facilities, Continued from p. 2

aHowever, a) it's very difficult for most employees to prove that infection occurred while at work (think about it... unless working at a hospital, nursing home, etc., how does one prove the infection occurred at work, as opposed to at the grocery store the night before, or the barber shop three days ago?); and b) If work/infection causation can be proved, then the employer's liability is usually limited to insurance benefits available through workers compensation.

Others

A lawsuit could arise from COVID infection alleged to have occurred by a non-employee while: using a pool, a fitness center, or a community room; or visiting an office, or a retail place of business. Similar to with employees, it's difficult (but not impossible) to prove the infection was definitively caused by being present at the facility or business.

If there is legal liability (even if remote) to someone alleging COVID infection while visiting your facility or place of business, then will your facility or business liability insurance respond? Probably not. Your insurance broker can help interpret the language of your liability policy (or policies), and the insurance carrier has the final word on whether or not a claim is covered.

But, in many cases, the answer is simple: most General Liability policies include an exclusion for sickness due to "virus" and/ or communicable disease (if your current liability policy does not have this exclusion, it may be added to your renewal policy).

Even if your General Liability policy does not have this exclusion, there are other exclusions which may apply. If your General Liability policy does not cover a claim, your umbrella policy will not respond, either.

Environmental Impairment/Pollution policies may offer the possibility for coverage (if there is no virus exclusion). But, these types of policies have varying coverage/exclusion language, and the question of whether a "virus" constitutes a "pollutant" is not definite.

> ***In short, the possibility of your facility or business being liable for someone contracting COVID may be low, but it is not "zero."***

In short, the possibility of your facility or business being liable for someone contracting COVID may be low, but it is not "zero." And, insurance coverage for a COVID liability claim is possible, but not probable.

If you choose to re-open your pool, fitness center, community room, office, or store, the more liability-reducing steps (previously outlined) that you take, the less likely someone will have a viable legal claim against your organization or company.

If you have questions about your organization's or company's insurance, and COVID claims, contact your insurance broker, or Levitt-Fuirst Insurance at (914) 457-4200, or Jason Schiciano at jschiciano@levittfuirst.com.

***Editor's Note:** Levitt-Fuirst Insurance is the Insurance Manager for The Builders Institute (BI)/Building and Realty Institute (BRI) of Westchester and the Mid-Hudson Region. Ken Fuirst and Jason Schiciano are Co-Presidents of Levitt-Fuirst Insurance. The firm is based in Tarrytown.*

Housing Case Study:

N.Y. State's Small Building Participation Loan Program and CPC Financing Is Helping Owners to Revitalize Small Buildings as Affordable Housing

ALBANY

The New York State Homes and Community Renewal (HCR) agency, The Community Preservation Corporation (CPC) and Albany Clinton Redevelopment LLC recently announced that construction is underway on a $5.3 million new affordable housing project in Albany to rehabilitate nine small buildings, consisting of 40 residential units, and two vacant lots in the vicinity of the historic Clinton Avenue corridor.

The development is moving forward with financing from HCR's Small Building Participation Loan Program, which supports the preservation and improvement of affordable rental housing in buildings of five-to-40 apartments, project officials said.

HCR Commissioner RuthAnne Visnauskas said: "HCR is committed to utilizing all the tools at our disposal to advance Gov. Cuomo's $20 billion affordable housing plan. I am proud that HCR's Small Building Participation Loan Program is playing a pivotal role in restoring nine buildings to create 40 newly renovated apartments in Albany's Clinton Avenue historic district and Arbor Hill neighborhood. These types of investment breathe new life into communities across the state. We look forward to working with CPC and to see the results of this development as we strive to enhance the quality of life and keep people safely housed."

Michael Skrebutenas, senior vice president and regional director at CPC, said: "Revitalizing upstate communities starts with small building projects just like this one. At CPC, we work with our borrowers and government partners to help solve the unique development and financing needs our communities are facing today. My thanks to Patrick Chiou and the team at Albany Clinton Redevelopment for their vision and dedication, and to our partners at HCR for their commitment to making New York more equitable and affordable."

Chiou, the principal of Albany Clinton Redevelopment, said that the project "has been a long time coming."

"We will be bringing a high-quality apartment at affordable rates which is what this area needs," Chiou said. "Everyone deserves to live in something nice no matter what neighborhood you are living in."

The Background

Albany's Clinton Avenue is home to numerous grand rowhouses and cultural amenities, but its historic housing stock has suffered from neglect over the years, project officials said.

Project officials added that the announcement complements the city's strategic plan to revitalize Clinton Avenue and the Arbor Hill neighborhood, transforming vacant structures, injecting new energy into the neighborhood, and improving housing options.

The properties, project officials said, were acquired beginning in 2016 from the Albany County Land Bank and private sellers. A total of eight of the buildings have been vacant for several years. The project will also include 521 and 535 Clinton Avenue, which are vacant lots and will be used as off-street parking.

When complete, all of the apartments will have rents at or below 80 percent of the Area Median Income pursuant to the Participation Loan Program Guidelines. Two of the buildings are near 800 Broadway, which is a 15-apartment project consisting of four historic buildings redeveloped by Chiou and financed by CPC in 2018, project officials said.

HCR is providing $2 million in Small Building Participation Loan Program funds. The financing builds on other HCR investments that are supporting Albany's strategic plan to improve housing and the quality of life on and around the historic Clinton Avenue corridor, including the redevelopment of Ida Yarbrough Homes, Sheridan Hollow Village, Academy Lofts, and the rehabilitation of additional rowhouses on Clinton Ave, project officials added.

CPC is providing a $2.7 million construction loan, project officials said, and is proposing to refinance with a SONYMA-insured permanent loan through its partnership with the New York State Common Retirement Fund. The project will also be applying for a municipal tax abatement and federal and state historic tax credits.

Reactions

New York State Comptroller Tom DiNapoli, a trustee of the New York State Common Retirement Fund, said: "By investing in these small building apartments, we not only ensure a solid return for our members, but also benefit Albany and upstate New York. We are proud that the pension fund can play a role in revitalizing New York's communities and bringing affordable housing to those who need it."

"I applaud New York State Homes and Community Renewal (HCR), The Community Preservation Corporation (CPC) and Albany Clinton Redevelopment LLC for commencing a $5.3 million rehabilitation project on Clinton Avenue," Sen. Neil Breslin (D-44 SD) said. "Investing in housing will enhance the Arbor Hill Neighborhood and most importantly, improve the quality of life of those who live there."

New York State Assembly Member John T. McDonald III (D-108th AD) said: "I am excited to see this rehabilitation project happening in the 108th Assembly District. Unfortunately, affordable rentals are disappearing quickly in many places. Affordable rental housing is key to a sustainable workforce for a region and plays an important role in our economy. Thank you to NYSHCR, the Community Preservation Corporation (CPC) and Albany Clinton Redevelopment for their work on this. I look forward to seeing the completion of this project."

Daniel P. McCoy, Albany County Executive, said: "The revitalization of downtown Albany is underway in spite of the pandemic, but if that progress is going to continue, we need to make sure we're attracting residents from a diverse set of means to support local businesses. Investing in affordable housing is a great way to get us there, and I commend the state HCR and community partners for this important investment in the underserved communities of the Clinton Avenue historic district and Arbor Hill. Albany County has invested $3 million in the County Land Bank over the years, and this project is another example of how it's playing a role in improving our housing stock and our neighborhoods."

Albany Mayor Kathy Sheehan (D) said: "This rehabilitation project is getting underway at a perfect time to complement the Downtown Revitalization Initiative funded projects that will rejuvenate a large portion of the Clinton Square and Arbor Hill neighborhoods. Restoring the facades of these rowhouses to their historic beauty coupled with providing modern amenities and off-street parking to mixed-income tenants will continue the revitalization underway in these neighborhoods and offer diverse housing options in the area."

Specifics

HCR's Small Building Participation Loan Program provides the financing, terms and technical assistance that owners and operators need to be successful, HCR officials said.

Buildings must be between five and 40 units and located outside of New York City, HCR officials added. In exchange for keeping the apartments income-restricted to an average of no more than 80 percent of AMI, HCR will provide gap-financing assistance for qualified developers for acquisition, capital costs and related soft costs associated with the preservation and improvement of small rental properties.

A subsidy from HCR is combined with financing from a participating private institutional lender, such as CPC, resulting in a lower-blended financing cost, HCR officials said.

Established in 1974, CPC is a non-profit affordable housing and community revitalization finance company that believes housing is central to transforming underserved neighborhoods into thriving and vibrant communities, company officials said.

The company, which currently carries an AA-issuer rating from S&P Global, provides a full suite of capital products through its construction lending, agency lending, and equity investing platforms. Since its inception, CPC has provided more than $11.5 billion to finance nearly 200,000 units of housing and is currently one of the largest Community Development Financial Institutions in the country dedicated to investing in multifamily housing, company officials said.

