

# Luxury Market Booms, Others Lag

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Jamie Bufalino | August 2, 2018

The East End real estate market is on divergent paths, according to second-quarter reports from many of the major real estate agencies, as sales of luxury homes, defined as those priced at \$5 million and up, were robust, while those of lower-priced ones lagged behind.

The Douglas Elliman agency said that overall sales were down nearly 13 percent from the same period last year. The drop was attributed to lackluster sales in the “soft middle” of the market, that is, houses priced between \$1 million and \$5 million.

For luxury homes, however, it was a blockbuster quarter, according to the agency. Forty-nine sales in that sector marked one of the highest totals in the last 14 years.

An analysis by Brown Harris Stevens found both a similar decline in overall sales and disproportionate strength in the luxury market.

The Corcoran Group registered a 2-percent rise in overall sales, and a 5-percent rise in luxury home sales. The sale of 19 houses in East Hampton Village, the agency noted, had a combined value that exceeded \$141 million, more than doubling the sales volume from last year.

One surprising outlier in the luxury market, according to the Corcoran Group, was Southampton Village, which posted fewer high-end sales this past quarter. As a result, the sales volume dipped by 45 percent.

The Town and Country agency referred to Sag Harbor Village as an “anchor on the South Fork” in its report, which cited a 16-percent drop in home sales and a 15-percent downturn in sales volume in the village. Even so, there were two sales in the \$5 million to \$10 million category, doubling last year’s number.

Judi Desiderio, the C.E.O. of Town and Country and the author of its report, was optimistic about the state of Hamptons real estate, calling the current prices “healthy” and “sustainable,” but she did highlight a 75-percent drop in one niche of the market, namely, houses priced over \$20 million. Unlike in the second quarter of 2017, when four such houses sold, only one — 290 Further Lane, which was purchased for \$40 million in April — followed suit this time.