

## Hudson Valley Luxury Market

Dutchess, Columbia, and Ulster County Residential Sales over \$750,000

### First Quarter 2013

- Sales volume charges ahead in the first quarter
- Ulster County at the forefront
- Sellers of easy-care properties, especially those in or near villages that are seen as “happening places,” at a distinct advantage in today’s market

Written in collaboration with RP Hubbell & Company and Walter Cadette

On the surface, first-quarter sales figures for Hudson-Valley luxury residential properties were in line with those during 2012. Closings effected through MLS brokers numbered just 21 (chart on this page). But that number does not take into account non-MLS sales, which are not yet available. Adding some six or eight of them into the mix, which has been the norm lately, would bring the total for the quarter, if annualized, close to the 2012 reading.

The latest reading on sales is stronger than it appears on the surface, however, given the seasonal factors at work in the first quarter. During the four-year period 2009-2012, only

17%, on average, of a full year's sales occurred in the first quarter of the year. If non-MLS sales turn out to be essentially unchanged, and the seasonal pattern holds, the first-quarter MLS sales rate points to a full-year volume significantly higher than any of the past four years. This year, in fact, could well rival the sales rate of 2008, the last of the bubble years. There are several “ifs” in there, but it is hard not to read the latest data as quite good news for the market.

Other market-wide indicators were basically unchanged in the first quarter. Properties were sold about as fast (or as slow, if you will) as they were last year. (See the average numbers of

days on market or DOM in the table on this page.) The listing inventory is on the high side of the trend, as was the listing discount. The median sales price was on the low side.

None of the changes in these other indicators from last year to this signals a major change in the tenor of the overall market. The sales numbers, looked at below the surface, are the only outlier in this regard.

The relatively high sales rate in Ulster County is especially striking – at eight for the quarter, as much as one half of the full-year figure for last year. In contrast, sales slumped in Columbia County – at three for the quarter, no more than one

Hudson Valley Market Matrix, All Sales \$750,000 and over										
	2009	2010	2011	2012	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013	
Median Sale Price	\$ 966,500	\$ 1,150,000	\$ 1,075,000	\$ 1,150,000	\$ 940,000	\$ 965,000	\$ 1,175,000	\$ 1,037,500	\$ 1,107,500	
Average Sale Price	\$ 1,186,700	\$ 1,567,031	\$ 1,654,521	\$ 1,295,325	\$ 1,070,776	\$ 1,291,391	\$ 1,293,107	\$ 1,397,676	\$ 1,566,976	
# of Sales	108	90	129	112	17	29	33	33	21	
Avg. DOM	225	252	243	212	250	210	254	140	213	
Avg. List Price	\$ 1,323,325	\$ 1,601,360	\$ 1,759,335	\$ 1,874,096	\$ 1,883,901	\$ 1,821,023	\$ 1,791,068	\$ 2,000,392	\$ 1,972,017	
Listing Discount	-12.06%	-13.25%	-13.51%	-10.99%	-13.21%	-9.30%	-10.83%	-11.62%	-12.55%	
Listing Inventory	---	---	474	416	403	436	455	370	435	

Source, all tables & graphs: NYSORPS, Mid-Hudson MLS, Ulster MLS, Columbia-Northern Dutchess MLS

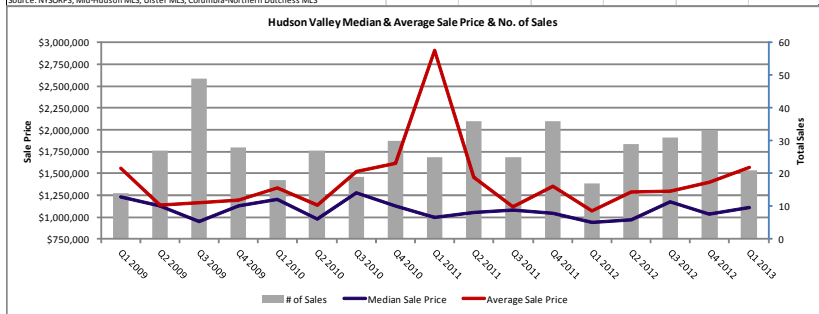
ninth of the 2012 sales rate.

These sharply divergent figures may reflect nothing more than the “law of small numbers.” But, as least as far as Ulster County is concerned, they may well reflect a new look at a part of the valley that traditionally has had relatively low property prices (and commensurately low real-estate taxes). Saugerties, New Paltz, Woodstock, and other villages on the west side of the river seemingly are being rediscovered by designers, entertainers, and others within the “creative class,” who are in search of weekend places that have peace and quiet enough to be retreats but still have some buzz to them. Much the same can be said for villages like Rhinebeck and Millerton which have come to be seen by many buyers, for want of a better word, as “happening places.”