Robert Martin Company (RMC) Reports More Than 120,000 Square Feet in New Leases and Renewals

ELMSFORD

Despite facing what company officials termed as significant headwinds in a challenging marketplace, Robert Martin Company (RMC) began 2021 with a flurry of new leases and renewals in January and early February totaling nearly 120,000 square feet at its properties in Westchester County and Stamford (Conn.), company officials recently announced.

"As one of the largest property owners in Westchester County and a leader in the regional flex/industrial sector, we see a multitude of trendlines intersecting that are impacting the local real estate industry - some good, some bad and others just plain awful," said Robert Martin Chief Executive Officer Tim Jones. "Like our tenants, we are confronting numerous short- and long-term consequences from the current pandemic, which means we are strategically pivoting to capture more of the upside from emerging trends, such as a dramatic increase in last-mile e-commerce distribution and film/video production, while simultaneously managing the downside, which is a tough combination of tenant financial hardship mixed in with making additional capital investments to reposition some properties."

A clear example of the booming e-commerce industry, Lasership leased 40,000 square feet of flex/industrial space at 650 West Avenue in RMC's Stamford Executive Park. Lasership is a last-mile ground delivery network consisting of more than 60 distribution centers and four sort centers across 23 states that reach over 140 million consumers in the U.S. The company is a leading provider of same day and next-day delivery services in the Eastern and Midwest U.S. for e-commerce and product supply businesses. The fast-growing company is moving from a facility it outgrew in Port Chester, RMC officials said.

Other recent leases at Robert Martin properties include 23,000 square feet of renewals by Acorn Engineering Company at Six and Seven Westchester Plaza at Cross Westchester Executive Park in Elmsford and a 13,700-square-foot renewal by USCO Inc. at 300 Executive Boulevard in Cross Westchester Executive Park. The recent surge in leasing activity builds on the momentum of a strong fourth quarter in which Robert Martin reported 170,350 square feet of new leases and renewals at its office parks in Elmsford, Hawthorne and Yonkers, RMC officials said.

Founded by the late Robert Weinberg and Martin Berger, RMC is a fully-integrated real estate company with a proven track record of successfully acquiring, developing, and managing investment properties throughout its distinguished history, RMC officials said.

Led by Jones and President Greg Berger, the company has been a leader in real estate investment, development and management for more than 60 years. Emerging from its start as a local home builder and becoming, for several decades, Westchester County's largest diversified developer and builder, Robert Martin Company and its affiliates have developed and acquired over 20 million square feet of real estate across virtually every asset class, RMC officials said.

The company and its partners hold a portfolio that includes millions of square feet of office, retail, industrial, and residential properties, as well as developable land. The company has been at the forefront of change and innovation in real estate investment, development and management across Westchester and Fairfield (Conn.) counties for more than six decades and is widely regarded as a pioneer in the development of executive office parks across the counties. RMC also played a significant role in the urban renewal development of Greenburgh, Tarrytown, Port Chester and downtown White Plains, RMC officials said.

STUDY: Multifamily Housing Will Be Down in 2021, but Building & Realty Industry Economists Are Projecting a Rebound in 2022

WASHINGTON, D.C.

Regulatory and supply-side challenges, coupled with slowing rent growth and rising vacancy rates, will weaken the multifamily construction market across the U.S. in 2021, according to a recent report from The National Association of Home Builders (NAHB).

However, the report added, the development market should stabilize by 2022. The study, released on Feb. 11, can be found at nahb.org. The report is based on the assessments of economists from NAHB who participated in an online press conference as part of the 2021 NAHB International Builders' Show virtual experience (IBSx).

"Though the multifamily sector is performing much better than non-residential construction, developers are facing stiff headwinds in 2021," said NAHB Chief Economist Robert Dietz. "Shortages and delays in obtaining building materials, rising lumber and OSB prices, labor shortages and a more ominous regulatory climate will aggravate affordability woes and delay delivery times."

An NAHB analysis of Census Data reveals that 34 percent of total multifamily construction occurred in lower-density, lower-cost markets in 2020, the report said.

"These areas have outpaced higher-density markets over the past four quarters and we anticipate this trend will continue this year," Dietz said.

The projections of the study said that multifamily starts are expected to fall 11 percent this year to 349,000 units from a projected total of 392,000 in 2020. The downturn will be short-lived, as multifamily production is expected to post modest gains in 2022, up five percent to 365,000 units.

After four years of a steady, upward trajectory, the study added, rent growth flattened in 2020.

"Due in part to pandemic-related issues, rent growth in December 2020 was up just 0.4 percent from a year ago," said Danushka Nanayakkara-Skillington, NAHB's assistant vice president of forecasting and analysis.

Looking at another metric, four of the top five multifamily markets, as measured by the number of permits, posted yearly declines from November of 2019 to November of 2020, the study said.

The New York-Newark-Jersey City region, the largest in the nation, registered a 14 percent drop in permits. Houston-The Woodlands-Sugarland, Texas, was down 10 percent, Los Angeles-Long Beach-Anaheim, Calif., fell 16 percent and Dallas-Fort Worth-Arlington, Texas posted the sharpest decline at 46 percent. Meanwhile, Austin-Round Rock, Texas, the No. 2 market in the nation, posted a robust 54 percent increase in permits, according to the study.

Building and Realty Industry Index: Higher Material Costs and Interest Rates Are Lowering Builder Confidence Throughout the Nation, Continued from p. 2

imately $24,000 to the price of a new home. And mortgage interest rates, while historically low, have increased about 30 basis points over the last month. Nonetheless, the lack of resale inventory means new construction is the only option for some prospective home buyers."

Derived from a monthly survey that NAHB has been conducting for 35 years, the NAHB/Wells Fargo HMI gauges Builder Perceptions of Current Single-Family Home Sales and Sales Expectations for the Next Six Months as "good," "fair" or "poor," the study said.

NAHB officials added that the survey also asks builders to rate the Traffic of Prospective Buyers as "high to very high," "average" or "low to very low." Scores for each component are then used to calculate a seasonally adjusted index where any number over 50 indicates that more builders view conditions as good than poor.

The HMI Index gauging Current Sales Conditions fell three points to 87, while the component measuring Sales Expectations in the Next Six Months increased three points to 83. The gauge charting the Traffic of Prospective Buyers held firm at 72, the report said.

Looking at the three-month moving averages for regional HMI scores, the study said that the Northeast rose two points to 80, the Midwest fell one point to 80, the South dropped two points to 82 and the West posted a three-point loss to 90.

Top Sustainable and Green Building Trends and Features in Homes Are Announced by the National Association of Home Builders (NAHB)

WASHINGTON, D.C.

Energy efficiency is a primary driver in home buyer preferences, according to recent research from The National Association of Home Builders (NAHB).

That finding was released on Feb. 11 during a press conference in conjunction with the 2021 NAHB International Builders' Show virtual experience (IBSx), NAHB officials said.

In the summer of 2020, NAHB surveyed more than 3,000 home buyers, both recent and prospective, on the types of features they prefer to have in their homes, including eco-friendly components and designs. The top features included:

- ✦ Energy Star-rated windows and appliances
- ✦ Efficient lighting that uses less energy than traditional bulbs
- ✦ An Energy Star Rating for the whole house

"There are a wide range of green features that buyers feel are desirable," said Paul Emrath, vice president of surveys and housing policy research at NAHB. "Energy efficiency, though, tops the list of what they most want."

> *"There are a wide range of green features that buyers feel are desirable. Energy Efficiency, though, tops the list of what they most want."*
>
> *— Paul Emrath, vice president of surveys and housing policy research, The National Association of Home Builders (NAHB).*

The majority of buyers prefer to go green when provided the option, such as incorporating passive solar design (60 percent) and durable materials (66 percent) into their homes, NAHB officials said. Buyers are also willing to invest in features that help lower their utility bills, with the average buyer wiling to pay as much as $9,292 more upfront for a home to save $1,000 annually on utility costs.

Buyers are generally willing to spend more on green certifications as well, including more than $2,000 upfront for a home certified to an above-code standard for health and wellness - features that have becoming increasingly important in the wake of COVID-19, NAHB officials added.

"We're doing a lot more in our homes now," said Brandon Bryant, founder of Red Tree Builders, a green home building company in Asheville, N.C. "So, in turn, our homes need to do a lot more for us."

Examples of features that incorporate health and wellness include:

- ✦ Zone Heating
- ✦ Purified Air Appliances such as UVC fans
- ✦ Indoor Air Quality Sensors
- ✦ A connection to the outdoors that helps residents live comfortably and safely in their homes

Buyers may not realize that many of these features are also inherently energy efficient and meet a number of additional housing and lifestyle desires, according to NAHB officials.

"Education is key," Bryant said. "We've got to teach people how to live in green homes, how these homes operate and even before we build to let them know what we could do because a lot of times we could do so much more for their life."

Additional home buyer preferences and details are included in NAHB's upcoming report, "What Home Buyers Really Want (2021 edition)," NAHB officials said.

