

Hamptons Real Estate Market Closes Out 2017 On A High Note

Nicole Barylski | January 25, 2018



"The market in the Hamptons saw rising prices and sales volume, paired with a large decrease in inventory this quarter," said Carl Benincasa, Douglas Elliman's Regional Vice President of Sales for the Hamptons. "With prices steadily increasing now for the fourth consecutive quarter, overall market conditions have been solid."

Douglas Elliman's Hamptons Sales Q4 2017 Report notes that the Hamptons median sales price increased 7.6 percent to \$995,000, but the average sales price dropped 9.7 percent to \$1,839,641. The number of sales increased 5.3 percent to 552 and the listing inventory dramatically dropped 42.5 percent to 756.

"The last three months of 2017 was a solid performance for Hampton home sales," shared Judi A. Desiderio, Town & Country Chief Executive Officer. That's especially true for East Hampton Village, which Town & Country notes had the highest median home sales price of its 4th Quarter Hamptons Home Sales Report. The Village's \$3.1 million median home sales price was a 29 percent leap from 2016.

"Town & Country's Year End Home Sales Report is just being inked now and show the momentum of last year's activity," Desiderio said. "While 2017 was a good year, we expect 2018 to be even better. All the factors that drive our markets are poised to heighten demand."

On the East End, both closed sales and sales volume saw double-digit growth compared to a year ago.

"It was a very robust quarter for us on the East End, both the North and South Forks," Ernest Cervi, Regional Senior Vice President of Corcoran's East End offices, explained. "Even though we were expecting a healthy market, I don't think anyone could have predicted it would have been this strong!"

The East Hampton/Wainscott saw the largest number of South Fork sales (128), which was a 62 percent increase from last year. East Quogue/Hampton Bays' 99 sales resulted in the second highest number of South Fork sales. It was a 30 percent increase from the fourth quarter of 2016.

"Value is driving today's market, and we have been seeing many first-time home buyers looking for summer homes this quarter who are snapping up the well-priced inventory," Cervi reflected. "The North Fork also continues to be incredibly popular with buyers looking for value, which we have continued to see represented in our reports for years."

In 2017, there were over 40 sales over \$10 million. However, more than 68 percent of all sales in the Hamptons and over 85 percent on the North Fork came in at below \$2 million in the fourth quarter.

"The jump in activity reported in the 4th Quarter 2017 versus 2016 shows buyers stepping forward with more confidence to invest in this market after the uncertainties of the 2016 election year, and also shows that sellers have become more realistic in their asking prices," said Aspasia G. Comnas, Executive Managing Director, Brown Harris Stevens of the Hamptons, LLC. "While there was an increase in activity everywhere, the incredible jump reported for Sagaponack should be weighed against the small number of transactions for that area (6 in 4Q 2017 v. 3 in 4Q 2016) - it does not take much to skew the numbers in such a small market area."

13 of the 14 South Fork market areas monitored by Corcoran saw increased sales activity. Compared to the fourth quarter of 2016, the South Fork/Hamptons closed sales grew by 34 percent to 581.

"Overall, the activity that we are currently witnessing in the first quarter leads us to believe that the remainder of the quarter will be very strong," Cervi concluded.