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Real Estate

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Millerton, New York 12546 \$16,900,000 web ID: 11W9XCC

Third Quarter 2018 Hudson Valley Luxury Real Estate Market Overview

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Third Quarter 2018

HUDSON VALLEY LUXURY REAL ESTATE MARKET OVERVIEW

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

The luxury real estate market in New York's Hudson Valley remained strong during the third quarter of 2018, buoyed in part by a noticeable uptick in buyers looking for traditional estates with Hudson River views.

Forty-four properties sold during the quarter, up from 40 a year earlier, with a significant share of those sales registering at the higher end of the market. Forty-four percent involved properties selling above \$1 million, including two riverfront properties that sold for more than \$5 million each, compared with only 30 percent in the year-earlier quarter.

The market turned in a good performance by virtually every metric, with plenty of positives for buyers and sellers alike. Sellers could take satisfaction in the generally higher selling prices, as the median sale price rose to \$990,000 from \$876,000 a year earlier. Buyers were no doubt cheered by the number of properties available for sale: 567 in the latest quarter, up from 451 a year earlier. The larger the inventory of homes, the easier it is for buyers to find a property that's right for them.



Stanfordville, New York 12581 \$4,900,000 web ID: J8DBKG



Stanfordville New York 12581 \$4,900,000 web ID: J8DBKG

Sales times and listing discounts were little changed from a year earlier. The average seller needed 154 days to find a buyer and close on the sale, up only slightly from 147 days in the 2017 third quarter. The average listing discount time held steady at -7.2 percent, virtually in line with -7.3 percent in the year-earlier quarter.

As we noted in our last report, the vibrancy of the Hudson Valley luxury real estate market stands in some contrast to what's been happening in the real estate industry generally. Nationwide, sales of existing homes in all price ranges fell in August from a year earlier, for example, marking the sixth straight month of year-over-year declines.

Columbia County

Nine luxury properties sold in Columbia County during the third quarter, the same number that sold in the year-earlier period.

However, the median sale price rose to \$1.2 million from \$810,000, while the average listing discount narrowed to -5.9 percent from -8.8 percent.

Strictly on a dollar basis, the most notable sale was that of a modern, architect-designed farmhouse on 24 acres in Ancram that brought \$2 million. Built in 2004, it features sweeping views of the Taconic Ridge, the Catskills and the Berkshire Mountains and is located just 15 minutes from the Wassaic station on Metro-North Railroad's Harlem rail line.

While that property may have fetched the highest price for the quarter, the one that may have attracted the most attention from prospective buyers was a 203-year-old stone mill in Stockport that sold for \$879,000. Handsomely converted to a residential property, the historic 3,450-square-foot structure is situated on five acres directly along Fitting Creek.



Stanfordville, New York \$5,750,000 web ID: B16YKF

Dutchess County

After setting a blistering sales pace during the second quarter of this year, activity in Dutchess County moderated to more typical levels in the third with 18 properties selling, down slightly from 20 a year ago.

It was hardly an uneventful three months, though, with three homes selling in the \$2 million to \$4 million range and two more selling for more than \$4 million. Topping the list was a 6,000-square-foot home on nearly 38 acres in Rhinebeck, overlooking the Hudson River, that sold for \$6,650,000. Another riverfront Rhinebeck property, featuring a nearly 8,000-square-foot home on 16 acres, sold for \$5,027,000. Located just minutes from Rhinebeck Village and the Rhinecliff-Kingston Amtrak railroad station, the latter home features 40-foot vaulted ceilings, a large pool with separate pool house and expansive river views.

Elsewhere in Dutchess County, two homes sold in the Silo Ridge Field Club community in Amenia, one for \$2,510,000 and the other for \$3,012,000. The 800-acre development, which features a Tom Fazio-designed golf course, made headlines a few years ago when New England Patriots quarterback Tom Brady and New York Yankees first baseman Mark Teixeira (who has since retired from baseball) were reported to be among the first to buy homesites in the community.

Also notable during the third quarter was the sale for \$1.1 million of a loft in an historic 1912 industrial building on Main Street in Beacon. Tucked into the southwest corner of Dutchess County just 60 miles north of Manhattan, Beacon has seen a number of its former industrial buildings converted to residential use over the last decade and has become home to a burgeoning arts community.

Ulster County

Long known as the more rugged and rustic of the three counties—and the one where a buyer’s dollar might stretch a bit further—Ulster County proved a busy real estate market in the third quarter, with 17 properties sold. That was six more than were sold in the year earlier quarter and only one fewer than the number sold in Dutchess County, which is usually the local sales leader by a comfortable margin. Homes sold briskly, too, with the average time from listing to closing just 107 days.

