

Prices, inventory up

Median home costs continue to climb, listings increase

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Home prices on Long Island continued their relentless march up in January, but rising inventory could give buyers a break from the fierce competition they faced last year.

Nassau County homes fetched a median price of \$525,000 last month, up 5 percent from a year earlier, the Multiple Listing Service of Long Island reported Friday. In Suffolk County, homes sold for a median price of \$380,000, an annual increase of 5.8 percent.

In a boon for sellers and a source of frustration for buyers, prices have made annual gains every month for more than two years in Nassau and 20 months in Suffolk, listing service figures show.

The now-scuttled plans for Amazon to open a sprawling corporate campus in Queens would likely have given an additional boost to the housing market in suburbs such as Manhasset and Roslyn, said Nick Sakalis, a real estate agent with Coldwell Banker Residential Brokerage in Syosset. Amazon announced Thursday that local opposition prompted it to pull out of the deal, which had included plans for 25,000 jobs.

The gain in home prices for Nassau County communities with easy access to Amazon's planned Long Island City location might have ranged from 2 percent to 5 percent, Sakalis said. "It is disappointing because it would have been great to see additional jobs coming in," he said.

Edith Yang, a Douglas Elliman real estate agent in Manhasset and Manhattan, said the Amazon deal would have driven up prices in Long Island City and nearby neighborhoods in Queens, but it had not been expected to make a dramatic difference in Long Island's overall housing market.

After Amazon announced its plans to open a corporate campus in Long Island City, Yang said she received a flurry of calls from buyers, including



HOWARD SCHNAPP

HOME SALE TRENDS

	Median price, Jan. 2018	Median price, Jan. 2019	Percent change	Number of sales, Jan. 2018	Number of sales, Jan. 2019	Percent change
Nassau	\$500,000	\$525,000	5.0%	942	916	-2.8%
Suffolk	\$359,000	\$380,000	5.8%	1,255	1,154	-8.0%

SOURCE: Multiple Listing Service of Long Island

investors based in China who signed contracts on units under construction in the immediate area. But the Island was unlikely to get a large influx of Amazon workers seeking high-end homes on the North Shore, she said.

"Most of the workers they hire are not high paid workers, maybe \$100,000 a year," and they tend to be young people who prefer "co-living" arrangements where they can pay rents of \$1,500 or so a month, Yang said.

Long Island home buyers have endured a lot of bidding wars, and they may be near the limit of what they're willing and able to pay, Sakalis said.

"There's always a breaking point, and right now are we at the peak?" he said. "It's very possible that we're at the peak.

But we could stay here for another year, or two years, or three years."

The Island's supply of homes for sale increased last month, which could give some relief to cash-strapped buyers.

The number of listings increased, year over year, by 14.5 percent in Nassau and 3.4 percent in Suffolk. That's due in part to a slowdown in sales, as the number of closed transactions fell last month by 2.8 percent annually in Nassau and 8 percent in Suffolk.

"Things are starting to plateau a little bit," Sakalis said. "There's a lot of houses that are hitting the market right now."

Even so, he added, "a lot of them are being put on the market just to test the waters, because of the increased values." In some cases, he said,

Brokers say the increase in the supply of homes for sale could give buyers some relief. This home is for sale in Freeport.

the homes are "overpriced," but sellers are not budging on prices since they don't absolutely need to sell.

It would take five months to sell all the homes listed for sale in both counties, listing service figures show. A balanced market has a six- to eight-month supply, real estate brokers say.

The market remains strong for homes priced near the median, but demand gets weaker as prices rise, said Paul Dyckes, an appraiser based in Huntington.

Long Island's housing market "is still going to be hot, it's still going to be strong going forward," especially for mid-priced homes, Dyckes said. But, he said, the new \$10,000 limit on federal deductions for state and local taxes is putting a damper on the luxury home market, where annual property tax bills can easily reach \$30,000.

In the high-end market, Dyckes said, "these homes, if they're not priced right, they're going to languish."

DOW JONES

↑ 1.7% to 25,883.25

NASDAQ

↑ 0.6% to 7,472.41

S&P 500

↑ 1.1% to 2,775.60

10-Year Treasury Note

↑ 0.01 to 2.7% yield

30-Year Bond

↓ 0.00 to 3.0% yield

Gold

↑ \$8.20 to \$1,322.10 troy ounce

Crude Oil

↑ \$1.18 to \$55.59 barrel

OPTIMISM ON TRADE TALKS LIFTS STOCKS

The Dow Jones Industrial Average surged more than 400 points Friday as renewed optimism over trade talks between the United States and China put investors in a buying mood.

Friday's gains helped push the benchmark S&P 500 index to its third-consecutive weekly gain.

Financial, health care, technology and industrial stocks accounted for much of the broad wave of buying. Markets will be closed Monday, Presidents Day.

Two days of trade talks wrapped up Friday in Beijing. China said negotiators will meet in Washington next week for more negotiations aimed at ending the trade war between the world's two largest economies.

A March 2 deadline hangs over both sides, after which the United States is set to impose additional tariffs on Chinese goods, escalating a trade dispute that has already raised costs for companies and consumers.

The S&P 500 index rose 1.1 percent to 2,775.60. The Dow climbed 443.86 points, or 1.7 percent, to 25,883.25. The Nasdaq composite rose 0.6 percent to 7,472.41. The Russell 2000 index of smaller companies picked up 1.6 percent, to finish at 1,569.25. Gold and crude oil prices also finished higher. — AP

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