

Hamptons Real Estate Pros Identify Changing Buyer Priorities

Moderated Joseph P. Shaw | April 19, 2021



Matthew Breitenbach



Lauren Battista



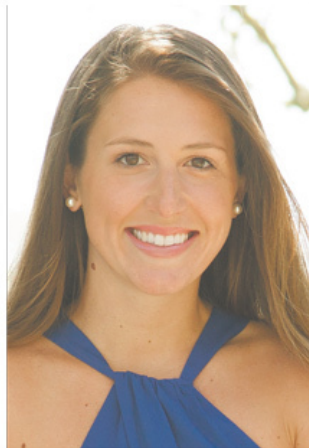
Kieran Brew



Enzo Morabito



Judi Desiderio



Ashley Farrell



Lawrence Ingolia



Not only have pandemic shutdowns and social distancing measures changed how the real estate business is conducted and led to a surge in interest in owning a Hamptons home, the unprecedented circumstances have changed buyers' priorities. What specifically has changed was the question put to local real estate professionals last Thursday, April 8, during the Express News Group's inaugural virtual Getting Real with East End Real Estate panel discussion.

The right configurations and amenities can help sell a home with lightning speed during the ongoing shutdown-sparked rush on Hamptons homes, and homesellers, builders and real estate agents are all working to meet those desires. In a conversation moderated by Express News Group Executive Editor Joseph Shaw, the panel of real estate pros identified just what the top selling points are at the moment, from home offices to recreation areas, and got down to the specifics.

Kieran Brew, an agent with Saunders & Associates, finds that the potential homebuyers coming to the Hamptons now are similar to the buyers who have been coming for the past couple of years prepandemic — but there are more of them and they are more determined to buy.

“Over the course of the last four years, it was a buyer’s market, and everybody on this panel was screaming at their customers to buy, buy, buy, and now it’s gone the other way, and there’s a lot of buyers out there who are wondering what happened,” Mr. Brew said.

In Amagansett, East Hampton and Sag Harbor, the typical buyers are families with two Range Rovers, two and a half kids and a nanny, he said, and these families are looking for a place to both live and work while still having the flexibility to go back to Manhattan as needed.

“People are starting to say to themselves: ‘Why am I working in the city killing myself living this crazy lifestyle for five days just for two days out in the Hamptons? Why don’t I live in the Hamptons for four or five days a week, and I’ll just go back a few days a week,’” Mr. Brew said.

It used to be that nice, new houses at \$3 million or \$4 million weren’t moving, but now they quickly become competitive when listed, he said.

“If it’s realistically priced, if it’s a good house, people are still looking for a lot of the same things that they’ve been looking for all along: location is number one, two and three, as always,” he said.

Lawrence Ingolia, an associate broker with Sotheby’s International Realty in Southampton, said today’s buyers want a place where everyone can gather under one roof with their kids and their grandkids, and where they can entertain on a small scale outdoors in the open air.

He also noted that in the summer of 2020 many owners of larger homes rented houses elsewhere just for their staff members, and chefs would prepare meals at those other houses to drop off at their employers’ houses.

“I think that’s going to shift a little bit now with the vaccine, but I do think that they’re still going to probably not want as many people in their house,” Mr. Ingolia said.

Another reason space is important is to be able to get away, said Ashley Farrell, an associate broker with Corcoran’s Westhampton Beach office.

“It’s to be away from the kids, away from the husband — have your own space, your own sanity,” she said. “People want that big square footage. They definitely want the outdoor space, the lawn space for ... kicking the soccer ball, football, yoga. People are looking to make their house their gym, their office, their sanctuary, their therapy. It’s everything. It’s all-in-one now.”

From the Westhampton Beach office of Brown Harris Stevens, Lauren Battista pointed out that now the “extra bedroom” is needed for the office, and the great room is not working quite as well as it used to, with kids and the dog running through during a Zoom call.

“People are still looking for that insurance policy, that second home, if this should happen again or this comes roaring back with another version or whatever,” Ms. Battista said. “People want to make sure that they have a place to go, and their family has a place to go.”

