

## East End Home Prices Edge Upward as Inventory Shrinks

Posted by [Beth Young](#) • [May 6, 2015](#) • [Top Stories](#) • [Add Comment](#)



This house on Breakwater Road in Mattituck is currently on the market.

Home prices are edging higher on the East End, and inventory of houses on the market continues to shrink as the pace of sales exceeds the rate that houses are listed on the market — a prime case of lack of supply that could continue to push prices higher.

Douglas Elliman's quarterly Elliman Report cited the Hamptons market in the first quarter of 2014 as having "the highest first quarter median sales price in a decade and the highest first quarter sales activity in eight years."

They reported the median sales price on the South Fork was \$920,500 this quarter, up 4.6 percent. The listing discount, however, expanded to 12.3 percent from 7.4 percent in the first quarter of 2014.

The absorption rate increased, due to a decline in the amount of inventory on the market as sales increased. Douglas Elliman reported 541 sales on the South Fork in the first quarter, a 2.5 percent increase over the first quarter of 2014, while the number of listings fell 3.5 percent to 1,636.

Douglas Elliman also reported a pickup in the market pace on the North Fork, though they reported mixed price indicators.

They reported that the absorption rate fell 32.3 percent to "the fastest first quarter market pace in eight years" due to rising sales and falling inventory.

They reported 134 sales on the North Fork in the first quarter, up 22.9 percent, while inventory fell 17.3 percent to just 494 houses.

Douglas Elliman reported median sales price on the North Fork increased to \$465,000, up 6.7 percent over the first quarter of 2014, while the average sale price fell 17.2 percent to \$672,698 over the same period last year, as the market skewed toward mid-to-lower priced sales.

The listing discount on the North Fork in the first quarter averaged 12.9 percent, up from 12.3 percent in the first quarter of 2014.

Town & Country Real Estate also reported a rapid pace to home sales in the first quarter.

Town & Country CEO Judi Desiderio reported high sales activity, up more than 40 percent from this quarter last year, in the middle of the North Fork — from Aquebogue to Cutchogue — while the number of homes sold in Greenport, East Marion and Orient declined 33 percent.

Town & Country reported the median sales price on the North Fork increased 5.39 percent to \$450,000. They also reported increases in the number of sales under \$1 million, while the number of sales above \$1 million declined.

On the South Fork, Town & Country reported a decline in the number of houses sold in many of their market areas, with only Sag Harbor Village and East Hampton Village posting significant increases in the number of houses sold, up 31 percent and 14 percent, respectively.

Town & Country did report price increases in many South Fork markets, with the median home sales price in Southampton Village up 37 percent to \$2.3 million, and in Bridgehampton up 29 percent to \$3 million.

Town & Country reported the median home sales price in all of the Hamptons combined declined 1.84 percent to \$960,000, while the number of homes sold declined 6 percent to 381. They also reported a 15 percent decline in the number of sales under \$500,000, an indicator of the rapid decline in the number of affordable houses available on the South Fork.

The Corcoran Group's Corcoran Report told another, different story, in which "severe winter weather conditions and record snowfall deterred East End First Quarter 2015 sales activity."

They reported the number of closed sales on the South Fork decreased 18 percent over the first quarter of 2014, while the average sales price increased 14 percent and the median sales price rose 8 percent, with strong demand for properties at the high end of the market.

On the North Fork, they reported a 24 percent decline in the number of closed sales, while the median price increased 13 percent and the average sale price decreased 2 percent quarter-over-quarter.

Unlike the Elliman Report, which cited more activity at the lower end of the spectrum, the Corcoran Report said sales over \$500,000 made up 49 percent of the sales in the first quarter of 2015, up 8 percent from the same quarter last year.

Variations in different reports are often due do differing geographic areas included in statistics gathered by different companies.

Suffolk Research Service, which is not affiliated with any real estate agencies, reported "a healthy trend of recovery in all respects," according to SRS president George Simpson.

Mr. Simpson's report, which covers all of the five East End towns, showed a median price increase of 4.9 percent and a unit sales increase of 5.2 percent over the first quarter last year.

His report showed median prices increased in all four of the East End towns except Shelter Island, while unit sales increased in every town except for Southampton, which saw a slight decline.

Mr. Simpson's report pegged the median price of single family residences in all five towns at \$750,000, up 3.2 percent, with 721 sales in the first quarter.

He reported 332 sales in Southampton Town, down from 341 this quarter last year; 191 sales in East Hampton Town, up from 175; 96 sales in Riverhead Town, up from 79; 87 sales in Southold, up from 78; and 15 sales on Shelter Island, up from 11.

He reported median sales price in Southampton at \$880,000, up 8.8 percent; \$1.065 million in East Hampton, up 7.8 percent; \$370,000 in Riverhead, up 19.4 percent; \$499,500 in Southold, up 13.5 percent; and \$770,000 on Shelter Island, down 52.6 percent.

Douglas Elliman's North Fork report is online here and their South Fork report is online here. The Corcoran Report is online here. Town & Country's North Fork report is online here and their South Fork report is online here. Suffolk Research Service's report is online here.