

Hunting for value in the Hamptons

Even as buyers hold out for discounts and luxury sales slow, brokers say big deals are still getting done out East

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Because sales have dropped off on the high end, have you had to go further to meet buyers? Everyone has. Every single company will tell you that there are reductions in the market above \$10 million.

How does this affect the way you do business? I've been through two stock market crashes and several boom markets. This too shall pass, and the high end is doing better now because there are some bargains out there. The second quarter is going to look a lot better. As a broker, I always did better in poor markets because my customer base is investors who buy [when everyone else] is selling and [vice versa]. With Town & Country serving every price range, it doesn't really matter what price range drives business as long as there is business going on.

Are there any towns where you see potential growth, or where you see the market cooling? I view our market as a consistent performer. We're surrounded on three sides by water, and if price is dictated by supply and demand, even if the demand goes down, the supply can never really go up too much. That means long term we are going to see an appreciation. There is potential for growth in the Westhampton Beach area and the North Fork because their price points are lower right now.

How does the retail market look right now? The core business districts of the villages have been stable in terms of rents. They're not at the height of the market and their annual increases are smaller than they used to be. I've been seeing that landlords in the city have been offering free rent and things like that. We haven't really seen that yet, but what we get here is more pop-ups. People feel as though they don't want to have a store open 12 months out of the year. As someone who lives out here, I hate that, because I want to walk down my main street in East Hampton and see every store open, but I see what it is — retail across the country is suffering.

Are there more restaurants and service-type businesses opening? No, because we have wastewater management issues. In my professional opinion, that is holding back some hamlets. If you look at the most bustling hamlets — [like] Sag Harbor — every third store has some form of wet use, because people want to go and get ice cream cones and walk around. They want to go get cocktails and dinner. Sag Harbor is commerce friendly that way. They also have a sewer system. That's sorely needed in other villages.