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INTERNATIONAL REALTY



Germantown, New York 12526 \$3,500,000 web ID: 3NRG4K

## Second Quarter 2018 Hudson Valley Luxury Real Estate Market Overview

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Second Quarter 2018

## HUDSON VALLEY LUXURY REAL ESTATE MARKET OVERVIEW

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

Sales of luxury homes in New York's scenic Hudson Valley hit their highest level in at least a decade during the second quarter of 2018.

Fifty-seven luxury properties sold during the quarter, up from 49 a year earlier. They sold quicker—in an average of 164 days, down from 223 a year ago—and closer to what sellers were asking for them. The median sale price edged modestly higher as well, to \$945,000 from \$930,000.

This strong performance stood in contrast to overall real estate trends nationally, as existing home sales in all price ranges fell on an annual basis in five of the first six months of the year. In fact, Manhattan real estate logged its worst second quarter since the 2008 financial crisis, according to a CNBC report, with sales down 17 percent year-over-year.

Still, a number of other luxury markets also fared well during the quarter, with Reuters reporting an uptick in high-end sales in New York's Hamptons and *The Wall Street Journal* noting a 42 percent jump in luxury home sales in California's Silicon Valley.





The Hudson Valley luxury market has been strong but not frothy for some time now. During this year's first quarter, for example, 45 properties sold despite a worrisome backdrop that included a choppy stock market, bad weather and the debut of a new tax law that reduced the financial incentives for owning a home. During the second quarter, homebuyers seemed to put that news behind them and focus more on the growing economy—it expanded at annual rate of 4.1 percent for the quarter, according to the government's advance estimate—and an improving stock market.

Whatever the explanation, the enthusiasm among homebuyers seemed to spill over into the ranks of home sellers, too, sending the number of luxury properties for sale to 538, up from 458 a year earlier and just 383 in the first quarter of this year. Sellers who jumped into the market and found buyers were rewarded with pricing very close to their asking price, as the average discount narrowed to -5.9 percent, down from -6.5 percent a year earlier.

## Columbia County

Following an unusually high level of sales in the first quarter of the year, Columbia County ran counter to trend during the second quarter. The number of luxury homes sold in the county fell to eight, down from 13 a year ago and 15 in this year's first quarter. But the properties that did sell moved much faster than they had a year earlier and at a significantly smaller discount to the listing price. The average property sold in 118 days, down from 309 a year earlier, and the average listing discount narrowed to -4.7 percent from -7.5 percent. The median sale price rose to \$978,500 from \$915,000.

Among the properties sold was an 1800s-era barn in Tagkanic that had been converted into a 4,438-square-foot, four-bedroom home. Situated on 23.5 acres just minutes from Copake Lake, it sold for \$1,025,000.



## Dutchess County

All of the region's sales gains for the second quarter were registered in Dutchess County, long the epicenter of the Hudson Valley luxury real estate market. Thirty-five properties changed hands during the quarter, up from 21 a year earlier and just 16 in this year's first quarter. Sales were widespread geographically, scattered not just in the traditionally strong center of the county but also among outlying communities.

Much of the activity was focused on the lower end of the luxury market, with 20 properties selling at prices ranging from \$750,000 to \$999,999, up from 10 a year ago. However, the top end of the market was busy, too, with five sales between \$2 million and \$3,999,999, and two more at \$4 million-plus. The latter included Sunnyside Farm, a six-bedroom estate on nearly 151 acres in Washington, where the sprawling home's original structure dates to 1800. It sold for \$5,650,000. Other notable sales included a 333-acre farm in Pine Plains that features no home at present but does include a number of newly renovated and newly constructed traditional barns. It fetched \$3.1 million.

## Ulster County

Fourteen luxury properties sold in Ulster County during the second quarter, down slightly from 15 a year earlier. The median sale price edged lower, to \$879,950 from \$925,00. While the average time to complete a sale narrowed to 141 days from 178, the average listing discount increased, to -6.1 percent from -4.1 percent a year earlier.

