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Lake Shore Drive Pleasant Valley, New York 12569, MLS: 351265, \$938,000

First Quarter 2016
Hudson Valley Luxury Market Overview

*Written by Randy Myers,
in collaboration with Heather Croner and Pete Hubbell*

1981 Broadway Esopus, New York 12429, MLS: 20162987, \$7,900,000

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HUDSON VALLEY LUXURY REAL ESTATE MARKET OVERVIEW

Dutchess, Columbia and Ulster County residential sales over \$750,000

Sales of luxury homes declined across the country in the first quarter of 2016 as turmoil in global financial markets appeared to weigh on the confidence of potential homebuyers.

Driven in part by concerns about slowing economic growth in the U.S. and China, stocks around the world sunk sharply to start the new year. In the U.S., the Standard & Poor's 500 stock index shed 10.5 percent of its value in just six weeks. The index then reversed course as quickly as it had tumbled, recovering all of its losses and more by the end of March. Still, the volatility left many investors—and apparently many potential luxury homebuyers—unsettled.

In the three-county region covered by this report—Dutchess, Columbia and Ulster counties—22 luxury properties sold in the first quarter, down from 29 in the year-earlier first quarter. The



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median sale price was little changed at \$1.02 million versus \$1.06 million a year earlier. The average price jumped to \$1.6 million from \$1.5 million, but that gain was attributable almost entirely to one large transaction, a \$9.4 million sale in Dutchess County.

With buyers apparently edgy, the average time that for-sale homes were on the market in the first quarter rose to 287 days, up from 165 a year earlier. Sellers who did find buyers often found themselves discounting their price to close their deals, with the average listing discount growing to -15.5 percent

versus -6.4 percent in the first quarter of 2015.

Despite the downturn in activity, sellers mostly kept their homes on the market. In fact, the number of properties for sale rose to 480, up from 398 in the year-earlier first quarter.

Dutchess County

Dutchess County is typically the most active luxury real estate market in the Hudson Valley, and that held true again in the first quarter as the county saw 11 sales close. That was equal to the total sales in



Naylor Road Staatsburg, New York 12580, MLS: P0100, \$7,995,000

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Columbia County

Five properties changed hands in Columbia County during the first quarter of 2016. They included a delightful mix of old and newer farmhouses and one exquisitely restored and expanded stone house dating to the 1820s. The median sale price was \$1.0 million, down from \$2.1 million in the year-earlier quarter, when nine properties sold.

If sales were modest, inventory was not. There were 126 properties listed in Columbia County in the first quarter, up from 108 a year earlier. The average listing had been on the market for 191 days, up from 115 a year earlier, while the average listing discount for properties that sold widened to -13.4 percent from -6.0%.

Ulster County

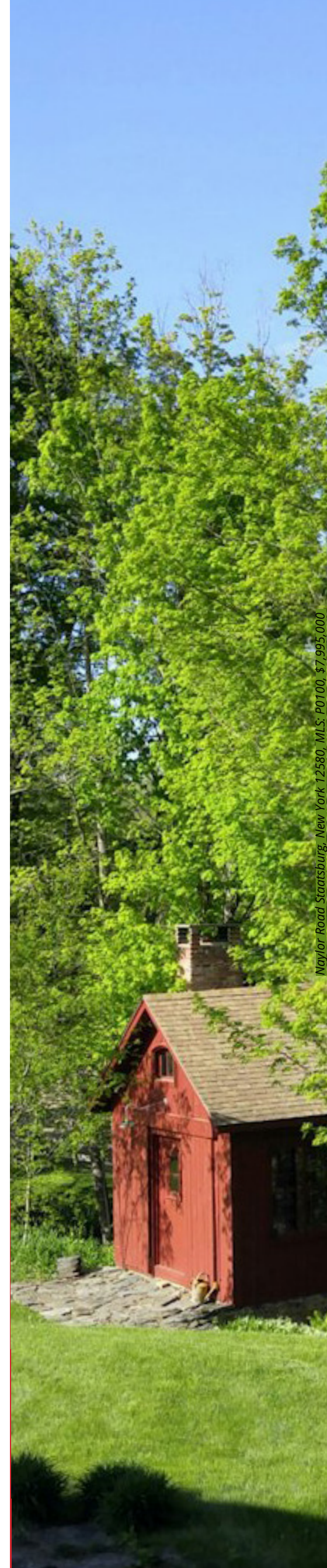
Alone in the region, Ulster County saw an uptick in home sales during the first quarter of 2016, with six properties sold versus four in the year-earlier quarter. Among the properties sold were one that had been used as an animal sanctuary in Woodstock, and a 162-acre mountain sanctuary in Gardiner with spectacular

neighboring Columbia and Ulster counties combined, but down from 16 sales in the year-earlier first quarter.

