

James Lane

REAL ESTATE CONFAB: A ROBUST RENTAL SEASON IN FULL SWING

Ty Wenzel | March 12, 2024



The internet has been lit up with local brokers sharing how the East End rental market is robust. Who better to ask than our local salespersons and brokers? We posed the question: “How is the rental season doing so far in 2024, and are there any new laws that we should be aware of?”

Harald Grant, Sotheby's International Real Estate



The 2024 summer rental season has started off strong. All three of the Sotheby's International Realty Hamptons offices are reporting an uptick in rental business and leases signed. The rental market will continue to be strong since there is very little inventory for sale. This year, we are seeing people wanting to stay "closer to home" or make a home in the Hamptons this summer, instead of planning big trips to other parts of the world.

Sotheby's International Realty has very complete lease procedures that are updated regularly to reflect any new laws and ordinances. We either include or disclose issues about the Suffolk County hotel tax for rentals 30 days or less and FEMA flood data for renters and their renter's insurance. As local towns and villages modify their rental registrations, we accommodate, by way of our legal teams, any such changes and updates. In the digital world, we are able to share all of our inventory with anyone – anywhere. To be a successful broker, one needs to also have

rental inventory varying in price and location. Whether you want to be on the beach or in the village, we have it all.

The Zellman / Lambert Team, Town & Country Real Estate



It appears that the 2024 season will outshine 2023 by a considerable margin. With last year's European vacations in the rearview mirror and ongoing global circumstances, many of our clients have expressed their preference for staying closer to home this Summer. Consequently, we've noticed a notable increase in rental inquiries spanning all villages and towns.

Regarding legal compliance, we maintain a proactive approach in ensuring that the landlords we collaborate with keep their Rental Registrations up to date. The necessity of this precaution became glaringly evident after the 2022 fire tragedy. It is our responsibility to leave no stone unturned in ensuring the utmost comfort and enjoyment for the tenants we work with, and we are equally vigilant in ensuring comfort for our partners/landlords. We meticulously vet tenants to the best of our ability and maintain constant communication with them from lease signing until we personally welcome them on day one with the keys in hand. With many of our tenants being repeat renters, we understand how to ensure their comfort and make them feel at home. We strive to provide them with our recommendations for the finest local resources, including restaurants, shops, and transportation options. We are readily available to address any inquiries they may have, whether they are new to the area.

Sheri Winter Parker, The Corcoran Group



I've gotten lots of inquiries! People are taking their time to find the perfect rental. It is such a great way to experience all the North Fork has to offer. Not a new law, but rental permits are required for every property, and we now must display the rental permit numbers in all advertising including social media. Each rental must be clean and organized. Everything must be in working order. It is always fantastic when the landlord creates a house manual with any information that a tenant could need... everything from how to work remotes to favorite spots to get morning coffee or dinner!

Cindy Scholz, Compass



Well-appointed rentals are moving, and location is important. Many reasonable renters scooped homes in January this year.

Hamptons pricing commands four-star hotel standard accommodations. As owners, it is easy to overlook bedding that might be tired, or paint could use a touch-up. Bring in a professional set of eyes and use a stager or designer to give the home a simple refresh. Remember you can write these expenses off the rental income. Important to invest in your home if you want the best return.

Bonita DeWolf, Christie's Real Estate Group



The 2024 rental season is proving to be more vibrant than the last two years. Landlords are recognizing that rental prices were inflated in 2020 and 2021 due to the pandemic and are now adjusting their pricing more reasonably. In 2023, several houses did not rent at all, or rented for less time than the owners had anticipated. Savvy landlords are considering last year's history when pricing in 2024 and offering properties during multiple different time periods throughout the summer. Landlords who are more flexible stand a better chance of renting out their properties, as our tenants have indicated a preference to stay closer to home this year and avoid traveling overseas.

Landlords who enhance their homes for guests by making improvements, small or large, are the ones whose houses rent the quickest. There are straightforward and cost-effective updates landlords can implement to make their properties more appealing, such as investing in new bedding and linens, decluttering the space, and enhancing the outdoor areas to create an inviting atmosphere. As soon as weather permits, it's a good idea to place outdoor furniture outside. Until then, the best option is to show the property through photos taken in warm weather and plan to update them this Spring if improvements or renovations have been made.

Angela Boyer Stump, Sotheby's International Real Estate



The rental season is off to a great start! We are seeing an increase in activity compared to last year. We think this may be due to more tenants having to be in the office this summer – traveling abroad may be limited for some and agents in the Hamptons are ready to help clients secure a home here! It also feels like landlords seem to be subtly reducing pricing from the Covid rates and the market, while still flooded with inventory, feels strong.

Summer 2024 in the Hamptons will be in full swing before you know it! Landlords should prep well ahead of when they want to list their homes. The new rental permit rules and regulations have delayed a few owners from being able to market their homes online because of delays by the Building Department in issuing rental permits. Owners should apply for their permits and permit extensions as soon as they know they want to rent! As they say, the early bird catches the worm!

I have a suggested rental checklist that I'm happy to provide for homeowners. A few items that come to mind, replace your smoke and carbon monoxide detector batteries before a tenant takes occupancy and make sure all lightbulbs in the house are working.

Ahhhh ... and propane tanks! There is nothing more frustrating for a tenant than to arrive excited about their stay only to find out the grill hasn't been cleaned and the propane tank is empty! Most homeowners know to clean their homes and leave them tenant-ready but many forget to check their grill! With rentals being so popular, there are also management companies that can be on call for landlords who will be away during their home rentals. These companies are very helpful on and off-season.

Jake Sinacori, The Corcoran Group



Rental season 2024 has been off to a strong start with repeat clients eager to get leases signed, and first-time landlords breaking into our opportunistic rental market. For those first-time landlords, or any landlord, a legal change that should be noted is the ability to collect greater than one month's rent in advance for a property that is classified as a "seasonal use dwelling unit." Eligibility for such properties is met by adhering to these three requirements. The lease term must be less than 120 days, the property must be your primary residence, and the property must be registered with its respective town/village as a "seasonal use dwelling unit."

In preparation for a great rental experience, I always recommend in-person showings despite the ease of virtual showings. If I were a tenant, I would prefer to see a property in person and know it is not a fit before signing a lease and paying for it! Lastly, I would advise landlords and tenants to obtain a renters insurance policy that can protect the covered party in an unforeseen event, at a rather nominal cost.