Sales of note included a 5.5-acre property in Gardiner where a large horse barn has been repurposed as a stunning French country-style house featuring four bedrooms and nearly 4,200 square feet of living space. Access to the property, which has been featured in Architectural Digest, is via a sweeping 1,200-foot drive lined with evergreen trees. The property sold for \$1,680,137.



Woodstock, New York 12498 \$1,340,000 web ID: 46NC2G

## Outlook

We have been seeing strong traffic through our office for several quarters now, with an uptick in interest at the higher end of the market from both buyers and sellers. In the second quarter of this year, that finally translated into a notable increase in sales. We must look back to before the 2008 financial crisis to find a quarter with more sales than the 57 booked between April and June of this year.

We also have been cautiously optimistic about the outlook for the Hudson Valley luxury market for some time, and on that score our views have not changed. We continue to see good traffic through our office and are encouraged by the second-quarter uptick in listing inventory. The more properties that are on the market, the better the odds that potential buyers can find one that suits their needs.

Economic trends often factor into real estate sales, and nine years of nearly uninterrupted economic growth have certainly been helpful to the regional housing market. Mortgage rates have been favorable, too. While up a bit from where they were a year or two ago, they remain low by historical standards. This will all change at some point, of course. At 109 months, this economic expansion is already the second-longest on record, surpassed only by the one that ran for 120 months from 1991 to 2001. Nonetheless, economic conditions remain mostly favorable right now, and the “mood” seems right among home sellers and buyers in the Hudson Valley. We view this as a favorable period for homebuyers and sellers alike.





## HUDSON VALLEY LUXURY MARKET SALES IN Q2 2018 BY MARKET SUBSET

Category	Region	# Sales	Median Price
<b>\$750,000-\$999,999</b>	<b>All Hudson Valley</b>	<b>32</b>	<b>\$852,500</b>
	Columbia County	4	\$920,500
	Dutchess County	20	\$860,825
	Ulster County	8	\$832,500
<b>\$1,000,000-\$1,999,999</b>	<b>All Hudson Valley</b>	<b>18</b>	<b>\$1,305,000</b>
	Columbia County	4	\$1,253,750
	Dutchess County	8	\$1,260,750
	Ulster County	6	\$1,490,069
<b>\$2,000,000-\$3,999,999</b>	<b>All Hudson Valley</b>	<b>5</b>	<b>\$2,359,400</b>
	Columbia County	0	n/a
	Dutchess County	5	\$2,359,400
	Ulster County	0	n/a
<b>\$4,000,000 +</b>	<b>All Hudson Valley</b>	<b>2</b>	<b>\$5,137,500</b>
	Columbia County	0	n/a
	Dutchess County	2	\$5,137,500
	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 2018	57	\$945,000	\$1,324,056	164	-5.9%	538
Q1 2018	45	\$1,010,000	\$1,338,352	237	-7.0%	383
Q4 2017	46	\$905,463	\$1,053,661	143	-6.0%	446
Q3 2017	40	\$876,000	\$1,127,434	147	-7.3%	451
Q2 2017	49	\$930,000	\$1,287,787	223	-6.5%	458



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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, Ackerly & Hubbell Appraisal Corp. 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.*

