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Real Estate

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Second Quarter 2016  
Hudson Valley Luxury Market Overview

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



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8-15 Kend Way Stanfordville, New York 12581, MLS ID: 353254, \$2,250,000

## Second Quarter 2016

### HUDSON VALLEY LUXURY REAL ESTATE MARKET OVERVIEW

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

Sales of luxury homes in the Hudson Valley market fell year-over-year in the second quarter of 2016. The decline extends a recent trend that has paralleled concerns about lackluster economic growth in the U.S. and abroad.

A total of 30 luxury properties sold in the second quarter, down from 47 a year earlier. Still, that was up from a revised 26 sales in the first quarter of the year, when volatility in the financial markets appeared to weigh on the confidence of potential homebuyers.

There were other modestly positive signs in the latest round of data. The median sale price has now hovered around the million-dollar mark for the past five quarters, for example, coming in at \$1.1 million in the second quarter. This suggests some degree of stability in the market.

Selling a luxury property in the



8-15 Kend Way Stanfordville, New York 12581, MLS ID: 353254, \$2,250,000

Hudson Valley also has taken a little less time lately—an average of 183 days in the second quarter, down from 200 a year earlier. This marked a sizeable improvement from the first quarter of this year, when the average days on market soared to 287.

The quickening sales pace may have been attributable, at least in part, to sellers who have opted to be a little more flexible on pricing. The average listing discount in the second quarter—the difference between the list price and sale price on transactions that closed—widened to -12.4% from -10.6% a year

earlier. But even this marked a modest improvement from this year's first quarter, when the average discount totaled -15.5%.

Despite the relatively benign sales numbers, prospective sellers have not been discouraged from listing their homes. Available inventory rose to 611 properties in the second quarter, up from 480 in both the year-earlier second quarter and this year's first quarter.

While it's not reflected in the latest numbers—and we have no way of knowing in advance how much it will impact final third-quarter figures—





3 Slate Dock Road Rhinebeck, New York 12572, MLS ID: 353053, \$1,200,000

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### Columbia County

Counter to trend, the median sale price for transactions closed in Columbia County during the second quarter rose substantially to \$1.8 million, up from \$1.2 million a year earlier. Activity was fairly even across the price spectrum, with three sales under \$1 million, four between \$1 million and \$2 million, and two above \$2 million.

Notable among the quarter's activity was the sale, for just under \$2.2 million, of a 6,500-square foot estate on 70 acres in Austerlitz. Built in 1991, the house was inspired by The Mount, the well-known home of author Edith Wharton that is located in Lenox, Massachusetts, and is now a National Historic Landmark. In addition to the main house, the Austerlitz property includes a tennis court, a pond, and a three-bedroom guest house.

### Ulster County

Sales in Ulster County were clustered at the lower end of the market, with four properties selling in the \$750,000 to \$1 million range, four more between \$1 million and \$2 million, and none

we are seeing evidence that buyers' faith in the Hudson Valley market remains healthy, too. During July and August, we saw more clients inquiring about buying homes, and, in our office at least, more sales—especially at the higher end of the market.

### Dutchess County

Almost always the most active luxury market in the Hudson Valley, Dutchess County retained that crown in the second quarter of 2016 with 13 sales—four more than Columbia County, and five more than Ulster County. Nonetheless, that total was down from 22 a year earlier. Bucking one regional trend, Dutchess County saw its average

listing discount narrow, to -12.3% from -14.3% a year earlier. It also saw the biggest quarter-over-quarter decline in average days on market, which fell to 184 from 423 in this year's first quarter.

Among the highlights of the second-quarter activity was the sale of a Greek Revival home just outside Millbrook for \$2.6 million. The house sits at the end of a long, winding drive on 44.5 acres, where it is complemented by a pool, pool house and guest cottage. Prominent features of the house itself include a grand living room with walls of windows and glass doors on three sides, and a a corridor-shaped garden room connecting the home's two halves.



