

Hudson Valley Luxury Market

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

Second Quarter 2014

- Sales thus far this year has been quite respectable, rebounding in the spring from weather-beaten winter
- Significant increase in properties for sale, which should continue to keep prices from rising sharply
- Market best characterized by stability, which paradoxically can work to the advantage of both buyers and sellers

Written by Walter Cadette and RP Hubbell & Company

Three months ago, it seemed reasonable to expect a barn-burner spring sales rate following the harsh-weather winter. The expectation at the time was that sales would rebound enough not only to reduce inventory significantly but also to give rise to some upward pressure on prices in the bargain.

This was, in short, the message in these pages at the time, as we reported on first-quarter data for the luxury housing

market in the Hudson Valley (defined here as residential properties selling in excess of \$750,000 in Dutchess, Columbia, and Ulster counties).

Sales, in fact, did rebound in the spring – but nowhere near enough to tighten supply, let alone pressure prices. Sales (MLS only) came in at 33, and the total for the quarter should come in at around 40 when non-MLS sales get included in the count. At 26, first-quarter sales look less weather-beaten

now that they include the non-MLS numbers (table on this page).

Rebounding from the winter lull, second-quarter sales turned in a respectable showing – but one less frothy than seemed likely a few months ago. Moreover, the median price was on the low side of the trend (this is a more reliable market indicator than the average price which can be skewed by unusually costly properties). And the listing inventory – far

Hudson Valley Market Matrix, All Sales \$750,000 and over										
	2009	2010	2011	2012	2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	
Median Sale Price	\$ 966,500	\$ 1,150,000	\$ 1,075,000	\$ 1,150,000	\$ 999,999	\$ 1,132,500	\$ 967,500	\$ 990,000	\$ 925,000	
Average Sale Price	\$ 1,186,700	\$ 1,567,031	\$ 1,654,521	\$ 1,295,325	\$ 1,421,541	\$ 1,724,137	\$ 1,237,371	\$ 1,090,695	\$ 1,141,608	
# of Sales	108	90	129	112	153	39	47	26	33	
Avg. DOM	225	252	243	212	192	216	158	257	234	
Avg. List Price	\$ 1,323,325	\$ 1,601,360	\$ 1,759,335	\$ 1,874,096	\$ 1,909,131	\$ 1,902,192	\$ 1,890,575	\$ 1,754,804	\$ 1,842,029	
Listing Discount	-12.06%	-13.25%	-13.51%	-10.99%	-10.49%	-9.09%	-10.40%	-11.57%	-16.72%	
Listing Inventory	---	---	474	416	462	480	418	434	499	

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

from shrinking – came in on the high side.

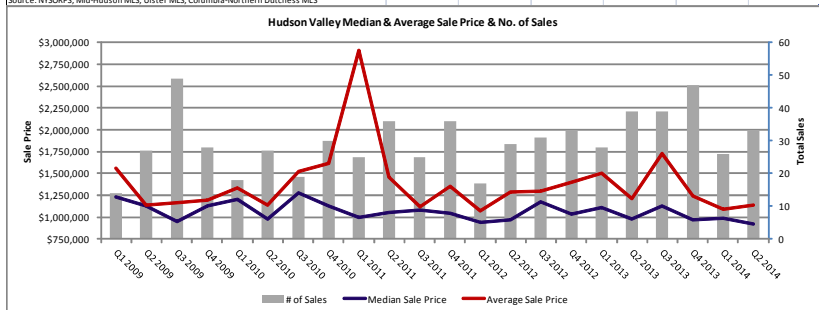
Of the roughly 500 luxury properties on the market at the end of the spring quarter, almost 100 of them appeared on the market during the quarter. Many sellers, these numbers confirm, had kept their properties off the market during the harsh winter.

There may well be a significant seasonal factor affecting the number of properties for sale at the end of the spring. But, surely, the kind of short supply situation that could have come about in a background of a sales rebound is nowhere in evidence. While respectable, the rebound in sales was just not strong enough to bring that about. And, as noted, supply rose appreciably.

