

Hudson Valley Luxury Market

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

First Quarter 2015

- Arctic weather freezes out many buyers
- Even so, 2015 sales seem to have had a head start on 2014's
- DOM and listing discounts point to a realistically priced market

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The market for luxury residential properties in the Hudson Valley (here defined as those selling in excess of \$750,000) continues to clip along at a quite healthy pace.

True, sales fell sharply in the first quarter of the year – to 22, based on MLS data. But even that was a respectable showing given the unusually harsh winter just past.

When non-MLS sales get included in the count (these normally run in the range of 6 to 8 per quarter), first-quarter sales can be expected to exceed year-ago levels. The fact that 2015 has had a head start on 2014, which as noted in these pages three months ago looks

to have turned in the best showing for sales since 2008, is a good sign indeed.

Other incoming data are also promising:

- Average days on market (DOM), which had spiked at the end of last year, fell sharply in the first quarter of the new year, and are now on the low side of the norm. Three months ago, we had characterized the spike as reflecting the sale of a handful of especially high-end properties that had been mispriced and had consequently failed to sell for an unusually long time.

- The listing inventory remained on the low side of the norm – this too anticipated in these pages three months ago. Sellers, prudently, seem to have kept their properties off the market during the winter, to await a better opportunity in the spring. That was a much better choice than risking the unwillingness of buyers to venture out in arctic cold. Few things kill a good offering more than a stale listing. Ample supply upcoming, of course, means a highly competitive selling season ahead for sellers – and a chance for buyers to pick and choose among an unusually large array of offerings.

Hudson Valley Market Matrix,									
All Sales \$750,000 and over	2011	2012	2013	2014	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015
Median Sale Price	\$ 1,075,000	\$ 1,150,000	\$ 999,999	\$ 985,000	\$ 990,000	\$ 936,000	\$ 982,500	\$ 1,045,000	\$ 993,500
Average Sale Price	\$ 1,654,521	\$ 1,295,325	\$ 1,421,541	\$ 1,184,159	\$ 1,090,695	\$ 1,158,047	\$ 1,107,728	\$ 1,360,876	\$ 1,365,864
# of Sales	129	112	153	154	26	42	46	40	22
Avg. DOM	243	212	192	205	257	234	127	230	165
Avg. List Price	\$ 1,759,335	\$ 1,874,096	\$ 1,909,131	\$ 1,856,298	\$ 1,754,804	\$ 1,842,029	\$ 1,894,588	\$ 1,932,433	\$ 1,918,503
Listing Discount	-13.51%	-10.99%	-10.49%	-14.47%	-11.57%	-16.72%	-11.13%	-17.91%	-6.36%
Listing Inventory	474	416	462	469	434	499	541	400	398

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

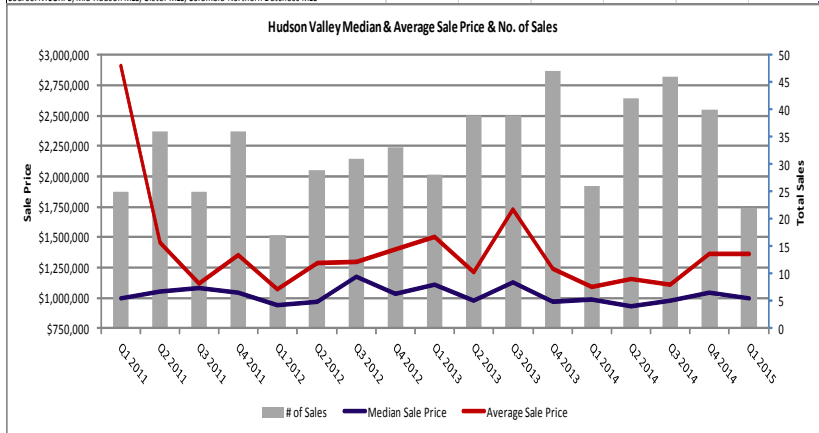
- The listing discount also fell sharply. This too had been unusually high because of the handful of mispriced properties mentioned above. A now single-digit listing discount points to a market whose supply, at least on the whole, is realistically priced. If that, in fact, is the case, buyers also face a highly competitive environment. Choice does not necessarily translate into easy pickings.

- Ulster sales, which had been unusually strong last year, fell to virtually zero early this year. Even more than Dutchess and Columbia counties, Ulster was hard hit by the winter. The poor showing for sales is especially easy to discount here.

