

## Coronavirus: A Guide for REALTORS® *Updated April 6, 2020*

The coronavirus pandemic continues to impact the real estate industry. Everything from managing brokerage operations, to marketing listings, and closing transactions, requires REALTORS® to adapt to these extraordinary circumstances. The National Association of REALTORS® (NAR) understands that these unprecedented times are impacting our members' ability to conduct their businesses, and is providing this guidance because our members' success and ability to navigate these uncertain times is paramount.

To help members navigate the important issues surrounding COVID-19, NAR has prepared the following guidance:

- I. [General Guidance during COVID-19](#)
- II. [Shelter-in-Place and Non-Essential Business Order Guidance during COVID-19](#)
- III. [Transaction Guidance during COVID-19](#)

This guidance will be updated as the situation continues to evolve, and will include the most current information and recommendations from the World Health Organization (WHO), the Centers for Disease Control (CDC), and the White House. We encourage members to stay informed by regularly visiting the [CDC's website](#), and to refer to applicable local and state government and health authorities' restrictions and recommendations.

NAR is here to support you. We are stronger together, and thank you for your membership!



# GENERAL GUIDANCE DURING COVID-19

## ***Why is NAR issuing this guidance?***

In response to the growing concerns about COVID-19, commonly referred to as coronavirus, NAR is providing this guidance to help REALTORS® respond to the coronavirus's impact on the real estate industry. As of April 6, 2020, the United States government has banned all travel from China, Iran, Europe, the United Kingdom and Ireland into the United States, and the U.S.-Canada and U.S.-Mexico land borders are also closed to non-essential travel. The U.S. Centers for Disease Control and Prevention (CDC) issued a Level 3 Travel Health Notice for all global travel. The situation is rapidly evolving, so [be sure to refer to the CDC's website for up-to-date information about travel warnings](#), as well as [current information about the coronavirus' impact in the United States](#). Daily updates about the coronavirus are also available from the [World Health Organization](#).

## ***What is Coronavirus?***

COVID-19 is a novel coronavirus that has infected more than 1.2 million individuals in more than 200 countries and territories, causing the World Health Organization (WHO) to classify this outbreak as a pandemic on March 11, 2020. Symptoms include fever, cough, and shortness of breath. Anyone experiencing emergency signs such as difficulty breathing, persistent pain or pressure in the chest, new confusion or bluish lips or face should immediately seek medical attention.

## ***What is the risk of exposure to coronavirus?***

Older adults and people who have severe underlying chronic medical conditions like heart or lung disease, diabetes or compromised immune systems appear to be at higher risk for developing more serious complications from COVID-19. The virus is thought to spread mainly from person-to-person and the CDC urges citizens to monitor their health and to practice social distancing, which means maintaining a distance of 6 feet from others, and avoiding crowded places and group gatherings of any size. [Visit the CDC's website for latest updates, and recommendations.](#)

## ***How should brokerage staff, agents, and client reports of COVID-19 be handled?***

NAR has prepared a [Sample Preparedness Plan for Circumstances Relating to COVID-19](#) for real estate brokerages to adapt and implement in its workplace.

## ***What preventative measures may be taken to reduce the risk of contracting and spreading coronavirus?***

The CDC urges individuals to take these measures to protect themselves and others:

- Wash your hands frequently with soap and water for at least 20 seconds. If soap and water aren't available, use an alcohol-based hand sanitizer.
- Avoid touching your eyes, nose, and mouth with unwashed hands.
- Practice social distancing by staying out of crowded places, avoiding group gatherings, and maintaining distance (approximately 6 feet) from others when possible.
- Avoid close contact with anyone who is sick.

- Stay home if you have a fever, cough, shortness of breath or any other cold or flu-like symptom.
- Clean and disinfect frequently touched objects and surfaces.
- Cover your mouth and nose with a tissue when you cough or sneeze, or cough or sneeze into your sleeve.

Additionally, to help prevent the continued spread of coronavirus, on March 29, 2020, President Trump advised individuals to avoid groups of more than 10 people for the next 30 days.

### ***What unique issues does coronavirus present to the real estate industry?***

When an infectious disease, such as coronavirus, is associated with a specific population or nationality, fear and anxiety may lead to social stigma and potential discrimination. REALTORS® must be mindful of their obligations under the Fair Housing Act, and be sure not to discriminate against any particular segment of the population. While the coronavirus outbreak began in Wuhan, China, that does not provide a basis for treating Chinese persons or persons of Asian descent differently.

