

# 2016 OFF TO A STRONG START

VERY BUSY SPRING SEASON PREDICTED BY RUTH THOMAS

2015 was a strong year for Hamptons real estate and 2016 is off to an even better start. Most high-end rentals are already rented for the season. Mid-markets are very active and new construction is robust. Demand is high, inventory is diminishing, and prices are heading up. The Spring is anticipated to be a very busy season in the Hamptons.

Judi Desiderio of Town & Country Real Estate reflects, "Sales have been excellent for the past two years, while seasonal rentals were way off. Rentals are usually inversely related to sales. The wild card in our rental markets are short-term rentals done online, without brokers." She believes, "Sales should be consistent in all markets except possibly the high end where stock market trends are the driver. The mid-markets are most active, which for us are the elite price points for the rest of the country. Prices should hold strong with no radical swings in either direction with different price points having different inventory issues." Judi doubts "we will break any records or shatter any ceilings in 2016."

Dianne LeVerrier of Sotheby's International Realty - Bridgehampton observes, "Most high-end rentals are already rented for the season. Currently, renters are looking for full season rentals, though peak summer rentals remain high in demand." She remarks, "Homes in the \$1-3M range tend to be moving quickly and we continue to see nice movement in the \$3-5M range. Inventory at the high-end remains high. However, with some price reductions on the higher end, this inventory may be reduced. As this inventory



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is sold, supply diminishes and when the summer approaches, prices may climb. New construction remains robust." Dianne states, "The momentum which picked up at the end of last year continues into 2016 and neither the increase in the Fed rate nor market news has affected that momentum."

Gene Gilyutin of Hampton Estates Realty thinks, "We're going to see a lot more monthly rentals (July or August only) as opposed to full season rentals. With the stock market at the highest level in years, buyers are pulling their profits out and buying tangible assets, namely homes in the Hamptons. Other contributing factors are the (still) relatively low interest rates and the

sky-high real estate market in the city. New construction and/or turnkey homes are leading the way." He notes, "There seems to be a shortage of quality listings. As inventory diminishes, we expect prices to start heading up." Gene reflects, "The spring season will be very busy, while the summer and fall are a big question. The upcoming presidential election may have some impact on buyer sentiment as will other external factors like the Middle East and China."

Martha Gundersen of Brown Harris Stevens believes, "Rentals and sales will be strong this year due to continued low interest rates and available product. Sag Harbor, Montauk, and Amagansett are



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