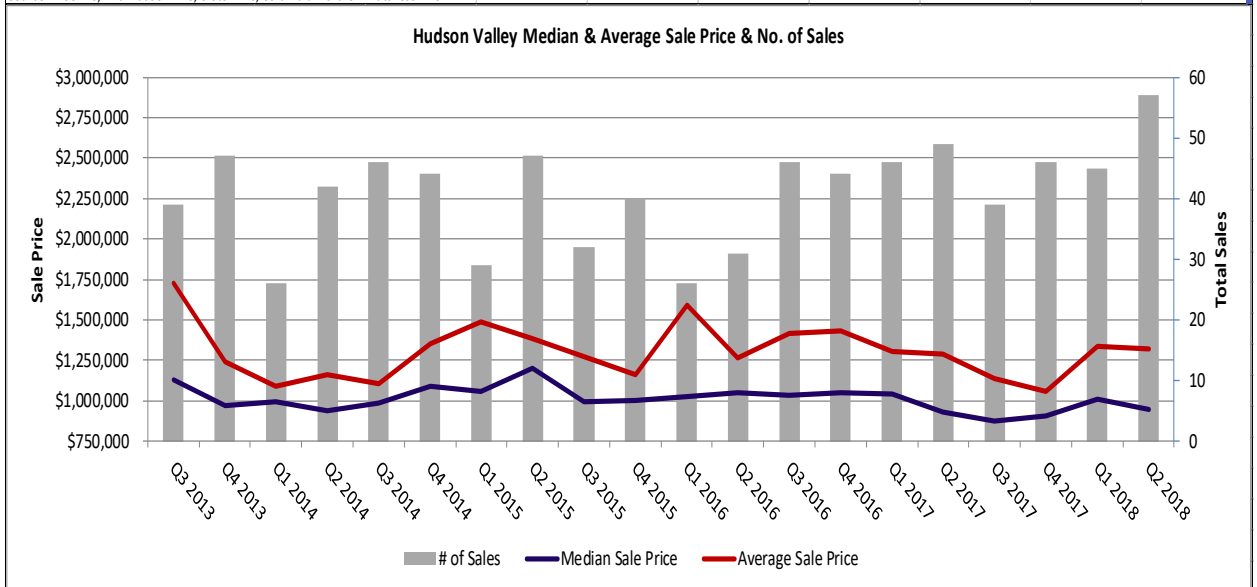


Hudson Valley Market Matrix, All Sales \$750,000 and over									
	2014	2015	2016	2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018
Median Sale Price	\$ 988,750	\$ 1,037,500	\$ 1,050,000	\$ 935,000	\$ 930,000	\$ 876,000	\$ 905,463	\$ 1,010,000	\$ 945,000
Average Sale Price	\$ 1,187,938	\$ 1,317,201	\$ 1,419,212	\$ 1,196,059	\$ 1,287,787	\$ 1,127,434	\$ 1,053,661	\$ 1,338,352	\$ 1,324,056
# of Sales	158	148	147	181	49	40	46	45	57
Avg. DOM	205	152	218	179	223	147	143	237	164
Avg. List Price	\$ 1,856,298	\$ 1,448,072	\$ 1,279,133	\$ 1,267,000	\$ 1,428,793	\$ 1,215,198	\$ 1,055,073	\$ 1,373,200	\$ 1,250,300
Listing Discount	-14.47%	-9.16%	-9.78%	-7.36%	-6.54%	-7.26%	-5.96%	-6.99%	-5.91%
Listing Inventory	469	492	499	435	458	451	446	383	538

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

Hudson Valley Median Sale Price by Market Subset									
	2014	2015	2016	2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018
<b>\$750,000 - \$999,999</b>									
Median	\$ 869,725	\$ 870,000	\$ 825,000	\$ 847,750	\$ 850,000	\$ 815,000	\$ 825,000	\$ 821,843	\$ 852,500
# of Sales	87	70	71	106	27	28	29	22	32
<b>\$1,000,000 - \$1,999,999</b>									
Median	\$ 1,325,000	\$ 1,286,500	\$ 1,395,000	\$ 1,325,000	\$ 1,275,000	\$ 1,382,500	\$ 1,250,000	\$ 1,362,500	\$ 1,305,000
# of Sales	60	59	55	57	15	8	15	18	18
<b>\$2,000,000 - \$3,999,999</b>									
Median	\$ 2,287,500	\$ 2,549,000	\$ 2,275,000	\$ 2,500,000	\$ 2,450,000	\$ 2,550,000	\$ 2,025,000	\$ 2,825,000	\$ 2,359,400
# of Sales	10	18	16	17	6	4	2	4	5
<b>\$4,000,000 +</b>									
Median	\$ 5,000,000	\$ 4,682,091	\$ 6,500,000	\$ 6,300,000	\$ 6,300,000	-	-	\$ 4,850,000	\$ 5,137,500
# of Sales	1	1	5	1	1	0	0	1	2

