

Heather Croner  
Real Estate

**Sotheby's**  
INTERNATIONAL REALTY



Third Quarter 2016  
Hudson Valley Luxury Market Overview

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



Heather Croner  
Real Estate

---

**Sotheby's**

INTERNATIONAL REALTY

## **Third Quarter 2016**

### **HUDSON VALLEY LUXURY REAL ESTATE MARKET OVERVIEW**

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

We saw signs of it over the summer. And when the third quarter of 2016 closed, we saw hard evidence. The Hudson Valley luxury real estate market, at least for the moment, had heated up.

Buyers closed on 45 luxury home purchases in the third quarter of this year, up from 32 a year earlier. This marked only the fifth time since at least 2009 that 45 or more luxury properties sold in one quarter. It also was a distinct turnaround from the first half of the year, when sales lagged the prior year's pace.

What happened? It's never easy to pinpoint these things with precision, of course, but it seems reasonable to believe it had something to do with economic conditions and the financial markets, and their impact on buyer psyche. Early in the first quarter of this year, concerns about slowing economic growth had sent the Standard & Poor's 500 stock index down 10.5 percent in just six





1380 County Route 31 Livingston, New York, MLS ID: 355848, \$2,750,000

weeks. The market recovered all those losses and more by the end of March, but the volatility seemed to leave many investors, and many potential luxury home buyers, unsettled.

Since then, conditions appear to have improved. U.S. gross domestic product, which grew at a scant 0.9% annual pace in the first quarter of this year, expanded at a 1.4% pace in the second quarter and a 2.9% pace in the third. The stock market also rose in the second and third quarters.

In addition to seeing more luxury

homes sell in the Hudson Valley, we saw some tightening in the spread between what sellers were asking for their properties and what buyers were willing to pay. The average listing discount shrank to -9.2% in the third quarter from -12.4% in the second quarter and -15.5% in the first. The average number of days homes were on the market prior to closing held fairly steady at 190 days, up just slightly from 183 in the second quarter. Both those figures were improvements over the 287 days it took to sell a home, on average, in the first quarter of the year.





921 Duell Road Stanfordville, New York, MLS ID: 356046, \$3,150,000

Despite these solid results, we still characterize this as a buyer's market, with luxury home prices showing little appreciation. The median sale price was an even \$1 million in the third quarter, about where it has been for the past decade.

## **Dutchess County**

Nearly half the Hudson Valley's luxury home sales during the third quarter were in Dutchess County, which is typical. Twenty-one properties sold, up from 14 in the year-earlier third quarter, with solid activity in all price ranges, including three sales in the \$2 million-to-\$4 million category. The highest-priced transaction, in both Dutchess County and the

entire three-county region, was the \$6.5 million sale of Old Stone Farm, a 236-acre compound 10 minutes from the Rhinebeck village center. The property's centerpiece is a lovingly restored and expanded Dutch Colonial stone farmhouse dating to 1786. Recently operated as a luxury country inn, retreat and wellness center, Old Stone Farm also includes a guest house, a world-class equestrian center with multiple barns, and a dining facility capable of serving 30 from its commercial kitchen.

Elsewhere in Dutchess County, a slightly smaller horse farm on 119 acres in Pine Planes sold for \$3.2 million. It and the Old Stone Farm sale helped push the median sale

Heather Croner  
Real Estate

---

**Sotheby's**  
INTERNATIONAL REALTY

price for all Dutchess County transactions in the third quarter to \$1.2 million, up from \$945,000 a year earlier.

### **Columbia County**

Columbia County recorded 10 luxury sales in the third quarter, with a median price of \$1.3 million, up from eight sales and a \$1.2 million median price in the year-earlier third quarter.

Demonstrating that buyers are attracted to a wide range of properties in the Hudson Valley, the largest transaction in Columbia County was the \$2.3 million sale of a striking 3,000-square-foot contemporary with a butterfly roof and spectacular views of the Hudson River and Catskill Mountains. Built in 2007, the house was designed by award-winning Manhattan architect Joel Sanders. It features a wall of glass on the main floor overlooking the river, bamboo-clad walls elsewhere inside and cedar-clad concrete walls outside.

