

The South Fork Is Having Its Worst Year Since The Financial Crisis

Overbuilding, overcrowding and high prices are to blame, observers say

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The Hamptons' South Fork is breathing heavy under its own weight.

The longtime getaway of New York's ultra-wealthy is experiencing its worst real estate slump since the financial crisis more than a decade ago, according to the Wall Street Journal.

Overbuilding, overcrowding and the traffic that comes with it, as well as high pricing, is giving some would-be homeowners pause and is making some homeowners think of packing up and going elsewhere.

Younger buyers in particular are opting for the less-crowded North Fork, the Hudson Valley in central New York, and the perennial high-society haunts of Nantucket and Martha's Vineyard.

"I do know a couple of people that have done the Hamptons for years and done the commute and decided that Westchester or the Hudson Valley is a better option," said Compass' Jared Seligman, who recently bought and sold a home in the Hudson Valley.

Sales dropped on the South Fork by 18 percent year-over-year in 2019 — putting total sales two percent lower than 2010 — and the median home price was down 10.2 percent, according to a Douglas Elliman report.

Former WeWork CEO Adam Neumann recently sold his home for a loss. That's not to say there aren't big deals in the works.

"All of 2019, every day, every real-estate broker walked into their office, they saw price reductions," said Judi Desiderio of Hamptons-based Town & Country Real Estate, according to the Journal.

Many older Hamptons homeowners are having trouble moving their large properties, which don't seem to appeal to many younger buyers.

Marie-Eve Berty is one of them. She and her husband Michel spent nearly 40 years regularly visiting the Hamptons and finished an eight-bedroom home there in 2012. It's been on the market for two years and the ask has dropped at least a million dollars to \$9.9 million without a sale.