The highest-profile transaction by far was the sale of Astor Courts, one of the grandest of the legendary Hudson River properties. Sited high on a bluff just outside the village of Rhinebeck, with a view of the Hudson River below, the Beaux Arts structure was built between 1902 and 1904 for John Jacob Astor IV and his wife, Ava. It was designed by American architect Stanford White as a sporting facility, with guest bedrooms for visitors. It later became known as the Ferncliff Casino, adopting a once popular architectural term not for gambling

halls but for sporting venues. Now a private residence—Chelsea Clinton was married there in 2010—it sold for \$9.4 million, marking the first Hudson Valley sale over \$9 million since 2014.

Thanks to the Astor Courts transaction, the median sale price in Dutchess County rose to \$1.4 million during the first quarter of 2016, up from \$945,000 a year earlier. Continuing a trend that stretches back at least a year, the average time on the market for Dutchess County properties rose to 423 days, up from 186 a year earlier, while the average listing discount grew to -21.5 percent versus -6.2 percent in the first quarter of 2015.



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views of the Hudson Valley. Sale prices were clustered in a tight range, from a low of \$825,000 to a high of \$999,999, yielding a median price of \$938,000. That was down from a median price of \$1.3 million in the year-earlier first quarter.

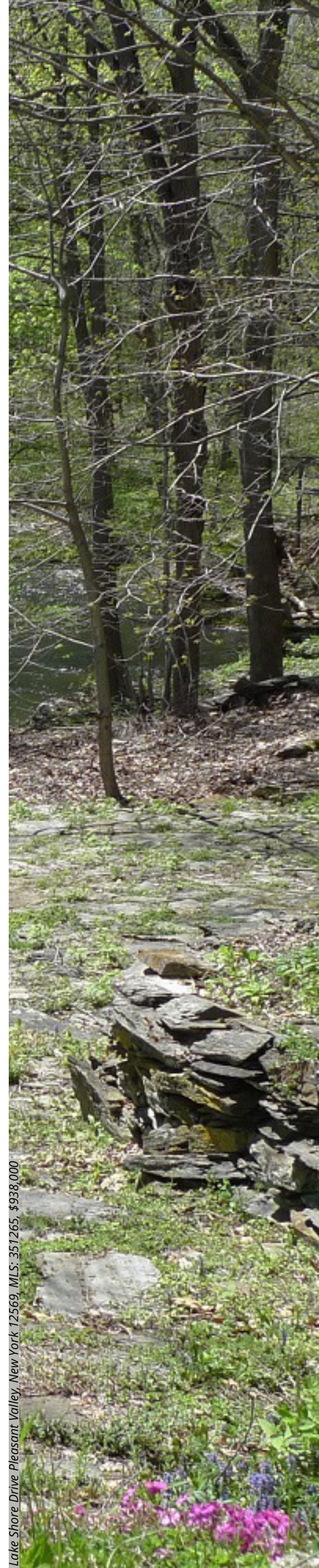
Unlike its neighbor counties, Ulster saw its average listing discount for homes sold shrink, to -8.3 percent in this year's first quarter versus -10.8 percent a year earlier. The number of homes listed for sale grew to 174 from 98 a year earlier, while the number of days those homes were on the market also crept higher, to 195 from 155 in the first quarter of 2015.

Outlook

While it is impossible to discern a trend in one quarter's numbers, there's no debating that the luxury housing market slowed in the Hudson Valley during the first quarter of 2016. We agree that the turmoil in global financial markets



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likely contributed to the slowdown.