Among other notable sales was a five-bedroom home located up a long driveway off an unpaved country road on 158 acres near Millerton. The original house, moved from another location, dates to 1740, and has views of two ponds on the



1380 County Route 31 Livingston, New York, MLS ID: 355848, \$2,750,000



Heather Croner  
Real Estate

---

**Sotheby's**

INTERNATIONAL REALTY

property, as well as the stream that feeds them. The property sold for \$2.1 million.

### **Ulster County**

Rugged Ulster County enjoyed a nice uptick in sales during the third quarter with 14 transactions closing, up from 10 a year earlier and twice the number that closed in the second quarter of this year. Nine of those sales were clustered in the sub-\$1 million price range, with the remainder falling between \$1 million and \$1.5 million. Among the distinctive properties: a modern, four-bedroom, 3,700-square-foot Woodstock home sold for \$1.4 million. The property features panoramic views of the neighboring mountains and the distant Ashokan Reservoir and Hudson River, not only from the house but also from the vanishing-edge pool with integrated spa.





## Outlook

It's never a good idea to try to force a trend from one quarter's worth of data, and we won't undertake it here. We will note that the same uptick in buyer traffic that we detected in late summer has not abated. Nor has the growing interest we see from potential buyers interested in developing Hudson Valley properties for use as retreats, spas or wellness centers, although actual sales on that front remain unusual. In the meantime, we are newly encouraged by the activity we are seeing in the upper end of the market, where a number of listings north of the \$20 million mark have come on the market. Whether and when they might translate to sales remains, of course, to be seen.

Whatever the level of activity in the months ahead, the Hudson Valley region remains attractive not only as a favored locale for primary residences but also for second homes—especially for residents of nearby New York City. That's not just our opinion. The October 26 issue of *The New York Times Style Magazine* featured a short but glowing article on Columbia County's Germantown, which it described as a "vibrant" town "set against a quaint backdrop." The article centered on Gaskins, a popular new Germantown restaurant launched a year ago by husband and wife restaurateurs Nick and Sarah Suarez, previously of New York City. Their farm-to-table establishment, the magazine said, is attracting out-of-town foodies. The article also introduced readers to a number of other recently launched Germantown businesses, including an antiques shop, an arts space, a gourmet grocer and deli, and, slated for a November opening, Alder East, an outpost of the popular Portland, Oregon, retailer Alder & Co.

After an inauspicious start, 2016 looks like it has a chance to be a solid year for the Hudson Valley luxury real estate market. We'll be as interested as you to see how the fourth quarter plays out.





## 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>22</b>	<b>\$827,500</b>
	Columbia County	3	\$915,000
	<u>Dutchess County</u>	10	\$797,500
	Ulster County	9	\$830,000
<b>\$1,000,000-\$1,999,999</b>	<b>All Hudson Valley</b>	<b>17</b>	<b>\$1,400,000</b>
	Columbia County	5	\$1,300,000
	<u>Dutchess County</u>	7	\$1,600,000
	Ulster County	5	\$1,142,000
<b>\$2,000,000-\$3,999,999</b>	<b>All Hudson Valley</b>	<b>5</b>	<b>\$2,275,000</b>
	Columbia County	2	\$2,187,750
	<u>Dutchess County</u>	3	\$2,500,000
	Ulster County	0	n/a
<b>\$4,000,000 +</b>	<b>All Hudson Valley</b>	<b>1</b>	<b>\$6,500,000</b>
	Columbia County	0	n/a
	<u>Dutchess County</u>	1	\$6,500,000
	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
Q3 2016	45	\$1,000,000	\$1,353,329	190	-9.2%	476
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



Heather Croner  
Real Estate

**Sotheby's**  
INTERNATIONAL REALTY



**Heather Croner Real Estate  
Sotheby's International Realty**

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](http://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.*