3 Slate Dock Road Rhinebeck, New York 12572, MLS ID: 353053, \$1,200,000



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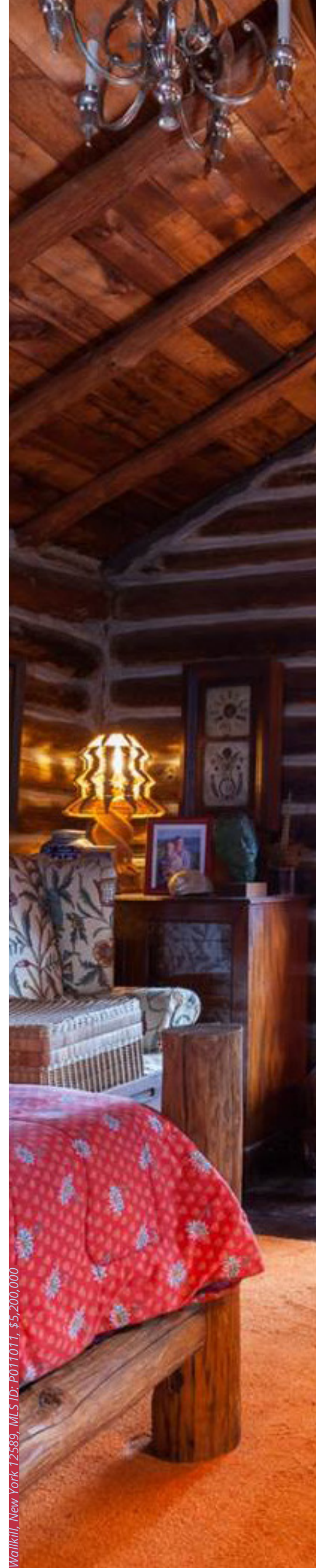
above \$2 million. Contrary to the regional trend, it took longer for the typical home to sell than it did a year earlier, and the average listing discount widened fairly dramatically, too, to -11.8% from -5.1%.

Nonetheless, buyers found some enviable properties. Among the highlights were a 3,000-square-foot contemporary on 27 wooded acres outside Woodstock, near Shady, New York. Built in 1997 with three bedrooms and four baths, the two-story property sold for \$1.4 million.

Elsewhere, within walking distance of downtown Woodstock, a 3,500-square-foot contemporary sold for just under \$1.2 million. The house on the lushly landscaped four-acre property opens to the landscape around it via a large screened porch with cathedral ceilings. The property also features a koi pond, geothermal heating and cooling, a saline pool, basketball courts, and views of the Catskills.



Walkkill, New York 12589, MLS ID: P011011, \$5,200,000



Walkkill, New York 12589, MLS ID: P011011, \$5,200,000

## Outlook

Optimists and pessimists alike can find plenty of evidence in recent sales data to support their views of the Hudson Valley luxury real estate market. Pessimists will note that fewer properties sold in the first half of 2016 than in the first or second half of 2015. But as previously noted, the median sale price has held fairly steady for more than a year now. And anecdotally, we can confirm an uptick in interest from prospective buyers this summer. We've also seen this year, during the first quarter, the \$9.4 million sale of Astor Courts, the former John Jacob Astor IV property in Rhinebeck, which marked the first transaction above \$9 million since 2014. Finally, we can see that pride of ownership in the Hudson Valley remains strong. In the little hamlet of Upper Red Hook, to cite just one example, a pre-Revolutionary brick colonial has been under extensive renovation for months. We observe that many buyers still value the charm and authenticity of traditional Hudson Valley architecture, but crave more modern amenities and finishes. And, as we've reported in the past, there is a sizeable contingent of buyers interested in more contemporary architecture, too.