The Westchester County IDA Votes Final Approval of Tax-Exempt Bond Financing and Incentives for Affordable Housing in Tuckahoe

WHITE PLAINS

The Westchester County Industrial Development Agency (IDA) has approved tax-exempt bond financing and incentives for the acquisition and renovation of Marble Hall, an affordable 134-unit apartment building in the Village of Tuckahoe, officials recently announced.

The acquisition and rehabilitation of Marble Hall, officials added, will be primarily financed by $36 million in short-term tax-exempt bonds to be issued by the IDA, a $48 million U.S. Department of Housing and Urban Development (HUD) 223(f) permanent loan, approximately $16.85 million in Low Income Housing Tax Credit equity, and approximately $1.38 million in interim income.

Project developer Tuckahoe Limited Partnership is also seeking a 35-year PILOT from the Village of Tuckahoe. At its Jan. 28 meeting, the Westchester IDA also approved a sales tax exemption for Marble Hall of $245,000 and a mortgage recording tax exemption of approximately $480,000, officials said.

Located at 100 Columbus Avenue, the 10-story building, officials said, features 39 one-bedroom, 77 two-bedroom, and 18 three-bedroom units. Renovations of the building, which was built in 1974, include new kitchens, bath finishes and lighting. Building exteriors will receive masonry repointing.

The site will be improved with new finishes for management offices, hallways, and a community room. Energy efficiency improvements will be improved with a new heating and hot water system, as well as efficient lighting and water saving devices. The renovations are estimated to cost approximately $5.6 million, officials added.

"The acquisition and renovation of this nearly 50-year-old apartment building is a welcome development for our County's affordable housing inventory. As noted in our housing needs assessment study, the preservation of existing affordable units is critically important in meeting the housing needs in our communities," said Westchester County Executive George Latimer.

"The IDA is very pleased to provide tax-exempt bond financing and financial incentives for the acquisition and renovation of this important and much-needed development. We applaud the project developer for their private investment in affordable housing in our county," said IDA Chair Joan McDonald.

"The Village of Tuckahoe is pleased to have Silver Street Development Corporation and Low-Income Housing Corporation undertake the renovation and improvements to the Marble Hall Apartments. This opportunity allows Tuckahoe to provide its residents much-needed affordable housing for the next 35 years," said Tuckahoe Village Mayor Greg Luisi.

"The preservation and rehabilitation of Marble Hall Apartments in The Village of Tuckahoe could not have happened without the tremendous amount of support received from the Village, Town, School District, County, and State authorities in their many forms of assistance. We thank all of these stakeholders in trusting our ownership team's ability to usher the property into the future and provide safe, revitalized, affordable housing for those who call Marble Hall their home," said Silver Street Development Principal Chris Poulin.

GDC, ArtsWestchester Partnering to Bring Monumental Sculpture to 50 Main Street

WHITE PLAINS

50 Main Street, one of Westchester's most prominent business addresses, will soon be home to a monumental sculpture to be installed under the arches of the 15-story office tower owned and managed by Ginsburg Development Companies (GDC).

GDC officials made the announcement in late February.

Titled Fragments of Something Bigger, the sculpture will measure 17.7 feet in height and be made of polished stainless steel which was selected for its ability to reflect light. The sculpture, which is currently being fabricated, will be set on a pedestal and surrounded by seating, all made from polished stainless steel. Installation is scheduled for the spring, officials said.

The sculpture is the work of Bulgarian Sculptor Georgi Minchev, who was selected through a competitive, international, open-call process managed by ArtsWestchester. Artists were invited to submit proposals for the site, and GDC and ArtsWestchester received submissions from 36 highly qualified sculptors. Three artists were designated as finalists and awarded an honorarium. Each finalist produced a scaled model of their proposal. In addition to Minchev, the other two finalists were David Provan of Cold Spring and Piero Manrique of Mamaroneck, officials added.

"We are delighted to partner with ArtsWestchester in bringing exciting public artwork to our development in downtown White Plains. This remarkable sculpture is yet another example of our ongoing commitment to showcasing world-class artwork at our commercial and residential developments," said GDC Principal Martin Ginsburg.

"ArtsWestchester applauds Martin Ginsburg for his appreciation of the important role that public art plays in creating vibrant environments that energize and inspire the places where we live and work," said ArtsWestchester Chief Executive Officer Janet Langsam. "Our vision for White Plains is an exciting urban center where significant works of contemporary art punctuate the landscape and the built environment."

Last year, GDC officials said, GDC and ArtsWestchester unveiled the work of nine artists from the greater Westchester area as part of GDC's investment in its art collection for 50 Main Street. The unveiling was part of a Grand Opening of the first phase of GDC's reinvention of the 50 Main Street office building, which includes a new mezzanine amenity level. A key feature of the new common space is a contemporary art collection curated by ArtsWestchester that features numerous Hudson Valley artists.

Located at the gateway to downtown White Plains, 50 Main Street is a key component of GDC's transformation of the former Westchester Financial Center into City Square, a new mixed-use center. In addition to the modernization of 50 Main Street, the project includes the transformation of the 1 Martine Avenue office building into 188 luxury rental apartments, a new restaurant and retail space along Main Street and the creation of City Square Park, a private open space on the roof deck of the parking garage that connects all buildings and features fountains, waterfalls, walking paths, a putting green and outdoor dining on a one-acre landscaped space. The focus on artwork will be carried throughout the entire project, GDC officials said.

GDC officials said that the company is nearing completion of the newly renovated and redesigned lobby, which will feature the same level of high-end finishes and artwork as the amenity mezzanine. The City Square Park has been completed and the luxury apartments at 1 Martine will be opening this spring.

Founded in 1964 by Ginsburg, GDC is a residential developer in the northern suburbs of New York City. With 50 years of experience and market leadership, GDC, company officials said, has built many of the region's most successful and prestigious luxury developments, many with a Hudson River and/or transit-friendly focus. They include:

- ✱ Harbors at Haverstraw
- ✱ Livingston Ridge in Dobbs Ferry
- ✱ Ichabod's Landing in Sleepy Hollow
- ✱ Mystic Pointe in Ossining
- ✱ Marbury Corners in Pelham
- ✱ Christie Place in Scarsdale

GDC's developments have won numerous design and community planning awards, company officials said. GDC, company officials added, owns and manages a portfolio of commercial properties, located primarily in Westchester County.

ArtsWestchester began in 1965 as a conversation among arts advocates and volunteers in a living room and has grown into New York State's largest private, not-for-profit cultural service organization, officials said. The organization's mission is to provide leadership, vision, and support to ensure the availability, accessibility and diversity of the arts in Westchester County, officials added.

Building Industry Analysis: Record-High Lumber Prices Across the U.S. Are Hammering Housing Affordability, Continued from p. 1

economy forward is limited as long as lumber remains expensive and scarce, NAHB officials said. A recent survey of NAHB members reveals that 96 percent said that inconsistent access to building materials are their most urgent concern. In turn, supply shortages are leading to soaring prices. And it's not just skyrocketing lumber prices that builders are dealing with. The price of oriented strand board has more than tripled since last April, NAHB officials said.

"Clearly these price increases are unsustainable, particularly in light of a continued housing affordability crisis," said Fowke. "Given this ongoing period of high demand, the Commerce Department should be investigating why output from lumber producers and lumber mills are at such low levels."

Developer Proposes Yorktown Green Transformation Including a Mixed-Use Complex With 150 Apartments

YORKTOWN

A plan to transform one of Yorktown's most prominent commercial retail sites from an outdated, largely vacant shopping center to a vibrant, mixed-use center featuring 150 apartments, ground-level retail shops and a new supermarket was unveiled at a Town Board meeting on Jan. 26, officials recently announced.

Oster Properties' concept for the Yorktown Green, which occupies 15 acres in the heart of the Yorktown Heights business district, would demolish the defunct, 90,000-square-foot former Kmart store to make way for a four-story U-shaped building featuring 84 one-bedroom and 66 two-bedroom residences, ground floor retail, and underground parking for residents, all surrounding a small park, officials added.

"The concept of this is to provide alternatives to empty-nesters or young millennials," said Oster's Attorney Darius Chafizadeh. "This would allow them to stay in town, or young ones to come back into your town and live here and be able to afford it without having to pay high property taxes."

Officials said that price points for the housing are undetermined.

The property at 335 Downing Drive has two empty anchor tenant buildings. The free-standing former Food Emporium supermarket has been vacant for almost 10 years, and Kmart has sat empty since closing two years ago. Oster's representatives said they have an "exciting" tenant in lease negotiations for a new supermarket.

"Throughout the retail world there's a rethinking of how retail spaces are designed to service the world," said Matthew Jarmel, Oster's architect. "This Kmart is empty because of e-commerce. What we see as architects and as planners is that many retail centers - and some very large shopping malls as well that we're working on - are being repositioned to mixed use."

Oster Properties, based in Englewood Cliffs, N.J., owns more than 2 million square feet in northern New Jersey, Rockland County and New York City, including about 500 apartment units. Oster's retail holdings include the Foster Village Shopping Center in Bergenfield, N.J.

