



Hamptons & North Fork Markets: Where They've Been, Where They're Going



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“Hot, hot, hot.” That phrase, more than any other, was repeated as winter and spring gave way to summer here on the East End and insiders and casual observers alike watched the local real estate market move right along with the rising mercury. Now that the numbers for the first half of 2014 have been accumulated and analyzed, it seems that refrain will continue across the Hamptons and North Fork.

“My favorite part of statistics is that they don’t lie and they have no opinions—they are merely the numbers as they are recorded,” says Town and Country Real Estate CEO Judi Desiderio. “That said, the first half of 2014 was the best market since the Great Recession hit. We are not yet at pre-recession levels but are steadily climbing.”

Properties both renowned and relatively new made headlines in the first two quarters. Wooldon Manor in Southampton, which ranked as the biggest deal of 2013, went back on the market, with Harald Grant and Edward Petrie of Sotheby’s and Tim Davis of Corcoran (who handled last year’s sale) and sold once more. One of the priciest properties ever in Noyac was on the market just a month when Alan Schnurman of Saunders moved it for more than its \$13 million asking price. Yes, the numbers are impressive. When put against the first half of 2013, the Hamptons enjoyed a 21% increase in the number of home sales and a 24% rise in total home sales volume. The 700 total sales for the second quarter were the most since the 786 in the second quarter of 2005.

“The first half of 2014 proved to be strong in both the Hamptons and the North Fork, with the North Fork emerging as a powerhouse market in terms of rising sales volume and housing prices,” says Douglas Elliman CEO Dottie Herman. “The Hamptons has always been in style and that’s not going away any time soon, but now the North Fork is really coming into its own. It’s en vogue to have a house there, whether seasonally or year-round.”

On the North Fork, the median price was up 3.9% from Q2 of 2013, and average price jumped 4.1%. In the first half of 2014, six North Fork homes sold in the \$2 million to \$3.49 million price range—a 500% increase year over year.

“The understated elegance and charm of the North Fork continues to gain notoriety and popularity. People are coming to realize that when it comes to purchasing a country house or beach house on the East End, the North Fork offers an alternative to the Hamptons that many had previously not been aware of. Buyers are finding that each Fork has its own appeal and that the North Fork might be a better fit for many. This, coupled with the fact that you are able to get a lot more for your dollar on the North versus South Fork, has caused more and more buyers to, at the very least, explore what the North Fork has to offer before purchasing.”

—Donielle Cardinale, Associate Real Estate Broker, Daniel Gale Southeby’s International Realty

“The first half of this year in Hamptons real estate was fantastic, lots of high-end and record-breaking sales, including the highest ever in East Hampton, and even Sag Harbor with one over \$30 million, which has inspired a lot of new high-end listings in all the villages. I have sold or in contract well over \$200 million so far this year, which is already close to the quarter of a billion I usually do each year!”

—Susan Breitenbach, Senior Vice President, The Corcoran Group

“The first half of 2014 showed strong increases across the board. Total home sales volume was up 24% year over year; 963 homes sold, representing a 21% increase. I consider sales volume one of the best indicators of the market direction. What is especially interesting was that 59% of all homes sold were under \$2 million. This indicates strengthening and confidence in the economy and the local market from first-time buyers.”

—Alan Schnurman, Licensed Associate Real Estate Broker, Saunders & Associates

“The first half of this year has been very strong with growth in all sectors—we expect this trend to continue. Land sales jumped by over 67% over the same period last year, and with the craze for new construction, builders and developers are struggling to meet the demand.”

—Geoff Gifkins, Regional Manager, Licensed Associate Broker, Nest Seekers International

“The first half of 2014 exceeded our expectations on a number of key elements.... Sales in our core and contiguous footprint [Greater Westhampton Beach/Southampton Township] continued a bimodal trend we observed in the closing months of 2013. Properties priced under \$1 million and over \$5 million continue to outperform those priced in the \$2 million to \$4 million range, except where a prudent value proposition could be quantified.”

—Lawrence Citarelli, Principal—L III Group First Hampton International RE / Lawrence III Corp. / Citadom Holdings

“As I represent and sell homes in Southampton’s ‘western section,’ I am very aware of how much attention has been paid to this ‘closest’ portion of the Hamptons. Our sales have increased measurably and the demand is higher than ever. Westhampton Beach and Quogue oceanfront sales have been booming at numbers half those further east. Quogue is hot and Remsenburg’s waterways beckon to boaters. I see numbers only rising in quantity of sales and pricing.”

—Marcia Altman, Associate Broker, Brown Harris Stevens

“Particularly buoyant were Southampton Village and Sag Harbor Village, Noyac and North Haven, where we have buyers waiting for inventory to arrive on the market. Should your broker let you know about new property, that works for you to hustle out here—they aren’t being salesy, they are protecting your interests and want you to see opportunities before they are gone! I expect we will continue to see strong sales at all price points for second half of the year as long as there is new inventory coming through priced accurately.”

—Maz Crotty, Licensed Real Estate Salesperson, Nest Seekers International

“Seeing 2013 wrap up with all markets producing numbers in the black and now the first half of 2014 displaying enviable sales stats can only predicate an overall successful year in the making.”

—James Rooney, Principal, FLEX Development

“The earlier part of 2014, buyers were certainly more confident in the market and enthusiastic about finding their new East End home, but I found many were a bit behind in regards to where they would need to be on purchase price. The past few months, they seem to be coming to terms with how things have heated up. They are realizing that if they want to make the deal come together, they are going to have to step up a bit quicker and be more willing to meet the seller’s price. We are seeing an increasing number of competing offers and even homes selling above asking on some occasions.”

—Donielle Cardinale

“I envision no change in the market direction for the balance of the year. We continue to see existing inventory being sold at near record levels. At the higher end, multiple bids are becoming commonplace.... As long as the stock market continues to be stable, our market will prosper.”

—Alan Schnurman

“The second half of 2014 should continue to post gains in the number of land, existing and new construction home sales and in the aggregate dollars invested in Hamptons real estate, given the historical performance trends we are tracking at FHIR. I am also predicting continued, steady, moderate growth into 2015 and 2016 as rates and many other factors will continue to be attractive and a flight to quality and yield will continue.”

—Lawrence Citarelli

“The market is strong and although there are a lot of speculative projects on the market, listings are trading if priced well. Land is getting scarce, which means all the new speculative projects coming on in the next year will be priced higher, so it’s a great time for people to buy!”

—Susan Breitenbach

“The Hamptons is known the world over for its beaches, celebrity cachet, dining and overall beauty, while the North Fork—long considered its quiet neighbor—is experiencing a renaissance. New restaurants are opening, and Greenport attracts yachts and boaters from all across the globe because it boasts the deepest natural harbors on Long Island. There are also more than 30 vineyards in the Greenport area alone for wine enthusiasts. I anticipate more steady growth in both regions.”

—Dottie Herman

“If all continues as it is, the second half of this year should put nearly all Hamptons markets in record territories for the number of sales—some locations will exceed pre-recession price levels, others not yet. For both buyers and sellers, it will be a happy time.”

—Judi Desiderio