We also believe that despite the hefty price brought by Astor Courts, buyers generally are not in the mood to pay up for real estate right now—even luxury real estate in the beautiful Hudson Valley. Many bids continue to come in below asking price, especially at the higher end of the market. For sellers who are finding the wait for the right buyer difficult, we offer the gentle reminder that the market value of any home is always determined not by past sale prices or sentimental value to the seller, but only by what today's buyers are willing to pay. Accepting that can make it easier to reach a deal and can allow sellers to realize their ultimate goal of moving on to the next phase of their lives.

Despite the slower pace of sales in the first quarter, we are encouraged by the activity we see behind the scenes in the Hudson Valley luxury market. We know, for example, that when winter segued into spring we saw a noticeable uptick in listing activity. We know that there continues to be interest in the region from potential buyers interested in properties that might be developed into retreats or wellness centers. And we know that the Hudson Valley, just 90 minutes or so from New York City, continues to offer harried urbanites a respite from the hectic pace of city life, often for less than the cost of similar properties in other luxury markets. We remain happy to call this region our home.

Dales Bridge Rd Germantown, New York 12526, MLS: 108468, \$10,800,000

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HUDSON VALLEY LUXURY MARKET OVERVIEW

Category	Region	# Sales	Median Price
\$750,000-\$999,999	All Hudson Valley	11	\$857,500
	Columbia County	2	\$806,500
	Dutchess County	3	\$817,500
	Ulster County	6	\$939,500
\$1,000,000-\$1,999,999	All Hudson Valley	8	\$1,375,000
	Columbia County	3	\$1,350,000
	Dutchess County	5	\$1,400,000
	Ulster County	0	n/a
\$2,000,000-\$3,999,999	All Hudson Valley	2	\$2,875,000
	Columbia County	0	n/a
	Dutchess County	2	\$2,875,000
	Ulster County	0	n/a
\$4,000,000 +	All Hudson Valley	1	\$9,400,000
	Columbia County	0	n/a
	Dutchess County	1	\$9,400,000
	Ulster County	0	n/a

HUDSON VALLEY LUXURY MARKET SALES IN Q1 2016 BY MARKET SUBSET

Period	# of Sales	Median Sale Price	Average Sale Price	Avg. Days on Market	Avg. Listing Discount	Listing Inventory
Q1 2016	22	\$1,022,500	\$1,620,148	287	-15.5%	480
Q4 2015	35	\$1,017,500	\$1,205,351	251	-9.7%	399
Q3 2015	32	\$995,000	\$1,276,079	176	-9.0%	492
Q2 2015	47	\$1,200,000	\$1,384,170	200	-10.6%	480
Q1 2015	29	\$1,060,000	\$1,488,894	165	-6.4%	398



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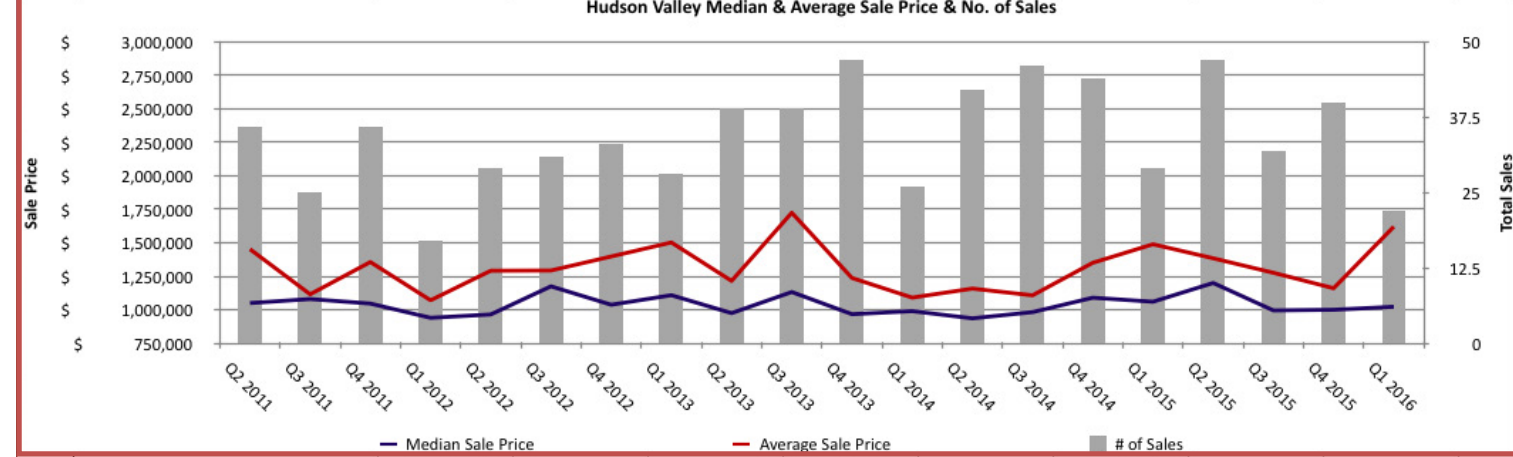
RP Hubbell & Co.

