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Doctors Making \$350,000 Are Struggling to Find Long Island Homes

- North Fork median home prices are approaching \$1 million
- Governor Hochul is attempting legislation to build housing

Nacha Cattan and Jennifer Epstein | April 8, 2024



Homes in Manhasset, New York. Photographer: Johnny Milano/Bloomberg

Paul Connor has plenty of hurdles when it comes to helping run Stony Brook's Eastern Long Island Hospital.

There's finding quality doctors, recruiting nurses and luring lab technicians in a tight labor market. What makes Connor's job particularly challenging though is the region's chronic housing shortage, where even cardiologists making \$350,000 a year struggle to find places to live, he said.

"This is the most challenging place to recruit," Connor, chief administrative officer, said from Greenport in Long Island, about 100 miles from New York City. "The single most difficult impediment to get around right now is the housing prices."

Long Island's North Fork, which includes Greenport, is at the extreme end of New York's housing crisis. Median prices in the once affordable, laid-back alternative to the Hamptons have jumped 50% in four years to almost \$1 million, according to appraiser Miller Samuel Inc. and brokerage Douglas Elliman Real Estate. Listings have declined 60% to 137 properties for a population of about 50,000.

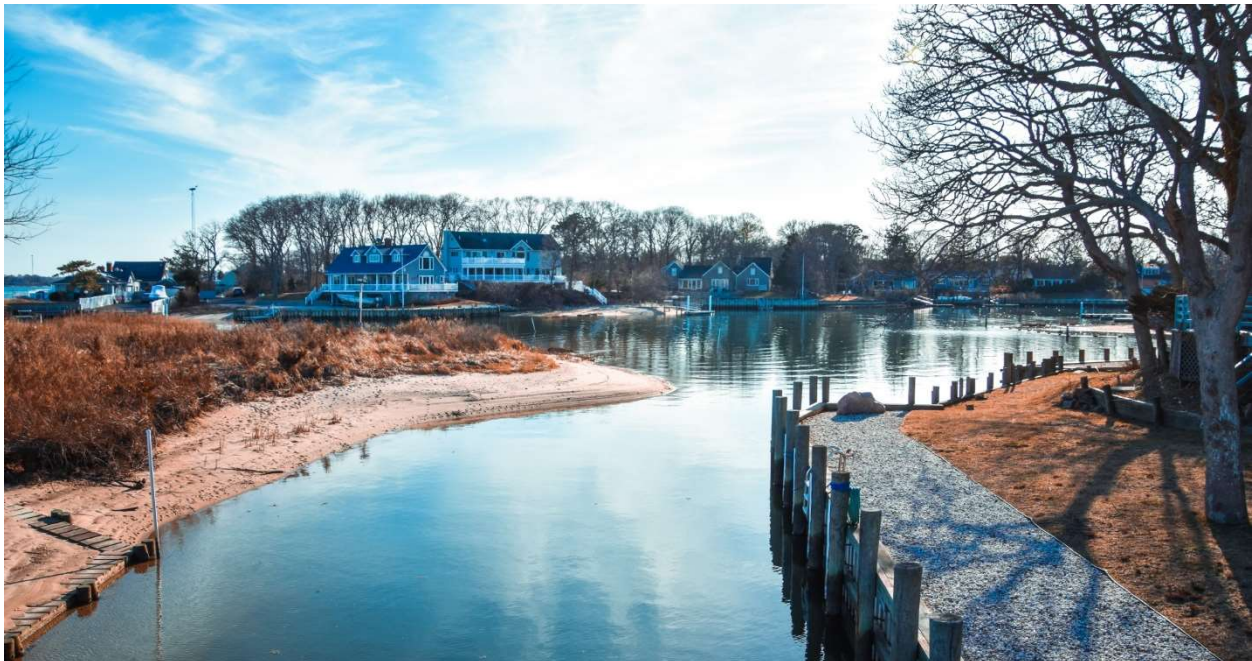
But it's far from unique with New York state reeling from a lack of affordable places to live after years of adding far more jobs than homes. In New York City, rental vacancies are at a more than 50-year low and the median monthly rent on new leases in Manhattan climbed in February to \$4,230.

Property prices have soared upstate in places such as Buffalo and Syracuse, while housing production in New York City's suburbs — home to some of the most restrictive zoning rules in the country — are far behind other major urban centers.

Even if properties are listed, mortgage rates hovering near 7% are putting many of them out of reach of potential buyers.

Suffolk County, where the North Fork is located, added an average of 1% of new homes to its housing stock from 2017 to 2021, putting it at the bottom of the state's housing production along with Monroe County, home to Rochester, according to data from the Pew Charitable Trusts.

"It's a huge concern. It's not just a New York City issue anymore," said Rachel Fee, executive director of the New York Housing Conference, which advocates for affordable housing. "Affordability is an issue across the state."



Home in the hamlet of East Marion, New York. Source: iStockphoto

Governor Kathy Hochul tried and failed to pass mandatory housing quotas for localities last year after backlash from across New York, including the suburbs of Long Island. She's seeking a less ambitious plan this year to create up to 15,000 new units on state land, which is also likely to face

opposition even as the state realizes it needs more housing to stem the flow of workers to lower-cost states.

In Albany, state lawmakers are locked in heated negotiations to revive tax incentives for new developments in New York City if they include affordable housing. The provision, known as 421-a, expired in 2022, and a new version may pass along with the state budget as soon as this week.

Housing availability is a problem across the US, but the New York metropolitan area has the most severe underproduction, according to the advocacy group Up for Growth. The crisis has spread far beyond the suburbs, after families fled the city during the pandemic, inflation pushed up building costs and mortgage rates jumped.

Suffolk County has become especially prohibitive after prices for the Hamptons rose 104% in the past four years, said Jonathan Miller, president of Miller Samuel.

“Part of the squeeze with the North Fork is the spillover effect from the Hamptons because prices have risen so rapidly that the North Fork became this cheaper alternative — until it wasn’t,” he said.

Greenport’s hospital, the largest employer on the North Fork, is seeking the town’s approval to expand housing for its workforce after the portion of staff that live in the area dwindled to 47% from closer to 80% two decades ago, Connor said. The hospital’s foundation is considering shared equity programs to help doctors with down payments in exchange for collecting a portion of the equity on their homes.

Connor, who first said cardiologists can’t afford to live on the North Fork at a March 21 event hosted by the Times Review, said the region more generally is struggling from the housing shortages.

“Whether you’re a cardiologist or you work in one of the local restaurants, it’s to the advantage of everyone in our community to have people who live and work locally,” he said.

— With assistance from Zach Williams