East or west side of the river, the buyers out there tend to be younger than those of a generation ago. And they have a taste for the modern, much more so than the generation before them. Significantly, the houses on six of the 21 luxury properties sold this past quarter were advertised as “contemporary” style. Whatever the architecture, today's buyers seem to have little patience for major renovation. The fixer-upper tends to linger unsold, even if reasonably attractively priced.

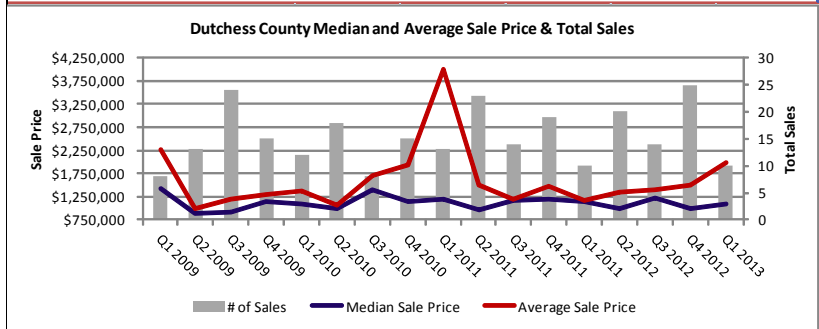
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Hudson Valley Median Sale Price by Market Subset	2009	2010	2011	2012	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013
<b>\$750,000 - \$999,999</b>									
Median	\$ 850,000	\$ 885,829	\$ 835,258	\$ 845,000	\$ 860,000	\$ 897,500	\$ 850,000	\$ 794,000	\$ 825,000
# of Sales	59	39	62	54	10	18	10	16	10
<b>\$1,000,000 - \$1,999,999</b>									
Median	\$ 1,237,500	\$ 1,295,625	\$ 1,325,000	\$ 1,287,500	\$ 1,200,000	\$ 1,437,500	\$ 1,288,250	\$ 1,300,000	\$ 1,375,000
# of Sales	38	38	47	45	6	8	20	11	10
<b>\$2,000,000 - \$3,999,999</b>									
Median	\$ 2,225,000	\$ 2,731,013	\$ 2,498,729	\$ 2,132,750	\$ 2,000,000	\$ 3,275,000	\$ 2,037,000	\$ 2,132,750	---
# of Sales	9	11	14	11	1	3	3	4	0
<b>\$4,000,000 +</b>									
Median	\$ 6,000,000	\$ 4,350,000	\$ 7,022,830	\$ 4,694,500	---	---	---	\$ 4,694,500	\$ 9,500,000
# of Sales	3	2	6	2	0	0	0	2	1



Dutchess County Market Matrix	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013
Median Sale Price	\$ 1,137,500	\$ 987,475	\$ 1,212,500	\$ 999,999	\$ 1,103,750
Average Sale Price	\$ 1,170,319	\$ 1,351,092	\$ 1,387,556	\$ 1,488,873	\$ 1,995,750
# of Sales	10	20	14	25	10
Avg. DOM	227	232	297	133	187
Avg. List Price	\$ 2,388,344	\$ 2,279,645	\$ 2,239,934	\$ 2,395,357	\$ 2,348,012
Listing Discount	-15.53%	-7.43%	-13.46%	-10.99%	-14.36%
Listing Inventory	201	199	194	164	155

Median Sale Price by Market Subset	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013
<b>\$750,000 - \$999,999</b>					
Median	\$ 812,500	\$ 855,166	\$ 829,269	\$ 789,000	\$ 825,000
# of Sales	4	11	4	13	5
<b>\$1,000,000 - \$1,999,999</b>					
Median	\$ 1,200,000	\$ 1,475,000	\$ 1,300,000	\$ 1,337,500	\$ 1,562,500
# of Sales	5	7	9	6	4
<b>\$2,000,000 - \$3,999,999</b>					
Median	\$ 2,000,000	\$ 3,275,000	\$ 3,500,000	\$ 2,132,750	---
# of Sales	1	2	1	4	0
<b>\$4,000,000 +</b>					
Median	---	---	---	\$ 4,694,500	\$ 9,500,000
# of Sales	0	0	0	2	1

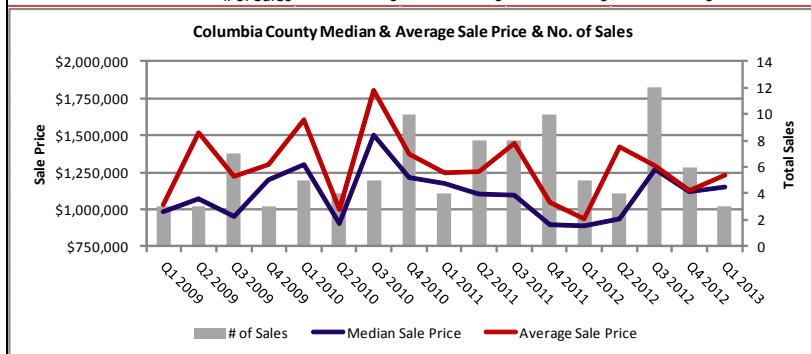


luxury property, is a movable feast. Within the overall market, a distinct shift seems to be under way to easy-care properties that appeal to a relatively young, affluent, population. Easy is the new