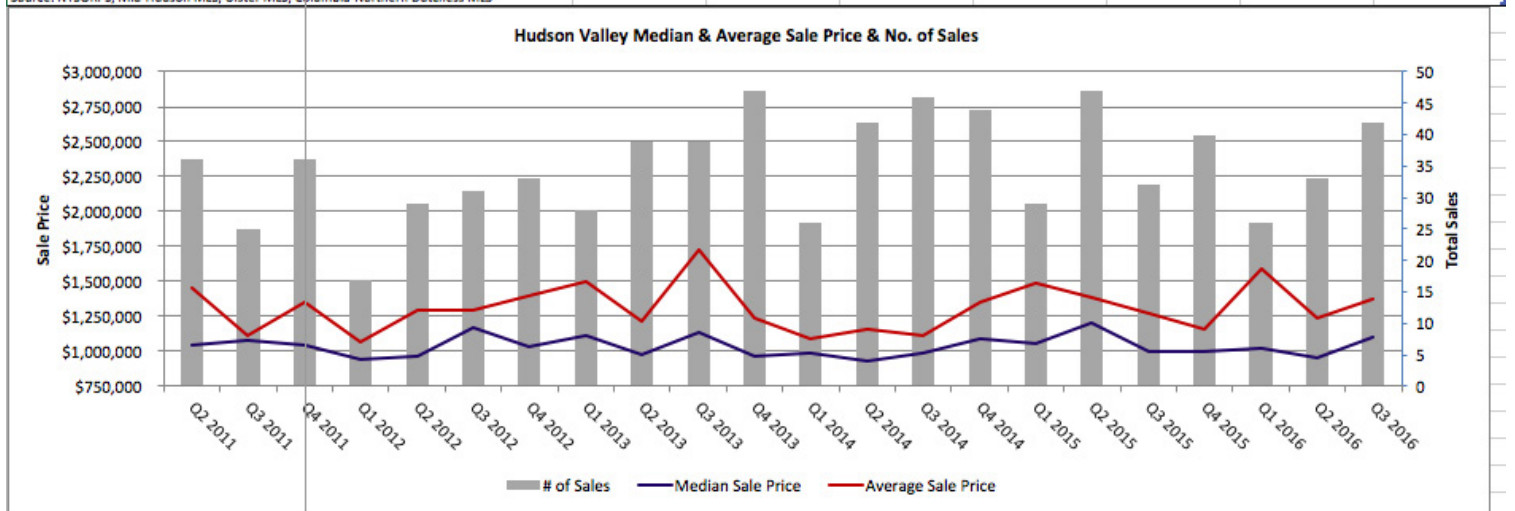


Hudson Valley Market Matrix, All Sales \$750,000 and over	2012	2013	2014	2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016
Median Sale Price	\$ 1,150,000	\$ 999,999	\$ 988,750	\$ 1,037,500	\$ 995,000	\$ 1,017,500	\$ 1,022,500	\$ 950,000	\$ 1,107,000
Average Sale Price	\$ 1,295,325	\$ 1,421,541	\$ 1,187,938	\$ 1,317,201	\$ 1,276,079	\$ 1,205,351	\$ 1,589,721	\$ 1,239,185	\$ 1,368,907
# of Sales	112	153	158	148	32	35	26	33	42
Avg. DOM	212	192	205	152	176	251	287	183	190
Avg. List Price	\$ 1,874,096	\$ 1,909,131	\$ 1,856,298	\$ 1,448,072	\$ 1,837,170	\$ 1,761,757	\$ 1,729,100	\$ 1,795,890	\$ 1,851,148
Listing Discount	-10.99%	-10.49%	-14.47%	-9.16%	-8.98%	-9.66%	-15.52%	-12.43%	-9.20%
Listing Inventory	416	462	469	492	492	399	480	611	476