"This proposal recognizes the evolving economy that we are facing, especially e-commerce," said Yorktown Supervisor Matt Slater. "Yorktown Green has languished for too long and I look forward to seeing more details about Oster's proposal. It is a key property in many ways, not the least of which is its prominent location in the heart of town. The commitment is to a complete re-thinking and renewal of the property. This is very welcome news and yet another sign of the economic upswing we are working hard to see in our town."

"I think this is a smart development both from a commercial and residential point of view," said Yorktown Councilwoman Alice Roker.

Yorktown Councilman Ed Lachterman, who owns a business in White Plains where he has seen large mixed-use developments rise, said he liked the concept, and Yorktown Council members Tom Diana and Vishnu Patel also applauded the approach.

Oster's representatives said that a formal application is in its final stages and, as of early February, would be submitted to the Planning Board within weeks. The Town Board is in the process of adopting overlay zoning districts, including the Yorktown Heights business district, including Yorktown Green.

CoStar Names Houlihan Lawrence Commercial Group Among the Top Dealmakers for Westchester/Southern Connecticut in 2020

RYE BROOK

Houlihan Lawrence Commercial Group was among the winners of the 2020 CoStar Power Broker Award, company officials recently announced.

The Commercial Group was listed Number Three in commercial sales for 2020 in the Westchester/Southern Connecticut region, according to CoStar.

Company officials said that, last year, the group completed 22 commercial sales totaling approximately $49.9 million. The year's largest sale was $10.4 million for 9 Raymond Avenue in Poughkeepsie. The agents handling the sale were Tom LaPerch and Steve Salomone.

"We are deeply honored to receive this prestigious award by CoStar. This recognition by our industry is a testament to the incredible team of talented brokers who have made the Houlihan Lawrence Commercial Group the market leader in commercial real estate brokerage," said LaPerch, who is the Commercial Group Director.

Each year, CoStar identifies a select number of real estate firms and individual brokers who closed the highest overall transaction volumes in commercial property sales and leases within their respective markets based on transaction data in CoStar's commercial real estate database for all deals completed in 2020, company officials said.

Company officials added that Houlihan Lawrence Commercial Group, a full-service division of brokerage Houlihan Lawrence, specializes in investment opportunities, office condominiums and leasing, industrial and retail sales and leasing, land acquisition and development, as well as municipal approval consultation.

Houlihan Lawrence, company officials said, is the leading real estate brokerage serving New York City's northern suburbs. Founded in Bronxville in 1888, the company is committed to technological innovation and the finest client service, company officials added. The firm has 30 offices and 1,300-plus agents serving Westchester, Putnam, Dutchess, Columbia, Ulster and Greene counties in New York and Fairfield and Litchfield Counties in Connecticut.

Houlihan Parnes Realtors Reports A Trio of Transactions

WHITE PLAINS

James J. Houlihan and Bryan J. Houlihan of Houlihan Parnes Realtors, LLC, recently announced the closing of the refinance of three retail properties totaling $9.275 million.

The transactions involved:

❖ A 62,000 square foot ACME grocery-anchored shopping center which includes a CVS and a Dunkin Donuts at 77-97 Knollwood Road in Greenburgh. The center received a loan of approximately $3.45 million.

❖ An 18,417 square foot CVS-anchored strip center in Ardsley (717-725 Saw Mill River Road) receiving a loan of $1.725 million.

❖ A free-standing, 8,576 square foot Walgreen's Aid at 41-51 West Fordham Road in the Bronx receiving a loan of $4.1 million.

The properties are all owned by long time partners ISJ Management and Houlihan Parnes Realtors, Houlihan Parnes Realtors officials said.

Houlihan Parnes Realtors was able to negotiate favorable terms for the three loans with a local bank. All three loans will have a fixed rate of 3.5 percent with the first 24 months of the five-year term at interest only. The borrower has an option to extend each loan for an additional five years. The borrower was represented by John Hogan of Goldberg Weprin Finkel Goldstein, LLP, Houlihan Parnes Realtors .

Houlihan-Parnes Realtors, company officials said, is a privately owned, vertically integrated commercial real estate investment and management firm. Owning approximately six million square feet of office, retail, warehouse and industrial space, the firm also owns and/or manages approximately 15,000 multifamily units. Founded in 1891 and operated by the fourth and fifth generations of the Houlihan family, the company is headquartered in White Plains. The firm is engaged in acquisition, property and construction management, consulting services, leasing, investment sales and mortgage brokerage for all commercial real estate asset classes, both for the company's portfolio and for third parties.

Waggoner Appointed as an Associate In RM Friedland's New Office Brokerage Division

HARRISON

RM Friedland recently announced that Reed Waggoner has been named as an associate in its new Office Brokerage Division.

Prior to joining RM Friedland, Waggoner, company officials said, served as a Capital Markets Associate at JLL, where he closed multiple multifamily, mixed-use, office, and office co-op assets in New York City totaling $70,000,000.

Of those transactions was the first "SRO building" in Chelsea to be valued, negotiated, and closed since the passing of The Housing Stability and Tenant Protection Act of 2019 (HSTPA) and the first Chelsea multifamily building to sell in 2020, company officials added.

"Reed will be an excellent addition to our new Office Brokerage Division led by veteran Chris O'Callaghan, one of Westchester's most prominent commercial brokers," said Sarah Jones-Maturo, president and chief executive officer of RM Friedland. "Reed is a self-motivated, team-oriented real estate professional who will bring strong lead generation and other business development skills to our team."

Waggoner began his real estate career at Harbor Road Holdings, a New York City-based real estate investment firm focused on value-added assets. He interned at Harbor Road while attending Southern Methodist University in Dallas. He then served as an analyst at the firm prior to his move to JLL, company officials said. During his four years at Harbor Road, he gained a solid real estate foundation and played a large role in the asset management, acquisitions, investor relations, and equity raising side of the business.

Waggoner grew up in the Westchester area and now lives in Rye. He graduated from Rye Country Day High School and obtained a Real Estate Finance degree from the Southern Methodist University Cox School of Business, company officials added.

RM Friedland is the largest privately held commercial real estate brokerage company in Westchester County, company officials said. The firm specializes in industrial, investment, retail and office brokerage in the New York metro area.

Realty Study: Millennials Dominate Buying Market, Members of Generation Z Are Now Active Buyers, Continued from p. 12

Out of all buyers, 88 percent cited a real estate agent as an information source they used during their home search, but that share rises to 91 percent among younger millennial buyers aged 22 to 30. Two percent of all buyers and sellers were from Generation Z, the report said.

"Buyers used all tools available to them - whether it be a mobile device, yard sign or an online video - but at some point, nearly all buyers turned to an experienced agent to assist with the transaction," Lautz said. "This is especially true among younger millennial consumers as they are likely first-time buyers and need help navigating the market and all steps involved in the process."

Buyers from all generations - more than half (51 percent) - primarily wanted their agent's help to find the right home to buy. Homebuyers also called on agents to help with brokering the terms of their sale and to aid with price negotiations, the study said.

Valuable Assistance

According to the report, the oldest and youngest age groups, those 66 and older, as well as those ages 22 to 30, were more likely to want their agent's assistance with paperwork. In terms of selling and consistency across all age groups, nine in 10 home sellers worked with an agent to sell their home.

The study said that the largest share of all home sellers were baby boomers, at 43 percent. Sellers aged 55 and younger often upgraded to a larger and more expensive home while staying relatively close to their prior home. Sellers 56-years and older regularly purchased a similarly-sized home, but less expensive than the home they sold by moving farther.

Overall, sellers stayed in their previous home for a median of 10 years before selling, with a median of six years among sellers ages 31 to 40, and a median of 16 years among sellers 66 and older. Recently sold homes were generally on the market for a median of three weeks, the report added.

Lautz explained that homes moved off the market so quickly because of the ongoing home inventory shortage. The limited supply of houses for sale also contributed to sellers being able to recoup so much on their transactions, according to Lautz. Sellers made a median of $66,000 in equity from their sale, she said.

Methodology

NAR mailed a 131-question survey in July of 2020 using a random sample weighted to be representative of sales on a geographic basis to 132,550 recent homebuyers, the study said.

Respondents had the option to complete the survey via hard copy or online; the online survey was available in English and Spanish. A total of 8,212 responses were received from primary residence buyers. After accounting for undeliverable questionnaires, the survey had an adjusted response rate of 6.2 percent. The sample at the 95 percent confidence level has a confidence interval of plus-or-minus 1.08 percent, the study added.

The recent homebuyers, the report said, had to have purchased a primary residence home between July of 2019 and June of 2020. All information is characteristic of the 12-month period ending July 2020 with the exception of income data, which are for 2019.

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

Simone Development Companies Completes Two Leases Totaling More Than 17,000 Square Feet in White Plains

WHITE PLAINS

Simone Development Companies recently announced the completion of two new leases totaling more than 17,000 square feet at the firm's 55 Lafayette Avenue facility in White Plains.

Simone Development Companies officials said that Westchester County government has leased nearly 10,000 square feet at the facility. Sila Services, LLC, an HVAC and plumbing service company, leased 7,250 square feet at the property, Simone Development Companies officials added.