Ulster County appears to have new fans among what we’ll call craft farmers—young, tech-savvy newcomers who are attracted to Ulster County’s fertile bottom ground and are now raising specialty produce for mostly local consumption after paying, in some cases, \$6,000 to \$7,000 per acre for their farmland. A colleague recently bumped into one such craft farmer sitting on an apple crate in his field, laptop hooked up to a solar array for power, young wife and baby near his side. These new-generation farmers are finding customers for their produce at both local farmers’ markets and among the growing ranks of farm-to-table restaurants that now populate Hudson Valley communities.

Notable Ulster County sales during the third quarter included the sale of Hoyt Farm, an 18th-century stone farmhouse in Wallkill that has been designated an historic landmark. It was once owned by John Gail Borden, a Union Army officer in the Civil War and the son of Gail Borden, who invented sweetened condensed milk and sold it under the now-famous Borden name. The younger Borden had succeeded his father as president of Borden Condensed Milk Co. prior to buying the Wallkill property.



Outlook

The third quarter was largely a reprise of what we have been seeing for several quarters now: strong traffic through our office, with an increased focus on properties at the higher end of the market. We remain cautiously optimistic about the market's outlook, encouraged not only by the healthy inventory levels but also by the willingness of many sellers, especially at the upper end of the market, to price their properties at levels that are generating strong interest from buyers.

In Dutchess County, we're also optimistic about the prospects for several new construction projects to bring more visitors, and perhaps ultimately more homeowners, to our neighborhoods. A Mirbeau Inn & Spa is under construction in Rhinebeck and slated to open in the fall of 2019. In Hyde Park, the 133-room Inn at Bellefield is being built across from the Culinary Institute of America. And in nearby Poughkeepsie, Marist College is collaborating with Health Quest, a local health care provider, to build a new medical school where the first classes are slated to begin in 2022.

All that said, we're mindful of macroeconomic developments that could prove negative for the real estate industry at some point. The average rate for a 30-year, fixed-rate mortgage rose to 4.9 percent in early October, for example, the highest level in seven years. Meanwhile, the stock market stumbled badly throughout the month of October on a mix of worries, including weakness in international stock markets, lingering concerns about trade disputes with China and questions in some quarters about whether the recent uptick in U.S. economic growth is sustainable.

Still, economic conditions by almost every measure remain favorable, and mortgage rates by historical standards remain low. Beyond that, the many charms of the Hudson Valley—from breathtaking landscapes to vibrant communities—remain firmly in place. We continue to see this as a favorable moment for homebuyers and sellers alike.





Millerton, New York 12546 \$16,900,000 web ID: HW9XQG

HUDSON VALLEY LUXURY MARKET SALES IN Q3 2018 BY MARKET SUBSET

Category	Region	# Sales	Median Price
\$750,000-\$999,999	All Hudson Valley	24	\$875,000
	Columbia County	4	\$837,000
	Dutchess County	10	\$837,500
	Ulster County	10	\$910,000
\$1,000,000-\$1,999,999	All Hudson Valley	14	\$1,345,000
	Columbia County	4	\$1,345,000
	Dutchess County	3	\$1,300,000
	Ulster County	7	\$1,375,000
\$2,000,000-\$3,999,999	All Hudson Valley	4	\$2,430,000
	Columbia County	1	\$2,000,000
	Dutchess County	3	\$2,510,000
	Ulster County	0	n/a
\$4,000,000 +	All Hudson Valley	2	\$5,838,500
	Columbia County	0	n/a
	Dutchess County	2	\$5,838,500
	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
Q3 2018	44	\$990,000	\$1,388,387	154	-7.2%	567
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



Millbrook, New York 12545 \$480,000 web ID: 42MYPL

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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.