Framed against what's happening in the broader marketplace, trends in the Hudson Valley don't look all that much different than trends in many luxury home markets elsewhere. Sales of high-end properties in New York's Hamptons fell 20 percent in the second quarter, for example, where according to one broker homes priced in the top 10 percent of the market took 74 more days to sell than they did a year earlier.

We would also contend that Hudson Valley properties compare well, on a value basis, with what many international markets have to offer. The New York Times recently described a restored 18th century farmhouse on 32 acres in the Tuscany region of Italy, for example, with an asking price of \$1.9 million. That property is comparable to what one might find in the same price range in our valley.

For busy New Yorkers, of course, Italy is a longer commute. The Hudson Valley is closer, shares many of the same charms, and is steeped in American history. We expect it will remain an aspirational luxury home market for many generations to come.





129 Buckwheat Bridge Germantown, New York 12526, MLS ID: 353245, \$995,000

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## HUDSON VALLEY LUXURY MARKET SALES IN Q1 2016 BY MARKET SUBSET

Category	Region	# Sales	Median Price
<b>\$750,000-\$999,999</b>	<b>All Hudson Valley</b>	<b>14</b>	<b>\$802,000</b>
	Columbia County	3	\$775,000
	Dutchess County	7	\$817,500
	Ulster County	4	\$900,000
<b>\$1,000,000-\$1,999,999</b>	<b>All Hudson Valley</b>	<b>12</b>	<b>\$1,400,000</b>
	Columbia County	4	\$1,791,210
	Dutchess County	4	\$1,300,000
	Ulster County	4	\$1,281,250
<b>\$2,000,000-\$3,999,999</b>	<b>All Hudson Valley</b>	<b>4</b>	<b>\$2,373,750</b>
	Columbia County	2	\$2,420,625
	Dutchess County	2	\$2,370,425
	Ulster County	0	n/a
<b>\$4,000,000 +</b>	<b>All Hudson Valley</b>	<b>0</b>	<b>n/a</b>
	Columbia County	0	n/a
	Dutchess County	0	n/a
	Ulster County	0	n/a

## HUDSON VALLEY LUXURY MARKET OVERVIEW

Period	# of Sales	Median Sale Price	Average Sale Price	Avg. Days on Market	Avg. Listing Discount	Listing Inventory
Q2 2016	30	\$1,072,500	\$1,269,666	183	-12.4%	611
Q1 2016	26	\$1,022,500	\$1,589,721	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



9-12 Catskill View Road Claverack, New York 12513, MLS ID: 101430, \$2,950,000

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346 Fowler Rd  
Millbrook, NY 12545  
845-677-9822

### RP Hubbell & Co.

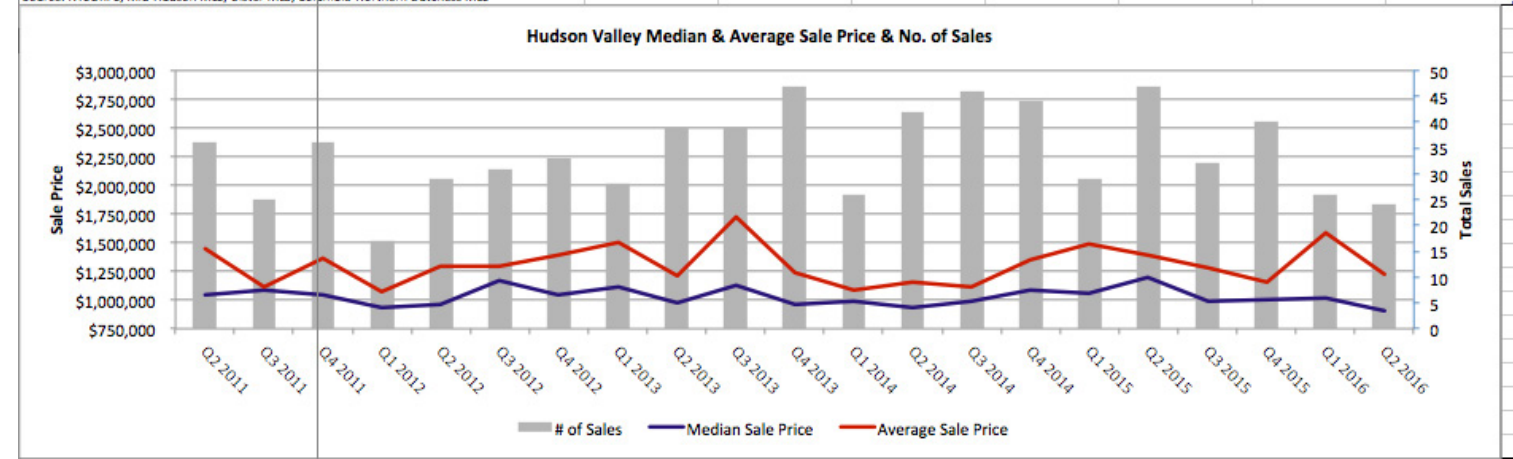
3 Neptune Rd, S-400  
Poughkeepsie, NY 12601  
845-454-6525  
www.rphubb.com

