

Here's the long and short of Hamptons rentals this summer

Briefer stays, lengthier booking season — and this is why

JUN 9, 2023, 2:45 PM

By Orion Jones



Compass' Cindy Scholz, Douglas Elliman's Kristy Naddell and StayMarquis' Bryan Fedner (Compass, Douglas Elliman, East End LI, Getty)

While wildfire smoke from Canada smothered New York, Compass agent Cindy Scholz fielded worried phone calls from summer renters in the Hamptons.

A deluge of new inventory has brought down prices and left holes in booking calendars later into the season than usual. On Wednesday, the exclusive section of Long Island looked on the verge of a blood-orange apocalypse, along with much of the Northeast.

“People were asking whether they could get out of their leases,” Scholz recounted. “It was like, okay people, calm down.”

No summer plans were lost to the smog, said Scholz. But other issues in the Hamptons rental market won't dissipate as quickly.

Summer rental inventory has risen 20 percent since last year, according to rental manager StayMarquis, and the price of an average night's stay fell to \$970 from last year's \$1,080. Agents and renters put the typical discount this year at 15 percent to 25 percent compared with 2022.

One reason so many rentals are on the market is that fewer owners are selling.

“Seventy-five percent of the people I sold to during the pandemic aren't using their home the same way anymore,” said Kristy Naddell, a Hamptons and North Fork agent at Douglas Elliman. “They got great mortgages and now they want to rent instead of sell.”

This summer's rental market has been weakened, too, by the reopening of international travel and by landlords holding out for too much rent.

“People need to get real about pricing,” said Naddell. “If it's not priced right, it's not moving.”

Scholz said, “East Hampton North got hit hardest” by more inventory, where half of all summer rentals are located.

StayMarquis serves Hamptons homeowners loath to manage an Airbnb or VRBO listing by themselves, or deal with turnover duties between guests. For shorter-term rentals under six figures, some agents, including Naddell, have found a referral fee from StayMarquis more valuable than a commission from a lease.

Listings on the platform range from a Sag Harbor bungalow with two beds and two baths for \$164 a night to a seven-bed, nine-bath house in Amagansett for \$15,000 — also per night.

Advertising executive Jeff Pinsky, who just built a seven-bedroom investment property in Westhampton Beach, became a StayMarquis client after struggling to find a tenant to rent his home for the entire summer.

“There was almost no interest for full-month rentals at the time,” said Pinsky. “We had open houses and not a single person was showing up.” That changed, he said, when StayMarquis took over and offered shorter term rentals with dynamic pricing.

“The quantity of bookings we’ve had this year is higher,” said StayMarquis co-founder Bryan Fedner, “but the length of stay is shorter due to affordability concerns.”

He added, “When you pay \$25 for a tequila soda in Montauk, you know there’s something wrong.”

The most prized, waterfront bookings are typically full by January, agents said. Although Pinsky’s rental home came to market three months late, he soon had it booked for half the summer. “Weeks have replaced months as the typical Hamptons rental,” he said.

Besides the weaker market for longer summer rentals, Hamptons owners are challenged by a labor shortage, exacerbated by the area’s **lack of affordable housing**.

“The best way to enjoy a summer rental is to work with a property management company” that can provide year round upkeep, said Elliman’s Naddell. “Affordability is a problem in the local housing market, so getting services to fix something on short notice is no guarantee.”

For Canadian wildfires, however, people may look for legal solutions before management ones.

“During Covid, people were putting *force majeure* clauses in their rental contracts,” said Scholz, to protect against unexpected illness. “If the fires keep up, maybe people will try to protect themselves from that in their contracts.”

Link to coverage: <https://bit.ly/3X3Gchi>

UVM: 1,381, 253