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THE REAL DEAL

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HAMPTONS
MARKET REPORT
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RENTAL MARKET FALLS SHORT

Season didn't live up to early hype as many looked to buy instead **P10**

TOP 10 HAMPTONS BROKERS

A ranking of the area's biggest dealmakers in the luxury market **P26**

MCMANSION KING GOES BIG AGAIN

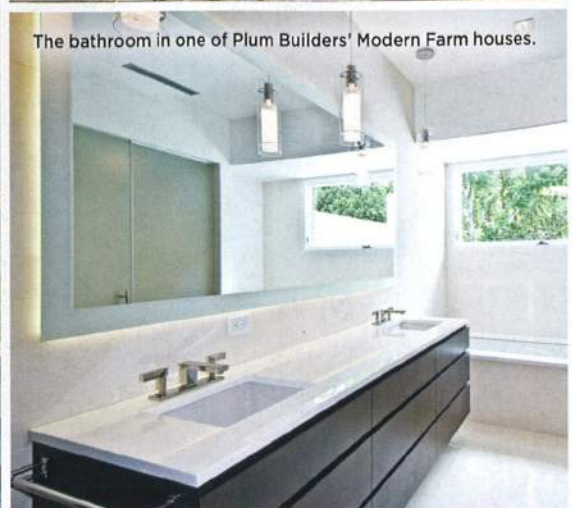
Can skyrocketing land prices slow down prolific developer Joe Farrell? **P16**



Designer Mark Zeff's barn-style home in East Hampton.



Exterior seating area at Zeff's barn-style home.



The bathroom in one of Plum Builders' Modern Farm houses.

A barn raising

East End builders are reinterpreting traditional forms in modern style

BY THERESA AGOVINO

Mark Zeff spent a long six months negotiating the purchase of a cottage for himself near Gardiners Bay in East Hampton before the deal fell apart in 2013.

So the owner of what was then an eponymously named design firm working on everything from luxury yachts to global branding bought land near the bay and constructed his own dream home instead.

It is not a typical Hampton's getaway: The barn-like exterior is painted black, while the airy 6,200-square-foot interior resembles a Tribeca loft with modern conveniences.

"There are a lot of barns in the Hamptons and that was my inspiration," said Zeff. "The house fits into the landscape nicely. It looks natural."

Buyers apparently agree. A flood of inquiries inspired Zeff to open Black Barn, a home design and construction firm. He brought in two partners, Robert Dankner, a Manhattan real estate broker, and Jerry Lubliner, a Hamptons developer. The company builds spec homes in the style of modern barns ranging from \$3.8 to \$4.5 million. It is currently building two in Sag Harbor, two in Sagaponack

and is also planning a home for a client in Amagansett.

Black Barn is one of several companies capitalizing on buyers' newfound fascination with modern barns.

Modern Green Home, a long-time local builder that typically constructs modern dwellings, is constructing three modern barns and plans to start another three this summer. Easthampton-based Plum Builders, a 33-year-old firm, built its first modern barn in 2006. It has built three since then and is currently constructing two more that will cost \$4.4 million apiece.

"We started seeing interest in 2006 but then the market crashed," said Mary Giaquinto, chairwoman of Plum. "Now we are really concentrating on modern barns."

In fact, Plum is going so far as attempting to trademark the term "modern barn." And with other builders and brokers jumping on the barn bandwagon, Plum is taking legal action to protect exclusive use of the name.

Earlier this year, Plum filed a lawsuit in U.S. District Court for the Eastern District of New York against Sotheby's International Realty and one of its brokers, Beate Moore, for using "modern barn" in marketing materials. The suit, which seeks unspecified damages, alleges trademark infringement and unfair competition. Sotheby's responded to the ongoing litigation by saying the name was too generic to be trademarked.

There's no universally agreed upon definition of what specifically constitutes a modern barn. But a home in this category might have a pitched roof, simple lines and large windows along with concrete or wooden plank floors. Like their namesakes, the homes feature large, open interiors.