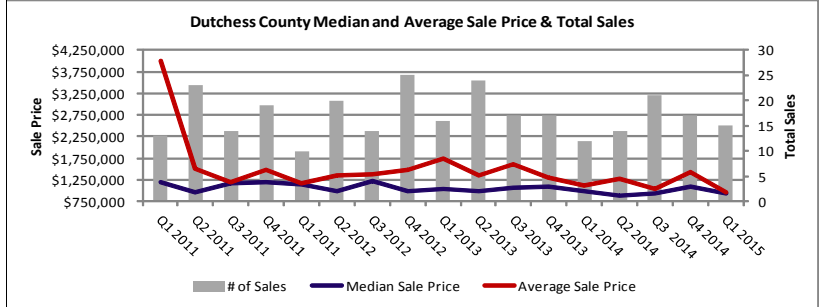
- Unlike past reports, this one on the first quarter of 2015 lacks data on non-MLS sales in the prior quarter. The State data on non-MLS sales have been unusually delayed this time. Sales in the fourth quarter of last year remain as reported three months ago, at 40, all of them MLS sales. Upward revision of sales, to include the non-MLS numbers, should make 2014 stand out even more as the highest since 2008.

Median price (a more telling measure of the market than average price, which is skewed by the sale of very high-end properties) remains in the neighborhood of \$1 million. If anything, the trend in price throughout the recovery from the bust years 2008 and 2009

Hudson Valley Median Sale Price by Market Subset		2011	2012	2013	2014	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015
\$750,000 - \$999,999										
Median	\$	835,258	845,000	850,000	870,000	890,000	855,500	870,000	887,500	850,000
# of Sales		62	54	77	86	16	25	25	20	11
\$1,000,000 - \$1,999,999										
Median	\$	1,325,000	1,287,500	1,285,000	1,312,500	1,368,750	1,200,000	1,250,000	1,590,000	1,175,000
# of Sales		47	45	56	57	10	11	19	17	7
\$2,000,000 - \$3,999,999										
Median	\$	2,498,729	2,132,750	2,700,000	2,287,500	---	2,344,850	2,275,000	2,675,000	2,975,000
# of Sales		14	11	16	10	0	6	2	2	4
\$4,000,000 +										
Median	\$	7,022,830	4,694,500	8,300,000	5,000,000	---	---	---	5,000,000	---
# of Sales		6	2	4	1	0	0	0	1	0



Dutchess County Market Matrix		Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015
Median Sale Price	\$	997,000	877,076	950,000	1,100,000	934,500
Average Sale Price	\$	1,112,333	1,272,138	1,035,548	1,422,956	975,467
# of Sales		12	14	21	17	15
Avg. DOM		333	215	121	259	186
Avg. List Price	\$	1,858,120	2,149,270	2,088,375	2,292,624	2,244,297
Listing Discount		-12.62%	-8.34%	-11.89%	-26.98%	-6.20%
Listing Inventory		167	231	224	196	192
Median Sale Price by Market Subset		Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015
\$750,000 - \$999,999						
Median	\$	977,500	810,000	850,000	942,000	852,500
# of Sales		8	8	13	8	10
\$1,000,000 - \$1,999,999						
Median	\$	1,520,000	1,325,000	1,200,000	1,528,750	1,175,000
# of Sales		4	3	7	8	5
\$2,000,000 - \$3,999,999						
Median		---	2,725,000	2,050,000	---	---
# of Sales		0	3	1	0	0
\$4,000,000 +						
Median		---	---	---	5,000,000	---
# of Sales		0	0	0	1	0



can be said to be flat-to-down. That is a bit of an anomaly in a background of growing strength in sales. There may well be nothing more here than reasonably normal lags between sales and price.

Median price, it should be noted, lagged all too long on the high side during the bust years.

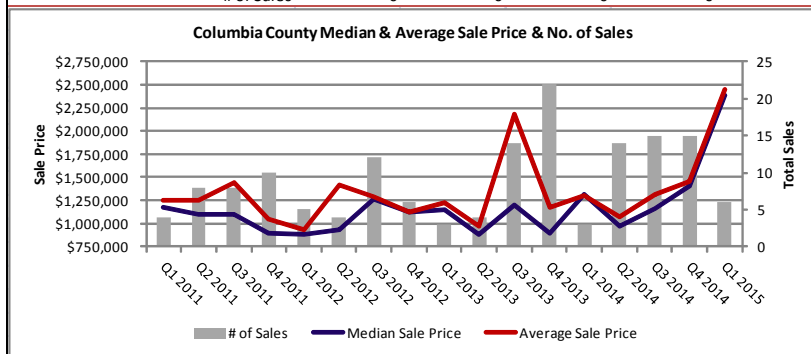
Another possibility is merely statistical. While we have chosen to define luxury properties as those selling in excess of \$750,000, that range increasingly includes many of the relatively new, large, houses in the Southern part of Dutchess County that, while costly, are not traditional country properties. Almost all of them are principal residences, whereas the traditional market has been one of second homes on many acres.