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

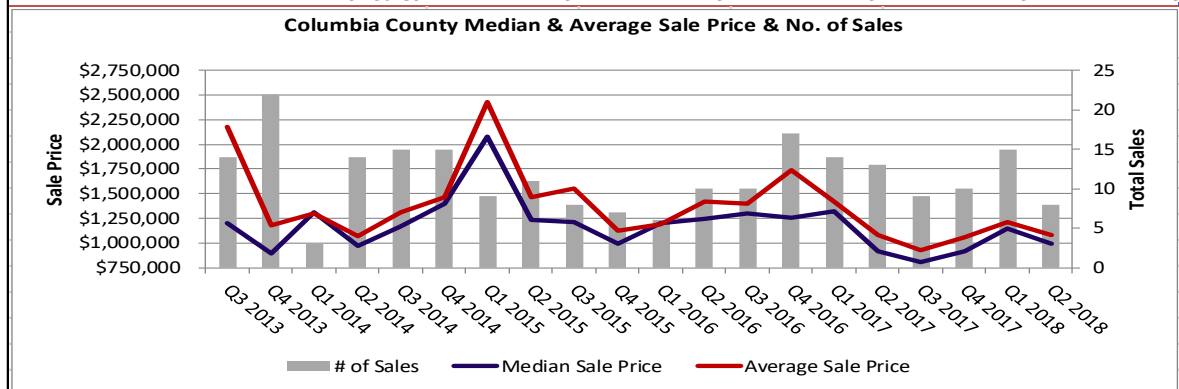


Columbia County Market Matrix	2013	2014	2015	2016	2017
Median Sale Price	\$ 968,750	\$ 1,090,000	\$ 1,235,000	\$ 1,260,000	\$ 937,250
Average Sale Price	\$ 1,476,050	\$ 1,287,485	\$ 1,662,692	\$ 1,481,739	\$ 1,140,040
# of Sales	44	47	35	43	46
Avg. DOM	179	208	124	181	177
Avg. List Price	\$ 1,859,082	\$ 1,859,264	\$ 1,350,528	\$ 1,700,459	\$ 1,202,193
Listing Discount	-9.85%	-12.89%	-8.36%	-10.51%	-7.22%

Median Sale Price by Market Subset	2013	2014	2015	2016	2017
<b>\$750,000 - \$999,999</b>					
Median	\$ 872,000	\$ 865,000	\$ 861,250	\$ 853,750	\$ 845,000
# of Sales	24	19	10	16	29
<b>\$1,000,000 - \$1,999,999</b>					
Median	\$ 1,277,500	\$ 1,325,000	\$ 1,235,000	\$ 1,409,000	\$ 1,350,000
# of Sales	14	23	15	20	13
<b>\$2,000,000 - \$3,999,999</b>					
Median	\$ 2,772,500	\$ 2,075,000	\$ 2,257,500	\$ 2,465,625	\$ 2,500,000
# of Sales	4	5	9	6	4
<b>\$4,000,000 +</b>					
Median	\$ 7,500,000	---	\$ 4,682,091	\$ 7,000,000	---
# of Sales	2	0	1	1	0

Columbia County Market Matrix	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018
Median Sale Price	\$ 915,000	\$ 810,000	\$ 937,250	\$ 1,150,000	\$ 987,500
Average Sale Price	\$ 1,085,000	\$ 926,650	\$ 1,011,450	\$ 1,214,427	\$ 1,081,063
# of Sales	13	9	10	15	8
Avg. DOM	309	109	170	325	118
Avg. List Price	\$ 1,247,100	\$ 1,188,571	\$ 1,009,369	\$ 1,327,643	\$ 1,089,083
Listing Discount	-7.47%	-8.77%	-6.95%	-11.68%	-4.68%
Listing Inventory	158	155	119	135	175