Josh Gopan, assistant vice president of leasing for Simone Development, represented ownership in the lease negotiations. Sila Services was represented by New York Commercial Realty Group, LLC. The Westchester County government lease was negotiated directly with the tenant, Simone Development Companies officials said.

Simone Development Companies officials added that the property at 55 Lafayette Avenue is a prime mixed-use industrial/office facility featuring 17,000 square feet of warehouse space and 4,500 square feet of office space. The warehouse space features 12- to-16-foot ceiling heights and three overhead doors with direct loading to each floor. The property offers on-site parking, flanked by two large parking areas.

"The tenants were attracted to the property's prime location and convenient access to the Bronx River Parkway, State Route 22, the White Plains Central Business District and the North White Plains Metro North station," said Gopan. "Prime warehouse space with parking is at a premium in lower Westchester County and we are excited to welcome these two quality tenants to 55 Lafayette Avenue."

Building officials said that facility is now fully occupied.

Simone Development Companies is a full-service real estate investment company specializing in the acquisition and development of healthcare, office, retail, industrial and residential properties in the New York tri-state area. Headquartered in the Bronx, the privately held company owns and manages more than 6 million square feet of property in the Bronx, Westchester County, Queens, Long Island, New Jersey and Connecticut. The company's portfolio includes more than 100 properties and ranges from multi-building office parks to retail and industrial space, company officials said.

WestCOP Launches Bridge Builders to Foster Positive Dialogue Between Law Enforcement and Local Youth

Robert Martin Company Seeds New Racial and Social Justice Community Initiative with a $50,000 Grant

ELMSFORD

What started last fall with a series of informal discussions between executives from Westchester-based social services organization WestCOP and leading real estate developer Robert Martin Company senior executives about the firm's desire to seed a new community initiative fostering constructive dialogue surrounding racial and social injustice issues led to the Mar. 3 launch of Bridge Builders, a public-private partnership focused on developing and operating three Youth-Police Advisory Councils (YPACs) in Greenburgh, Elmsford, and Tarrytown/Sleepy Hollow, program officials recently announced.

The Bridge Builders First Annual Summit held on Mar. 3, program officials said, featured several notable speakers addressing an audience comprised of numerous law enforcement officials, school district leaders, area youth, community center and non-profit representatives, municipal officials, and business leaders.

Summit speakers include: Westchester County District Attorney Miriam "Mimi" Rocah; Attorney at Law and Co-Chairman of the Westchester County Police Reform Taskforce, Mayo Bartlett, Esq.; Greenburgh Chief of Police Christopher McNerney; Tarrytown Superintendent of Schools Christopher Borsari; and several students from local school districts participating in the Bridge Builders program, program officials said.

Program officials said that, seeded with an initial $50,000 grant from Robert Martin Company, a leading tri-state real estate developer and management company, Bridge Builders utilizes models recommended by President Obama's 21st Century Policing Task Force to help facilitate positive interactions and foster open communications between local police officers and youth of color with the goal of establishing long-term relationships to address racial and social injustice issues. YPACs provide non-confrontational educational and engagement opportunities to inspire participants to take constructive action in their respective neighborhoods, program officials added.

"Robert Martin Company came to us with the concept for creating a series of local police-youth councils, but their ideas and investment were matched with a genuine desire to ultimately have WestCOP shape Bridge Builders based on community feedback rather than dictating the program's final form," said WestCOP Executive Director Donnovon Beckford. "Because of the company's willingness to listen more than lead, Bridge Builders launches today with buy-in from many more voices than any other program we have initiated in recent memory."

"Even in the middle of tackling a pandemic, the national events of last summer resonated with us and demonstrated a real need for business leaders to engage in racial and social injustice issues in a thoughtful and meaningful way," said Robert Martin Company Chief Executive OfficerTim Jones. "After 60 years of philanthropic investments in the areas we serve, senior leadership felt the right time was now to work together with WestCOP, a well-respected organization with deep community roots, to strengthen the lines of communication between law enforcement and local youth, so every voice is heard, every opinion respected, and every issue deemed important addressed head-on."

Bridge Builders is facilitated by WestCOP project manager, Richard "Rick" Lee, a highly decorated, retired White Plains detective and current Archbishop Stepinac High School varsity wrestling coach with more than 30 years of hands-on community work confronting high-impact youth issues such as domestic violence, bullying, and school delinquency, among others, program officials said.

Each community's Bridge Builders Police-Youth Council is primarily comprised of student and at-risk youth representatives, as well as law enforcement officials, charged with the responsibility of working together to develop a series of activities and projects that foster a greater understanding of each other's perspectives on issues of racial and social injustice, among other goals that come out of on-going constructive dialogue between the two groups, program officials added.

Local Alliance Launches It Support of a Full Gaming License and Access to Mobile Sports Betting for Empire City Casino by MGM Resorts in Yonkers

YONKERS

"A Sure Bet for New York's Future" on Mar. 4 announced the creation of the new local alliance in support of a full gaming license and access to mobile sports betting for Empire City Casino by MGM Resorts.

The alliance also touted the benefits of its initiatives for Yonkers, the Bronx, and the greater Westchester region.

A full-scale casino license, complete with retail and mobile sports betting and live table games, will create thousands of new, family-sustaining union jobs, while generating millions in additional annual wages and tax revenue that would directly benefit local communities, officials said. The alliance, officials added, is also focused on ensuring that the region is not left behind as New York State considers implementing mobile sports betting.

The Mar. 4 Press Conference featured remarks from John Ravitz, executive vice president and chief operating officer of the Business Council of Westchester (BCW), Lisa Sorin, president of the Bronx Chamber of Commerce, and Thomas Carey, president of Westchester Putnam Central Labor Body, with members of the alliance in attendance to show their support, officials said.

"A full-scale casino license for Empire City Casino by MGM Resorts in Yonkers is a no brainer," said Ravitz. "The brick and mortar is already in place. A full-scale casino license will enhance the existing facility and is a clear path to providing significantly more revenue for the state, offering union jobs, and supporting the entire region. And if New York is going to legalize mobile sports betting, MGM Resorts must be able to compete for a license. BetMGM is one of the top mobile sports betting platforms in the country, and New York needs and deserves the best operators."

"There is overwhelming support among Bronx residents, community leaders, and businesses for Empire City to become a full-scale casino because we already have benefitted from Empire City's presence," said Sorin. "A full-scale casino license for Empire City will no doubt have a direct impact on the Bronx. We urge the Governor and the Legislature to allow Empire City to develop into a full-scale casino so we can start to see the jobs and the revenue our state needs this fiscal year."

"A full-scale casino license at Empire City will support the creation of thousands of new union jobs from the more than $1 billion impact it will have on the region," Carey said. "Think of all of the union jobs this will create for business and our Building and Construction Trades Brothers and Sisters, as well as Food Service employees, security, and the endless opportunities as we advance. If Albany wants to prioritize economic recovery, they must allow Empire City to apply for a full-scale casino license as soon as possible."

The Alliance Co-Chairs sent a letter to Gov. Cuomo, Senate Majority Leader Andrea Stewart-Cousins, and Assembly Speaker Carl Heastie asking that a defined process be put in place to allow Empire City Casino to be able to pursue a full-scale commercial casino license so that the state can immediately benefit from this turnkey private economic development project, officials said.

The Alliance launched with nearly 30 members, which will continue to grow, officials said. Alliance members include:

100 Hispanic Women of Westchester
Big Brothers Big Sisters of FSW
C&F Consulting Engineering, P.C.
Dan Schorr, LLC
Delbello Donnellan Weingarten Wise & Wiederkehr, LLP
Forme Medical Center and Urgent Care
Green Grass Real Estate
HV Gateway Chamber
IAFF Local 628 Yonkers Firefighters
IQ Contracting Inc. & Associates
Kings Capital Construction
KVL Audio Visual Services Inc.
LOCAL 3 IBEW / Westchester Central Labor Body
Marx Realty, Cross County Shopping Center
MPac
Nicholas & Lence Communications
Norcom Solutions
NorthMarq Capital, LLC
Progressive Computing Inc.
Robert Martin Company
Signarama
Skyqueen Enterprises
The DeLuca Group
United Black Clergy of Westchester
Westchester Putnam Central Labor Body
Yankwitt LLP
Yonkers Avenue Dental
Yonkers Chamber of Commerce
Zeidel & Associates P.C.

"A Sure Bet for New York's Future" is an alliance of businesses, community organizations, labor groups, and other local groups who are in support of providing Empire City Casino by MGM Resorts in Yonkers with a full gaming license and ensuring Empire City can participate in mobile sports betting, should New York State legalize it, officials said.

Officials: Yonkers IDA Votes Preliminary Approval of Incentives for Projects Representing Total Private Investment of $144.3 Million, Continued from p. 12

9,820-square-foot Health Products Corp. building will be rehabilitated as a self-storage facility. The $15.4 million project is expected to create 50 construction jobs. The developer is KCT Inc.

