

## Hudson Valley Luxury Housing Market

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

### 2013 Year in Review

- Sales continue to clip along and other indicators also point to strength
- Active market in land
- Sellers getting back some bargaining power

Produced by RP Hubbell & Company and Walter Cadette

For the third quarter in a row, sales volumes of Hudson-Valley luxury residential properties (here defined as those selling above \$750,000) were on the strong side. They approached 40 in each of the past three quarters. And they will top 40 in the quarter just ended when data for non-MLS sales, which are not yet available, are included in the count. These sales rates, when annualized and when non-MLS data are included in the count, would be upwards of 160, roughly 50% higher than the average of the years 2009-2012 (table on this page).

Those years included the post-boom slump of 2009-2010 and the consolidation period 2011-2012. It took a long time for sellers to adjust their expectations to a new market reality, but they eventually did. By last year, it seems, "the bottom was in." Property prices had come some 30% from those of the boom years. And, as prices bottomed, sellers, who had been in a weak position for several years as prices were falling, got back some of their bargaining power. Looking back at the boom years, many of them may not have been all that happy about the

prices they got for their properties. But at least they were able to effect a sale.

The much reduced prices that came about in the wake of the boom years have interacted with an extraordinarily strong equities market and favorable borrowing rates. Not only have these been historically low, they are not expected to remain all the way down that much longer. These pages, written three months ago, concluded that the "advantage seems to have shifted, at least a bit, to the sellers." Today, that

Hudson Valley Market Matrix, All Sales \$750,000 and over									
	2009	2010	2011	2012	2013	Q1 2013	Q2 2013	Q3 2013	Q4 2013
Median Sale Price	\$ 966,500	\$ 1,150,000	\$ 1,075,000	\$ 1,150,000	\$ 999,999	\$ 1,108,750	\$ 975,000	\$ 1,132,500	\$ 983,750
Average Sale Price	\$ 1,186,700	\$ 1,567,031	\$ 1,654,521	\$ 1,295,325	\$ 1,434,425	\$ 1,502,378	\$ 1,215,453	\$ 1,724,137	\$ 1,236,250
# of Sales	108	90	129	112	144	28	39	39	38
Avg. DOM	225	252	243	212	192	213	185	216	158
Avg. List Price	\$ 1,323,325	\$ 1,601,360	\$ 1,759,335	\$ 1,874,096	\$ 1,909,131	\$ 1,972,017	\$ 1,877,481	\$ 1,902,192	\$ 1,890,575
Listing Discount	-12.06%	-13.25%	-13.51%	-10.99%	-10.49%	-12.55%	-10.51%	-9.09%	-10.40%
Listing Inventory	---	---	474	416	462	435	514	480	418

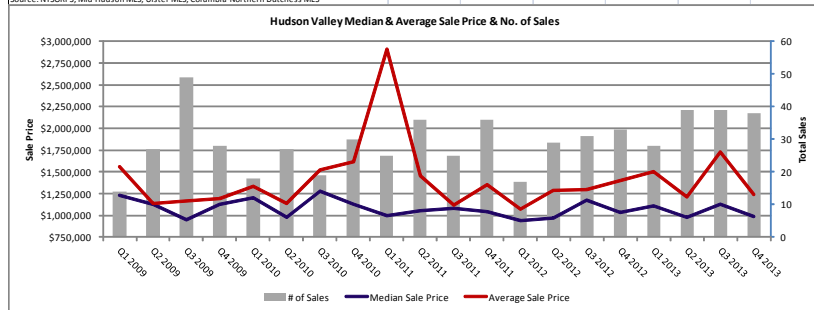
Source, all tables & graphs: NYSORPS, Mid-Hudson MLS, Ulster MLS, Columbia-Northern Dutchess MLS

conclusion not only holds, it can be voiced less tentatively. Indeed, the data for the fourth quarter of last year point to a market that is ever stronger, measured not only by sales but also by such ancillary indicators as listing discounts, the length of time it takes to sell a property (days on market, DOM), and the listing inventory. All three are significantly below the earlier prevailing trend.

The past quarter also reflected growing interest in raw land, another aspect of today's market that has been featured in these pages. Significantly, of the quarter's 38 MLS sales, four of them were either raw land or properties the value of whose structures were small in the total picture. Two of the four were in Columbia County; two, in Dutchess County.

