

HAMPTONS

MEMORIAL DAY ISSUE

Raw Power

*GWYNETH PALTROW + TRACY ANDERSON
GET DOWN TO BUSINESS
IN EAST HAMPTON*

**SOUTHAMPTON
TURNS 375**

**THE 100 MOST INVITED
NEW SOCIAL ETIQUETTE
+ SUMMER'S HOTTEST SOIRÉES**

**#SHOPHAMPTONS
CURATED PRODUCTS
JUST A CLICK AWAY**

**THE EAST END'S
BEST EATERIES**

PLUS

ANDRÉ BALAZS
ROSS BLECKNER
KATIE LEE
STELLA MCCARTNEY
ERIC RIPERT





FROM LEFT: Susan Breitenbach represents this traditional listing on 115670 Ocean Road in Bridgehampton; Nick Martin designed this modern property on Daniels Lane in Sagaponack; Ken Palmer, Adam Miller, and Ron Friedman greet one another at the panel discussion at the Southampton Arts Center.

The Business of Building

A PANEL OF EAST END BROKERS, BUILDERS, AND PLANNERS DISCUSS THE LEADING TRENDS IN THE HAMPTONS FOR 2015. **MODERATED BY MICHAEL BRAVERMAN PHOTOGRAPHY BY DANIEL GONZALEZ**

Michael Braverman: What's different this year from previous years?

Harald Grant: The homes that are selling, regardless of the price, are homes that are brand-new or in move-in condition, completely renovated. The people who I find are coming out to buy these properties today really don't want to deal with renovations or hiring people to fix their homes.

Michaela Keszler: I experienced the same. Modern homes are very desirable at the moment. It's a trend we saw last year and it continues. It's the sleek, attractive look. My European buyers still tend to buy older homes and renovate them, but, generally, I would say the finished product is the big thing right now.

Nick Martin: Luckily there are still plenty of people interested in renovating or tearing down and constructing new homes, but they tend to be modernist houses or hybrid houses that generally have open floor plans and indoor-outdoor spaces.

Adam Miller: Being a lawyer, what I see is that people are now willing to pay more for premium services for better construction and for working with top brokers. They are willing, in this market, to pay a premium for that.

MB: What kind of amenities are you seeing? What's unusual or something you've seen that maybe hasn't been seen before or is being brought back?

Ken Palmer: People want much more organized space. As a result, they are doing much more with their

closet space, their wall space, and they want to move in to a situation where everything has already been taken care of and organized for them so they know where everything is going to go when they move in.

Ronald Friedman: More people want to see a "vacation home," where you have a lot of things being brought to the first level that people may have put in the basement [before]. Indoor-outdoor areas and wine rooms are now upstairs, not down in the basement. Some other amenities, from our perspective, are getting a full array of services for people when they buy the place. You want them to feel like all they have to do is dial one phone number or in some cases the smartphone is going to do everything for them.

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“MODERN HOMES ARE TAKING OFF BECAUSE YOU CAN HAVE MORE USABLE SPACE IN LESS SQUARE FOOTAGE.”

—HARALD GRANT

NM: Clients who we’re seeing tend to want a green house. They want a house that is efficient and good for entertaining, but also organic, modern, and thoughtful.

MK: Buyers are more aware of the location. They really want to live in a home where everything is perfect. They don’t want to go out every night and have dinner in restaurants; they want to stay where they are, so they want to have the perfect entertaining space for their family, including tennis [courts], a wine cellar, and a beautiful pool. It’s all about the family coming together.

Susan Breitenbach: I definitely agree with that. I think that’s a big change in the Hamptons [from what was important] a few years ago. I have two or three houses with not only nano doors, but sliding glass walls that open up, and you don’t know whether you’re inside or outside. That’s a big change that I think everybody is looking for.

MB: All these wonderful amenities take up space. Are houses getting bigger and bigger?

