



# Real Estate Roundtable: New Year Market Predictions

Taylor K. Vecsey | December 25, 2023



As we turn the page on a new year, we’re asking for some predictions for 2024. What’s ahead for the real estate market in the Hamptons and on the North Fork? We asked some of the top agents to tell us some of the most important things buyers and sellers should be aware of this year.



Jack Richardson  
SERHANT.  
WATER MILL

“With an election year ahead in 2024, and economists across the nation projecting a drop in the Fed and mortgage rates into and through 2024, the real estate market for next year is showing great potential. As rates lower, the pentup demand of interested parties who were on hold for a good portion of 2023 has the capability to act as a catalyst for deal flow as we approach Q1 of 2024. Additionally, real estate has and always will be a great hedge against inflation that buyers will continue to utilize as the stock market’s future performance is still up in the air, only creating additional demand within the marketplace. But, even with inventory still lean, properly priced listings are going to continue to dominate their market competition. Overall, 2024 projections are looking up for the Hamptons!”



Richard J. Steinberg  
COMPASS  
HAMPTONS, SOUTH FLORIDA AND ASPEN, CO.

“My prediction for the Hamptons is continuation of low inventory and stalled prices, but an uptick in the rental market. I think the economic and political conditions around the world will prevent people from traveling to Europe and Asia next summer. Therefore, there will be a greater demand for rentals in the Hamptons; people will not be traveling. This could also relate, but not as significantly to the sale market in the Hamptons for next spring and summer — buyers are going to be more cautious, and stay within the borders of the United States and owners will see an opportunity to rent their property for higher value than last summer.”



Kristy Naddell  
DOUGLAS ELLIMAN  
CUTCHOGUE

“I am anticipating a strong 2024 North Fork housing market. While sales have been slower over the last few months, I have a lot of sellers gearing up to list their homes in the new year. The North Fork is a very special market, and while interest rates and lack of inventory have led to fewer sales, we are still very active so long as a property is priced properly. Over the last six months, average days on market in Southold township was 68 days, and the average price was around \$1.3 million. So, while prices have remained steady, buyers are taking longer to pull the trigger. Most of us agents that have been around a while had mostly anticipated this would happen after the COVID boom when things were selling in a weekend. We are entering a more balanced market which is good for both buyers and sellers.”



Michael Petersohn  
BROWN HARRIS STEVENS  
EAST HAMPTON

“The times they are a changing — the Federal Reserve is clearly at or near the end of this cycle. Even egg prices are back to pre-pandemic levels. Logic would dictate that in a declining interest rate environment, a lot of fence sitters will come back in to purchase, yet inventory remains low. Last week, there were something like eight closings on the East End and 10 new listings came to contract — the market is slower than normal. Some will argue that 2024 is an election year and will hope for a softer market. In the end, all that matters is that the economy is incredibly strong. The current conflicts are both contained for now it seems, and the mad rush of New Yorkers to Europe should ease next season, opening up the summer rental market in the Hamptons. We are already seeing leases signed at a better clip than last year. For sales, while prices are generally lower by 15–20%, in my opinion, especially in the sub \$5 million range, sellers still have the upper hand. There are too many buyers for the limited inventory. We should see a robust spring buyer’s market with prices edging higher.”



Judi Desiderio  
TOWN & COUNTRY REAL ESTATE  
EAST HAMPTON

“2024 will be an interesting year for East End real estate. Rentals have already begun. We have written many new summer leases as well as renewals. Since sales and rentals are usually inversely related, that doesn’t surprise me. I believe our sales markets will see an uptick as of summer and cruise through 2025. This will be driven by pent-up demand and acceptance of interest rates stabilizing between 5–7% for the foreseeable future. For buyers, there are two important realizations: 1) Interest rates are not going back to 2.5%, that was artificially low; 2) Prices won’t adjust radically simply because we’re surrounded on three sides by water and the development potential is next to zero. The cost for the three Ls, as I call them (land, labor and lumber) are what they are — period. For sellers, invest in your investment — declutter, clean, paint, etc. — and seek advice from the experts. A trusted, knowledgeable broker is key. Your financial advisor, lawyer and accountant all will have input you should consider. Barring nothing catastrophic occurring, we should be exiting the current soft market within six to nine months. Remember, nothing lasts forever — not high markets and not low markets. This too shall pass. Promise!”



Jon Vaccari  
HEDGEROW EXCLUSIVE PROPERTIES  
BRIDGEHAMPTON

“In the current real estate landscape there are knowledgeable, insightful and discerning buyers. On the selling side, pricing your home accurately is key. We find ourselves in a different scenario now, where pricing high with the anticipation of approaching that figure is no longer the norm. Such instances are rare and typically involve exceptionally unique properties. With elevated interest rates and rising inflation in 2023, property owners are reluctant to sell, while potential buyers are cautious about making purchases. New builds are also feeling the squeeze, however in 2024 there is optimism for a gradual decline in interest rates as we are already seeing inflation slowly coming down. The financial sector is experiencing a reduction in year-end bonuses, significantly reducing the power. Additionally, the approaching election year introduces uncertainty. The rental market could experience an increase, influenced by the unrest overseas and the surge in international travel expenditures from the previous year. As the market evolves buyers and sellers must remain attuned to these factors to make informed decisions in an ever-changing real estate environment.”



Tim Davis  
THE CORCORAN GROUP  
THE HAMPTONS

“We are ending the year on a positive note given several significant transactions. Although none have been record-setting, they enforce the strength and soundness of the Hamptons real estate market in spite of the historic low inventory. Going forward, our market’s velocity in 2024 will be driven by the availability of new inventory. There will also be a potential need for movement among the buyer-pool currently waiting on the sidelines. Market activity ultimately may be impacted by their willingness to exit the equity markets and expand their diversified real estate portfolios. I am excited for the possibility of participating in a strong share of these transactions in the coming year.”