Median Sale Price by Market Subset	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018
<b>\$750,000 - \$999,999</b>					
Median	\$ 850,000	\$ 810,000	\$ 890,000	\$ 797,500	\$ 920,500
# of Sales	9	7	7	6	4
<b>\$1,000,000 - \$1,999,999</b>					
Median	\$ 1,350,000	\$ 1,222,500	\$ 1,325,000	\$ 1,325,000	\$ 1,253,750
# of Sales	3	2	3	9	4
<b>\$2,000,000 - \$3,999,999</b>					
Median	\$ 2,500,000	\$ -	\$ -	\$ -	\$ -
# of Sales	1	0	0	0	0
<b>\$4,000,000 +</b>					
Median	---	---	---	---	---
# of Sales	0	0	0	0	0



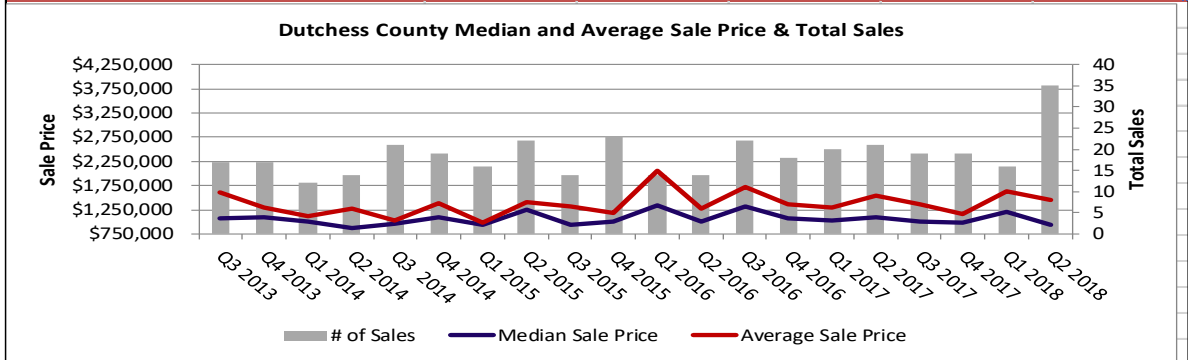
Dutchess County Market Matrix	2013	2014	2015	2016	2017
Median Sale Price	\$ 1,037,500	\$ 985,000	\$ 999,999	\$ 1,166,250	\$ 997,000
Average Sale Price	\$ 1,488,527	\$ 1,203,050	\$ 1,236,350	\$ 1,598,420	\$ 1,338,096
# of Sales	74	66	75	68	80
Avg. DOM	185	218	235	226	199
Avg. List Price	\$ 2,329,958	\$ 2,107,503	\$ 1,607,587	\$ 1,411,920	\$ 1,482,805
Listing Discount	-10.50%	-15.20%	-8.45%	-9.70%	-8.54%

Median Sale Price by Market Subset	2013	2014	2015	2016	2017
<b>\$750,000 - \$999,999</b>					
Median	\$ 840,000	\$ 869,000	\$ 852,500	\$ 807,500	\$ 870,000
# of Sales	36	38	38	30	41
<b>\$1,000,000 - \$1,999,999</b>					
Median	\$ 1,350,000	\$ 1,325,000	\$ 1,317,500	\$ 1,400,000	\$ 1,375,000
# of Sales	27	23	31	24	27
<b>\$2,000,000 - \$3,999,999</b>					
Median	\$ 2,700,000	\$ 2,387,500	\$ 2,649,000	\$ 2,339,175	\$ 2,140,000
# of Sales	9	4	6	10	11
<b>\$4,000,000 +</b>					
Median	\$ 8,300,000	\$ 5,000,000	--	\$ 5,750,000	\$ 6,300,000
# of Sales	2	1	0	4	1

