

A Surf-inspired Boutique Hotel Is Opening in Montauk, New York—With a Private Beach Setup and a Bay-view Lawn

Hotel Corduroy brings 29 design-forward guest rooms to the former Sunset Montauk.

By [Regan Stephens](#) | Published on May 7, 2026

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The lobby and retail space at Hotel Corduroy in Montauk, New York. Credit: Matt Kisiday/Hotel Corduroy

KEY POINTS

- Hotel Corduroy opens May 8 in Montauk, New York, offering a 29-room boutique stay with surf-inspired design.
- The hotel aims to be a relaxed gathering spot with a bay-view lawn, firepits, and community-focused events that reflect Montauk’s laid-back, independent spirit.
- Hotel guests also enjoy access to a private beach setup with loungers, chairs, towels, and umbrellas at the nearby Sunset Beach.

Montauk, New York, is getting a breezy new home base. Hotel Corduroy, a 29-room boutique hotel, opens May 8, taking over the former Sunset Montauk in the laid-back beach town at the eastern tip of Long Island.

The project marks Blue Flag Capital’s first hotel opening in New York, expanding the hospitality group’s portfolio beyond [Nantucket](#) and [Martha’s Vineyard](#) in Massachusetts. The property, originally built in 1983, has been transformed in collaboration with interior design firm Ward + Gray, while architectural firm Workshop/APD preserved its three existing buildings. The result is a design-forward retreat that nods to Montauk’s surf culture, maritime history, and laid-back spirit.



A guest room living area. Credit: Matt Kisiday/Hotel Corduroy

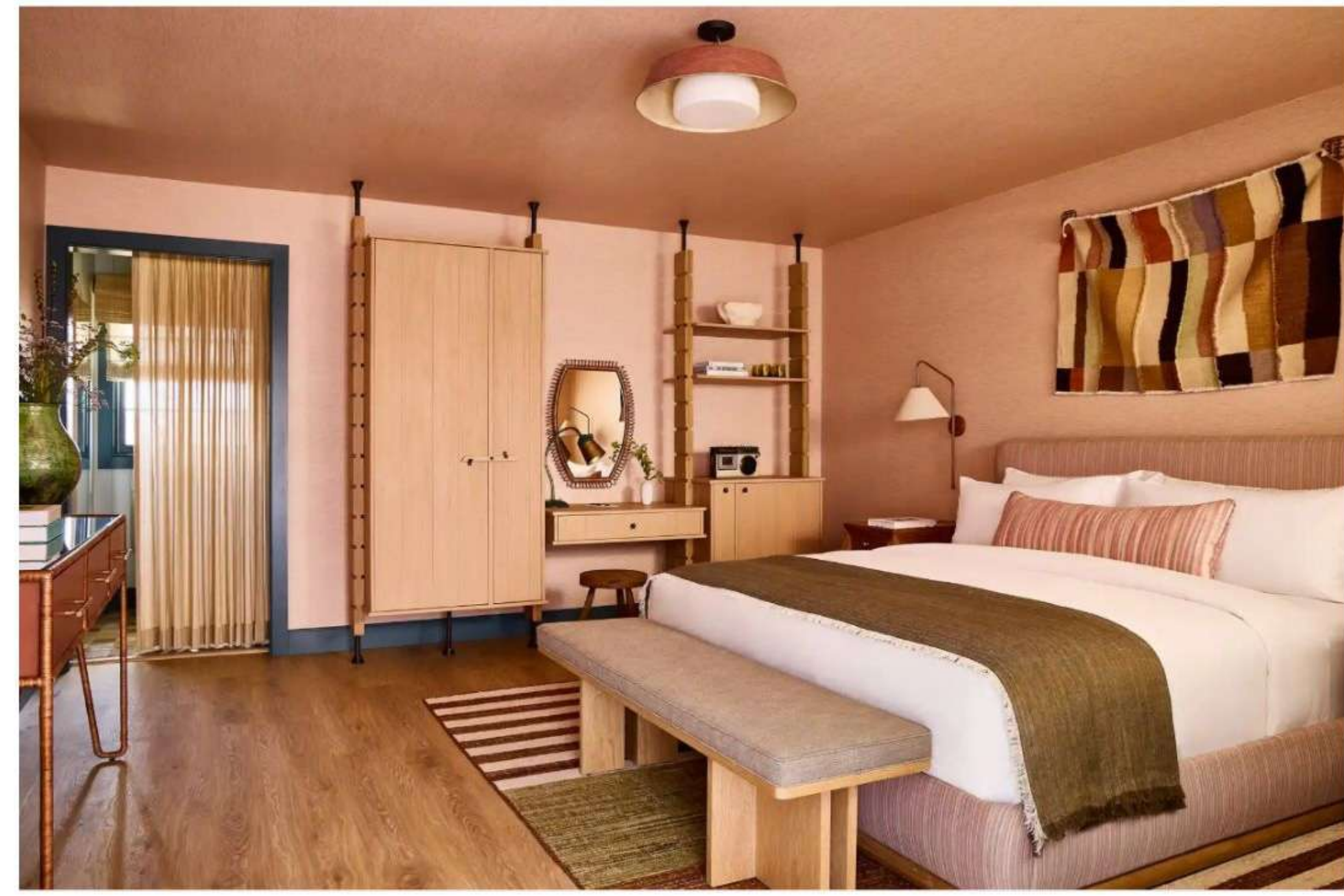
“Montauk separates itself from the rest of [the Hamptons towns](#) with its more colorful, independent, laid-back, and free-spirited culture,” says Eric Brown, chief investment officer at Blue Flag Capital. “We wanted to celebrate all of that and reflect it in our custom design.”

The concept comes through in the hotel’s central lawn, which Brown says was one of the features that originally drew Blue Flag to the property. Rather than positioning it as a nightlife destination, he explains the team wanted it to feel like a gathering place where guests could return after the beach, before dinner, or at the end of a night out.

“If many other hotels and restaurants in Montauk are going after the customer for a night out to drink or eat, we want to be the home base, safe haven, and gathering place for guests and the community,” Brown says.

The lawn is outfitted with lounge seating, yard games, and seasonal firepits, with bay views. According to Brown, Blue Flag will also bring retail pop-ups and brand collaborations to the space.

Inside, the lobby was designed to feel like an intimate living room, with a vintage mid-century shelving unit, a small retail shop, surf photography, and a wraparound banquette inspired by 1960s sunken conversation pits.



Interior of a King guest room. Credit: Matt Kisiday/Hotel Corduroy

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Accommodations across the three buildings range from Beacon Rooms with queen beds to the Drifter Two Bedroom Suite with a small kitchenette and a living space with a sofa bed and desk. Guest rooms feature grasscloth wallpaper, oak furniture, reeded bamboo bedside tables, and nautical-inspired lighting. Parachute Home linens, Salt & Stone bath amenities, and vintage cassette and Bluetooth speakers complement the in-room amenities.

Hotel Corduroy guests enjoy access to a private beach setup with loungers and umbrellas at the nearby Sunset Beach. Complimentary bicycles, beach chairs, and towels will also be available.

Blue Flag Capital is expanding its portfolio with three more properties this summer, including Faraway Sag Harbor in New York, Faraway Jackson Hole in Wyoming, and Oyster Estate in Greenport, New York.

Nightly rates at Hotel Corduroy start from \$205 in the low season and rise to \$995 in July and August. You can book your stay at [thehotelcorduroy.com](#).