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Real Estate

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INTERNATIONAL REALTY



First Quarter 2019 Hudson Valley Luxury Real Estate Market Overview

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First Quarter 2019

HUDSON VALLEY LUXURY REAL ESTATE MARKET OVERVIEW

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

After 10 consecutive quarters that featured at least 40 sales, the Hudson Valley luxury real estate market took a breather during the first quarter of 2019. A total of 38 properties changed hands, down from 45 a year earlier. That mirrored trends nationally, where sales of existing homes across all price ranges fell.

To be sure, the new year kicked off amid considerable headwinds. Global stock prices had fallen precipitously during the fourth quarter of 2018 amid concerns about slowing economic growth. In the U.S., the S&P 500 stock index fell nearly 20% from Oct. 3 to Dec. 24. Consumer sentiment also turned south. In addition, mortgage rates had risen through most of 2018, with the average 30-year rate climbing from about 4% at the start of the year to nearly 5% by the beginning of November. All this may have made some buyers cautious about committing to a real estate purchase.

Still, by nearly every other metric, the first quarter was a solid one for the Hudson Valley luxury market. The median sale price in the three-county region rose 17.6%, for example, to nearly \$1.2 million, while the average time required to sell a house contracted to 201 days from 237. Homes sold at a 7.1% discount to their asking price, about in line with last year. Inventory levels improved as well, to 447 properties, up from 383 a year earlier.



Staatsburg, New York 12580 \$400,000 Web ID:K49XYR



Staatsburg, New York 12580 \$400,000 Web ID:K49XYR

The market was particularly strong in the \$2 million-to-\$4 million price range, where seven properties sold, up from four in the 2018 first quarter. All but one of those sales took place in Dutchess County, the only of the three counties that saw an increase in total sales.

Columbia County

Columbia County suffered most during the first-quarter slowdown, with nine properties selling, down from 15 a year earlier. That said, luxury home sales in the county have now averaged 8.5 per quarter for four consecutive quarters, suggesting the latest figure isn't necessarily an outlier. And other measures are encouraging. For the properties sold during the first quarter, for example, it took just 94 days on average to go from listing to sale, down from 325 days a year earlier. The median sale price rose to \$1.2 million from \$1.15 million, and the average listing discount narrowed to -4.3% from -11.7%.

Among the notable properties sold during the quarter was the historic Seth Macy House in popular Hudson, a city of about 6,700 located on the eastern bank of the Hudson River. Sold for \$1.2 million, the Seth Macy House was built in the Palladian style in 1802 and is named for Seth G. Macy, a prominent sea captain active in civic affairs. The 5,300-square-foot property, situated on a small lot, features five bedrooms and three bathrooms.

Elsewhere, Crow Hill Manor, a 42-acre estate in Spencertown, sold for \$2.3 million. It features a stone house built in 1932, a brick carriage house that's been converted to a two-bedroom guest house, a three-car garage with yet another guest room, and a 65-foot swimmer's pool.



Millbrook, New York 12545 \$11,900,000 Web ID:KMDEPJ

Dutchess County

Dutchess County, the Hudson Valley’s biggest and typically busiest luxury real estate market, muscled through the first quarter’s headwinds and, counter to trend, saw total sales increase to 18 from 16 a year earlier. The latest quarter’s sales included a number of properties that had been on the market for some time. That helped drive the average time from list to sale to 353 days from 261 a year earlier and the average listing discount to -10.5% from -8.3%. However, with six sales above the \$2 million mark, the median sale price rose to \$1.35 million from \$1.2 million a year earlier.

As is often the case, some of the highest-value properties to sell during the first quarter were elegant estates in Rhinebeck, which like Hudson borders the Hudson River. Among them were Bryndelbrook, a 24-acre property that was once part of Captain Vincent Astor’s Ferncliff Farm, which sold for \$3.55 million, and a similar-sized estate on Morton Road that sold for \$3.3 million.