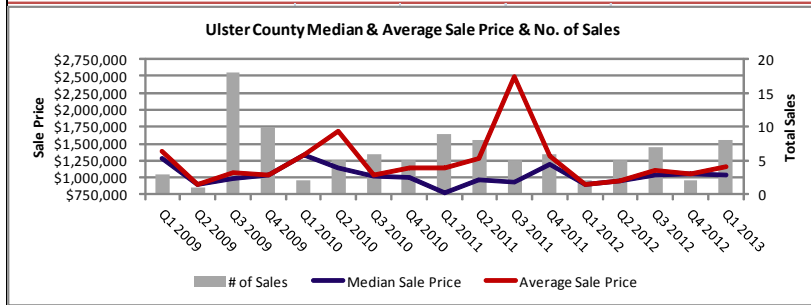
elegant. Sellers marketing such properties, especially if they are in or near villages considered vibrant, have a distinct advantage. That shift is a reminder, if any is needed, that all real estate is local.

For their part, buyers are keenly aware how much prices have come down since the end of the bubble. And they are also keenly aware that prices will not stay down forever – or even all that much longer in a background of historically low interest rates. Even so, unlike many before them, “today's buyers are not willing to chase a dream,” as one of the staff at Heather Croner Real Estate put it when asked to characterize the market. They remain tough negotiators, sharp pencil at the ready.

Columbia County Market Matrix	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013
Median Sale Price	\$ 885,000	\$ 937,500	\$ 1,269,500	\$ 1,118,750	\$ 1,150,000
Average Sale Price	\$ 938,000	\$ 1,418,750	\$ 1,292,583	\$ 1,129,417	\$ 1,231,667
# of Sales	5	4	12	6	3
Avg. DOM	139	278	183	134	50
Avg. List Price	\$ 1,862,711	\$ 1,910,999	\$ 1,901,687	\$ 1,958,387	\$ 1,906,763
Listing Discount	-13.62%	-13.18%	-7.20%	-14.32%	-3.90%
Listing Inventory	111	150	165	137	139
Median Sale Price by Market Subset	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013
<b>\$750,000 - \$999,999</b>					
Median	\$ 852,500	\$ 895,000	\$ 785,000	\$ 932,000	\$ 795,000
# of Sales	4	3	3	2	1
<b>\$1,000,000 - \$1,999,999</b>					
Median	\$ 1,200,000	---	\$ 1,289,000	\$ 1,237,500	\$ 1,450,000
# of Sales	1	0	7	4	2
<b>\$2,000,000 - \$3,999,999</b>					
Median	---	\$ 3,000,000	\$ 2,018,500	---	---
# of Sales	0	1	2	0	0
<b>\$4,000,000 +</b>					
Median	--	--	--	--	--
# of Sales	0	0	0	0	0



Ulster County Market Matrix	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013
Median Sale Price	\$ 905,000	\$ 947,500	\$ 1,036,750	\$ 1,062,500	\$ 1,040,750
Average Sale Price	\$ 905,000	\$ 950,700	\$ 1,105,107	\$ 1,062,500	\$ 1,156,750
# of Sales	2	5	7	2	8
Avg. DOM	385	120	282	227	307
Avg. List Price	\$ 1,400,649	\$ 1,272,426	\$ 1,231,584	\$ 1,145,035	\$ 2,099,500
Listing Discount	-10.48%	-7.30%	-11.83%	-9.53%	-13.55%
Listing Inventory	91	87	96	69	109
Median Sale Price by Market Subset	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013
<b>\$750,000 - \$999,999</b>					
Median	\$ 905,000	\$ 923,750	\$ 900,000	\$ 770,000	\$ 917,500
# of Sales	2	4	3	1	4
<b>\$1,000,000 - \$1,999,999</b>					
Median	---	\$ 1,181,000	\$ 1,210,000	\$ 1,355,000	\$ 1,332,500
# of Sales	0	1	4	1	4
<b>\$2,000,000+</b>					
Median	---	---	---	---	---
# of Sales	0	0	0	0	0



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This information contained in this Market Overview has been compiled from NYS ORPS, Mid-Hudson MLS, Columbia Northern Dutchess MLS, and Ulster MLS. We believe this information to be true and accurate. Heather Croner Real Estate, RP Hubbell & Co. and Walter Cadette assume no responsibility for the accuracy and reliability of this information and disclaim any liability for damages real or imagined caused by any error or omission on the researching or recording of these records and data.

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