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APPENDIX

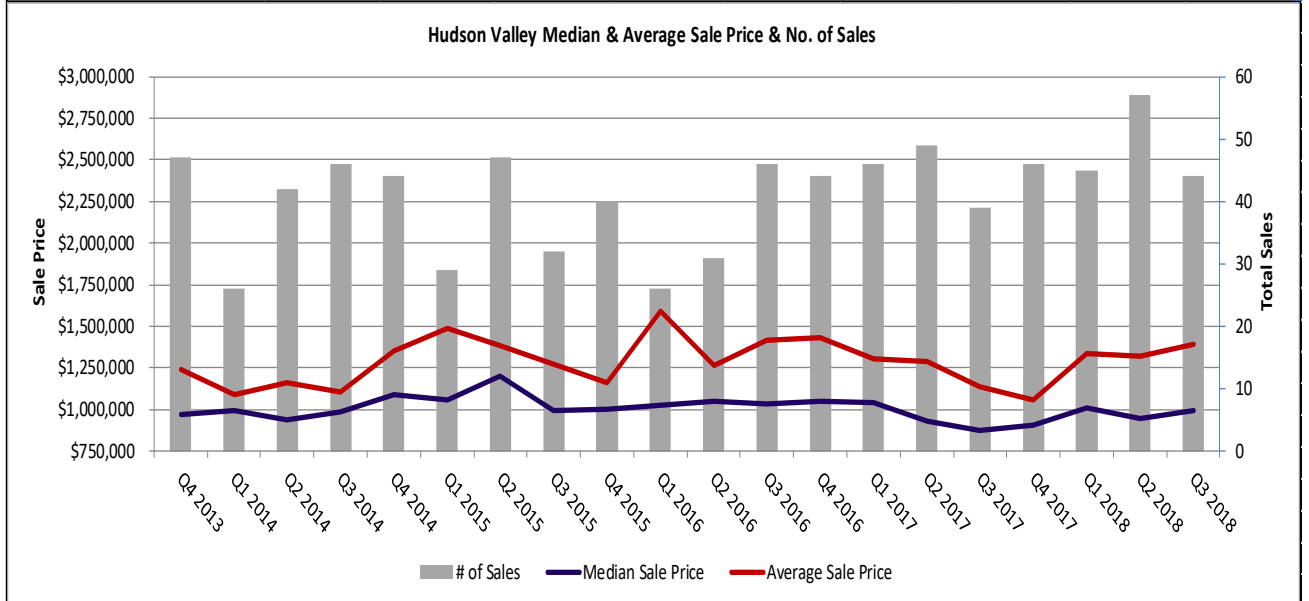
Hudson Valley

Hudson Valley Market Matrix, All									
Sales \$750,000 and over	2014	2015	2016	2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018
Median Sale Price	\$ 988,750	\$ 1,037,500	\$ 1,050,000	\$ 935,000	\$ 876,000	\$ 905,463	\$ 1,010,000	\$ 945,000	\$ 990,000
Average Sale Price	\$ 1,187,938	\$ 1,317,201	\$ 1,419,212	\$ 1,196,059	\$ 1,127,434	\$ 1,053,661	\$ 1,338,352	\$ 1,324,056	\$ 1,388,387
# of Sales	158	148	147	181	40	46	45	57	44
Avg. DOM	205	152	218	179	147	143	237	164	154
Avg. List Price	\$ 1,856,298	\$ 1,448,072	\$ 1,279,133	\$ 1,267,000	\$ 1,215,198	\$ 1,055,073	\$ 1,373,200	\$ 1,250,300	\$ 1,446,110
Listing Discount	-14.47%	-9.16%	-9.78%	-7.36%	-7.26%	-5.96%	-6.99%	-5.91%	-7.20%
Listing Inventory	469	492	499	435	451	446	383	538	567