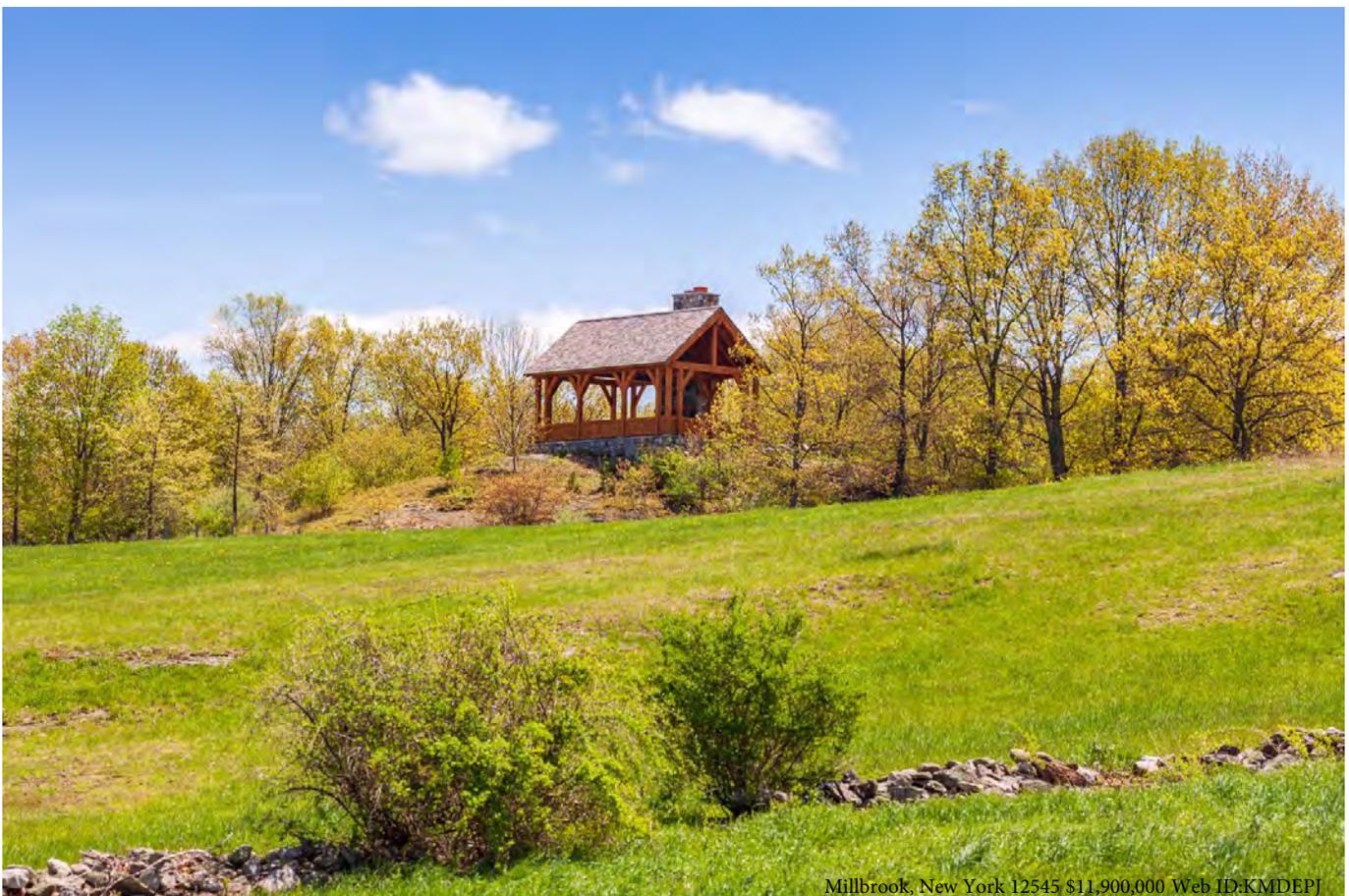
While we have remarked from time to time that there does not seem to be as much demand today for horse farms as there once was, that sector of the market certainly hasn’t disappeared. In the first quarter, an 86-acre horse farm in Red Hook, Chestnut Hill Estates, sold for \$903,000, even though it features no house. The property does have a 75-foot-by-160-foot indoor riding arena, an even larger outdoor riding arena and a nine-stall barn that can also hold 3,000 bales of hay.

