

# Destination: Water Mill

By Carey London

From architecture and interior design to building and landscaping—let alone brokerages—a remarkable number of real estate-related businesses have set up shop in downtown Water Mill.

More than a dozen such establishments are sprinkled throughout the petite business district, including Ethan Allen furniture and accessories, Warren's Nursery, Creative Touch Landscaping, Water Mill Building Supply, AGC irrigation supplies and equipment, Jason Klinge Residential Construction, and a smattering of architects and antique stores.

Owning a business in a village like Southampton or East Hampton may be desirable for the visibility it can afford, but high prices and lack of space can dim expectations. And while Water Mill appears to be a town of passersby, with people driving intently to other destinations, it does offer a variety of benefits to the business owners within it.

"I've always been interested in Water Mill as a location. I think it's because the rents on main street [in the incorporated villages] are prohibitive," said architect Peter Cook, who bought and renovated a building for his firm on the hamlet's Main Street about five years ago.

"So, if you want to own a building or have a business with a high-profile location, Water Mill, Wainscott, these sort of middle, pass-through towns, are affordable," he said.

Although Mr. Cook purchased his building, many in Water Mill are renting—and for good reason. Rents are substantially lower in the "pass-through" hamlets when compared to the villages.

In both Water Mill and Wainscott, the average rent is \$30 per square foot, according to Hal Zwick, a broker who specializes in commercial real estate with Town & Country. Meanwhile, the average rent is \$90 per square foot in Southampton Village and \$125 per square foot in East Hampton Village. Prices vary according to exact location and size—smaller spaces are more expensive per square foot.

Lower prices aside, Mr. Cook's move is proving beneficial in other ways as well. For almost two decades, the architect had an office in Southampton Village near the train station, which is off the main drag. "I don't think I ever had someone come into the Southampton office and say, 'We called you because we drive by and see your sign all the time,'" he said.

On the other hand, he added, at the new location in Water Mill, "we had some people look us up and pursue us because they saw us on the street all the time, driving by the office."

For Bill Miller, the desire for visibility took a back seat to the need for space and affordability. Mr. Miller owns a tree care service company, called Bill Miller and Associates, which had been based in Sag Harbor for 17 years. Two years ago he moved to his new office space in the Water Mill Station office condominiums, which is set back behind Water Mill Square.

"We had outgrown the office years before, and I needed to add to my staff," Mr. Miller explained. "We loved the space [in Sag Harbor], but we were squeezed into it."

Finding commercial space in the whaling village that would allow him to expand and made sense financially proved impossible, he said. "I spent years and years and years trying to find it."

The average rent in Sag Harbor is \$80 per square foot, according to Mr. Zwick.

Mr. Miller eventually started looking outside of the village and found the space in Water Mill, set far back from the hustle and bustle of Montauk Highway, which he prefers. "We don't need distraction," Mr. Miller said. "We can stay focused on our mission. We don't benefit from a lot of noise."

As for visibility, he said, "Clients find us by word of mouth."



Meanwhile, Michael Crocitto, owner of East End Building, chose Water Mill for its accessibility. "It's a nice location for us," he said. "We love it because it's not too far east, and it's not too far west."

The second-generation builder also has retail space in Bridgehampton, where the average rent is \$75 per square foot. Mr. Crocitto opened his Water Mill location two years ago and said it offers him some distance from competitors. "There's no other builders in Water Mill—everyone's in Bridgehampton and Southampton," he said. (In fact, there are a handful of builders in the hamlet, but they are few and far between.) "My philosophy is to stay away from everyone else," he said.

Mr. Crocitto said that while the villages of East Hampton and Southampton get more attention, Water Mill is one of the "beautiful in-betweens."

"I love the area, and that's why we camped out," he said.

The hamlet also serves as a strategic midpoint for Cody and Zach Vichinsky, co-founders of Bespoke real estate. They opened their high-end brokerage on Montauk Highway in Water Mill, slightly east of the business district, in the fall of 2014.

"Water Mill is pivotally located between the main areas we represent, the majority of our high-end properties," said Cody Vichinsky. "We felt the building itself had high visibility and was the perfect size and layout for the type of office we wanted to create."

"We do not get the foot traffic like on main streets in Bridge or South, but we do not feel that is a con," said Zach Vichinsky. "Our clients value privacy—and being able to conduct business in a comfortable space where they do not have to worry about passersby has been a plus for the people we work with."

Ultimately, the humble hamlet seems to provide those in the real estate industry with the property they need—serving as a refuge of privacy for some, while giving others unfettered exposure from the road.

"I don't think this is a good town for walking traffic," said Mr. Cook. The hamlet is a magnet for "destination businesses," he added. "People head to you for a purpose, they don't accidentally stumble upon you."