



Top Hamptons Brokers Discuss Real Estate Market Outlook for Summer 2016

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Summer is nearly here on the East End. We all know it will be another season of sun, surf, and spectacular soirées, but what's in store for the real estate realm? How strong is the high end? Will waterfront reign supreme? What locales are going to become the hot markets of the year? Our gathering of real estate experts and insiders share their insights into what we can look forward to this summer on the North Fork and in the Hamptons.

"We are expecting a very strong sales season throughout 2016, prices remain stable. Buyers still prefer turnkey solutions, either fully renovated or new construction. Investors and private funding continue to drive the wave of new construction coming to market. Smart home technology is in high demand, so expect hi-tech advances with every new model coming to market."—Geoff Gifkins, Hamptons Regional Manager, Licensed Associate Real Estate Broker GRI, Nest Seekers International

"With the ongoing and escalating terrorist activity throughout Europe and around the world, I believe we will see many more people opt for more local vacation and travel options, making the Hamptons the natural choice for those living in New York and the metropolitan area. Some will rent while others will seek more permanent solutions and opt to buy. Either way, brokers in the Hamptons will be very busy finding houses for those looking to stay nearby."—Gary R. DePersia, Licensed Associate Real Estate Broker, The Corcoran Group

"The sales volume is up and the selling prices are setting new records every day in all locations, waterfront and mainland. Modern beach homes are a timeless treasure that come back year after year—they are redefined with new architectural lines but always popular and a definite staple of summer style. Then you have small cottages on beautiful properties continuously being expanded and/or demolished to re-master the classic postmodern shingle-style beach home. Eco-friendly, energy-saving green homes are absolutely more common and going to be even more so in years ahead—this is not as much of a trend, but more of a necessity. If you're near the beach, your friends, family, loved ones—and some you might not even like—they will always come to visit."—Lauren Spiegel, Licensed Real Estate Salesperson, Douglas Elliman

"This summer should be a banner summer for the East End. I find our clientele is opting not to risk international travel but to stay close to home and extend vacation time to two to three months instead of one, and commute back to the city when needed. I am concerned that the high end is fat with inventory at a time when the demand for the same is on a diet."—Judi Desiderio, CEO, Town & Country Real Estate

"Currently, our market is fractured. The low end, under \$2 million, is the sweet spot. Over 50% of the sales are in this range. The supply of newly constructed homes over \$2.5 million is growing. Real estate values are all about supply and demand. The supply is growing and the demand is stable. Our demand is linked to the financial markets. In the first quarter, the financial markets were challenged. When that happens, some prospective buyers take a wait-and-see approach. Although history has shown us that when markets are over-supplied, that just might be a buying opportunity. Asking prices for new construction, at the high end, has been softening from the heavenly numbers of last summer. Resale asking prices usually follow this trend."—Alan Schnurman, Licensed Associate Real Estate Broker, Saunders & Associates

"Traditionally in an election year our market is soft, but the Westhampton area has been hot, thanks to its proximity to New York, and the all-time low interest rates. In my 40 years of selling I've never seen a better time to invest!"—Allen Piliro, Licensed Associate Real Estate Broker, Douglas Elliman

"The market looks strong with the upcoming summer 2016 season. Interest and excitement in purchasing on the North Fork continues to increase. We have seen a very busy past few months of new buyers looking to find their weekend home. There's a bit of a shortage in inventory, especially on the high end, which has prevented some potential buyers who are looking for something very special from finding the right fit. However, in other parts of the market the properties that are properly priced and updated are seeing multiple offers and often selling at an above-asking price."—Donielle Cardinale, Associate Real Estate Broker, Daniel Gale Sotheby's International Realty

"I believe this year in real estate, people are catching onto the trend here in Montauk—a lot of people are buying a couple-million-dollar piece of property, putting their own touches on that, creating their dream beach house. It's one of the most up-and-coming communities in the United States for 2016. As well, a lot of commercial units are turning over—developers coming out, buying hotels and redoing them with a little bit of a local touch, bringing people like me and interior designer Anna Cappelen. We are not changing Montauk, we're just making it a better destination."—Dylan Eckardt, Licensed Sales Agent, Nest Seekers International

"If this spring is any indication, we will have a very strong and active selling and rental season this summer. We have enjoyed six new deals so far this year and have a few more cooking up at this moment. I think this may be a result of our niche in new construction in the \$2.5 million to \$5 million niche, where we operate. I've heard that some activity in the higher end has slowed down, but our experience in the \$3 million new-construction home is where maybe that activity has gone. We look forward to a nice pipeline of new construction, especially in Sag Harbor, where developers we represent are soon breaking ground on three new projects."—Raphael Avigdor, Licensed Associate Real Estate Broker, Douglas Elliman

"Waterfront properties are a hot commodity, and in 2016 anything on, near or even close to the ocean beaches, that we crave and cause you to come running to the Hamptons, will be even hotter. The market is strong, with new technology and internet sites connecting potential clients and customers worldwide. A lot of the beachfront inventory is already rented. This is what defines our luxury real estate market, with only a limited amount of supply—every year the inventory rebrands itself."—Lauren Spiegel, Licensed Real Estate Salesperson, Douglas Elliman

"I believe the outlook for the summer 2016 is very promising. There has been a trend on waterfront homes and it seems that prices are rising. Perhaps due to the fact there's only so much waterfront and they aren't making any more. Prices are contracting in the \$5 million and above range and also in certain locations. For example, Water Mill has experienced a dip as compared to other locations like Sag Harbor. Close proximity to a village with its amenities has a lot to do with it, which is why Sag Harbor continues to be robust."—John Christopher, Associate Real Estate Broker, Brown Harris Stevens of The Hamptons, LLC

"Since everyone has their own idea of what their Hamptons experience is going to be, the East End's naturally diverse geographic area will continue to offer buyers and renters the opportunity to define their own needs. While the areas near the beach will continue to be desirable, others will opt for the more cost-effective options North of the Highway, where modest and estate-style properties, on or off the water, can be found far below South of the Highway prices. Sag Harbor, with its marinas and over a dozen restaurants within walking distance of each other, will continue to attract those whose summer experience is not defined by the beach. Although buyers will continue to look for deals or at least fair pricing, special properties for sale, such as those that come fully furnished, will get a premium from buyers looking just to move in and enjoy their Hamptons experience immediately."—Gary R. DePersia, Licensed Associate Real Estate Broker, The Corcoran Group

"If you are going to invest in real estate, you must be an optimist. Real estate is a long-term investment. The Hamptons has proven over scores of years to be not only a good investment but in many cases the single best financial decision many of our homeowners have made. With that said, your question addresses the short term. If I could predict any market, no less where real estate is going tomorrow, I would be a Houdini, and not an experienced real estate broker and investor. Remember, I'm an optimist. It makes no difference to me if the market is going up or down. I buy the best location my financial ability will allow. I have not found a better place to invest than the Hamptons."—Alan Schnurman, Licensed Associate Real Estate Broker, Saunders & Associates

"Value and manageability will be the buying buzz words for the season. But frankly I believe the East End properties are great values when compared to other resort areas. Long-term I have no doubts that our real estate values will perform beautifully. I myself remain a buyer of East End dirt over any other long-term investment vehicles."—Judi Desiderio, CEO, Town & Country Real Estate