*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	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016
Median Sale Price	\$ 1,150,000	\$ 999,999	\$ 988,750	\$ 1,037,500	\$ 1,200,000	\$ 995,000	\$ 1,017,500	\$ 1,022,500	\$ 1,072,500
Average Sale Price	\$ 1,295,325	\$ 1,421,541	\$ 1,187,938	\$ 1,317,201	\$ 1,384,170	\$ 1,276,079	\$ 1,205,351	\$ 1,589,721	\$ 1,268,532
# of Sales	112	153	158	148	47	32	35	26	30
Avg. DOM	212	192	205	152	200	176	251	287	183
Avg. List Price	\$ 1,874,096	\$ 1,909,131	\$ 1,856,298	\$ 1,448,072	\$ 1,793,822	\$ 1,837,170	\$ 1,761,757	\$ 1,729,100	\$ 1,795,890
Listing Discount	-10.99%	-10.49%	-14.47%	-9.16%	-10.63%	-8.98%	-9.66%	-15.52%	-12.43%
Listing Inventory	416	462	469	492	480	492	399	480	611

Hudson Valley Median Sale Price by Market Subset	2012	2013	2014	2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016
<b>\$750,000 - \$999,999</b>									
Median	\$ 845,000	\$ 850,000	\$ 869,725	\$ 870,000	\$ 885,450	\$ 920,000	\$ 792,500	\$ 832,750	\$ 802,000
# of Sales	54	77	87	70	19	18	16	13	14
<b>\$1,000,000 - \$1,999,999</b>									
Median	\$ 1,287,500	\$ 1,285,000	\$ 1,325,000	\$ 1,286,500	\$ 1,417,500	\$ 1,312,500	\$ 1,163,500	\$ 1,412,500	\$ 1,400,000
# of Sales	45	56	60	59	24	9	15	10	12
<b>\$2,000,000 - \$3,999,999</b>									
Median	\$ 2,132,750	\$ 2,700,000	\$ 2,287,500	\$ 2,549,000	\$ 3,500,000	\$ 2,400,000	\$ 2,450,000	\$ 3,750,000	\$ 2,373,750
# of Sales	11	16	10	18	4	5	4	2	4
<b>\$4,000,000 +</b>									
Median	\$ 4,694,500	\$ 8,300,000	\$ 5,000,000	\$ 4,682,091	---	---	---	\$ 9,400,000	\$ -
# of Sales	2	4	1	1	0	0	0	1	0