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

Hudson Valley Median Sale Price by Market Subset	2012	2013	2014	2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016
<b>\$750,000 - \$999,999</b>									
Median	\$ 845,000	\$ 850,000	\$ 869,725	\$ 870,000	\$ 920,000	\$ 792,500	\$ 832,750	\$ 815,000	\$ 832,500
# of Sales	54	77	87	70	18	16	13	17	20
<b>\$1,000,000 - \$1,999,999</b>									
Median	\$ 1,287,500	\$ 1,285,000	\$ 1,325,000	\$ 1,286,500	\$ 1,312,500	\$ 1,163,500	\$ 1,412,500	\$ 1,400,000	\$ 1,418,000
# of Sales	45	56	60	59	9	15	10	11	17
<b>\$2,000,000 - \$3,999,999</b>									
Median	\$ 2,132,750	\$ 2,700,000	\$ 2,287,500	\$ 2,549,000	\$ 2,400,000	\$ 2,450,000	\$ 3,750,000	\$ 2,185,000	\$ 2,275,000
# of Sales	11	16	10	18	5	4	2	5	4
<b>\$4,000,000 +</b>									
Median	\$ 4,694,500	\$ 8,300,000	\$ 5,000,000	\$ 4,682,091	---	---	\$ 9,400,000	\$ -	\$ 6,500,000
# of Sales	2	4	1	1	0	0	1	0	1