Being on the west side of the Shinnecock Canal, she added that many buyers see the appeal in being just 90 minutes from the city for when they have a doctor’s appointment or a meeting.

To Matthew Breitenbach, who heads The Breitenbach Advisory Team at Compass, COVID has not brought on new changes to the Hamptons but, rather, it has accelerated the changes that were already happening.

The two types of buyers are year-rounders in the Tri-State Area from their late 30s to their 50s, and those looking for a resort, summer home, who maybe spend the rest of the year in Florida, he said.

“I was talking to a broker in Miami just a few weeks ago,” Mr. Breitenbach noted. “His clients in Miami are staying in the Hamptons, holding in the Hamptons, because they don’t want to be in Palm Beach in August. They want to come up here.”

The long-term trend has been from a resort town to a country town with more of a year-round community, he said. “That was growing even a couple years before COVID, so I think COVID just was gasoline on that trend.”

Most of these buyers are the “new-money demographic,” he said, and they are millennials who care less about Hamptons society and more about the Hamptons lifestyle.

Mr. Breitenbach also pointed out that millennials grew up with more technology. For them, working remotely with nothing but a phone and a computer is not a challenge.

Cellular phones and connectivity are that much more important as Hamptons homes also become places to work, so much so that several panelists agreed that buyers will refuse to purchase a home in an area with poor cell service.

Mr. Ingolia said buyers are hard-wiring everything in their homes, from their offices to their kids’ spaces, so they don’t have to rely on often lousy wireless service.

Judi Desiderio, the founder and CEO of Town & Country Real Estate, said buyers ask, “How do we function out here?” Some don’t want to be anywhere in Water Mill North or East Hampton North because they can’t take a cellphone call, she said.

The panelists also agreed that more than 80 percent of people coming to the Hamptons, whether they be buyers or renters, want a room where they can have a Peloton exercise bike. Some renters want to know if the rental includes a Peloton, and when there isn’t one, renters have offered to buy one and let the homeowner keep it once the rental term is up.

“Something I have seen and I am seeing so often is people walking around the house and saying, ‘This is where I’ll put my Peloton,’” Ms. Farrell said.

Outdoor recreation has been important as well.

Tennis courts have become more popular than they already were, panelists said, and Mr. Ingolia even had a client with a zip-line.

Douglas Elliman’s Enzo Morabito, whose team works from Westhampton Beach and Bridgehampton, said top-end homes that had been sitting on the market for a long time sold in the pandemic as buyers looked to protect their families.

“We’re getting very, very close to the end of this rush that is occurring, and I would say we probably have the remainder of the year, maybe next spring,” he advised, but he added that if the federal State and Local Tax deduction is reinstated — as is under consideration in Washington, D.C. — the activity could last longer, especially at the top end.

“After 36 years I can honestly say the only thing constant is change, so this too shall pass,” Ms. Desiderio said.

She said that over the last 12 months there has been a demographic shift: Usually, 75 percent of buyers are from Manhattan, but during the pandemic, it's been more than 90 percent.

Summing up a recurring theme in the answers given, Mr. Shaw said of the East End: "This really is an area of retreat for a lot of people now. It always was, but I feel like the pandemic really underscored that for a lot of people — that this is a safe place. And it seems like a lot of what you're talking about is to create a little safe space in the world that you can retreat to in times of stress."

Ms. Battista said that on a very basic level the Hamptons was incredibly attractive at the start of the pandemic because no one wanted to get onto an elevator with others in the city.

A second theme that emerged is that kids are a driving factor in buying decisions: If the children don't like the house, the parents are not getting it, but if the kids absolutely love it, it's surely going to be a sale.

Mr. Breitenbach said the age of the kids plays a big factor because it's easier to change schools when children are little compared to when they are older and already three-quarters of the way through a \$40,000 school year.

"We're driven by kids, lots," Mr. Morabito said. "It has to be the full package — everybody says, 'yes, we're committed to it, let's do it.'"