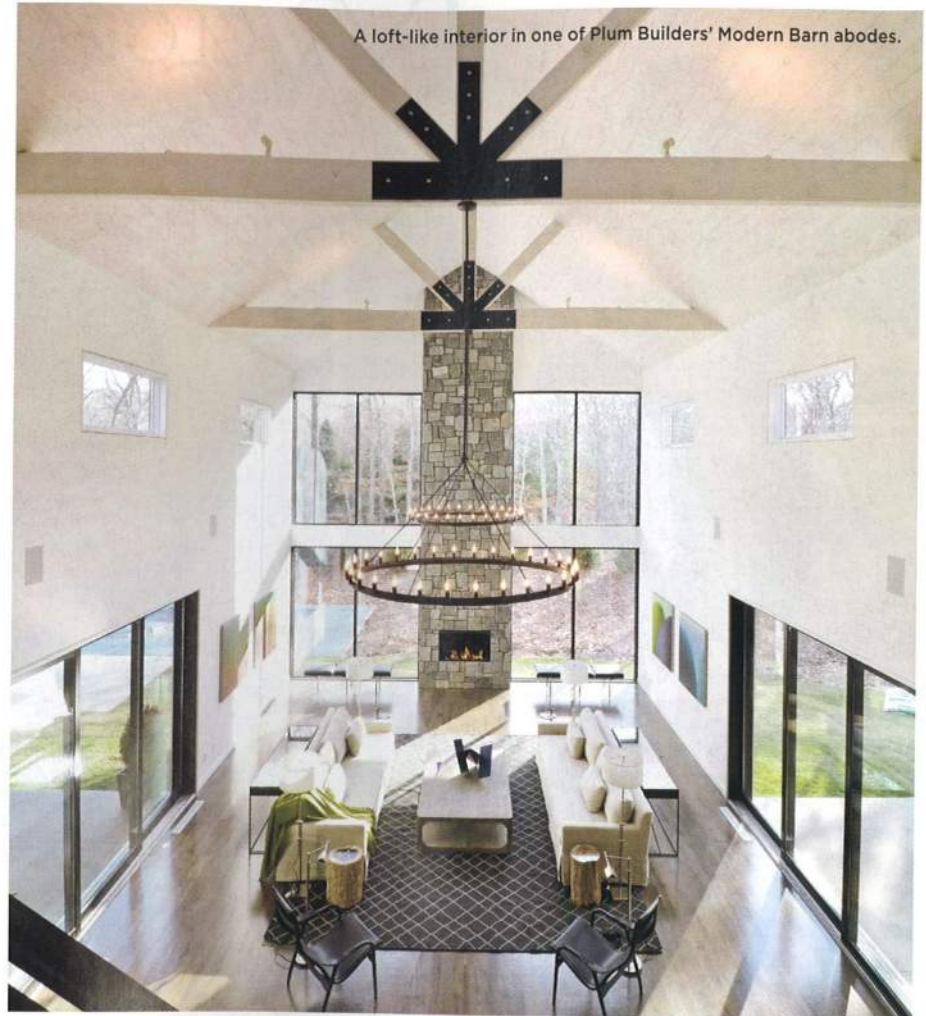
Home experts say the design's newfound popularity reflects buyers' frustrations with the limited options available in the East End. The selection largely consists of shingled traditional homes or enormous McMansions.

"My clients felt like if they'd seen one house they had seen them all," said Jason Schommer, a broker at Corcoran's Bridgehampton office who is working with a builder to construct and sell a modern barn in Water Mill. "People want something that is updated but isn't a modern glass box."

Modern Green president Peter Sabbeth said such homes appeal to both the nostalgic and practical sides of the 30-to-40-somethings looking for a Hamptons retreat. The homes may invoke happy memories of childhoods spent in the country while accommodating a desire for creature comforts like steam showers and swimming pools.

"We call it a transitional style," said Sabbeth. "People want that comfortable style they grew up with but they also want something modern."

Sabbeth is selling three such homes in Amagansett, each about 4,500 square feet with a pool and pool house. Two have an



A loft-like interior in one of Plum Builders' Modern Barn abodes.