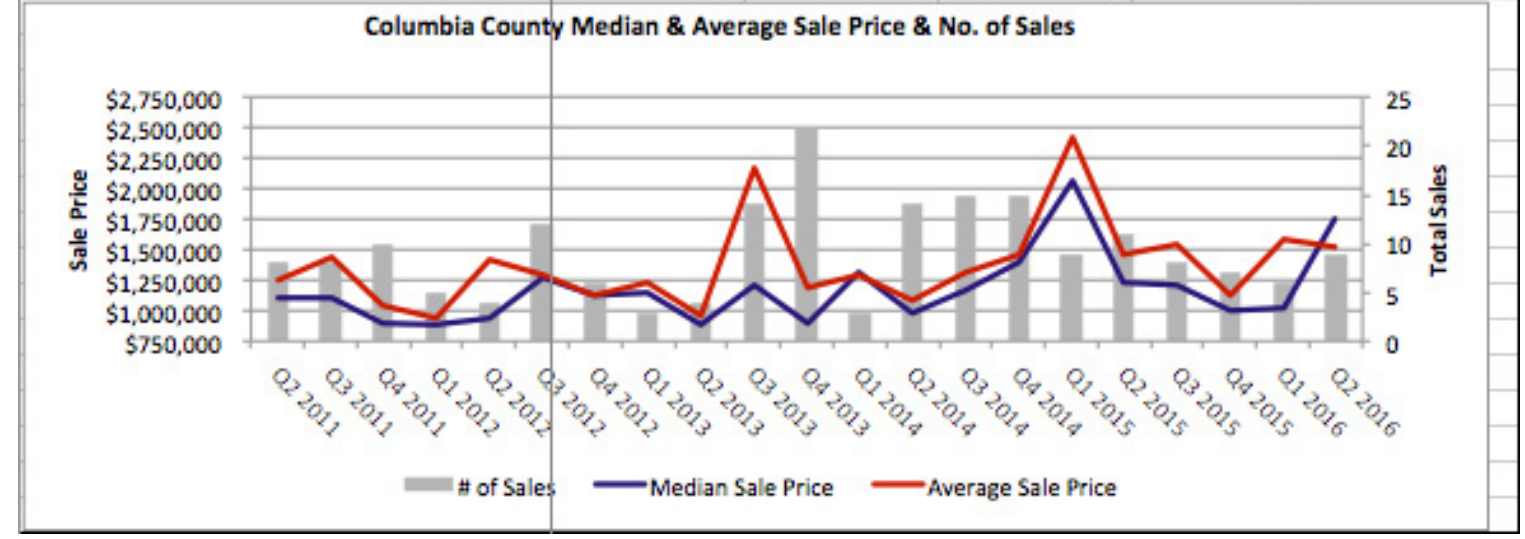


Columbia County Market Matrix	2011	2012	2013	2014	2015
Median Sale Price	\$ 950,000	\$ 1,037,500	\$ 968,750	\$ 1,090,000	\$ 1,235,000
Average Sale Price	\$ 1,230,543	\$ 1,209,000	\$ 1,476,050	\$ 1,287,485	\$ 1,662,692
# of Sales	31	27	44	47	35
Avg. DOM	374	185	179	208	124
Avg. List Price	\$ 1,622,552	\$ 1,908,446	\$ 1,859,082	\$ 1,859,264	\$ 1,350,528
Listing Discount	-12.24%	-10.86%	-9.85%	-12.89%	-8.36%

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

Columbia County Market Matrix	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016
Median Sale Price	\$ 1,235,000	\$ 1,212,500	\$ 996,500	\$ 1,022,500	\$ 1,757,419
Average Sale Price	\$ 1,464,856	\$ 1,547,500	\$ 1,124,643	\$ 1,589,721	\$ 1,531,519
# of Sales	11	8	7	6	9
Avg. DOM	129	93	162	191	118
Avg. List Price	\$ 1,827,191	\$ 1,770,734	\$ 1,198,571	\$ 1,725,999	\$ 1,717,162
Listing Discount	-9.96%	-10.71%	-6.17%	-13.36%	-13.18%
Listing Inventory	128	143	109	126	179

