

East End lures baby boomers year-round

Maura McDermott | April 2, 2017

The East End is luring a small but hardy group of baby boomers who are moving there year-round, drawn by the region's proximity to New York City, its offseason serenity, cultural activities and relatively low property taxes that help offset high home prices.

Some newcomers start as summer vacationers and eventually move to their East End home full-time, real estate brokers said.

"They're finding that there's a lot to do out in the Hamptons," said Jane Gill, a real estate agent with Saunders & Associates in Bridgehampton. In the winter, she said, "you go out to a gallery opening on a Friday night and it's packed, where you never used to see that."

For others, the East End, Florida and Manhattan form a "luxury triangle" to visit throughout the year, said Judi Desiderio, chief executive of Town & Country Real Estate, based in East Hampton.

Home buyers who are retiring or scaling back their professional activities are one group contributing to strong demand for homes in the East End's entry-level and mid-market price ranges, roughly \$500,000 to \$3 million, brokers said.

"It can be anything from 'Get me that little cottage for a million in Noyack or Hampton Bays.' That's the lower end," Desiderio said. "Then at the upper end, you've got someone who says, 'I want a family compound . . . our own little Camelot.'"

That demand has given a boost to the North Fork, where homes are more affordable than in the Hamptons. North Fork homes sold for a median price of \$595,000 in the last three months of 2016, nearly 14 percent higher than a year earlier, the most recent report from Manhattan-based appraisal company Miller Samuel and brokerage Douglas Elliman shows. In the Hamptons, the median price was \$925,000 in the fourth quarter, an annual decline of 7.2 percent.

By contrast, during the same period, the median price of Hamptons luxury homes — the top 10 percent of sales — fell by nearly 30 percent, to \$5.85 million.



Michael Miereanu and his wife, Shan Quinn, at their house in Greenport on Friday, March 24, 2017. The couple moved to the North Fork from Hawaii. Photo Credit: Randee Daddona

East End homes in the \$1 million-or-less range are “the tightest segment of the market,” said Jonathan Miller, chief executive of appraisal company Miller Samuel. “As you move lower in price, you have less inventory and more competition with other buyers.”

For some new year-round residents of the East End — many of them transplants from western Long Island, New York City or Westchester — the main attraction is proximity to children and grandchildren. For others, it’s social, cultural and professional opportunities and medical care on the East End and in Manhattan. And for many, it’s the chance to stroll, bicycle and cross-country ski along nearly empty beaches and winding streets.



Marilyn Goldberg in the living room of the town house she owns in the Bishops Pond development in Southampton on March 25, 2017. Photo Credit: Gordon M. Grant

For Marilyn Goldberg, it’s all of the above.

Goldberg, a real estate investor and interior designer, has been visiting the Hamptons since she was 3. She owns a 2-acre, six-bedroom estate in Water Mill dubbed Villa Marilyn — for Marilyn Monroe — that she lists for rent at \$180,000 for the summer, she said. But it wasn’t until last year, after Goldberg and her husband, Michael Rothbart, bought a three-bedroom condominium at the Bishops Pond development in the Village of Southampton, that the couple felt compelled to move out east year-round. They created a guest room,

media room and wine room on the lower level, at a total cost of about \$1.2 million. Her clients, as well as the couple’s three children and seven grandchildren, visit often, she said.

“I turned around and said, You know what? I’m not going back anymore,” she recalled of the couple’s former primary residence on Manhattan’s Upper East Side.

Her friends seem to be visiting Palm Beach, Florida, less often and spending more time in the Hamptons, Goldberg said.

“I think they’ve gotten so used to the energy of the Hamptons . . . and the way their children come and visit them,” she said. In Florida, she said, her friends “feel like they’re in a retirement community. They can’t wait to come back to where the living are.”

The East End’s population growth has outpaced that of Suffolk and Nassau counties. From the 2000 census to the five-year census estimate that ended in 2015, the population of the five East End towns — East Hampton, Southampton, Riverhead, Southold and Shelter Island — grew by nearly 11 percent, while Suffolk’s population increased by 5.8 percent and Nassau’s by 1.5 percent.

During the same period, the senior population grew faster on the East End than on the rest of Long Island. The East End’s share of residents 65 or older rose by 4.1 percentage points, to 22.4 percent. Suffolk’s senior population increased by 3 percentage points, to almost 15 percent, and Nassau’s ticked up by 1 percentage point, to 16 percent.

The East End began to attract more New York City residents to live year-round after the Sept. 11, 2001, terrorist attacks, when downtown Manhattanites sought refuge in their vacation homes, real estate brokers said. The trend has picked up in the past three to five years.

The new transplants are joining the East End's year-round population of about 138,000, which swells to more than 380,000 in the summer, according to Suffolk County's analysis of census figures.