Additional Business

In other business, the IDA voted its final approval of financial incentives for Point and Ravine Apartments, a $72 million project that will transform a blighted and vacant block in the Warburton Ravine Urban Renewal Area into a sustainable intergenerational community, officials said. Point and Ravine Apartments, which is a public partnership between developer Conifer Realty LLC and the City of Yonkers, will feature a mid-rise building with approximately 120 income-restricted one- and two-bedroom affordable housing rental units targeted to both senior and family housing and the construction of approximately 26 units of income-restricted, affordable housing rental townhome-style apartments. The project is expected to create 250 construction jobs with a commitment to local and MWBE contractors, officials added.

Established in 1982, the IDA, spokesmen said, is a public benefit corporation that provides business development incentives to enhance economic development and job growth in the City of Yonkers.

Tech Talk

Reviewing Empathy and Entertainment in Marketing

By Andrea Wagner, President, Wagner Web Designs, Inc

DELRAY BEACH, FL

After a year that gave us a pandemic, politics and polarization, your advertising and marketing efforts must provide your audience with something to cheer about, laugh about and feel.

First there was Assumptive Empathy. This dominated advertising earlier in the year with messages such as "we're all in this together," we will survive, we are here for you, etc.

We saw it across the board in advertising in 2020. Now that we are seeing light at the end of a dark tunnel, take it from the experts - your branding needs a purpose.

Can you direct your marketing message to show what you care about? Brands like Warby Parker and JetBlue are good at connecting what they sell and what they support across all of their platforms. Are you supporting a local cause or donating profits? Buyers will tend to want to do business with you if there's a strong message they relate to.

Another way to market yourself in these times is with humor. Make us smile. We all need it. You saw this in the Super Bowl ads. If your ad gets someone to smile, a chemical reaction occurs, and endorphins get released into the brain. Stress levels drop and that is more welcoming than a strong buy me/ my services message.

Looking at the months ahead, deciding whether to use humor or empathy is a tough call. Either way, get your brand out there and become visible

***Editor's Note:** Andrea Wagner is President of Wagner Web Designs, Inc. The company specializes in optimized, small business Websites and Digital Marketing. Questions to Wagner can be directed to (914) 245-2626.*

The Suburban Shift for Construction Across the U.S. Continued Throughout 2020, Industry Report Says, Continued from p. 1

Fourth-Quarter HBGI data reveal a clear shift in the geography of home building:

- Outlying counties of smaller metro areas experienced a 20.7 percent growth rate for the year;
- Small metro core areas posted a 15.7 percent annual growth rate;
- Large metro suburbs registered a 15.1 percent yearly gain;
- Large metro core areas (close-in residential areas) posted the slowest gain, with just a 9.1 percent growth rate.

"Over the past three quarters, the HBGI data has revealed a measurable shift in home building from more costly, large metro areas to more affordable markets," said NAHB Chief Economist Robert Dietz. "We expect only a partial reversal of these trends this year as nationwide vaccination efforts significantly ramp up in the months ahead."

The latest edition of the HBGI also unveiled new data based on county-level diversity measurements regarding different race or ethnic groups. A higher diversity county consists of a larger grouping of different racial and ethnic groups. A lower diversity county means there are more people living there who are of the same racial or ethnic identity, the report said.

The report said that findings for the fourth quarter of 2020 show accelerating trends for single-family home building in both higher and lower diversity counties, particularly through the second half of 2020. The study added that, in general, multifamily residential construction has been observed to be waning in higher diversity counties in 2020 due in part to the shift to lower density markets.

Business Council of Westchester Unveils Its Hall of Fame Winners

RYE BROOK

The Business Council of Westchester recently announced the winners of its Business Hall of Fame Awards.

The awards recognize Westchester's top business leaders. The winners will be honored at the virtual 2021 Business Hall of Fame Awards ceremony on Apr. 27, officials said.

The winners, in their respective categories, are:

Corporate Citizenship:
ENT & Allergy Associates

Entrepreneurial Success:
Allstar Innovations

Family-Owned Business Success:
Lippolis Electric

Small Business Success:
Progressive Computing

Women in Business Success:
Sarah Jones-Maturo, president and chief executive officer, RM Friedland

Minority Business Success:
Business of Your Business

Chairman's Recognition Award:
Chereese Jervis-Hill, Events to Remember

"This year's winners join a roster of more than 75 business leaders who, over the years, have added to the economic vitality of Westchester's economy. They represent the very best of Westchester businesses across a wide range of industry sectors. This year the Business Council of Westchester has also added a new award category: Minority Business Success. This reflects the Business Council of Westchester's commitment to celebrating the diversity of Westchester's business community," said Marsha Gordon, president and chief executive officer of the Business Council of Westchester.

Gordon added: "We recognize these visionaries who have grown their businesses large and small through innovation and inspired leadership. This year those qualities have served them well. Our leaders have shown their true measure, having succeeded in re-envisioning their businesses to stay relevant while also standing together and supporting our communities."

Information about sponsorship opportunities for the Business Hall of Fame Awards can be obtained by calling (914) 948-2110, or visiting www.thebcw.org.

The Business Council of Westchester is committed to helping businesses market, learn, advocate and grow, association officials said. The council is actively involved in reviewing federal, state and county legislation, and regulations, in order to assess the potential impact on the business community and to influence the outcomes through advocacy when the business community's interests may be affected. It also acts as an information resource for the business community and government leaders at all levels, association officials added.

Lippolis Electric and RM Friedland are members of The Building and Realty Institute of Westchester and The Mid-Hudson Region (BRI). The BRI publishes this newspaper. The association has more than 1,800 members in 14 counties of New York. Those members are involved in virtually every sector of the building, realty and construction industries, BRI officials said.

Building and Realty Industry Official to Congressional Subcommittee: Market-Driven Solutions Will Keep Homes Resilient and Affordable

WASHINGTON, D.C.

The National Association of Home Builders (NAHB) on Mar. 18 urged Congress to factor in housing affordability when seeking solutions to building more resilient communities that can withstand and recover from natural disasters.

NAHB officials said that while testifying before the House Transportation and Infrastructure Subcommittee on Economic Development, Public Buildings, and Emergency Management, NAHB Chairman Chuck Fowke, a custom builder from Tampa, said any efforts to improve, or increase, the efficiency or resiliency of the U.S. housing stock should focus on cost-effective, market-driven solutions.

New homes built to modern codes are efficient, safe and resilient, which makes increasing code stringency on a tri-annual basis unnecessary, Fowke told lawmakers.

"Evidence from the Federal Emergency Management Agency (FEMA) and others support this fact and demonstrate that modern building codes have been very effective in preventing the destruction of homes due to various storms, fires and earthquakes," said Fowke. "For example, after Hurricane Michael hit Mexico Beach, Fla., in 2018, studies showed that homes built post-2000 remained standing, while older homes did not."

A full 130 million homes out of the nation's housing stock of 137 million are not subject to the new building codes now in effect before they were built before 2010, NAHB officials said.

"Therefore, it is imperative that Congress focus on improving the older homes, structures and infrastructure that are less resilient to natural disasters," Fowke said. "Federal incentives, tax credits, grants and other assistance programs would go a long way to facilitate and help fund the upgrades needed to ensure our homes and communities are ready for the future."

Fowke also said that state and local governments must retain authority over land use and their code adoption processes so that they can continue to direct community development and implement the codes that best fit their jurisdictions.

"Model codes are intended to be flexible," he said. "What is best for Florida is not necessarily what is best for Nevada."

Fowke added: "Relying on existing building codes, heeding the expertise of state and local governments, focusing on improving the existing housing stock and providing incentives is the best way to encourage greater resiliency in the nation's housing stock. This approach will mitigate the effects of future natural disasters and also preserve housing affordability for new and existing homes."

Economists: Housing Is an Economic Bright Spot Across the U.S., But Regulatory, Affordability Challenges Persist, Continued from p. 1

age of buildable lots, inconsistent access to building materials and a regional skilled labor deficit - foreshadow higher costs and longer build times this year, a changing regulatory landscape threatens to further erode housing affordability and make the tight inventory environment worse."

Housing is one of the few sectors experiencing year-over-year job gains, as the industry has hired more workers in the wake of the pandemic, but it still has not been enough to meet the increasing demand for housing. Historically-low interest rates are one factor driving this demand, but a geographic shift in where people are choosing to live is also affecting the housing industry, as lower-density areas become more popular, economists at the press conference said.

As the nation ramps up the deployment of COVID-19 vaccines this year, this will be good news for the overall economy and strengthen housing demand, but also place upward pressure on interest rates, which will price additional households out of the 2021 market, the economists added.

As for the biggest short-term challenge facing builders, Dietz said: "It is undoubtedly lumber prices. Pricing is now near the peak of mid-September and easily adding at least $16,000 to the cost of building a typical new single-family home."

A Milestone for Single-Family Starts

Single-family starts posted a 2020 total of just under 1 million, 11 percent over the 2019 level. The NAHB forecast is for ongoing gains for single-family construction in 2021, though at a slower growth rate than in 2020, NAHB officials at the press conference said.