### ***What precautions should brokers consider taking in their offices?***

**Brokers should follow all local and state “shelter in place” orders and other executive orders that impact the closure of businesses.** Where businesses are allowed to remain open, brokers should use their best judgment when formulating a plan. In addition to performing regular environmental cleaning with special attention paid to frequently touched surfaces, brokers should implement a mandatory "stay-home" policy for any staff member or agent exhibiting any sign of illness. Brokers may also want to consider imposing a mandatory or maximum flexibility remote work policy for employees and in some instances, may be required to do so under their state or local orders. In addition, in the wake of President Trump’s announcement on March 29, 2020 recommending that individuals avoid groups of more than 10 people for the next 30 days, brokers should hold virtual meetings when possible, and potentially postpone or cancel in-person meetings or events to limit close contact between individuals.

Be sure to monitor updates from the CDC, as well as your state and local health authorities for additional information and guidance on holding meetings or events. For business travel considerations, review NAR's "[Coronavirus: A Guide for REALTOR® Associations.](#)"

Finally, stay informed, and use your best judgment. The situation is rapidly changing, so focus on putting policies and procedures in place to keep your employees and agents informed, safe, and to avoid business disruption. The [CDC's Interim Guidance for Businesses and Employers](#) is a helpful resource.

# SHELTER-IN-PLACE AND NON-ESSENTIAL BUSINESS ORDER GUIDANCE

## ***Shelter-in-Place and Non-Essential Business Orders: What do they mean?***

In an effort to prevent the continued spread of COVID-19, an overwhelming number of states, cities and counties have issued “shelter-in-place” orders (sometimes referred to as “stay at home” orders) or orders mandating the closure of “non-essential” businesses. Shelter-in-place orders generally require citizens to stay home and discontinue all non-essential outings, but still permit individuals to engage in essential activities, such as trips to grocery stores, pharmacies, hospitals, doctors’ visits or work deemed essential under the order. Non-essential business orders, on the other hand, require the physical closure of “non-essential” businesses, but generally do not require individuals to stay home.

## ***What does it mean to be considered an “essential service”?***

Ultimately, the shelter-in-place or non-essential order sets forth what is deemed an “essential service”, and it is imperative that you adhere to the order exactly as prescribed. In general, where real estate is deemed an “essential service” means that real estate is included on a list of industries and workers deemed to play a critical role in the community by ensuring continuity of functions critical to public health and safety, as well as economic and national security.

## ***If real estate is deemed an “essential service,” is it business as usual?***

No, it is anything but business as usual. Public health and safety is the number one priority. Where real estate is deemed an “essential service”, you have the opportunity to continue to serve clients provided you adhere to the parameters of the relevant order and take all necessary health and safety precautions, including those specifically mandated in the order, such as no open houses, limits on the number of people permitted at in-person showings, limiting all other in-person activity, and observing social distancing guidelines set forth by the CDC. Your state regulatory agency may also have guidance on what activities are or are not allowed under your state’s order. Even where real estate is deemed an “essential service”, we strongly encourage REALTORS® to use virtual showings and limit in-person activity in all other aspects of the transaction during this crisis. REALTORS® have a special opportunity to lead by example, and to do what they believe is best for their communities and their wellbeing.

## ***What if a city or county’s order conflicts with the state’s order?***

A state’s order will generally supersede a city or county order. However, to resolve conflicts between various orders, carefully read the state order in conjunction with all city or county orders. When in doubt, consult your legal counsel.

## ***How are these orders enforced?***

Many states rely on citizens to police themselves, while others impose civil fines for violations or even take a stronger approach where a violation of a statewide order could result in a misdemeanor or imprisonment. Should a business defy a shelter-in-place or non-essential business order, the business could, for example, face revocation of its license to operate.