In Dutchess County, for example, almost 60% of first-quarter-2015 sales were in the range of \$750,000-\$1 million; a goodly number were large tract houses on small plots in East Fishkill and other villages whose population has surged in recent years.

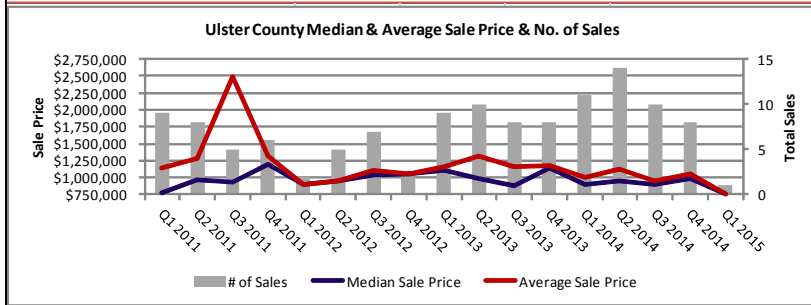
Defining "luxury" from \$750,000 and up – and not some significantly higher number – makes for a larger sample for analysis. The downside is the risk of not measuring what you really want to measure.

More on that to come in subsequent issues.

Columbia County Market Matrix	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015
Median Sale Price	\$ 1,312,500	\$ 971,250	\$ 1,165,000	\$ 1,400,000	\$ 2,387,500
Average Sale Price	\$ 1,300,833	\$ 1,073,750	\$ 1,313,233	\$ 1,458,552	\$ 2,443,333
# of Sales	3	14	15	15	6
Avg. DOM	155	280	152	208	115
Avg. List Price	\$ 1,823,945	\$ 1,774,481	\$ 2,036,488	\$ 1,727,821	\$ 1,858,426
Listing Discount	-12.11%	-17.33%	-13.63%	-8.16%	-6.00%
Listing Inventory	182	145	185	107	108
Median Sale Price by Market Subset	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015
\$750,000 - \$999,999					
Median	---	\$ 825,000	\$ 875,000	\$ 858,750	---
# of Sales	0	8	5	6	0
\$1,000,000 - \$1,999,999					
Median	\$ 1,312,500	\$ 1,035,000	\$ 1,325,000	\$ 1,600,000	\$ 1,517,500
# of Sales	3	4	9	7	2
\$2,000,000 - \$3,999,999					
Median	---	\$ 2,037,500	\$ 2,500,000	\$ 2,675,000	\$ 2,975,000
# of Sales	0	2	1	2	4
\$4,000,000 +					
Median	--	--	--	---	---
# of Sales	0	0	0	0	0



Ulster County Market Matrix	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015
Median Sale Price	\$ 905,000	\$ 943,000	\$ 898,750	\$ 985,000	\$ 757,000
Average Sale Price	\$ 1,009,780	\$ 1,120,104	\$ 951,050	\$ 1,046,250	\$ 757,000
# of Sales	11	14	10	8	1
Avg. DOM	204	204	88	142	155
Avg. List Price	\$ 1,403,775	\$ 1,344,644	\$ 1,366,864	\$ 1,430,331	\$ 1,346,422
Listing Discount	-9.98%	-7.62%	-3.84%	-11.67%	-10.84%
Listing Inventory	85	123	132	97	98
Median Sale Price by Market Subset	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015
\$750,000 - \$999,999					
Median	\$ 871,288	\$ 920,000	\$ 882,000	\$ 912,500	\$ 757,000
# of Sales	8	9	7	6	1
\$1,000,000 - \$1,999,999					
Median	\$ 1,111,000	\$ 1,255,150	\$ 1,108,000	\$ 1,480,000	---
# of Sales	3	4	3	2	0
\$2,000,000+					
Median	---	\$ 2,614,700	---	---	---
# of Sales	0	1	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., Walter Cadette, and Dan Hubbell 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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