Median Sale Price by Market Subset	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016
<b>\$750,000 - \$999,999</b>					
Median	\$ 825,000	\$ 985,000	\$ 822,500	\$ 806,250	\$ 750,000
# of Sales	3	2	4	2	3
<b>\$1,000,000 - \$1,999,999</b>					
Median	\$ 1,350,000	\$ 1,100,000	\$ 1,157,500	\$ 1,450,000	\$ 1,791,210
# of Sales	7	3	2	4	4
<b>\$2,000,000 - \$3,999,999</b>					
Median	\$ 3,500,000	\$ 2,300,000	\$ 2,150,000	\$ -	\$ 2,420,625
# of Sales	1	3	1	0	2
<b>\$4,000,000 +</b>					
Median	---	---	---	---	---
# of Sales	0	0	0	0	0





**APPENDIX**

**Dutchess**

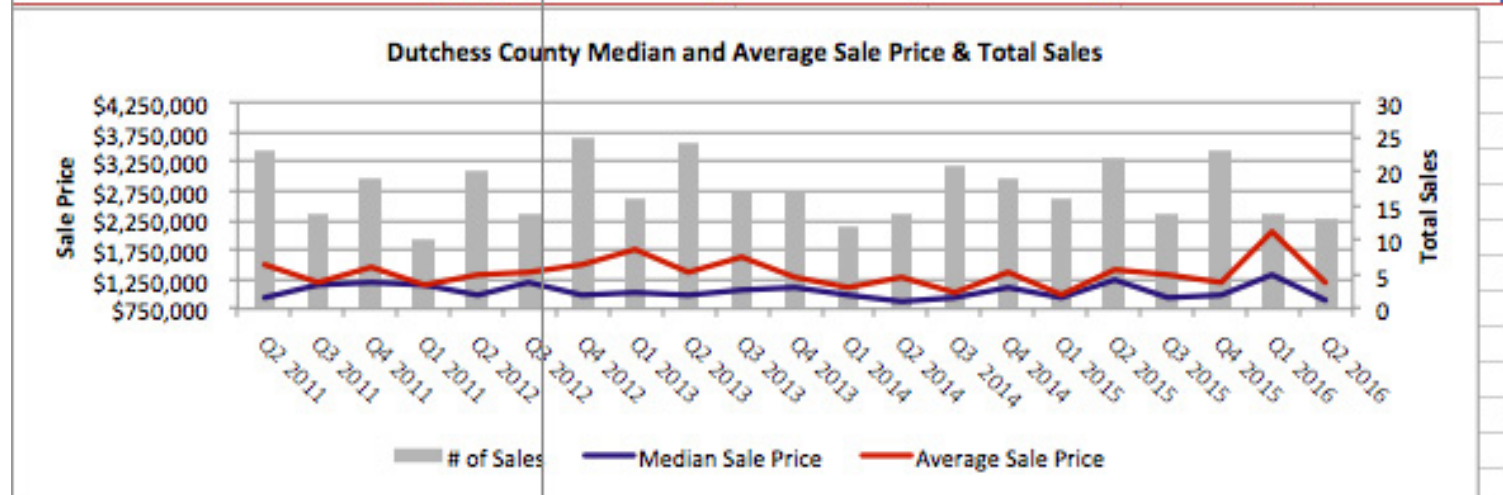
**APPENDIX**

**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	\$ 1,607,587
Listing Discount	-13.39%	-11.13%	-10.50%	-15.20%	-8.45%
<b>Median Sale Price by Market Subset</b>					
<b>\$750,000 - \$999,999</b>					
Median	\$ 833,796	\$ 826,769	\$ 840,000	\$ 869,000	\$ 852,500
# of Sales	30	28	36	38	38
<b>\$1,000,000 - \$1,999,999</b>					
Median	\$ 1,335,550	\$ 1,300,000	\$ 1,350,000	\$ 1,325,000	\$ 1,317,500
# of Sales	26	25	27	23	31
<b>\$2,000,000 - \$3,999,999</b>					
Median	\$ 2,397,458	\$ 2,937,500	\$ 2,700,000	\$ 2,387,500	\$ 2,649,000
# of Sales	7	7	9	4	6
<b>\$4,000,000 +</b>					
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	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016
Median Sale Price	\$ 1,258,750	\$ 945,000	\$ 999,999	\$ 1,350,000	\$ 900,000
Average Sale Price	\$ 1,415,464	\$ 1,326,031	\$ 1,179,609	\$ 2,046,482	\$ 1,209,219
# of Sales	22	14	23	14	13
Avg. DOM	269	251	328	423	184
Avg. List Price	\$ 2,029,843	\$ 2,181,936	\$ 1,284,333	\$ 2,106,225	\$ 2,297,958
Listing Discount	-14.33%	-13.16%	-5.93%	-21.51%	-12.25%
Listing Inventory	225	205	141	180	177
<b>Median Sale Price by Market Subset</b>					
<b>\$750,000 - \$999,999</b>					