Production is expected to rise an additional five percent to 1.03 million this year, marking the first year that total annual single-family production has exceeded 1 million since the Great Recession of 2008-2009, NAHB officials added.

Economic panelists said that the multifamily construction market will experience weakness as rent growth slows and vacancy rates rise. However, the development market, panelists said, should stabilize by 2022. Multifamily starts are expected to fall 11 percent in 2020 to 349,000 units and post a five percent gain this year to 365,000 units.

Remodeling will remain strong as people continue to upgrade existing homes for more purposes, such as home offices, home gyms and in-law units. Residential remodeling is expected to register a four percent gain this year over 2020, participants in the press conference said.

Supply and Demand

Looking at the supply and demand factors affecting housing, David Berson, senior vice president and chief economist at Nationwide Mutual Insurance Company, said that millennials are key to household growth and housing demand.

"The demographics look good, particularly for the 25-to-40 age group," Berson said. "The problem is a dearth of new and existing homes for sale. The number of existing homes for sale has never been lower. Why? The pandemic."

NAHB officials said that the existing inventory currently stands at a record-low 1.9-months' supply. Historically, six months of supply is associated with a balanced market.

For new homes, inventory is currently at a low 4.3-months' supply, with 302,000 new single-family homes for sale, 18.9 percent lower than December of 2019, NAHB officials added.

With the inventory of total homes for sale at record lows, solid demand, coupled with a lack of inventory, is producing strong price gains that could approach 10 percent this year, participants at the press conference added.

Two Regions Stand Out

Delving beneath the national numbers, the South and West are regions that will lead new-home growth in the year ahead, according to Frank Nothaft, senior vice president and chief economist at CoreLogic.

"Homes being built are following population flows," he said, noting that metros with affordable homes, high employment and outdoor amenities have had the highest growth in new-home sales over the last year.

New-home demand is greatest in Texas and Florida, which accounted for more than half of the nation's population growth last year. Arizona and North Carolina also posted large population gains, participants at the press conference said.

From Oct. 2019 to Sept. 2020, the South posted the largest number of new home sales in the nation, led by Dallas, Houston, Atlanta, Phoenix and Austin, Tex., NAHB officials added.

"Dallas-Fort Worth had more new home closings in the last year than the entire state of California for single-family homes," said Nothaft.

Growing home equity also bodes well for the remodeling sector, as Nothaft said that remodeling expenditures are expected to rise 3.7 percent this year to $352 billion.

A Shift to Single-Family Rental

All the economists agreed that tenants are shifting their preference from multifamily rental to single-family rental.

"Single-family rents are up 3.5 percent over the last year, while rents on multifamily rental apartments are down 3 percent," said Nothaft.

"There are a lot of people who prefer to live in a single-family home rather than an apartment," said Berson. "With the pandemic, that only accentuates that demand."

Added Dietz: "My expectation is that the single-family built-for-rent construction market share, which is currently around 4.5 percent, will likely grow to 5-6 percent over the next two to three years."

The Apartment Owners Advisory Council (AOAC) and Realty Officials Begin Their Preparations for the Upcoming "Rent Guidelines Season," Continued from p. 1

Hearings and Deliberations for 2021 at its Mar. 4 virtual meeting on Zoom. The board said that it expects that all of the Public Hearings and Deliberations will be on Zoom.

The schedule is as follows, with times, New York State Homes and Community Renewal (HCR) officials said, to be announced:

- Monday, June 7, The First Public Hearing.
- Wednesday, June 9, The board's Research Meeting.
- Monday, June 21, The Second Public Hearing.
- Wednesday, June 23, Presentations from Owner and Tenant Representatives.
- Monday, June 28, Rebuttals by Owner and Tenant Representatives and Voting On the New Guidelines.

The board's decision will affect rent adjustments for one or two-year leases which begin between Oct. 1, 2021 and Sep. 30, 2022. AOAC members term the overall process as "Rent Guidelines Season."

A Critical Need for Participation

"Every year, we consistently emphasize the fact that it is extremely important that Owners and Managers testify on the continuing increases in Operating Costs that Owners and Managers and the realty sector are facing," said AOAC Chairman Jerry Houlihan. "Once again, we are urging our members to participate in the Public Hearings and Deliberations and to offer their individual struggles with their day-to-day Operating Costs to the guidelines board."

Houlihan said that many Operating Expenses facing Owners and Managers are continuing to increase. Those increases, combined with the added cleaning and disinfecting routines at buildings and complexes due to the pandemic, justify fair guidelines increases for Owners, he said.

"We cannot stress it enough - we need the AOAC membership to help us by participating in the Public Hearings and Deliberations with testimony to the board," Houlihan said. "In turn, the participation of our members will help us help them. The lack of a good turnout from the membership of the AOAC will, without a doubt, hurt the realty industry in this process. Without a doubt, a good response and turnout from the AOAC and members of the realty industry makes a good impression to members of the guidelines board. We need participation - we certainly do not want a repeat of last year's zero percent guidelines that the board decided upon."

Houlihan said that AOAC members - as well as members of its affiliate organization, The Building and Realty Institute of Westchester and the Mid-Hudson Region (BRI) - will receive updates on the efforts of the AOAC as it continues to prepare for the Public Hearings and Deliberations.

The AOAC represents more than 300 Owners and Managers of more than 17,000 rental units in the Westchester and Mid-Hudson Region, association officials said. The BRI has more than 1,800 members in 14 counties of New York State. Those members are involved in virtually every sector of the building, realty and construction industries, BRI officials said.

Analysis: Housing Production Throughout the Nation Weakened in February, Continued from p. 12

lower in the Midwest, 9.7 percent lower in the South and 17.6 percent higher in the West.

The study added that overall permits decreased 10.8 percent to a 1.68 million unit annualized rate in February. Single-family permits decreased 10.0 percent to a 1.14 million unit rate. Multifamily permits decreased 12.5 percent to a 539,000 pace.

Looking at regional permit data compared to the previous month, permits are 9.8 percent lower in the Northeast, 1.2 percent higher in the Midwest, 13.9 percent lower in the South and 11.3 percent lower in the West, the report said.

Happy 75th Anniversary
to
The Builders Institute (BI)/Building and Realty Institute (BRI) of Westchester and The Mid-Hudson Region!

The BI/BRI, a building, realty and construction industry membership organization, was formed on February 11, 1946.

The association is one of the largest business membership groups in New York State. Members of the BI/BRI are involved in virtually every area of the building, realty and construction sectors.

Based in Armonk, the organization has helped lead the building, realty and construction industries for decades.

Here's to the many accomplishments of the BI/BRI and its proud history! Congratulations on this milestone event!!

BI|BRI The Builders Institute
The Building & Realty Institute
of Westchester & the Mid-Hudson Region

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BUILDING INDUSTRY ANALYSIS:

February Home Sales Were Down Due to Rising Material Costs and Interest Rates

WASHINGTON, D.C.

Higher interest rates, supply shortages and rising material prices, particularly for lumber, put a damper on new home sales across the U.S. in February, according to a building and realty industry report.

Sales of newly built, single-family homes fell 18.2 percent to a 775,000 seasonally adjusted annual rate, according to recently released data by the U.S. Department of Housing and Urban Development (HUD) and the U.S. Census Bureau. The data, the lowest level since last May, is part of a study from The National Association of Home Builders (NAHB) that was released on Mar. 23.

"Though buyer traffic remains strong, some home building activity is being delayed due to material shortages," said Chuck Fowke, NAHB chairman and a custom home builder from Tampa. "This is forcing builders and buyers to grapple with rising affordability issues, as soaring lumber prices have added more than $24,000 to the price of a new home."

"While rising material costs and other supply-side issues are causing delays for some projects, other factors contributing to the slowdown include the winter storms in areas like Texas and rising mortgage rates, which are up more than 30 basis points over the past five weeks," said NAHB Chief Economist Robert Dietz.

> ***"Though buyer traffic remains strong, some home building activity is being delayed due to material shortages. This is forcing builders and buyers to grapple with rising affordability issues, as soaring lumber prices have added more than $24,000 to the price of a new home."***
>
> *— Chuck Fowke, Chairman, National Association of Home Builders (NAHB)*

A new home sale occurs when a sales contract is signed or a deposit is accepted. The home can be in any stage of construction: not yet started, under construction or completed. In addition to adjusting for seasonal effects, the February reading of 775,000 units is the number of homes that would sell if this pace continued for the next 12 months, the report said.

Inventory rose slightly to a 4.8 months' supply, with 312,000 new single-family homes for sale, 12.7 percent lower than February of 2020. Homes available for sale that have not started construction are up 67 percent over last year, an indicator of increasing delays and higher costs associated with construction, according to the study.

The report said that the median sales price was $349,400, up 5.3 percent over the $331,800 median sales price posted a year earlier.

Regionally, on a year-to-date basis, new home sales declined 9.3 percent in the West, and rose in the other three regions, up 6 percent in the Northeast, 24.7 percent in the Midwest and 23.2 percent in the South, the report said.