## SHELTER-IN-PLACE AND NON-ESSENTIAL BUSINESS ORDERS: CHECKLIST FOR BROKERS

- ✓ Determine whether a Shelter-in-Place Order or Non-Essential Business Order has been issued in your geographic area.
- ✓ Be familiar with the terms of the order.
- ✓ Determine whether real estate is identified as an “essential service” in the order.
- ✓ **If real estate IS included as an “essential service” in the order:**
  - Promptly communicate with staff and agents requiring compliance with the order, and explain its impact on their ability to conduct business.
  - Determine whether the brokerage’s office may remain open, and observe to any required limits on the number of individuals permitted in the office.
  - Consider whether staff is permitted to work remotely.
  - Reiterate the importance of following the [CDC’s recommendations](#) for preventing the continued spread of COVID-19 when conducting business and serving clients.
  - Have a [Preparedness Plan](#) in place to respond to COVID-19 issues.
- ✓ **If real estate IS NOT included as an “essential service” in the order:**
  - Promptly communicate with staff and agents requiring compliance with the order, and explain its impact on their ability to conduct business.
  - Close the brokerage’s office in compliance with the order.
  - Provide clear and prompt communication to brokerage staff and agents regarding the office closure, and remote work requirements.
  - Encourage staff and agents to continue conducting business and serving clients remotely, including by leveraging available technology, and alternative ways to market properties.

## TRANSACTION GUIDANCE DURING COVID-19

**This is general guidance only. Members should consult their brokers, legal counsel, public health information, and applicable executive orders and agency guidance on conducting real estate-related activities during COVID-19.**

To address issues that come up in your day-to-day business, we urge members to find answers that ensure first-class service to clients, while also demonstrating care for the health and well-being of clients, agents, and the greater public welfare in reducing the spread of COVID-19.

### LISTED PROPERTIES

#### ***My seller wants to stop in-person showings, what should I do? Are there any alternatives to in-person showings?***

A seller generally has control over how their property is shown, and has agreed to certain marketing activity in the listing agreement. If the seller desires to prohibit in-person showings, be sure to get those instructions in writing, and consider an addendum to the listing agreement to extend the listing.

At a time when in-person showings may be inadvisable, and even prohibited, let your client know about available alternative marketing opportunities that will allow you to continue to serve them and market their home. Three-dimensional interactive property scans (via [Matterport](#), [Cupix](#), [EyeSpy360](#)); virtual tours or live tours using Skype or Facebook; and virtual staging to showcase a property are among the great alternative marketing opportunities you can offer your client.

[Klear](#) offers on demand open houses, [Immoviewer](#) offers video tours, and [BombBomb](#) offers video check-ins. Some companies are making their technologies even more accessible, including these NAR REACH Companies:

- Immoviewer has removed tour limits for members of their Association/MLS partners, like BeachesMLS in Florida and SmartMLS in Connecticut. Their tour platform provides a “Live Tour” feature that allows agents to share tour links with potential clients and control movement through the tour, or to give tour control to the consumer to create a virtual showing.
- [FloorPlanOnline](#) helps you hold virtual showings anytime through an easy to use point & click FloorPlan Tour with an exclusive 3D space designer or a more robust 360 WalkThrough Tour in select markets. Visit [FloorPlanOnline](#) for special discounts.

Be sure to secure proper [copyright permissions](#) before uploading any media to the MLS.

In the event the seller wants to cease all marketing efforts, consider placing the property in a “temporarily off market” status.

#### ***Should we continue to hold open houses during the COVID-19 pandemic?***

NAR strongly urges members to use virtual showings and to limit in-person activity in all other respects to the greatest extent possible, even where real estate is deemed an “essential service.” Adherence to applicable state and local executive orders is a minimum requirement, and in some instances, may even preclude open houses, in-person showings and limit the number of individuals permitted at a showing. Regardless, REALTORS have the special responsibility and mandate to take all necessary health and safety precautions, and should lead by example

by conducting their services in a responsible manner, which includes leveraging virtual technology solutions and avoiding in-person contact to the greatest extent possible in order to prevent the continued spread of COVID-19 in their communities.

***If a “Shelter In Place” Order or similar order is in effect in my geographic area, can a broker require its agents to stop holding open houses and conducting other in-person real estate activities?***

Yes. Brokers can and should enforce executive orders with all agents, including independent contractors. Brokers and agents should be familiar with the details of applicable orders, including whether real estate is deemed an “essential service,” and how the order(s) impacts the permissibility of conducting in-person real estate-related activities.

