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New Predictions for the Real Estate Market In The Hamptons And The North Fork In 2024

Sharna Bass | December 25, 2023



As we enter the new year, the real estate market in the Hamptons and the North Fork is poised for significant developments in 2024. We reached out to industry experts to get their predictions on what buyers and sellers should expect in the coming months.

Prediction 1: Real Estate Market Potential

According to Jack Richardson from SERHANT.WATER MILL, economists are projecting a drop in the Federal Reserve and mortgage rates in 2024. This presents a great potential for the real estate market, especially as rates lower. The pent-up demand from interested buyers who were on hold in 2023 can act as a catalyst for

increased deal flow in the first quarter of 2024. Additionally, real estate continues to be a popular hedge against inflation, further fueling demand in the market.

Prediction 2: Rental Market Uptick

Richard J. Steinberg from COMPASSHAMPTONS predicts a continuation of low inventory and stalled prices in the Hamptons. However, he foresees an uptick in the rental market due to economic and political conditions around the world. With travel restrictions limiting people from going to Europe and Asia, there will be a greater demand for rentals in the Hamptons. This increased rental demand may also have a positive impact on the sale market in the region.

Prediction 3: Strong North Fork Market

Kristy Naddell from DOUGLAS ELLIMANCUTCHOGUE anticipates a strong housing market in the North Fork in 2024. Despite slower sales in recent months, Naddell expects many sellers to list their homes in the new year. While interest rates and inventory constraints have led to fewer sales, the market remains active for properties priced properly. Buyers are taking longer to make purchasing decisions, resulting in a more balanced market that benefits both buyers and sellers.

Prediction 4: Market Dynamics in East Hampton

Michael Petersohn from BROWN HARRIS STEVENSEAST HAMPTON highlights the changing dynamics in the real estate market. As interest rates decline and inventory remains low, buyers who were previously hesitant may enter the market. Petersohn also expects the summer rental market in the Hamptons to see increased activity, as travel restrictions ease and more New Yorkers opt for local vacations. While prices may be lower, sellers still hold the upper hand due to the limited inventory available.

Prediction 5: Uptick in Sales Market

Judi Desiderio from TOWN & COUNTRY REAL ESTATE EAST HAMPTON predicts an interesting year for East End real estate. Rentals have already begun, indicating a potential uptick in the sales market come summer. Desiderio believes this will be driven by pent-up demand and the acceptance of stabilized interest rates. Buyers should understand that interest rates will not revert to extremely low levels, and prices are unlikely to adjust drastically due to geographical constraints and development limitations.

Prediction 6: Pricing Accuracy and Changing Market Conditions

Jon Vaccari from HEDGEROW EXCLUSIVE PROPERTIESBRIDGEHAMPTON emphasizes the importance of accurate pricing in the current real estate landscape. Pricing homes high with the expectation of reaching that figure is no longer the norm. Property owners are hesitant to sell in the face of higher interest rates and inflation, while cautious buyers are careful about their purchasing decisions. However, Vaccari expresses optimism for a gradual decline in interest rates and inflation, which may relieve some pressure on the market.

FAQs

Q: Will interest rates drop in 2024?

A: Economists are predicting a drop in both the Federal Reserve and mortgage rates in 2024, which presents a favorable outlook for the real estate market.

Q: How will travel restrictions affect the rental market in the Hamptons?

A: With limitations on travel to Europe and Asia, there is anticipated increased demand for rentals in the Hamptons as people opt for local vacations.

Q: Are prices expected to adjust significantly in the Hamptons and the North Fork?

A: Prices are unlikely to experience drastic adjustments due to geographical constraints and limited development potential in the region.

Sources:

- SERHANT.WATER MILL
- COMPASSHAMPTONS
- DOUGLAS ELLIMANCUTCHOGUE
- BROWN HARRIS STEVENSEAST HAMPTON
- TOWN & COUNTRY REAL ESTATEEAST HAMPTON
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