Source: NYSORPS, Mid-Hudson MLS, Ulster MLS, Columbia-Northern Dutchess MLS



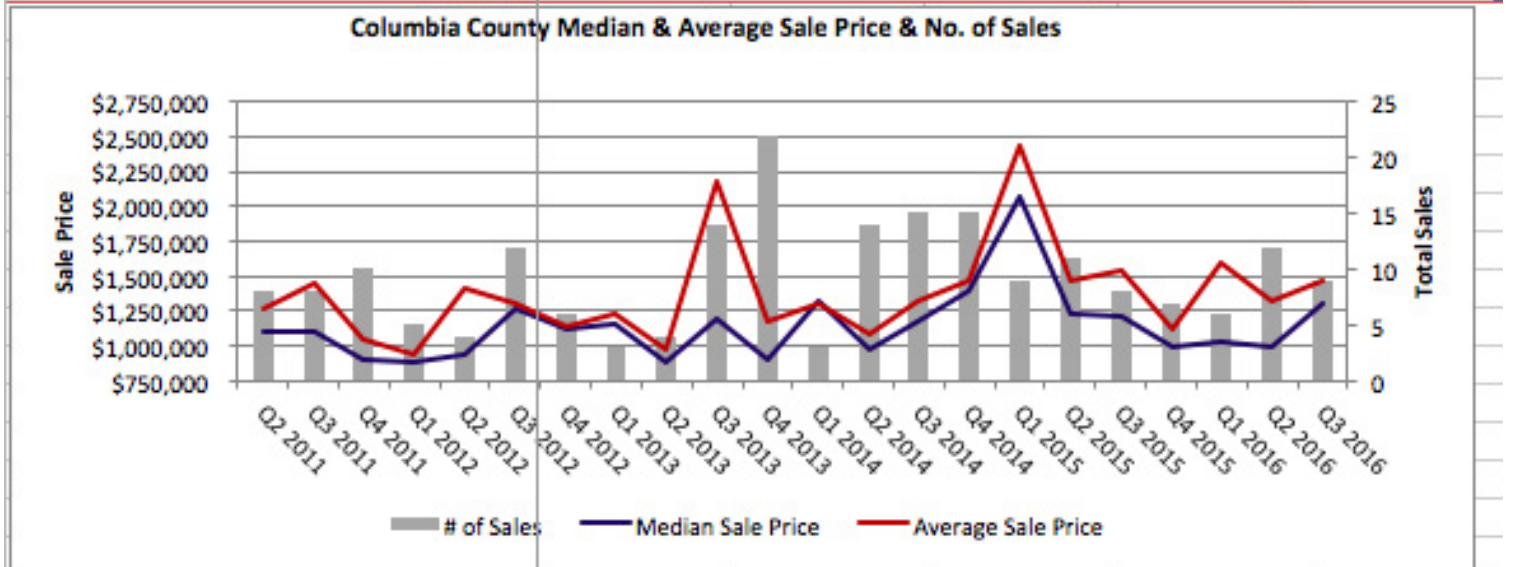


# APPENDIX

## Columbia

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	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016
Median Sale Price	\$ 1,212,500	\$ 996,500	\$ 1,022,500	\$ 997,500	\$ 1,300,000
Average Sale Price	\$ 1,547,500	\$ 1,124,643	\$ 1,589,721	\$ 1,325,813	\$ 1,462,333
# of Sales	8	7	6	12	9
Avg. DOM	93	162	191	118	284
Avg. List Price	\$ 1,770,734	\$ 1,198,571	\$ 1,725,999	\$ 1,717,162	\$ 1,645,723
Listing Discount	-10.71%	-6.17%	-13.36%	-13.18%	-9.95%
Listing Inventory	143	109	126	179	132
<b>Median Sale Price by Market Subset</b>	<b>Q3 2015</b>	<b>Q4 2015</b>	<b>Q1 2016</b>	<b>Q2 2016</b>	<b>Q3 2016</b>
<b>\$750,000 - \$999,999</b>					
Median	\$ 985,000	\$ 822,500	\$ 806,250	\$ 836,250	\$ 921,250
# of Sales	2	4	2	6	2
<b>\$1,000,000 - \$1,999,999</b>					
Median	\$ 1,100,000	\$ 1,157,500	\$ 1,450,000	\$ 1,595,500	\$ 1,300,000
# of Sales	3	2	4	4	4
<b>\$2,000,000 - \$3,999,999</b>					
Median	\$ 2,300,000	\$ 2,150,000	\$ -	\$ 2,420,625	\$ 2,187,750
# of Sales	3	1	0	2	2
<b>\$4,000,000 +</b>					
Median	---	---	---	---	---
# of Sales	0	0	0	0	0