HG: Architecture is getting better and they’re trying to not have these 15,000-to-20,000-square-foot homes as much as they’re trying to get as much space in a smaller home. That’s why modern homes are taking off these days, because they have more usable space in less square footage.

SB: [This is] especially [true] on the water, because, now, with the new FEMA regulations, you have to build up.

NM: I also find people are trying to put more effort on higher-quality space and more light-filled and thoughtful space. And the natural and unique beauty of the environment and the space and the light quality [in the Hamptons] are some of the best in the world.

SB: The compound thing is also new over the last two years. People are looking for sometimes two properties and one house for the kids.

RF: One of the differences is that in the compound concept, there’s a lot more outdoor-indoor space. There’s added square footage, but a lot of it is added outside, which is not technically counted when you’re going for permits. That’s [why] you’re getting a lot of amenities outside in addition to the inside of the house.

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Ken Palmer, Ron Friedman, Nick Martin, Susan Breitenbach, and Adam Miller during the discussion.



A Noyak property listed by Harald Grant.

MEET THE PANELISTS

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“THE COMMUNITY HAS TO CONSIDER HOW TO KEEP OUR DOWNTOWNS ACTIVE AND ALIVE AND I THINK IT’S A BIG ISSUE IN THE NEXT DECADE.”—ADAM MILLER

have the same attitude as homeowners, and they have to come off these prices. I get calls all the time from shops from the city that want to have a shop for the summer out here, and they just can’t afford the square footage. Landlords really have to adjust their pricing because it’s always better to have some store than no store. And it really hurts the economy in Southampton to see these empty stores. We see it as brokers, and it’s just because of the prices.

KP: We tried to put up a store right here on Main Street and the rent on the store was going to be higher for the time that I could use the space than it was on the space that I have on Fifth Avenue and 27th Street [in the city]. Basically, there was no negotiating with the landlord. It’s something that should be addressed down the line.

MB: Do you think the market in the Hamptons will continue to grow or has it reached the maximum capacity?

HG: There’s no ceiling on our market. I think we saw that in ’08, when the economic crash happened. Even out here, prices didn’t tumble; they just stayed flat. And again, because the supply is very small, everybody wants to be part of the Hamptons. We have the best beaches in the world, we have a very stable economy, and there’s no crime. The market may go up, not as dramatically, but it will continue to grow at different times. As brokers and architects and attorneys, we’re the best proponents of living here because we’re living here.

SB: I agree with you. I remember when I moved out here 35 years ago, people would come up to me and say, “You live there? You really live there?” Now they’re all like, “Wow, you’re so lucky.” And we are very lucky to be here, even with the snow this past winter. It’s still a wonderful place, all year. **H**



CLOCKWISE FROM ABOVE: Nick Martin, Michaela Keszler, Harald Grant, Susan Breitenbach, Adam Miller, Ron Friedman, and Ken Palmer; a modern home in Northwest Harbor from architect Nick Martin; Douglas Elliman broker Michaela Keszler represents this waterfront traditional in Southampton.



AM: One thing that concerns me about this market though is the commercial spaces that service these high-end residences. For instance, if you go into downtown Sag Harbor, which has grown tremendously, seven of the stores at the end of Sag Harbor are vacant. If you go into East Hampton Village in the winter, there are a lot of vacancies. My concern for this market is that these people want to be here, but they also want these special, great coffee shops to go to and mom-and-pop-type shops that make it special, and I don’t see those really keeping up. The community has to consider how to keep our downtowns active and

alive, and I think [that’s going to be a big] issue in the next decade.

MB: I think it’s cyclical—Westhampton, at one time, was all brokerage offices and now there’s a lot of retail there.

AM: It’s one thing to have a nice real estate office in the middle of Bridgehampton, but truthfully, people want to walk after dinner and want to walk around and have things that are open. I find that, in the summer, it’s challenging. Many things are not open past 9 PM.

HG: Landlords who own these commercial spaces in the village, regardless of what village, tend to