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

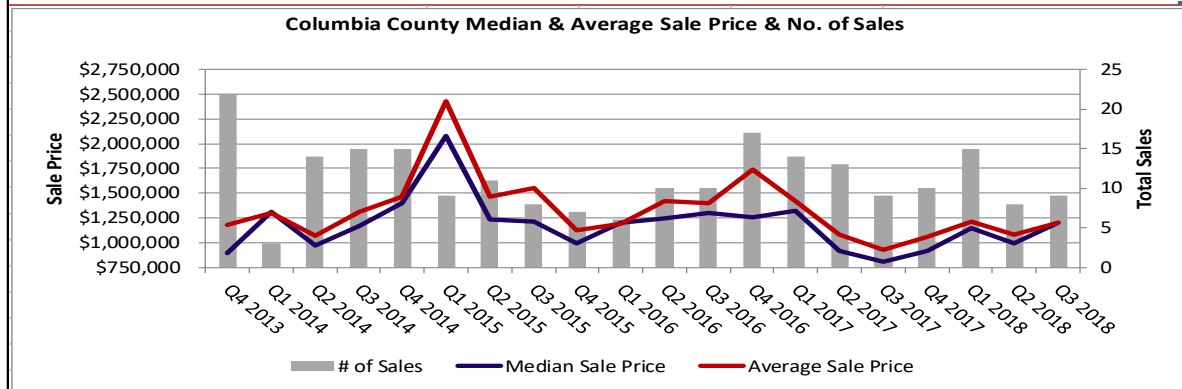
Hudson Valley Median Sale Price									
by Market Subset	2014	2015	2016	2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018
\$750,000 - \$999,999									
Median	\$ 869,725	\$ 870,000	\$ 825,000	\$ 847,750	\$ 815,000	\$ 825,000	\$ 821,843	\$ 852,500	\$ 875,000
# of Sales	87	70	71	106	28	29	22	32	24
\$1,000,000 - \$1,999,999									
Median	\$ 1,325,000	\$ 1,286,500	\$ 1,395,000	\$ 1,325,000	\$ 1,382,500	\$ 1,250,000	\$ 1,362,500	\$ 1,305,000	\$ 1,345,000
# of Sales	60	59	55	57	8	15	18	18	14
\$2,000,000 - \$3,999,999									
Median	\$ 2,287,500	\$ 2,549,000	\$ 2,275,000	\$ 2,500,000	\$ 2,550,000	\$ 2,025,000	\$ 2,825,000	\$ 2,359,400	\$ 2,430,000
# of Sales	10	18	16	17	4	2	4	5	4
\$4,000,000 +									
Median	\$ 5,000,000	\$ 4,682,091	\$ 6,500,000	\$ 6,300,000	-	-	\$ 4,850,000	\$ 5,137,500	\$ 5,838,500
# of Sales	1	1	5	1	0	0	1	2	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
\$750,000 - \$999,999						
Median	\$	872,000	865,000	861,250	853,750	845,000
# of Sales		24	19	10	16	29
\$1,000,000 - \$1,999,999						
Median	\$	1,277,500	1,325,000	1,235,000	1,409,000	1,350,000
# of Sales		14	23	15	20	13
\$2,000,000 - \$3,999,999						
Median	\$	2,772,500	2,075,000	2,257,500	2,465,625	2,500,000
# of Sales		4	5	9	6	4
\$4,000,000 +						
Median	\$	7,500,000	---	4,682,091	7,000,000	---
# of Sales		2	0	1	1	0

Columbia County Market Matrix		Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018
Median Sale Price	\$	810,000	937,250	1,150,000	987,500	1,200,000
Average Sale Price	\$	926,650	1,011,450	1,214,427	1,081,063	1,205,444
# of Sales		9	10	15	8	9
Avg. DOM		109	170	325	118	168
Avg. List Price	\$	1,188,571	1,009,369	1,327,643	1,089,083	1,280,888
Listing Discount		-8.77%	-6.95%	-11.68%	-4.68%	-5.89%
Listing Inventory		155	119	135	175	200
Median Sale Price by Market Subset		Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018
\$750,000 - \$999,999						
Median	\$	810,000	890,000	797,500	920,500	837,000
# of Sales		7	7	6	4	4
\$1,000,000 - \$1,999,999						
Median	\$	1,222,500	1,325,000	1,325,000	1,253,750	1,345,000
# of Sales		2	3	9	4	4
\$2,000,000 - \$3,999,999						
Median	\$	-	-	-	-	2,000,000
# of Sales		0	0	0	0	1
\$4,000,000 +						
Median		---	---	---	---	---
# of Sales		0	0	0	0	0