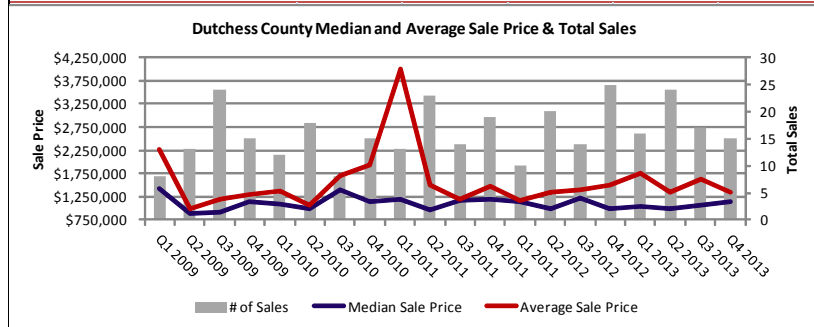
Open land within reasonable distance of the nation's largest and richest city has always been a major draw for the region. The growing appeal of "sustainable agriculture," organic farming, and the like has simply added to it. And so have

Hudson Valley Median Sale Price by Market Subset	2009	2010	2011	2012	2013	Q1 2013	Q2 2013	Q3 2013	Q4 2013
<b>\$750,000 - \$999,999</b>									
Median	\$ 850,000	\$ 885,829	\$ 835,258	\$ 845,000	\$ 851,250	\$ 825,000	\$ 864,500	\$ 840,000	\$ 800,000
# of Sales	59	39	62	54	73	13	22	17	21
<b>\$1,000,000 - \$1,999,999</b>									
Median	\$ 1,237,500	\$ 1,295,625	\$ 1,325,000	\$ 1,287,500	\$ 1,277,500	\$ 1,375,000	\$ 1,399,000	\$ 1,237,500	\$ 1,200,000
# of Sales	38	38	47	45	52	13	11	15	13
<b>\$2,000,000 - \$3,999,999</b>									
Median	\$ 2,225,000	\$ 2,731,013	\$ 2,498,729	\$ 2,132,750	\$ 2,700,000	\$ 2,700,000	\$ 2,600,000	\$ 2,747,500	\$ 3,025,000
# of Sales	9	11	14	11	15	1	6	4	4
<b>\$4,000,000 +</b>									
Median	\$ 6,000,000	\$ 4,350,000	\$ 7,022,830	\$ 4,694,500	\$ 8,300,000	\$ 9,500,000	---	\$ 7,100,000	---
# of Sales	3	2	6	2	4	1	0	3	0



Dutchess County Market Matrix	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013
Median Sale Price	\$ 999,999	\$ 1,045,000	\$ 1,000,000	\$ 1,075,000	\$ 1,145,000
Average Sale Price	\$ 1,488,873	\$ 1,750,474	\$ 1,359,160	\$ 1,617,359	\$ 1,352,900
# of Sales	25	16	24	17	15
Avg. DOM	133	187	188	219	141
Avg. List Price	\$ 2,395,357	\$ 2,348,012	\$ 2,384,218	\$ 2,235,547	\$ 2,352,056
Listing Discount	-10.99%	-14.36%	-8.89%	-12.34%	-6.89%
Listing Inventory	164	155	200	196	146

Median Sale Price by Market Subset	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013
<b>\$750,000 - \$999,999</b>					
Median	\$ 789,000	\$ 817,500	\$ 857,799	\$ 826,500	\$ 847,000
# of Sales	13	8	12	8	6
<b>\$1,000,000 - \$1,999,999</b>					
Median	\$ 1,337,500	\$ 1,537,500	\$ 1,345,000	\$ 1,293,750	\$ 1,200,000
# of Sales	6	6	8	6	7
<b>\$2,000,000 - \$3,999,999</b>					
Median	\$ 2,132,750	\$ 2,700,000	\$ 2,800,000	\$ 2,597,850	\$ 2,975,000
# of Sales	4	1	4	2	2
<b>\$4,000,000 +</b>					
Median	\$ 4,694,500	\$ 9,500,000	---	\$ 7,100,000	---
# of Sales	2	1	0	1	0



proliferating farmers' markets, restaurants featuring local farm products, and specialty foods not readily available in the city.

Columbia County posted unusually good numbers all around this past quarter. At an annual rate, the sales volume was more than double the average of the

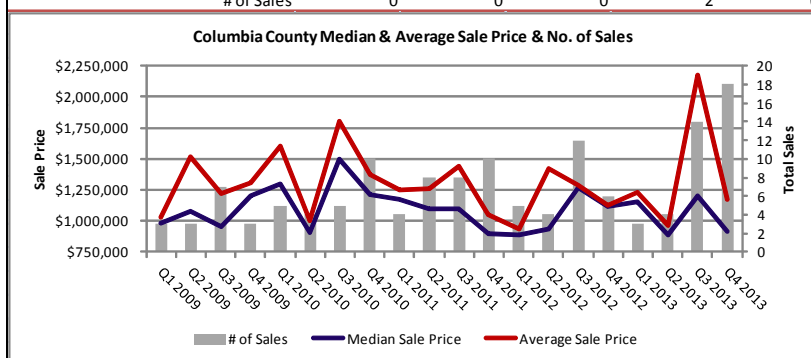
years 2009-2012 (table on this page). Sales in Columbia County profited from the apparently growing interest in land as an asset. Acre for acre, if not also square foot for square foot, the county's prices are exceedingly attractive not only in absolute terms but also relative to those in neighboring areas. It would not be at all surprising to see Columbia County sales continue to be much higher than in the past.