Median	\$ 912,250	\$ 850,000	\$ 800,000	\$ 777,000	\$ 775,000
# of Sales	8	8	12	5	7
<b>\$1,000,000 - \$1,999,999</b>					
Median	\$ 1,400,000	\$ 1,337,500	\$ 1,275,000	\$ 1,412,500	\$ 1,300,000
# of Sales	12	4	9	6	4
<b>\$2,000,000 - \$3,999,999</b>					
Median	\$ 3,300,000	\$ 3,150,000	\$ 2,499,000	\$ 3,181,250	\$ 2,370,425
# of Sales	2	2	2	2	2
<b>\$4,000,000 +</b>					
Median	---	---	---	\$ 9,400,000	\$ -
# of Sales	0	0	0	1	0



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	\$ 1,074,380
Listing Discount	-15.16%	-9.96%	-10.91%	-8.01%	-6.65%
<b>Median Sale Price by Market Subset</b>					
<b>\$750,000 - \$999,999</b>					
Median	\$ 780,000	\$ 900,000	\$ 850,000	\$ 889,750	\$ 883,500
# of Sales	14	10	17	30	22
<b>\$1,000,000 - \$1,999,999</b>					
Median	\$ 1,290,000	\$ 1,234,250	\$ 1,290,000	\$ 1,292,650	\$ 1,228,000
# of Sales	11	6	15	14	13
<b>\$2,000,000+</b>					
Median	\$ 3,375,000	---	\$ 2,500,000	\$ 2,614,700	\$ 2,500,000
# of Sales	4	-	3	1	3

Ulster County Market Matrix	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016
Median Sale Price	\$ 987,000	\$ 966,800	\$ 1,008,750	\$ 939,500	\$ 1,003,500
Average Sale Price	\$ 1,232,369	\$ 989,010	\$ 1,142,300	\$ 919,917	\$ 1,069,056
# of Sales	14	10	10	6	8
Avg. DOM	145	176	158	195	274
Avg. List Price	\$ 1,342,042	\$ 1,412,332	\$ 1,394,800	\$ 1,341,215	\$ 1,385,046
Listing Discount	-5.13%	-3.83%	-9.94%	-8.34%	-11.79%
Listing Inventory	127	144	149	174	182
<b>Median Sale Price by Market Subset</b>					
<b>\$750,000 - \$999,999</b>					
Median	\$ 865,000	\$ 940,000	\$ 888,500	\$ 939,500	\$ 900,000
# of Sales	8	8	4	6	4
<b>\$1,000,000 - \$1,999,999</b>					
Median	\$ 1,350,000	\$ 1,325,000	\$ 1,080,000	\$ -	\$ 1,281,250
# of Sales	5	2	5	0	4
<b>\$2,000,000+</b>					
Median	\$ 3,412,072	---	\$ 2,500,000	\$ -	\$ -
# of Sales	1	0	1	0	0