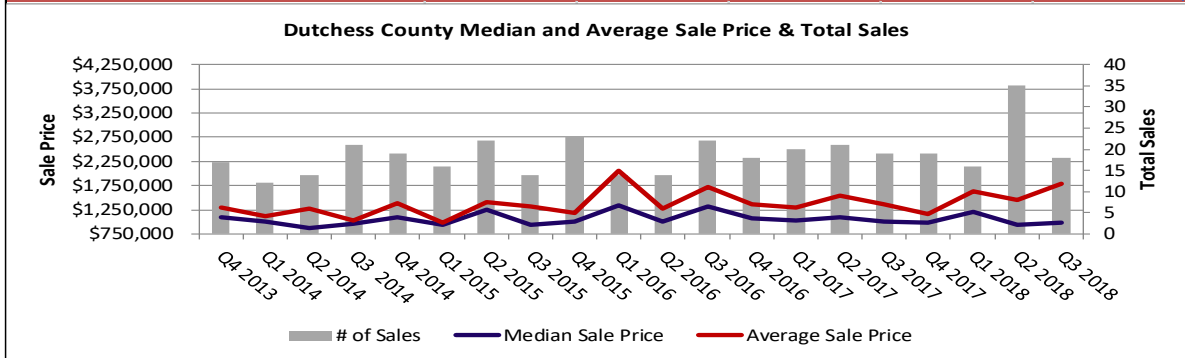
Dutchess County Market Matrix	2013	2014	2015	2016	2017
Median Sale Price	\$ 1,037,500	\$ 985,000	\$ 999,999	\$ 1,166,250	\$ 997,000
Average Sale Price	\$ 1,488,527	\$ 1,203,050	\$ 1,236,350	\$ 1,598,420	\$ 1,338,096
# of Sales	74	66	75	68	80
Avg. DOM	185	218	235	226	199
Avg. List Price	\$ 2,329,958	\$ 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
\$750,000 - \$999,999					
Median	\$ 840,000	\$ 869,000	\$ 852,500	\$ 807,500	\$ 870,000
# of Sales	36	38	38	30	41
\$1,000,000 - \$1,999,999					
Median	\$ 1,350,000	\$ 1,325,000	\$ 1,317,500	\$ 1,400,000	\$ 1,375,000
# of Sales	27	23	31	24	27
\$2,000,000 - \$3,999,999					
Median	\$ 2,700,000	\$ 2,387,500	\$ 2,649,000	\$ 2,339,175	\$ 2,140,000
# of Sales	9	4	6	10	11
\$4,000,000 +					
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	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018
Median Sale Price	\$ 960,000	\$ 990,000	\$ 1,210,605	\$ 945,000	\$ 992,500
Average Sale Price	\$ 1,338,700	\$ 1,158,128	\$ 1,627,496	\$ 1,453,326	\$ 1,779,918
# of Sales	20	19	16	35	18
Avg. DOM	228	127	261	233	187
Avg. List Price	\$ 1,501,833	\$ 1,188,033	\$ 1,661,660	\$ 1,461,125	\$ 1,807,156
Listing Discount	-9.38%	-4.77%	-8.30%	-6.94%	-8.30%
Listing Inventory	174	169	153	185	225

Median Sale Price by Market Subset	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018
\$750,000 - \$999,999					
Median	\$ 815,000	\$ 880,000	\$ 864,900	\$ 860,825	\$ 837,500
# of Sales	11	10	8	20	10
\$1,000,000 - \$1,999,999					
Median	\$ 1,390,000	\$ 1,250,000	\$ 1,486,000	\$ 1,260,750	\$ 1,300,000
# of Sales	5	7	4	8	3
\$2,000,000 - \$3,999,999					
Median	\$ 2,550,000	\$ 2,025,000	\$ 2,650,000	\$ 2,359,400	\$ 2,510,000
# of Sales	4	2	3	5	3
\$4,000,000 +					
Median	-	-	\$ 4,850,000	\$ 5,137,500	\$ 5,838,500
# of Sales	0	0	1	2	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
\$750,000 - \$999,999					
Median	\$ 850,000	\$ 889,750	\$ 883,500	\$ 845,000	\$ 825,000
# of Sales	17	30	22	25	36
\$1,000,000 - \$1,999,999					
Median	\$ 1,290,000	\$ 1,292,650	\$ 1,228,000	\$ 1,162,500	\$ 1,140,000
# of Sales	15	14	13	11	17
\$2,000,000+					
Median	\$ 2,500,000	\$ 2,614,700	\$ 2,500,000	0	\$ 2,973,500
# of Sales	3	1	3	-	2

Ulster County Market Matrix	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018
Median Sale Price	\$ 847,500	\$ 810,000	\$ 989,250	\$ 879,950	\$ 985,000
Average Sale Price	\$ 907,591	\$ 961,735	\$ 1,140,677	\$ 1,139,733	\$ 1,070,676
# of Sales	11	17	14	14	17
Avg. DOM	105	133	124	141	107
Avg. List Price	\$ 955,190	\$ 967,818	\$ 1,130,299	\$ 1,200,692	\$ 1,160,126
Listing Discount	-3.62%	-6.15%	-1.00%	-6.10%	-6.13%
Listing Inventory	122	158	95	178	142

Median Sale Price by Market Subset	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018
\$750,000 - \$999,999					
Median	\$ 838,250	\$ 790,000	\$ 820,593	\$ 832,500	\$ 910,000
# of Sales	10	12	8	8	10
\$1,000,000 - \$1,999,999					
Median	\$ 1,575,000	\$ 1,217,500	\$ 1,250,000	\$ 1,490,069	\$ 1,375,000
# of Sales	1	5	5	6	7
\$2,000,000+					
Median	\$ -	\$ -	\$ 3,000,000	\$ -	\$ -
# of Sales	0	0	1	0	0