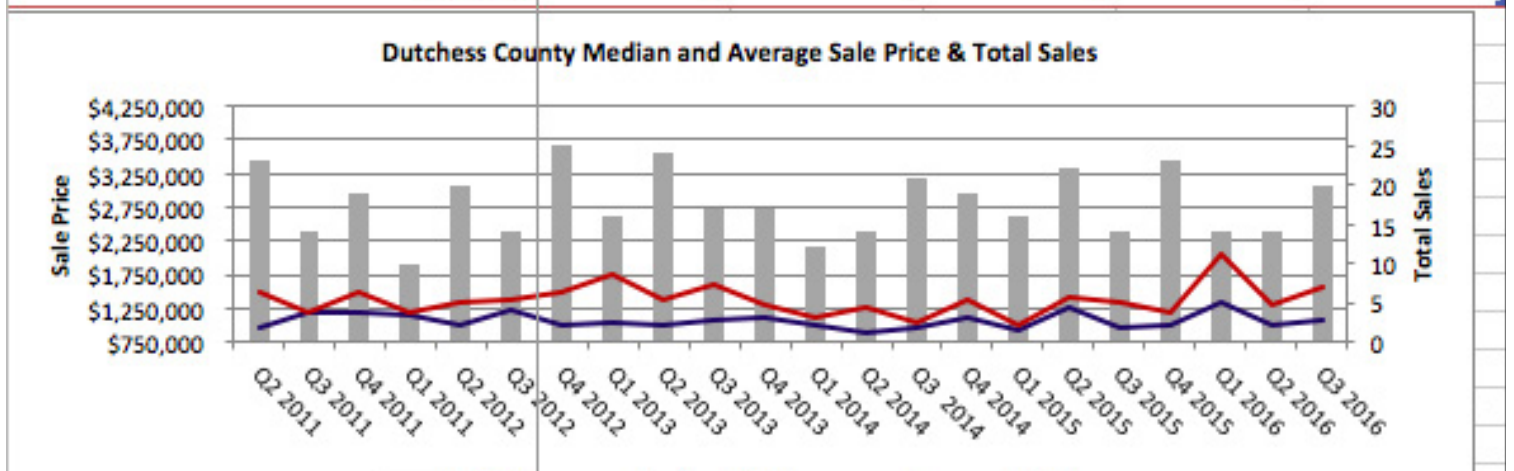




Dutchess County Market Matrix	2011	2012	2013	2014	2015
Median Sale Price	\$ 1,142,625	\$ 1,050,000	\$ 1,037,500	\$ 985,000	\$ 999,999
Average Sale Price	\$ 1,898,812	\$ 1,177,802	\$ 1,488,527	\$ 1,203,050	\$ 1,236,350
# of Sales	69	63	74	66	75
Avg. DOM	188	215	185	218	235
Avg. List Price	\$ 2,357,708	\$ 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	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016
Median Sale Price	\$ 945,000	\$ 999,999	\$ 1,350,000	\$ 1,000,000	\$ 1,087,500
Average Sale Price	\$ 1,326,031	\$ 1,179,609	\$ 2,046,482	\$ 1,283,918	\$ 1,550,206
# of Sales	14	23	14	14	20
Avg. DOM	251	328	423	184	193
Avg. List Price	\$ 2,181,936	\$ 1,284,333	\$ 2,106,225	\$ 2,297,958	\$ 2,377,561
Listing Discount	-13.16%	-5.93%	-21.51%	-12.25%	-11.78%
Listing Inventory	205	141	180	177	176
<b>Median Sale Price by Market Subset</b>					
<b>\$750,000 - \$999,999</b>					
Median	\$ 850,000	\$ 800,000	\$ 777,000	\$ 815,000	\$ 790,000
# of Sales	8	12	5	7	10
<b>\$1,000,000 - \$1,999,999</b>					
Median	\$ 1,337,500	\$ 1,275,000	\$ 1,412,500	\$ 1,300,000	\$ 1,650,000
# of Sales	4	9	6	4	7
<b>\$2,000,000 - \$3,999,999</b>					
Median	\$ 3,150,000	\$ 2,499,000	\$ 3,181,250	\$ 2,178,350	\$ 2,618,875
# of Sales	2	2	2	3	2
<b>\$4,000,000 +</b>					
Median	---	---	\$ 9,400,000	\$ -	\$ 6,500,000
# of Sales	0	0	1	0	1



# APPENDIX

## Ulster

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%

Median Sale Price by Market Subset	2011	2012	2013	2014	2015
<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	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016
Median Sale Price	\$ 966,800	\$ 1,008,750	\$ 939,500	\$ 900,000	\$ 975,000
Average Sale Price	\$ 989,010	\$ 1,142,300	\$ 919,917	\$ 1,001,214	\$ 1,025,308
# of Sales	10	10	6	7	13
Avg. DOM	176	158	195	274	121
Avg. List Price	\$ 1,412,332	\$ 1,394,800	\$ 1,341,215	\$ 1,385,046	\$ 1,461,074
Listing Discount	-3.83%	-9.94%	-8.34%	-11.79%	-5.90%
Listing Inventory	144	149	174	182	168

Median Sale Price by Market Subset	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016
<b>\$750,000 - \$999,999</b>					
Median	\$ 940,000	\$ 888,500	\$ 939,500	\$ 844,500	\$ 844,500
# of Sales	8	4	6	4	4
<b>\$1,000,000 - \$1,999,999</b>					
Median	\$ 1,325,000	\$ 1,080,000	\$ -	\$ 1,162,500	\$ 1,162,500
# of Sales	2	5	0	3	3
<b>\$2,000,000+</b>					
Median	---	\$ 2,500,000	\$ -	\$ -	\$ -
# of Sales	0	1	0	0	0