***If I’m allowed to continue in-person real estate activities, may I limit in-person showings to pre-qualified buyers?***

Yes. Both listing and buyer’s agents may ask if a buyer is pre-qualified to purchase and limit showings to qualified buyers, but be sure to ask all buyers for a pre-qualification letter to avoid a potential Fair Housing violation. Keep in mind that it may be difficult for buyers just entering the market to obtain a pre-qualification letter given that many mortgage companies are currently handling high volumes of refinancing applications and other operational issues.

***May an agent require an individual complete a COVID-19 screening questionnaire before showing the individual a property?***

Yes, it is reasonable to screen individuals for COVID-19 prior to showing an individual a property, but be sure to require all individuals to complete the questionnaire to avoid fair housing issues. Keep in mind that self-reporting may provide limited assurance, as some individuals with the virus are asymptomatic or do not realize they have symptoms. Therefore, even where a COVID-19 screening questionnaire is used, agents should be sure to take additional precautions, and follow current CDC recommendations, including social distancing (maintaining a distance of 6 feet or more between individuals), requiring guests to wash their hands or to use an alcohol-based sanitizer immediately upon entry, removing shoes/covering with booties, and following CDC guidance on wearing face coverings to avoid exposure to, and spread of, COVID-19.

***Should I use a COVID-19 hold harmless agreement to protect myself against a party contracting COVID-19 through in-person showings?***

Agents should consult their brokers and legal counsel before using hold harmless agreements in order to assess the risk and effectiveness of such agreements. In general, a hold harmless agreement protects a party from liability if another party is injured on their property or is injured during an inherently dangerous activity. In the case of a pandemic where the risks associated are not only widely known, but is also widespread, easily transmittable, and may not show symptoms for days after exposure, proving causation would be nearly impossible from a legal standpoint.

***Are there any risks or potential liability to showing a property to a buyer virtually?***

Buyers have purchased properties “sight unseen” for a variety of reasons long before this pandemic. However, where a buyer purchases a property without physically visiting, relying only on photos, livestreaming, or online virtual tours, it may be a good idea to include language in the purchase agreement where the buyer acknowledges that the buyer – not the listing broker, agent or seller – is responsible for personal verification, walk-throughs and professional inspections to confirm condition and that the property is satisfactory.

***The board of the condominium building where I have a listing just closed the building to visitors, including real estate agents showing properties. Can they do that?***

These are unprecedented times, and some homeowners' associations are restricting access to common areas as part of community efforts to prevent the continued spread of COVID-19. Authorization to implement such restrictions should be captured in the building's Covenants, Conditions and Restrictions (CC&Rs) document. If your client's unit is accessed via a common area (building lobby, elevator and/or hallway), then the homeowners' association may have the right to restrict visitors. This is yet another good reason to use alternative marketing opportunities, such as virtual tours, to continue to show property.

***I have an offer to present to my seller, but my client is self-isolating and does not want to meet in person. How can I present the offer?***

You can present the offer virtually. Consider virtual options that allow you to see your client face-to-face while also sharing a document so you can explain the offer. Web conferencing services like Zoom (<http://www.zoom.us>), GoToMeeting (<http://www.gotomeeting.com>) and many others have this capability.

***Does the fact that someone had COVID-19 in the property create a stigmatized property requiring disclosure?***

State law governs what is considered a stigmatized property, and any required disclosure. Currently, there is no evidence to suggest that the coronavirus survives on surfaces that are properly cleaned and disinfected per the [CDC's recommended protocols](#), suggesting that the existence of COVID-19 in a property would not deem the property stigmatized, but this is an ever evolving situation. Consult your legal counsel with any questions regarding your disclosure obligations

***How have MLSs responded to COVID-19?***

A number of MLSs have added fields in their platform to accommodate the use of virtual tours, virtual showings, and virtual open houses, and some MLSs have disabled the use of open house fields all together. Although there has been a lot of discussion about whether or not to suspend the accumulation of "Days on Market" for individual listings, MLSs have largely responded by opting to support the use of existing statuses to take a listing temporarily off-market. Most recently, MLSs have found a need to consider a temporary pause on the enforcement of certain rules such as those that may require "physical presence" when showing a property or business rules such as requiring all "Active" listings to also be available for showing. For more information on changes MLSs may be taking, visit <https://www.nar.realtor/mls-covid-19-guidance>.