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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, R. P. Hubbell and Company, Inc. and Randy Myers 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.

Hudson Valley Market Matrix, All Sales \$750,000 and over									
	2012	2013	2014	2015	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016
Median Sale Price	\$ 1,150,000	\$ 999,999	\$ 988,750	\$ 1,037,500	\$ 1,060,000	\$ 1,200,000	\$ 995,000	\$ 1,017,500	\$ 1,022,500
Average Sale Price	\$ 1,295,325	\$ 1,421,541	\$ 1,187,938	\$ 1,317,201	\$ 1,488,894	\$ 1,384,170	\$ 1,276,079	\$ 1,205,351	\$ 1,620,148
# of Sales	112	153	158	148	29	47	32	35	22
Avg. DOM	212	192	205	185	165	200	176	251	287
Avg. List Price	\$ 1,874,096	\$ 1,909,131	\$ 1,856,298	\$ 1,781,648	\$ 1,918,503	\$ 1,793,822	\$ 1,837,170	\$ 1,761,757	\$ 1,729,100
Listing Discount	-10.99%	-10.49%	-14.47%	-9.16%	-6.36%	-10.63%	-8.98%	-9.66%	-15.52%
Listing Inventory	416	462	469	463	398	480	492	399	480

Hudson Valley Median Sale Price by Market Subset									
Market Subset	2012	2013	2014	2015	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016
\$750,000 - \$999,999									
Median	\$ 845,000	\$ 850,000	\$ 869,725	\$ 870,000	\$ 855,000	\$ 885,450	\$ 920,000	\$ 792,500	\$ 857,500
# of Sales	54	77	87	70	13	19	18	16	11
\$1,000,000 - \$1,999,999									
Median	\$ 1,287,500	\$ 1,285,000	\$ 1,325,000	\$ 1,286,500	\$ 1,250,000	\$ 1,417,500	\$ 1,312,500	\$ 1,163,500	\$ 1,375,000
# of Sales	45	56	60	59	10	24	9	15	8
\$2,000,000 - \$3,999,999									
Median	\$ 2,132,750	\$ 2,700,000	\$ 2,287,500	\$ 2,549,000	\$ 2,700,000	\$ 3,500,000	\$ 2,400,000	\$ 2,450,000	\$ 2,875,000
# of Sales	11	16	10	18	5	4	5	4	2
\$4,000,000 +									
Median	\$ 4,694,500	\$ 8,300,000	\$ 5,000,000	\$ 4,682,091	\$ 4,682,091	---	---	---	\$ 9,400,000
# of Sales	2	4	1	1	1	0	0	0	1