"People want that comfortable style they grew up with but they also want something modern."

— Developer Peter Sabbeth

asking price of \$4.5 million while the other is \$6 million. The latter is in the more coveted part of town, south of the highway.

Sabbeth said that part of his homes' appeal is the option to have it outfitted by ABC Carpets.

"This is a generation who wants everything now," he said. The process of designing and building a home can take several years — a time frame unacceptable for most buyers. Sabbeth can build and furnish a home in six to eight months.

Architect Chris Coy specializes in custom, ultra-modern homes. Yet three

of the 20 homes his firm is designing are riffs on the barn style. The first one his firm designed was just last year. "Some people come in and they just want a pitched roof. They can't explain it — it is an emotional thing," said Coy.

Coy said the style is particularly appropriate in locations such as Sagaponack, known for its farms. He doesn't expect the trend to overrun the Hamptons, noting that modern homes with glass curtain walls are still favored by those with beachfront property.

"People want to look at those views," said Coy. **TRD**



A 0.8-acre parcel located in East Hampton.

Skyrocketing land prices rock East End

Dearth of available space makes for record demolitions as builders look for vacant property

BY THERESA AGOVINO

There's a new kind of home advertising in the Hamptons that doesn't have sparkling adjectives and lush photos beckoning buyers. Instead the ads broadcast "land value," which essentially tells potential buyers that while they may not want the house, they would want the plot it's built on.

Mary Giaquinto, chairperson of East Hampton-based Plum Builders, said that desirable land in the Hamptons has become so scarce — and so expensive — that it is easier to demolish an old house and construct a new one.

"Tear downs are here for now and into the future," said Giaquinto, noting that three of the last six houses the company built were

constructed on sites where other homes once stood.

*"People want
no muss, no fuss.
Everyone wants
instant gratification."*

— Paul Brennan,
Douglas Elliman

Last year a record 43 demolition permits were granted in Southampton, according to

Joan & Paul Robinson, a real estate firm. The firm said 99 percent of the town is already built out.

There's been a furious land grab in the Hamptons since the market hit bottom. Between 2009 and 2014, the number of plots sold has more than quadrupled, to 430, while the average price has soared 50 percent to \$1.4 million, according to research compiled for *The Real Deal* by appraisal firm Miller Samuel. In contrast, the average number of home sales only doubled — still impressive — to 2,429, and the average price of a home increased just 14 percent to \$1.7 million.

Developers have been driving the cost of

land higher because in the last decade or so they have been building more spec houses, catering to the crowd that wants a Hamptons home but doesn't want to wait the two years it can take to purchase a plot, design a home and then construct it.

"People want no muss, no fuss," said Paul Brennan, a broker at Douglas Elliman. "Everyone wants instant gratification."

Cody Vichinsky, a broker at the real estate agency Bespoke, said in the last year he has sold three plots in Southampton to developer Jay Bialsky for \$37 million and three plots in Sagaponack to him for \$26 million.

"The developers set the prices," Vichinsky said.

Average land prices dipped after hitting a high in 2010 as developers slowed down and made sure their homes would sell.

Pricing has been rebounding since 2012, but some developers have only recently gotten back into the purchase market because they wanted to insure the recovery would stick.

Peter Sabbeth, owner of Modern Green

Home in Bridgehampton, said he only started building spec houses again 18 months ago.

"I wanted to make sure I'd be able to make money," Sabbeth said.

And despite the demand, developers are being very careful about how much they spend for the parcels because if they overpay, it cuts into their profit margins.

The developer Mark Zeff, for example, said he doesn't buy land south of the highway



*Building big means sticking north of Rt. 27.
"If you cross the highway, that's just not possible."*

— Developer Mark Zeff

to construct homes for his new housing development company Black Barn. He said in order to keep the prices of his homes in the \$4 million range and make a profit, he

can only spend about \$750,000 for the land.

The plots he builds on are about two acres. "If you cross the highway, that's just not possible," said Zeff. **TRD**

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