Cox Law Firm

718 Wilcox St, A | Castle Rock, CO 80104

Date:March 25, 2020To:Colorado Real Estate BrokersFrom:Damian Cox, Esq.Subject:Coronavirus Disease 2019 Plea

As many of you know, Denver, Boulder and several other governing entities have issued Stay In Home Orders in an attempt to contain the spread of Coronavirus Disease 2019 (COVID-19). While the Denver order originally did not include real estate as "*essential*," the order was later amended to add real estate as "*Essential Business*" meaning quarantine under the order does not apply to real estate brokers working with clients. So far, every additional order has followed suit to include real estate as "*essential*."

In response to Denver changing its order to classify real estate as "*essential*" many brokers rejoiced and exclaimed its "*business as usual*!" While I certainly understand brokers desire and the need to continue income streams and help some clients, this is anything but "*business as usual*."

All indications are that the spread of infection and death toll in the United States and Colorado due to COVID-19 is going to climb exponentially over the next several weeks. In fact, the World Health Organization is now warning that the United States may soon overtake Italy as the pandemic's epicenter. If COVID-19 stays on this course, the demand on our healthcare system (e.g.: ventilators, ICU beds, etc.) may put healthcare providers in the same unimaginable situation as the healthcare providers in Italy (choosing who gets care and who dies) leading to an even higher death toll. The worst part is that those people that are currently ignoring the threat (e.g.: spring breakers in Florida and California, volleyball players in Wash Park, BBQ gatherings, etc.) will soon be, if not already, some of the sick requiring healthcare resources. The unnecessary drain these irresponsible people put on the healthcare system could inevitably mean no or limited healthcare for those people that did take the threat seriously but still ended up contracting COVID-19.

Over the past two weeks I have heard several stories about people ignoring the warnings and putting people at risk in real estate transactions. For instance:

1. A buyer showed up to closing with the closer, buyer's broker, seller's broker, sellers and lender all present. After closing, the buyer announced to everyone in the room that they had just returned from Italy.

Damian L. Cox, Esq. | 303-688-1550 | damian@coxrelaw.com

This Memo was prepared and ©3/2020 by Damian L. Cox, Cox Law Firm, LLC (303-688-1550) without right of transfer. All rights reserved.

2. A seller asked their listing broker not to tell the appraiser scheduled to do the appraisal the next day that they had tested positive for COVD-19 as it might jeopardize their sale.

3. A seller selling a rental property asked their listing broker if it was ok to put the tenant who tested positive for COVID-19 up in a hotel, "*disinfect*" the property and then hold an open house without warning any of the attendees.

The scariest part about these stories is that these are only the ones I know about. How many buyers, sellers, brokers, inspectors, appraisers or closers knew they were positive or knew they had been exposed to COVID-19, but didn't tell anyone so it didn't stall the transaction or affect their income? What about the people who are infected and contagious but didn't know because they only have mild symptoms or are asymptomatic?

This memo is a plea to the real estate broker community to heed the warnings of health officials. Stay home and practice social distancing in every way you can. I understand there may be transactions in process, buyers that are homeless or sellers that need to move that require broker attention. However, that does not mean brokers should be trying to <u>find</u> new business to conduct right now. Is it in the best interest of a seller that does not have to sell to list a home now while most buyers are on lockdown? Is it in the best interest of a buyer and their family that does not have to buy to go look at properties now and risk being infected by and spreading COVID-19?

In this time and day, not all business is good business. The more business you do, the more contact you make with buyers, sellers, inspectors, appraisers, closers, etc. that could be infected with COVID-19. I have been told by several brokers that they are being safe because they use Lysol, disinfectant and sanitizer. Is that really enough? Healthcare workers are contracting the disease at an alarming rate all while using hazmat suits, masks, gloves, goggles, face shields, sanitizer, disinfectant, specially engineered HVAC systems and every other imaginable precaution. If the healthcare workers can't keep from getting infected, do you really think Lysol, disinfectant and sanitizer is a guarantee you are protected?

I hate to sound like gloom and doom, but I would be remiss if I did not try to warn and protect the industry and brokers that I love so much. No amount of business is worth the health and safety of you, your friends or your family.

There is no doubt that this pandemic will pass, and our lives will return to normal. At some point, COVID-19 will be a chapter in the history books much like the 1918 Spanish Flu pandemic. The real question is how much more time will it take and how much additional carnage will it wreak because people did not take proper precautions?

PLEASE be safe!