## **PROPERTIES IN ESCROW**

***What additional terms should I add to a purchase agreement, in case there are delays due to coronavirus-related closures or government orders?***

An extraordinary event, like an epidemic or government order, that may affect a transaction is sometimes addressed in a "force majeure" clause in the purchase agreement, which generally allows a party to suspend or terminate performance based on unanticipated circumstances beyond a party's control that renders performance under the contract impossible or impracticable.



Here, you could also consider including an addendum to the purchase agreement that specifically addresses potential delays related to the coronavirus pandemic. Many brokerages and REALTOR® associations have created these addenda, which extend the closing date if necessary, and address other issues including of the unavailability of inspectors or appraisers; a party's inability to travel to sign documents; a party being subject to a mandatory quarantine; and closings of or delays in related government and business services such as closing of lenders and title/escrow companies necessary to close the transaction.

***Can my sellers cancel a purchase agreement because they don't want vendors/inspectors coming through the home?***

Every transaction and purchase agreement is different. Sellers should consult legal counsel to determine their options for canceling and any applicable penalties. In the alternative, the seller could seek an extension of the buyer's due diligence period through an addendum to the purchase contract. Check with your broker, or your state or local REALTOR® association for a COVID-19 addendum that addresses common coronavirus-related issues.

***My clients cannot travel to the U.S. due to travel restrictions; how can we close the transaction?***

First, inform the other party's agent and title company, and consider whether execution via electronic closing is available in your state. If your client wants to move forward with the transaction but is unsure when they will be allowed into the U.S., then you and your legal counsel could also consider an addendum extending the closing date. Or, if your clients are near a U.S. embassy or consulate, they may be able to execute the documents abroad. According to the U.S. Department of State, notarizing officers are available at any [U.S. embassy or consulate](#), and services are available to both U.S. and non-U.S. citizens. Check with the title company to discuss these options.

***We are getting close to the closing date, but my clients are nervous about leaving their home to sign documents at the escrow company's office. Can I force them to attend the closing?***

First and foremost, refer to all applicable executive orders in your state for any restrictions that may impact real estate closings, and consider whether there are any alternatives to an in-person meeting. Several states have adopted remote notarization laws, and others have recently enacted remote notarization through executive orders, which may move the transaction forward and help avoid an in-person meeting. Find out more about remote notarization in [this video](#) and see how remote notarization works [here](#).

***Will mortgage approvals be delayed?***

Possibly. Talk to the lender immediately about how mortgage approval may be impacted by the pandemic, and specifically how they're addressing issues such as the high volume of refinancing applications, appraisers who may not be able to access properties due to local restrictions, and underwriting offices that may be short-staffed.

***Will recording be delayed?***

Possibly. Check with the escrow or title company and find out if the local recorder's office uses electronic recording, and if so, whether the title company is equipped to record the deed electronically. Depending on the details of applicable executive orders, government offices may be open and able to record the deed.

The parties should be prepared for a recorder's office to be short-staffed or closed due to coronavirus-related issues or government orders, and may want to consider an addendum to the purchase agreement to address this disruption, and who will bear the cost of any "gap" title insurance between the closing and recording.

## **LEASED PROPERTIES**

### ***Can a tenant prohibit prospective tenants from viewing my client's property due to coronavirus concerns?***

Generally speaking, a tenant may not prevent showings. However, in these unique circumstances, it is imperative that you consider everyone's health and safety first, and consider offering a virtual showing of the property to avoid in-person contact all together.

Be familiar with applicable executive orders that may limit your ability to show property in-person, and be aware that some state regulatory agencies have even banned tenant-occupied property showings. Consider doing in a virtual showing of the property, and where an in-person showing takes place be sure to take all necessary precautions and observe CDC recommendations, including requiring prospective tenants to wear a face mask, gloves and/or booties, to wash their hands or use hand sanitizer immediately upon entry, and practice social distancing at all times.

### ***The tenants in my client's property are under quarantine and the lease is ending. What can we do?***

Several jurisdictions across the country have temporarily suspended eviction and foreclosure proceedings. Even where such suspensions are not in place, if a tenant or anyone living in the property is under quarantine for COVID-19 illness or exposure to COVID-19, consider allowing the tenant to remain in place for the duration of the quarantine period. If the lease agreement calls for penalties for failure to vacate the property, the landlord may exercise discretion in enforcing the penalties, or the landlord and tenant could agree to additional rent during the duration of the holdover period.