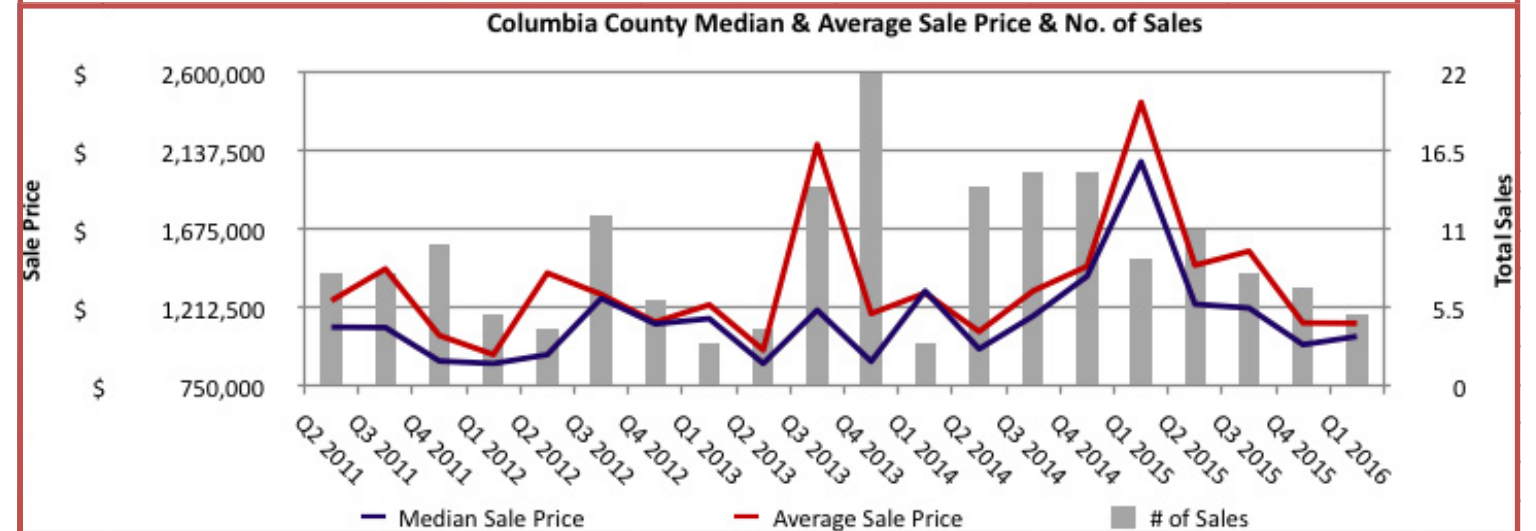


Columbia County Market Matrix					
	2011	2012	2013	2014	2015
Median Sale Price	\$ 950,000	\$ 1,037,500	\$ 968,750	\$ 1,090,000	\$ 1,235,000
Average Sale Price	\$ 1,230,543	\$ 1,209,000	\$ 1,476,050	\$ 1,287,485	\$ 1,662,692
# of Sales	31	27	44	47	35
Avg. DOM	374	185	179	208	124
Avg. List Price	\$ 1,622,552	\$ 1,908,446	\$ 1,859,082	\$ 1,859,264	\$ 1,650,624
Listing Discount	-12.24%	-10.86%	-9.85%	-12.89%	-8.36%

Median Sale Price by Market Subset					
Market Subset	2011	2012	2013	2014	2015
\$750,000 - \$999,999					
Median	\$ 873,000	\$ 877,500	\$ 872,000	\$ 865,000	\$ 861,250
# of Sales	18	12	24	19	10
\$1,000,000 - \$1,999,999					
Median	\$ 1,334,125	\$ 1,262,500	\$ 1,277,500	\$ 1,325,000	\$ 1,235,000
# of Sales	10	12	14	23	15
\$2,000,000 - \$3,999,999					
Median	\$ 2,175,000	\$ 2,037,000	\$ 2,772,500	\$ 2,075,000	\$ 2,257,500
# of Sales	3	3	4	5	9
\$4,000,000 +					
Median	---	---	\$ 7,500,000	---	\$ 4,682,091
# of Sales	0	0	2	0	1

Columbia County Market Matrix					
	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016
Median Sale Price	\$ 2,075,000	\$ 1,235,000	\$ 1,212,500	\$ 996,500	\$ 1,045,000
Average Sale Price	\$ 2,425,367	\$ 1,464,856	\$ 1,547,500	\$ 1,124,643	\$ 1,122,500
# of Sales	9	11	8	7	5
Avg. DOM	115	129	93	162	191
Avg. List Price	\$ 1,858,426	\$ 1,827,191	\$ 1,770,734	\$ 1,198,571	\$ 1,725,999
Listing Discount	-6.00%	-9.96%	-10.71%	-6.17%	-13.36%
Listing Inventory	108	128	143	109	126

Median Sale Price by Market Subset					
Market Subset	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016
\$750,000 - \$999,999					
Median	\$ 986,212	\$ 825,000	\$ 985,000	\$ 822,500	\$ 806,500
# of Sales	1	3	2	4	2
\$1,000,000 - \$1,999,999					
Median	\$ 1,500,000	\$ 1,350,000	\$ 1,100,000	\$ 1,157,500	\$ 1,350,000
# of Sales	3	7	3	2	3
\$2,000,000 - \$3,999,999					
Median	\$ 2,975,000	\$ 3,500,000	\$ 2,300,000	\$ 2,150,000	\$ -
# of Sales	4	1	3	1	0
\$4,000,000 +					
Median	\$ 4,682,091	---	---	---	---
# of Sales	1	0	0	0	0