ANALYSIS:

Housing Production Throughout the Nation Weakened in February

WASHINGTON, D.C.

Housing production across the U.S. weakened in February as higher material costs and interest rates continue to affect the housing industry, a recent building and realty industry analysis reported.

Overall housing starts decreased 10.3 percent to a seasonally adjusted annual rate of 1.42 million units, according to a report from the U.S. Department of Housing and Urban Development (HUD) and the U.S. Census Bureau. The data was analyzed in a Mar. 17 study by The National Association of Home Builders (NAHB).

The report said that the February reading of 1.42 million starts is the number of housing units builders would begin if development kept this pace for the next 12 months. Within this overall number, single-family starts decreased 8.5 percent to a 1.04 million seasonally adjusted annual rate. The multifamily sector, which includes apartment buildings and condos, decreased 15.0 percent to a 381,000 pace.

"Despite strength in buyer traffic and lack of existing inventory, builders are slowing some production of single-family homes as lumber and other material costs, along with interest rates, continue to rise," said Chuck Fowke, NAHB chairman and a custom home builder from Tampa. "Shortages of lumber and other building materials, including appliances, are putting future construction expansion at risk."

"While single-family starts for the first two months of the year are 6.4 percent higher than the first two months of 2020, there has been a 36 percent gain over the last 12-months of single-family homes permitted but not started as some projects have paused due to cost and availability of materials," said NAHB Chief Economist Robert Dietz. "Single-family home building is forecasted to expand in 2021, but at a slower rate as housing affordability is challenged by higher mortgage rates and rising construction costs. The February winter storm Uri also held down home building in Texas and some neighboring states."

On a regional basis compared to the previous month, the report said, combined single-family and multifamily starts are 39.5 percent lower in the Northeast, 34.9 percent

Continued on p. 10

Officials: Yonkers IDA Votes Preliminary Approval of Incentives for Projects Representing Total Private Investment of $144.3 Million

YONKERS

The Board of Directors of the Yonkers Industrial Development Agency (IDA) has voted preliminary approval of financial incentives for three new development projects - Horizon at Ridge Hill, Hudson Hill and a CubeSmart storage facility.

The three projects, which received preliminary approval at the IDA's Mar. 25 meeting, represent a total private investment of $144.3 million and are expected to create more than 200 construction jobs, officials said.

Horizon at Ridge Hill is a third residential tower at the Monarch at Ridge Hill community at 601-701 Ridge Hill Boulevard. The new 14-story tower will feature 180 rental apartments which will join an already occupied 162-unit condominium tower (Tower 1) and a 180-unit residential rental tower (Tower 2) that will be occupied shortly. The 225,000-square-foot project will be on vacant land to the south of the existing two towers, officials said.

Long-term plans call for a fourth residential tower to be developed south of the project. The new tower will include seven studio apartments, 105 one-bedroom, 64 two-bedroom and four three-bedroom apartments. The new tower will also include 18 affordable units and common spaces. Residents will have access to the adjoining Amenity Building which features a gym, a children's playroom, a movie theater and a pool. The $75 million project is expected to create 100 construction jobs and six full-time jobs. The developer of the project is Hudson at Ridge Hill LLC, whose parent company is Azorim, which is Israel's largest development company, officials added.

Officials said that the plans for Hudson Hill call for the development of residential units for low-income families. On a site at 76 Locust Hill Avenue, the six-story residential building will include 113 affordable housing rental units comprised of a mix of 19 studios, 45 one-bedroom, 44 two-bedroom and five three-bedroom units. All of the units will be permanent housing restricted to families earning no more than 60 percent of the Area Median Income (AMI) for the Westchester County area.

A total of 45 of the units, officials said, will be supportive in nature for formerly homeless tenants. The building will include a community room, a recreation room, an outdoor courtyard garden and an 84-space parking garage. The $53.9 million project, which is being developed by Westhab, is expected create 83 construction jobs and six full-time jobs. The City of Yonkers has committed $172,489 to Westhab in pre-development funds and another $670,000 in HOME funds for construction costs. Westhab anticipates that Westchester County will provide grant financing to reimburse Westhab for the $1.4 million purchase price of the land through the county's New Homes Land Acquisition Fund Program, officials added.

Officials said that the third project to receive preliminary approval is the construction of a seven- or eight-story CubeSmart self-storage facility at 1060 Nepperhan Avenue. The project includes relocating Health Products Corp. from the site to another Yonkers location and retaining the eight jobs. The

Continued on p. 9

Realty Study: Millennials Dominate Buying Market, Members of Generation Z Are Now Active Buyers

WASHINGTON, D.C.

The popularity of multigenerational homes increased over the last year, as a rising number of homebuyers purchased larger residences compared to prior years, including millennials who continue to make up the largest share of homebuyers at 37 percent.

Those findings were revealed in a Mar. 16 study of The National Association of Realtors (NAR) on the characteristics of homebuyers. The study is entitled "The 2021 Home Buyers and Sellers Generational Trends Report."

NAR officials said that millennials have been the largest share of buyers since the report began in 2014. The most recent data shows that 82 percent of younger millennials and 48 percent of older millennials were first-time homebuyers, more than other age groups.

According to the study, during the last year, 18 percent of homebuyers between the ages of 41 to 65 purchased a multigenerational home – a home that will house adult siblings, adult children, parents or grandparents.

"There are a variety of reasons why large families and extended families are opting to live together, one of which is that it's a great way to save money," said Jessica Lautz, NAR's vice president of demographics and behavioral insights. "Also, in light of the pandemic, many grandparents and older relatives found that being under a single roof – quarantining with family rather than away – worked out better for them."

Homebuyers between the ages of 75 to 95 were the second most likely to purchase a multigenerational home, and were most likely to purchase senior-related housing, at 27 percent, the report said.

The study noted that with inventory levels being alarmingly low in recent years and even dropping to record-low levels last year, a number of would-be homebuyers consequently had difficulties finding adequate housing options. Nearly six in 10 homebuyers between the ages of 22 to 40 said just finding the right property was the most challenging step in the buying process. More than half of all homebuyers (53 percent) cited finding the right property as the most difficult step.

Twenty-eight percent of homebuyers between the ages of 22 to 30 - those who make up younger millennial buyers - lived with parents, relatives or friends before purchasing. This is higher than any other generation. Living with family first tends to allow flexibility toward saving for a down payment and finding a home, given the low housing inventory, the report said.

Twenty percent of homebuyers between the ages of 22 to 30, the study added, were unmarried, a decline from 21 percent from a year ago. Additionally, 22 percent of homebuyers between the ages of 66 and 74 were single women.

"Single women remain a large buying force," said Lautz. "A number of divorced women and those who were recently widowed purchased a home without the help of a spouse or roommate."

The Characteristics

In terms of buyer characteristics, 19 percent of older boomers - buyers between the ages of 66 and 74 - and 18 percent of Generation Xers - buyers ages 41 to 55 - were most likely to purchase a new home to prevent having to do renovations or avoid plumbing or electricity problems. These buyers prioritized having the ability to choose and customize design features, the report said.

The study said that 17 percent of buyers who are part of the silent generation - those between the ages of 75 to 95 - purchased newly-built homes. These buyers were least likely to compromise in their home search and least likely to purchase a detached single-family home.

As is always the case in real estate, location proved to be an important component among buyers. Fifty-four percent of homes purchased by homebuyers aged 31 to 40 - older millennials - were located in a suburb or subdivision. Out of this age group, 69 percent said the quality of the neighborhood influenced their neighborhood selection. That sentiment was shared by buyers aged 22 to 30 to the tune of 65 percent, the report said.

However, the study added, an even stronger factor among this 22-to-30 age bracket was "convenience to workplace," as 74 percent cited that when deciding on a neighborhood, proximity to where they worked was imperative.

"The younger millennials overwhelmingly answered that they prefer to live closer to work, as many don't want a long commute and this was evident in their buying habits," said Lautz. "Additionally, both of these groups also placed a high value on being close to family and friends as 57 percent said that dynamic factored into what neighborhood they ultimately chose."

Lautz said that older boomers and those in the silent generation were similarly heavily influenced by a desire to be close to family and friends. Forty-seven percent of both generations cited this as a factor in neighborhood selection.

The report said that older boomers (35 percent) and the silent generation (36 percent) also valued their neighborhood being close to areas in which they could shop, and both groups (28 percent and 31 percent, respectively) stated that proximity or convenience to a health care facility was an influential factor in choosing a neighborhood.

Reasons

Among all sellers, the most commonly cited reason for wanting to sell their residence was a desire to move closer to friends and family (15 percent), followed by the home being too small (14 percent) and a change in family situation (12 percent), the study added.

In the midst of the pandemic, the report stressed, the usefulness of virtual tours skyrocketed, especially among 22- to 40-year-old buyers.

"Homebuying aside, this segment of the population was already accustomed to doing research online," said Lautz. "So, to see them really embrace virtual tours and virtual open houses was a given, nonetheless, real estate agents are the top information source, and the data shows these buyers ultimately used agents to purchase a home."

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