



Agents Discuss the East End's Fall Real Estate Market

Taylor Vecsey | October 22, 2020

Home buyers are broadening their searches in order to find something in the midst of what will likely continue to be a banner year on the East End real estate market, in large part due to the mass exodus from New York City in the midst of the COVID-19 pandemic.



On Thursday, October 22, Behind The Hedges hosted a free, online webinar with a panel of five local real estate agents who took a breather from what has been a busy few months while people continue to flock to the Hamptons. The agents discussed the different hamlets on the South Fork, how to find a community that's a good fit, and what to expect going from the fall to the winter season.

“This year is like no other year,” said Judi Desiderio, CEO and President of Town & Country Real Estate, an independent real estate firm with eight offices on the East End. “It’s a combination of a frenetic must-have to where I used to say we are a luxury item. I think we are now a need versus a want, and maybe this will be the primary residence and Manhattan will be the place they visit,” she said. “Moving into the fall, the frenetic pace that we had all summer long has certainly subsided a little bit—a lot of bit. But the steady stream of business continues.”

“I’ve never seen anything like it,” said Enzo Morabito of Douglas Elliman, who has been in the business 25 years. “Business has been through the roof,” he said, noting that currently, he and

his team have 20 properties in contract. However, he agreed the frenzy had “tapered off a little bit. It’s hit the peak and kind of going sideways, but you don’t have the intensity.”

Even if the intensity has dwindled, the numbers are still soaring. “All mechanisms brokers can use to monitor future business is double or more” than it was in 2019, Desiderio added, as she shared some mind-blowing figures. Town & Country just published its third quarter report this week, showing the \$5 million to 10 million range had gone up over 300% year over year. There were 50 more houses sold in this third quarter than in 2019’s third quarter. Her brokerage also has 150% more pending, fully executed contracts, “which means that is going to relay to fourth quarter and first quarter 2021,” she explained.

Shannan North, an associate broker with Brown Harris Stevens, said she has seen buyers’ searches become broader in this market. “Real estate has always been about location, and I’m finding more people are focusing more on the product and the property—the amenity package is important. So, for example, someone looking south of the highway is also going to look north of the highway,” she said. “Ultimately the properties that are for rent and for sale, the turnkey properties, are the most desirable.”

JB Andreassi, of Nest Seekers International, who many may recognize from Netflix’s *Million Dollar Beach House*, spoke of how some areas that were perhaps not as desirable before are now gaining traction. Over the last five years, he said, Water Mill-north and Bridgehampton-north and some of the areas away from the beaches and villages had dropped off a bit. “This year, we’ve seen a pick-up and some more tractions with sales there. Indicators are that people . . . and investors, are looking for places with more property, more privacy, more fresh air.”

Each hamlet on the East End is unique, but there’s something for everyone. “For example, if you like to boat or you like to fish, the north side of the South Fork is probably the place for you . . . if you’re kind of beach-goer and you like the community, local vibe, then Montauk might be the place for you,” he said.

Patricia Wadzinski of Sotheby’s International Realty, who has been selling real estate here for more than 30 years, said buyers have been looking for turnkey. “They need to set up their kids, they need to set up their businesses, they need to know what their parameters are to not lose a kind of momentum, and maintain, retain, some aspect of normalcy.”

The entry market is still extremely sought-after, Wadzinski said, with the \$2 million to \$3 million properties, regardless of location, being depleted quickly. “We have found here in the greater East Hampton area that the market has been fuller than ever, and I think that’s true throughout all of the hamlets,” she said.

Morabito, who has offices in Sag Harbor and Westhampton Beach villages, said one of the biggest breakthroughs he has seen in this climate is that real estate west of the Shinnecock Canal “has become quite a marketplace” for transplants from the city. Hampton Bays waterfront offers a price range of 50 cents on the dollar. Westhampton Beach is going through a transformation, “a renaissance,” he said. East Quogue, Quogue and Remsenburg offer space and good school districts, he added.

Wadzinski said that while space and privacy is nice, buyers coming from the city are also used to a certain way of life: doormen, amenities, even noise. Some may be put off by the dark skies that come in the woods, even if it is only a few miles from town. “I think you need to know what your comfort level is,” she said.

Morabito said he still sees some people keeping one foot in New York City, waiting to see what happens with COVID. North agreed, mentioning the wait-and-see has an impact on the rental market. “Homeowners won’t commit to next year thus far,” she said.

“I think we are going to see an incredible winter, and next year should be an incredible year,” Desiderio continued, adding that she was happy to see more inventory coming on the market because there was a time where there was a concern “that the demand super-outweighed the inventory” that led to bidding wars, “which is never good for anyone.” Buyers, sellers and brokers are unhappy in those instances, according to Desiderio. “Because someone is going to win, someone is going to lose.”

Bidding wars have been commonplace as people look to make this their primary residence, Andreassi said. “The lack of supply has really hurt us in a way,” he said.

Morabito disagreed about the bidding wars. “Ultimately, if they benefit our clients, I’m for it.”

On the North Fork, where the median sale price has typically been lower, everything is moving and fast, Desiderio said. “There is absolutely zero inventory,” she said, noting that as of October 22 there were only 164 houses on the entire North Fork. “We have three people for every house that is for sale. It’s not like you can manufacture homes for sales.”

Speaking on advice for would-be buyers, Morabito said, “Travel light and be able to move quick.” One of the challenges for realtors in this market is that prospective purchasers are not sure where they want to buy. “Part of it is a quick education. . . A knowledgeable, good broker can explain that, or at least take them to a location that fits their price rang in different communities.”

Desiderio added that buyers need to know their comfort zone and not to go in blindly to a search. “The \$3.5 million house is always going to blow the million-and-a-half dollar house away,” she said. “Know where you want to be and stay within your zone price wise.”