APPENDIX

Dutchess

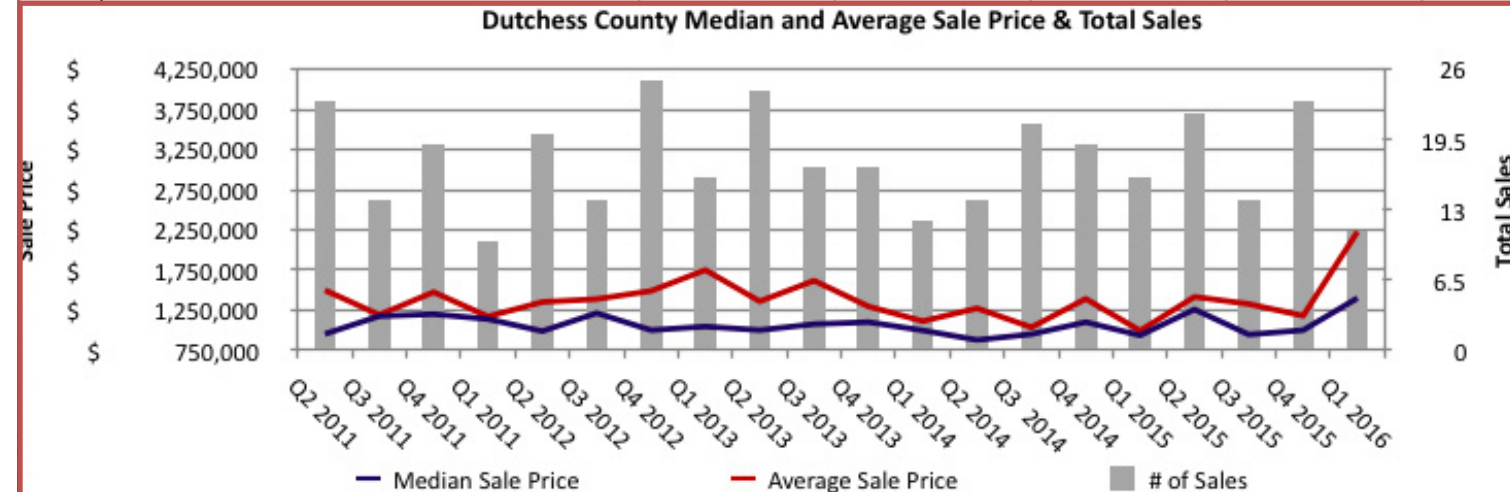
APPENDIX

Ulster

Dutchess County Market Matrix	2011	2012	2013	2014	2015
Median Sale Price	\$ 1,142,625	\$ 1,050,000	\$ 1,037,500	\$ 985,000	\$ 999,999
Average Sale Price	\$ 1,898,812	\$ 1,177,802	\$ 1,488,527	\$ 1,203,050	\$ 1,236,350
# of Sales	69	63	74	66	75
Avg. DOM	188	215	185	218	235
Avg. List Price	\$ 2,357,708	\$ 2,325,820	\$ 2,329,958	\$ 2,107,503	\$ 1,949,698
Listing Discount	-13.39%	-11.13%	-10.50%	-15.20%	-8.45%
Median Sale Price by Market Subset	2011	2012	2013	2014	2015
\$750,000 - \$999,999					
Median	\$ 833,796	\$ 826,769	\$ 840,000	\$ 869,000	\$ 852,500
# of Sales	30	28	36	38	38
\$1,000,000 - \$1,999,999					
Median	\$ 1,335,550	\$ 1,300,000	\$ 1,350,000	\$ 1,325,000	\$ 1,317,500
# of Sales	26	25	27	23	31
\$2,000,000 - \$3,999,999					
Median	\$ 2,397,458	\$ 2,937,500	\$ 2,700,000	\$ 2,387,500	\$ 2,649,000
# of Sales	7	7	9	4	6
\$4,000,000 +					
Median	\$ 5,137,070	\$ 4,694,500	\$ 8,300,000	\$ 5,000,000	--
# of Sales	6	2	2	1	0

