

THE REAL DEAL

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Hamptons, North Fork Sales Data Emerge In Wake Of Computer Hack

Median home price, total sales fall. Here's why

Holden Walter-Warner | 10/04/2022



Town & Country's Judi Desiderio (Getty, Town & Country Hamptons)

Is the Hamptons housing market retrenching like the nation's as a whole? The numbers seem to suggest so, but the brazen hack of Suffolk County's computer system halted data gathering three weeks before the quarter ended.

The number of sales dropped year-over-year in all Hamptons markets except one during the third quarter, according to a report from Town & Country Real Estate. Only Hampton Bays had more sales than it did a year ago — four more, to be exact.

But the actual numbers are likely higher than what the report reflects, through no fault of the author, Town & Country CEO Judi Desiderio. The cyberattack that essentially froze the Suffolk County real estate industry prevented recording of transactions for most of September.

Desiderio compared it to when a student finishes 80 percent of an exam, only for a fire alarm to sound, leaving teachers to grade what was completed. Top of Form

Suffolk County finally resumed its title insurance searches last weekend, but it's not clear when reports about county activity will be 100 percent reliable.

"All reports appear in the rearview mirror," Desiderio added, noting that the data reflect when the deals are recorded, not when they are made.

Besides the number of recorded sales being reduced by the ransomware attack, metrics such as median sale price are also affected, but in less obvious ways. The median sale price in the Hamptons dropped slightly year-over-year, perhaps a sign of a market rattled by mortgage rate increases.

"You feel completely different about our market today than you did a year ago," Desiderio said, noting the market seemingly shifted in only three months.

She compared the Covid market to the Autobahn, driving-on-the-autobahn/ with drivers suddenly forced to slow down when exiting. Bidding wars with 48-hour deadlines are largely gone; offers slightly under the asking price are back.

But listings remain scarce and prices high. Indeed, the median might have dropped because deals were up in one of the South Fork's least expensive markets, Hampton Bays, and flat or lower in more expensive ones.

The median sale price slipped by 3.6 percent, from about \$1.8 million to slightly above \$1.7 million, from a year ago. The numbers varied in towns and villages, as they usually do when sample sizes are small. Amagansett shattered its median sale price record, with the figure shooting up to \$10.7 million. In Montauk, the median sale price rose 17 percent year-over-year.

Another notable data point comes from East Hampton, which didn't log a single sale below \$1 million in the third quarter. Desiderio suggested there may never be one below that threshold again.

According to the brokerage leader, the viewpoints of buyers and sellers are becoming more polarized in the Hamptons, especially as the former realize the Covid wave may be over. Polarization is the hallmark of a shifting environment, Desiderio added.

On the East End's opposite peninsula, better known as the North Fork, sale prices continued to edge up, according to a separate Town & Country report. While the total number of sales apparently dropped — contingent on that missing data — the median sale price rose in each North Fork market. In Orient, Southold and Mattituck, the price was at least \$900,000 for the first time.

The median sale price across the North Fork increased by 11.8 percent year-over-year, reaching \$850,000 last quarter. An increase in higher-end sales boosted the region; there were two sales of at least \$5 million last quarter, versus none in 2021's third quarter. Sales under \$500,000, meanwhile, fell from 29 to nine year-over-year, a consequence of higher prices and aggressive bidding rather than smaller homes selling.