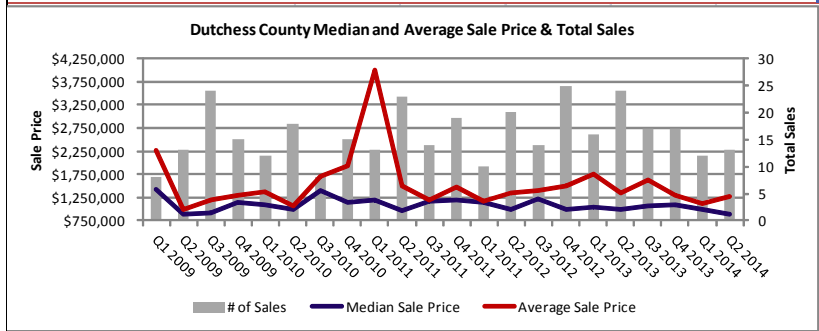
Other incoming data also point to a less buoyant market than seemed likely a few months ago. The most recent reading on the listing discount is quite high. And the average days on market (DOM) throughout this year is as high as it has been for several years.

These data, however, do not seem to point to widespread

Hudson Valley Median Sale Price by Market Subset	2009	2010	2011	2012	2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014
\$750,000 - \$999,999									
Median	\$ 850,000	\$ 885,829	\$ 835,258	\$ 845,000	\$ 850,000	\$ 840,000	\$ 800,000	\$ 890,000	\$ 840,000
# of Sales	59	39	62	54	77	17	25	16	21
\$1,000,000 - \$1,999,999									
Median	\$ 1,237,500	\$ 1,295,625	\$ 1,325,000	\$ 1,287,500	\$ 1,285,000	\$ 1,237,500	\$ 1,225,000	\$ 1,368,750	\$ 1,200,000
# of Sales	38	38	47	45	56	15	17	10	7
\$2,000,000 - \$3,999,999									
Median	\$ 2,225,000	\$ 2,731,013	\$ 2,498,729	\$ 2,132,750	\$ 2,700,000	\$ 2,747,500	\$ 2,850,000	---	\$ 2,075,000
# of Sales	9	11	14	11	16	4	5	0	5
\$4,000,000 +									
Median	\$ 6,000,000	\$ 4,350,000	\$ 7,022,830	\$ 4,694,500	\$ 8,300,000	\$ 7,100,000	---	---	---
# of Sales	3	2	6	2	4	3	0	0	0



Dutchess County Market Matrix	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014
Median Sale Price	\$ 1,000,000	\$ 1,075,000	\$ 1,100,000	\$ 997,000	\$ 877,076
Average Sale Price	\$ 1,359,160	\$ 1,617,359	\$ 1,295,794	\$ 1,112,333	\$ 1,279,390
# of Sales	24	17	17	12	13
Avg. DOM	188	219	141	333	215
Avg. List Price	\$ 2,384,218	\$ 2,235,547	\$ 2,352,056	\$ 1,858,120	\$ 2,149,270
Listing Discount	-8.89%	-12.34%	-6.89%	-12.62%	-8.34%
Listing Inventory	200	196	146	167	231
Median Sale Price by Market Subset	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014
\$750,000 - \$999,999					
Median	\$ 857,799	\$ 826,500	\$ 867,500	\$ 977,500	\$ 810,000
# of Sales	12	8	8	8	8
\$1,000,000 - \$1,999,999					
Median	\$ 1,345,000	\$ 1,293,750	\$ 1,200,000	\$ 1,520,000	\$ 1,262,500
# of Sales	8	6	7	4	2
\$2,000,000 - \$3,999,999					
Median	\$ 2,800,000	\$ 2,597,850	\$ 2,975,000	---	\$ 2,725,000
# of Sales	4	2	2	0	3
\$4,000,000 +					
Median	---	\$ 7,100,000	---	---	---
# of Sales	0	1	0	0	0



mispricing. They, rather, seem to reflect two sales in Columbia County – one, for open land of several hundred acres that had been on the market for 2½ years; the other, a property that

took well over a year to sell (table on page three). The first quarter as well had its share of sales that took unusually long to effect.

All in all, the past quarter's data are a mixed bag, replete with both pluses and minuses. Indeed, the market is probably best characterized as one of relative stability, especially in the context of the boom and the bust of recent years. Sales have come a long way from the bust years and seemed to have steadied at, to underscore an earlier point, a respectable level.