Many longtime, year-round East Enders work in the service industry, or as tradespeople or fishermen. The region has some of Long Island's highest rates of poverty, with 9.3 percent of the population living below the poverty line in Riverhead, 8.6 percent in the Town of East Hampton and 8.1 percent in the Town of Southampton. Some East End residents are struggling to afford the high cost of housing in the area, or have moved to less costly areas in the towns of Riverhead or Brookhaven.

"It's tricky for local people; it's kind of a bifurcated market," said Dave Kapell, a broker in Greenport for 35 years. "That's true of all of Long Island at this point."

In Greenport, he said, the new residents "are contributing to the improvement of the community," he said. "We've got this old housing stock, so we've always got houses that need upgrading."

Many new year-round residents "started working from home via the internet, and they got accustomed to being out here," said Bob Strebel, a certified public accountant and partner with Sabel & Oplinger, CPA, PC in Southampton. "I call them 'transitionaries,' because they were slowly transitioning from Manhattan professionals or workers or executives to becoming full-time East End workers or retirees."



David Buschman, 53, a lawyer and artist, and Jessica Zarzycki, 38, a research analyst, outside their second home in Greenport, on March 25, 2017. They work in Manhattan but plan to become fulltime residents of Greenport. Photo Credit: Heather Walsh

It helps that property taxes are more affordable than in western Long Island, since the schools are more sparsely populated, he said.

A Hamptons home valued at \$1 million could come with a property tax bill of \$2,500 to \$5,000 — less than one-third the amount homeowners pay farther west on Long Island, he said.

"If you can get over the actual price of the home, the real estate tax is a bargain," Strebel said.

In addition, for those choosing a retirement destination, "one of the key considerations is where your family is," said appraiser Miller, whose mother and father moved from Manhattan to Shelter Island about 15 years ago to stay close to their two children and six grandchildren in Connecticut.

Shan Quinn and her husband, Michael Miereanu, moved from the Big Island of Hawaii to Greenport, where they bought a 100-year-old converted chapel in 2015 for a little less than the \$395,000 list price. They enjoy frequent visits from grandchildren George, 2, and Gracie, 3 months, whose parents live in Manhattan and own a vacation home a mile away in Greenport.

"I really wanted to be more involved in their lives, so it's worked out well," said Quinn, 70, a retired teacher.

Of course, there have been challenges, such as realizing they would need to hire a chimney sweeper in the winter. "It's been these kind of 'ah ha' moments, and buying flannel sheets — who does that?" Quinn said.

David Buschman, 53, a lawyer and artist, and Jessica Zarzycki, 38, a research analyst, outside their second home in Greenport, on March 25, 2017. They work in Manhattan but plan to become fulltime residents of Greenport. Photo Credit: Heather Walsh

For others, winters are part of the charm.



Kathleen Beckman, a real estate agent with Town & Country Real Estate, in the kitchen of a house that is on the market in Montauk on March 24, 2017. Photo Credit: Gordon M. Grant

Judith Jedlicka, 72, said she is “semiretired,” teaching communications at LIU Post after a career as a publicist for the American Ballet Theatre and president of the Business Committee for the Arts, a group founded by David Rockefeller.

She lived in Huntington for more than 30 years, then moved to a contemporary home in Riverhead two years ago in search of serenity, and to be close to the East End’s museums, concert halls and farm stands.

Jedlicka has listed her Riverhead home for sale at \$629,000, but she is not going far. She plans to move to

the South Fork, where she owns a home that she said is a better match for her collection of folk art and Mission-style furniture.

The East End in winter “is beautiful, it’s very serene and very quiet,” she said. “Just taking a walk, having the snow crunch under your feet is fun.”

In some cases, a couple will purchase a small vacation home with plans to eventually settle there full-time, said Kate Carpluk, an associate broker with Town & Country Real Estate in Mattituck and Westhampton Beach.

That’s true for Dave Buschman, 53, and Jessica Zarzycki, 38. For now, they spend weekdays living in Manhattan, where he works as an attorney and she is a financial research analyst. But they visit their home in Greenport, which they bought in 2015, throughout the year, enjoying local festivals, visiting vineyards and getting to know their neighbors, and they intend to retire there one day.

“The goal is to be able to just slowly migrate out that way,” Zarzycki said.

“It’s a town that doesn’t shut down,” Buschman said. “The day after Christmas we went to Front Street, and there were plenty of people out having dinner.”

On the South Fork, too, increased year-round foot traffic in places such as East Hampton and Southampton villages and Montauk is prompting more stores, restaurants, salons and fitness studios to stay open through the winter, said Faith Hope Consolo, chairman of retail leasing and sales at Douglas Elliman. Over the past five years or so, Consolo said, “year-round living has become a norm in the Hamptons.”

At Bishops Pond, which includes a pool and clubhouse, residents “say they’re surprised by how much time they spend out there,” said Steven Dubb, a principal with the Beechwood Organization in Jericho, which opened the development in 2013. “Every year it becomes less and less of a summer community and more and more of a year-round community.”