Source: NYSORPS, Mid-Hudson MLS

Dutchess County Market Matrix	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018
Median Sale Price	\$ 1,100,000	\$ 960,000	\$ 990,000	\$ 1,210,605	\$ 945,000
Average Sale Price	\$ 1,541,112	\$ 1,338,700	\$ 1,158,128	\$ 1,627,496	\$ 1,453,326
# of Sales	21	20	19	16	35
Avg. DOM	183	228	127	261	233
Avg. List Price	\$ 1,882,687	\$ 1,501,833	\$ 1,188,033	\$ 1,661,660	\$ 1,461,125
Listing Discount	-8.03%	-9.38%	-4.77%	-8.30%	-6.94%
Listing Inventory	169	174	169	153	185

Median Sale Price by Market Subset	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018
<b>\$750,000 - \$999,999</b>					
Median	\$ 855,250	\$ 815,000	\$ 880,000	\$ 864,900	\$ 860,825
# of Sales	10	11	10	8	20
<b>\$1,000,000 - \$1,999,999</b>					
Median	\$ 1,335,000	\$ 1,390,000	\$ 1,250,000	\$ 1,486,000	\$ 1,260,750
# of Sales	6	5	7	4	8
<b>\$2,000,000 - \$3,999,999</b>					
Median	\$ 2,270,000	\$ 2,550,000	\$ 2,025,000	\$ 2,650,000	\$ 2,359,400
# of Sales	4	4	2	3	5
<b>\$4,000,000 +</b>					
Median	\$ 6,300,000	-	-	\$ 4,850,000	\$ 5,137,500
# of Sales	1	0	0	1	2



Ulster County Market Matrix	2013	2014	2015	2016	2017
Median Sale Price	\$ 1,050,000	\$ 946,000	\$ 995,000	\$ 900,000	\$ 875,000
Average Sale Price	\$ 1,226,486	\$ 1,061,545	\$ 1,133,115	\$ 971,135	\$ 1,036,313
# of Sales	35	45	38	36	55
Avg. DOM	210	166	158	222	162
Avg. List Price	\$ 1,497,585	\$ 1,381,877	\$ 1,074,380	\$ 1,037,555	\$ 1,116,001
Listing Discount	-10.91%	-8.01%	-6.65%	-6.43%	-6.31%

Median Sale Price by Market Subset	2013	2014	2015	2016	2017
<b>\$750,000 - \$999,999</b>					
Median	\$ 850,000	\$ 889,750	\$ 883,500	\$ 845,000	\$ 825,000
# of Sales	17	30	22	25	36
<b>\$1,000,000 - \$1,999,999</b>					
Median	\$ 1,290,000	\$ 1,292,650	\$ 1,228,000	\$ 1,162,500	\$ 1,140,000
# of Sales	15	14	13	11	17
<b>\$2,000,000+</b>					
Median	\$ 2,500,000	\$ 2,614,700	\$ 2,500,000	0	\$ 2,973,500
# of Sales	3	1	3	-	2

Ulster County Market Matrix	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018
Median Sale Price	\$ 925,000	\$ 847,500	\$ 810,000	\$ 989,250	\$ 879,950
Average Sale Price	\$ 1,108,880	\$ 907,591	\$ 961,735	\$ 1,140,677	\$ 1,139,733
# of Sales	15	11	17	14	14
Avg. DOM	178	105	133	124	141
Avg. List Price	\$ 1,156,593	\$ 955,190	\$ 967,818	\$ 1,130,299	\$ 1,200,692
Listing Discount	-4.13%	-3.62%	-6.15%	-1.00%	-6.10%
Listing Inventory	131	122	158	95	178

Median Sale Price by Market Subset	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018
<b>\$750,000 - \$999,999</b>					
Median	\$ 847,500	\$ 838,250	\$ 790,000	\$ 820,593	\$ 832,500
# of Sales	8	10	12	8	8
<b>\$1,000,000 - \$1,999,999</b>					
Median	\$ 1,120,000	\$ 1,575,000	\$ 1,217,500	\$ 1,250,000	\$ 1,490,069
# of Sales	6	1	5	5	6
<b>\$2,000,000+</b>					
Median	\$ 2,897,000	\$ -	\$ -	\$ 3,000,000	\$ -
# of Sales	1	0	0	1	0