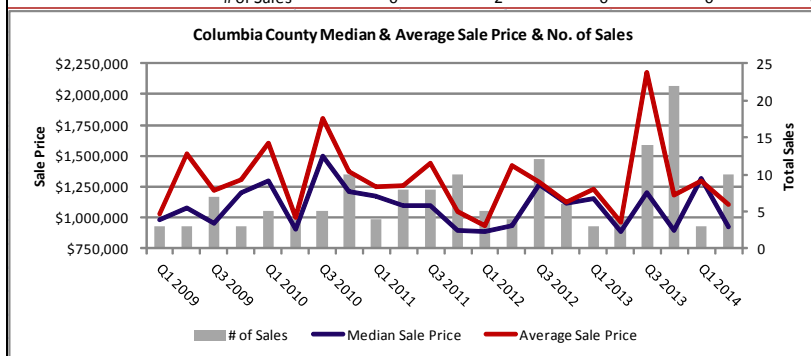
Paradoxically, stability may well be good news for both buyers and sellers. Buyers need not act in haste, fearing losing out to runaway prices. Sellers, meanwhile, have the luxury of time to bring their properties up to snuff before putting them on the market – enough anyway to pique the interest of a buying public seemingly unwilling to look past a broken picket fence. Pristine sells in today's market, even more than ever.

Contemporary does too – and for the first time in a long time. And this is especially true when a “name” architect goes with the house. The Currier and Ives house has always been in demand in the Hudson Valley. But that was not true of the glass box. Not so anymore.

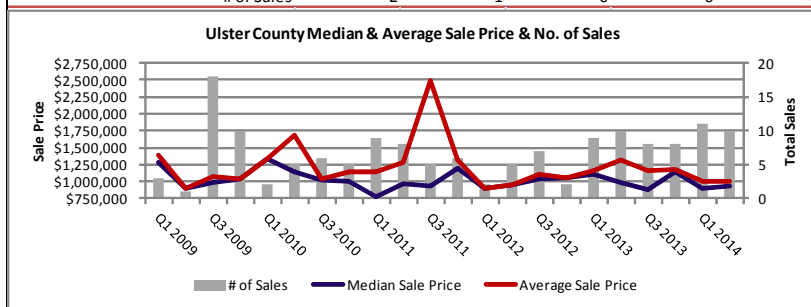
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Columbia County Market Matrix	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014
Median Sale Price	\$ 885,000	\$ 1,200,000	\$ 897,500	\$ 1,312,500	\$ 927,500
Average Sale Price	\$ 965,200	\$ 2,176,339	\$ 1,179,839	\$ 1,300,833	\$ 1,104,000
# of Sales	4	14	22	3	10
Avg. DOM	179	243	161	155	280
Avg. List Price	\$ 1,735,798	\$ 1,897,888	\$ 1,895,880	\$ 1,823,945	\$ 1,774,481
Listing Discount	-5.82%	-7.87%	-13.82%	-12.11%	-17.33%
Listing Inventory	183	180	155	182	145
Median Sale Price by Market Subset	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014
\$750,000 - \$999,999					
Median	\$ 877,000	\$ 957,500	\$ 800,000	---	\$ 780,000
# of Sales	3	4	15	0	6
\$1,000,000 - \$1,999,999					
Median	\$ 1,350,000	\$ 1,200,000	\$ 1,277,500	\$ 1,312,500	\$ 1,015,000
# of Sales	1	7	4	3	2
\$2,000,000 - \$3,999,999					
Median	---	\$ 2,685,000	\$ 2,850,000	---	\$ 2,037,500
# of Sales	0	1	3	0	2
\$4,000,000 +					
Median	--	\$ 7,500,000	--	--	--
# of Sales	0	2	0	0	0



Ulster County Market Matrix	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014
Median Sale Price	\$ 990,000	\$ 871,250	\$ 1,150,000	\$ 905,000	\$ 937,500
Average Sale Price	\$ 1,311,400	\$ 1,159,688	\$ 1,174,500	\$ 1,009,780	\$ 1,000,100
# of Sales	10	8	8	11	10
Avg. DOM	182	144	198	204	204
Avg. List Price	\$ 1,301,761	\$ 1,281,397	\$ 1,307,685	\$ 1,403,775	\$ 1,344,644
Listing Discount	-15.29%	-3.81%	-8.75%	-9.98%	-7.62%
Listing Inventory	131	104	117	85	123
Median Sale Price by Market Subset	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014
\$750,000 - \$999,999					
Median	\$ 922,500	\$ 775,000	\$ 780,750	\$ 871,288	\$ 920,000
# of Sales	6	5	2	8	7
\$1,000,000 - \$1,999,999					
Median	\$ 1,474,500	\$ 1,222,500	\$ 1,280,000	\$ 1,111,000	\$ 1,250,000
# of Sales	2	2	6	3	3
\$2,000,000+					
Median	\$ 2,325,000	\$ 2,800,000	---	---	---
# of Sales	2	1	0	0	0



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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