

East End Real Estate Sales Flat

By Rick Murphy

Credit Town and Country Real Estate for telling it like it is. “The Hamptons Home sales market closed out with a thud,” Judi Desiderio, the T&C CEO reported in the company’s year-end wrap.

According to the report, only three of 12 markets experienced an increase in home sales when compared to 2015, although the Median Home Sale price went up in six of the markets.

The Sag Harbor market, which includes Noyack and North Haven, was the clear hotspot; sales volume shot up 45 percent from \$186 million to \$271 million.

The good news is 2017 is poised to be a much better year than 2016. “All indicators point to increased activity,” the report predicted.

Desiderio said it is important to view the market in five or 10-year segments and to avoid “knee jerk reactions.”

“It’s been quite a ride since the fall of Bear [Sterns] and Lehman [Brothers, both in 2008] and we’ve recovered. Everyone thinks you should always be able to flip, but real estate is a long-term investment. It’s not pork bellies.”

The Elliman third quarter report also noted a mixed bag, with sales decreasing in half the markets on



the East End, especially Amagansett and the numbers stagnant in most of the others. Almost every market is down from third quarter sales figures from 2014, indicating the slow but steady recovery from 2008/09 has indeed stalled, at least temporarily.

Even Manhattan wasn’t immune to the leveling off. Brown Harris Stevens, in its fourth quarter report, noted apartment sales were down 13 percent from the same quarter a year earlier, though the average sale price ticked up slightly to \$2.1 million.

Things were better on the

national market, according to Fortune Builders. “A mixture of historically low interest rates, scant inventory, and record demand generated a wave of home buying and selling activity,” according to the real estate publication.

Home prices reached an average of \$240,700 during the second quarter nationally, increasing 4.9 percent from the same time last year, and housing inventory dipped for 17 consecutive months.

There has been an increase in the flipping – once an easy road to wealth and riches in The

Hamptons during the real estate boom years. “Home flipping is becoming more accessible for smaller operators thanks to an increasingly competitive lending environment with more loan options for real estate investors, who are also benefitting from the historically low mortgage interest rates,” said Daren Blomquist, senior vice president at ATTOM Data Solutions, formerly RealtyTrac.

Back on the East End, Desiderio pointed out the data analyzed is always three to six months old so it doesn’t predict the future. “Builders jumped in in 2015 and now the market is flooded with inventory. There are going to be some very good deals,” she predicted.