



## The Hamptons Summer Rental Market Is Collapsing

### Description

USA: For the last decade and *certainly* during the pandemic, real estate in the Hamptons (and *anywhere* located outside of major U.S. cities) was in such high demand that prices skyrocketed and inventory became sparse.

Now, for the first time, it looks like the opposite is happening and the market is loosening up – at least in the Hamptons.

Enzo Morabito of Douglas Elliman told CNBC this week: “There is a tremendous amount of inventory and people are not renting it. And it’s across all segments, from the very low to the very top of the market.”

The same article notes that the Hamptons is seeing “a wave of last-minute price cuts” while rental prices in the first quarter fell 26%. Some owners are even cutting prices by 30% or more just to fill their properties, the [report](#) says.

One property that was formerly \$70,000 per month is now being rented at just \$45,000 per month, for example. “We were hoping the renter would split the difference, but it’s a different market right now,” Morabito said of the discount.



After years of no properties being available, “there are hundreds of rentals still available for the summer,” according to brokers.

The demand is a result of increased travel, according to brokers. Many New Yorkers who spent the last few summers in the Hamptons due to travel restrictions are now free to vacation in other countries.

That is not to overlook the effect of the economy slowing down, either. Harald Grant with Sotheby’s International Realty commented: “There are a lot of questions in the air, about the economy, both locally and nationally. It all effects the market.”

“The assumption that rents would be sustainable at these elevated levels has been proven to be false,” said Jonathan Miller, CEO of Miller Samuel.

There has been only a slight pickup, brokers said, as a result of last minute renters looking for a potential deal. Gary DePersia of Corcoran said: “We had a lull from February to April, but now it’s picking up again. The inventory we had is going.”

by Tyler Durden

### Category

1. Economy-Business-Fin/Invest
2. Main

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