

Real Estate Pro Thinks Now's The Time To Buy In The Hamptons

Nicole Barylski | July 26, 2018

The Hamptons Q2 real estate reports are in and home sales are up, but year over year they're off by over 10 percent.

Of the 12 markets Town & Country monitors, five saw an increase in the number of home sales, five saw a decrease and two remained the same. However, overall the number of home sales are up 3 percent.

However, there was an area that jumped out. "East Hampton Village impressed everyone with her \$6,000,000 median home sale price in the 2nd Quarter of 2018," Judi A. Desiderio, Town & Country Chief Executive Officer, noted. "But, it was the Bridgehampton market (which includes Sagaponack and Water Mill) which maintained its high earner award with the greatest total home sale volume - nearly \$217M changed hands for those three months."



"One noteworthy statistic was the elite price category of over \$20,000,000 which sank 75 percent - only one home sold in that price bracket," Desiderio added. "It was 290 Further Lane in East Hampton. The estate of James Marcus at \$40M."

Year over year, The Elliman Reports: Hamptons Q2-2018 notes that the median sales price in the Hamptons declined by 5.3 percent to \$975,000 - a first in six quarters. The number of sales year over year was also down, with a 12.8 percent drop to 601.

"The numbers demonstrate what we've known for some time: the Hamptons market is undergoing a reasonable downward correction. However, the gap between buyer and seller expectation seems to be closing," noted Carl Benincasa, Douglas Elliman Regional Vice President of Sales. "Original listing prices are dropping, as are absorption rates, which means that sellers are making moves to meet buyers, making this a prime time to buy a home for the informed purchaser."

The luxury market saw an uptick in prices, with a 17 percent increase in average luxury price and the median luxury price was up by 18 percent.

"We definitely saw an increase in buyer activity in the second quarter, including a lot of activity on the high end. Just Corcoran agents alone were involved in five deals over \$10 million," said Ernest Cervi, Regional Senior Vice President of Corcoran's East End offices. "We also had an increase in rentals, many of whom also purchased a home; historically, this trend makes for a strong third quarter. I think we are also going to see more condo sales in the third quarter, as sales have been really ramping up at our condo development at Southampton Pointe. Overall, a very stable quarter on the East End!"

"Hamptons real estate shows strong sales prices with overall less volume. Hamptons total average sale price rose 6.9 percent and the median price increased 4.5 percent while the actual number of transactions dipped 12.3 percent and total dollar volume of all sales was off 6.3 percent," noted Robert M. Nelson, Senior Managing Director of Brown Harris Stevens of the Hamptons, LLC. "The strength of the high end of the market was evidenced by a significant number of sales late in the second quarter that have closed, but not yet recorded, bringing the total number of sales over \$5 million to 53, with 15 sales over \$10 million. Rentals continue to be a challenge as tenants opt for shorter time frames than in years past."