Near term, it is unlikely that sales will continue to clip along as high as 40 per quarter in the region as a whole, for seasonal reasons. The winter months tend to be months of lull in sales. But, given the leanness of the region's inventory of luxury properties, odds are for at least some upward pressure on selling prices in, say, the first half of this year. To be sure, much will depend of the underlying macro-economic background. But the underpinnings of the market itself point in that direction.

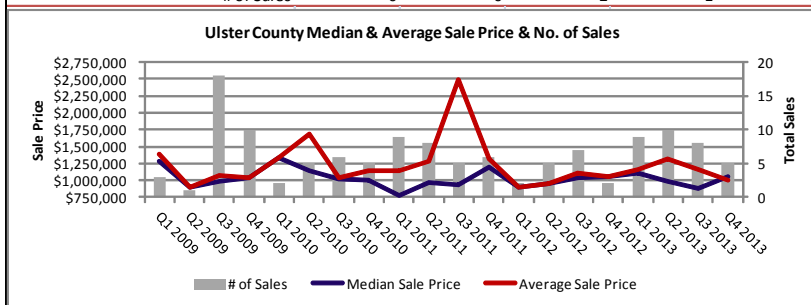
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Columbia County Market Matrix	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013
Median Sale Price	\$ 1,118,750	\$ 1,150,000	\$ 885,000	\$ 1,200,000	\$ 920,000
Average Sale Price	\$ 1,129,417	\$ 1,231,667	\$ 965,200	\$ 2,176,339	\$ 1,175,882
# of Sales	6	3	4	14	18
Avg. DOM	134	50	179	243	161
Avg. List Price	\$ 1,958,387	\$ 1,906,763	\$ 1,735,798	\$ 1,897,888	\$ 1,895,880
Listing Discount	-14.32%	-3.90%	-5.82%	-7.87%	-13.82%
Listing Inventory	137	139	183	180	155
Median Sale Price by Market Subset	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013
<b>\$750,000 - \$999,999</b>					
Median	\$ 932,000	\$ 795,000	\$ 877,000	\$ 957,500	\$ 832,500
# of Sales	2	1	3	4	13
<b>\$1,000,000 - \$1,999,999</b>					
Median	\$ 1,237,500	\$ 1,450,000	\$ 1,350,000	\$ 1,200,000	\$ 1,275,000
# of Sales	4	2	1	7	3
<b>\$2,000,000 - \$3,999,999</b>					
Median	---	---	---	\$ 2,685,000	\$ 3,025,000
# of Sales	0	0	0	1	2
<b>\$4,000,000 +</b>					
Median	--	--	--	\$ 7,500,000	--
# of Sales	0	0	0	2	0



Ulster County Market Matrix	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013
Median Sale Price	\$ 1,062,500	\$ 1,107,500	\$ 990,000	\$ 871,250	\$ 1,050,000
Average Sale Price	\$ 1,062,500	\$ 1,151,556	\$ 1,311,400	\$ 1,159,688	\$ 994,300
# of Sales	2	9	10	8	5
Avg. DOM	227	307	182	144	198
Avg. List Price	\$ 1,145,035	\$ 2,099,500	\$ 1,301,761	\$ 1,281,397	\$ 1,307,685
Listing Discount	-9.53%	-13.55%	-15.29%	-3.81%	-8.75%
Listing Inventory	69	109	131	104	117
Median Sale Price by Market Subset	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013
<b>\$750,000 - \$999,999</b>					
Median	\$ 770,000	\$ 917,500	\$ 922,500	\$ 775,000	\$ 785,750
# of Sales	1	4	6	5	2
<b>\$1,000,000 - \$1,999,999</b>					
Median	\$ 1,355,000	\$ 1,290,000	\$ 1,474,500	\$ 1,222,500	\$ 1,150,000
# of Sales	1	5	2	2	3
<b>\$2,000,000+</b>					
Median	---	---	\$ 2,325,000	\$ 2,800,000	---
# of Sales	0	0	2	1	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.