Source: NYSORPS, Mid-Hudson MLS

Dutchess County Market Matrix	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016
Median Sale Price	\$ 934,750	\$ 1,258,750	\$ 945,000	\$ 999,999	\$ 1,400,000
Average Sale Price	\$ 993,163	\$ 1,415,464	\$ 1,326,031	\$ 1,179,609	\$ 2,228,295
# of Sales	16	22	14	23	11
Avg. DOM	186	269	251	328	423
Avg. List Price	\$ 2,244,297	\$ 2,029,843	\$ 2,181,936	\$ 1,284,333	\$ 2,106,225
Listing Discount	-6.20%	-14.33%	-13.16%	-5.93%	-21.51%
Listing Inventory	192	225	205	141	180
Median Sale Price by Market Subset	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016
\$750,000 - \$999,999					
Median	\$ 852,500	\$ 912,250	\$ 850,000	\$ 800,000	\$ 817,500
# of Sales	10	8	8	12	3
\$1,000,000 - \$1,999,999					
Median	\$ 1,212,500	\$ 1,400,000	\$ 1,337,500	\$ 1,275,000	\$ 1,400,000
# of Sales	6	12	4	9	5
\$2,000,000 - \$3,999,999					
Median	--	\$ 3,300,000	\$ 3,150,000	\$ 2,499,000	\$ 2,875,000
# of Sales	0	2	2	2	2
\$4,000,000 +					
Median	--	--	--	--	\$ 9,400,000
# of Sales	0	0	0	0	1



Ulster County Market Matrix	2011	2012	2013	2014	2015
Median Sale Price	\$ 1,000,000	\$ 900,000	\$ 1,050,000	\$ 946,000	\$ 995,000
Average Sale Price	\$ 1,526,496	\$ 1,234,250	\$ 1,226,486	\$ 1,061,545	\$ 1,133,115
# of Sales	29	16	35	45	38
Avg. DOM	232	237	210	166	158
Avg. List Price	\$ 1,417,566	\$ 1,262,424	\$ 1,497,585	\$ 1,381,877	\$ 1,372,074
Listing Discount	-15.16%	-9.96%	-10.91%	-8.01%	-6.65%
Median Sale Price by Market Subset	2011	2012	2013	2014	2015
\$750,000 - \$999,999					
Median	\$ 780,000	\$ 900,000	\$ 850,000	\$ 889,750	\$ 883,500
# of Sales	14	10	17	30	22
\$1,000,000 - \$1,999,999					
Median	\$ 1,290,000	\$ 1,234,250	\$ 1,290,000	\$ 1,292,650	\$ 1,228,000
# of Sales	11	6	15	14	13
\$2,000,000+					
Median	\$ 3,375,000	---	\$ 2,500,000	\$ 2,614,700	\$ 2,500,000
# of Sales	4	-	3	1	3

Ulster County Market Matrix	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016
Median Sale Price	\$ 1,301,000	\$ 987,000	\$ 966,800	\$ 1,008,750	\$ 939,500
Average Sale Price	\$ 1,364,750	\$ 1,232,369	\$ 989,010	\$ 1,142,300	\$ 919,917
# of Sales	4	14	10	10	6
Avg. DOM	155	145	176	158	195
Avg. List Price	\$ 1,346,422	\$ 1,342,042	\$ 1,412,332	\$ 1,394,800	\$ 1,341,215
Listing Discount	-10.84%	-5.13%	-3.83%	-9.94%	-8.34%
Listing Inventory	98	127	144	149	174
Median Sale Price by Market Subset	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016
\$750,000 - \$999,999					
Median	\$ 829,500	\$ 865,000	\$ 940,000	\$ 888,500	\$ 939,500
# of Sales	2	8	8	4	6
\$1,000,000 - \$1,999,999					
Median	\$ 1,700,000	\$ 1,350,000	\$ 1,325,000	\$ 1,080,000	\$ -
# of Sales	1	5	2	5	0
\$2,000,000+					
Median	\$ 2,100,000	\$ 3,412,072	---	\$ 2,500,000	\$ -
# of Sales	1	1	0	1	0