Ulster County

Ulster County recorded 11 luxury real estate sales in the first quarter, down from 14 a year earlier. The median sale price fell to \$875,000 from \$989,250 as the highest-priced sale rang in at \$1.3 million.

Less developed than its sister counties, Ulster has long been known as the place where buyers can get a bit more for their money in the Hudson Valley. Indeed, buyers who weren't looking for traditional estates were able to land a number of intriguing properties during the first quarter at, relatively speaking, modest prices. They included a newly constructed, energy-efficient three-bedroom nestled in the woods along Stony Kill brook in Rochester, which sold for \$750,000; a handsomely renovated 1864 barn that's been converted to a 3,112-square-foot home in Woodstock, which sold for \$766,490; and a three-bedroom, mid-century in Gardiner that echoes elements of a Frank Lloyd Wright design, which sold for \$833,000.

Reinforcing the notion that history lurks around every corner of the Hudson Valley, the first quarter also saw the sale, in Woodstock, of a rambling 3,500-square-foot home on nearly 18 acres that was once the home of American inventor Edgar Villchur. Villchur invented the acoustic suspension loudspeaker, which revolutionized the high-fidelity music market. The secluded property he had once made his home was on the market for the first time in more than half a century and sold for \$800,000.





Wallkill, New York 12589 \$2,750,000 Web ID:KW4K85

Outlook

The gloomy economic sentiment that prevailed at the start of the year gave way to a brighter outlook after the Federal Reserve indicated it doesn't expect to raise interest rates any more this year. The U.S. stock market came roaring back on that news—it would hit new all-time highs in late April—and the average 30-year mortgage rate backtracked to nearly 4% by the end of the first quarter. Also, New York state legislators on April 1 passed a budget that permanently limits local property tax increases to 2% or the rate of inflation, whichever is lower, everywhere in the state except New York City. The cap had been in place on a temporary basis since 2011. All these developments should bode well for real estate.

We often remark on the enduring beauty of the Hudson Valley as one of its key selling points, along with its less-crowded, less-hectic pace relative to other popular recreational and second-home destinations outside of New York City. Recently, a New York Times article floated the notion that the Hudson Valley may be on its way to becoming the next Hamptons. It interviewed a number of New Yorkers who'd opted to move to the valley—for many of the

reasons we just mentioned—but also noted that Trailways of New York, the bus company, will run a business-class service this spring transporting weekend visitors to the Hudson Valley from midtown Manhattan—much the way the Hampton Jitney carries city dwellers to the east end of Long Island. The article also documented an uptick in applicants for new subdivisions in the Hudson Valley.

We certainly don't endorse the notion that the Hudson Valley is turning into the Hamptons. But we're also cognizant of that fact that the region is evolving with the times—witness a few new developments and the budding new agricultural scene—even as it retains all of the charms that have made it popular for centuries, including quaint towns and villages, bucolic farmland, the beautiful Hudson River and gorgeous views of the surrounding Catskill and Adirondack mountains.

That Times article, for what it's worth, also remarked on one of our long-held verities, that a homebuyers' money goes a lot further here than it does in other getaway locales similarly distanced from New York City. That's an equation we don't see changing anytime soon.



HUDSON VALLEY LUXURY MARKET SALES IN Q1 2019 BY MARKET SUBSET

Category	Region	# Sales	Median Price
\$750,000-\$999,999	All Hudson Valley	15	\$835,000
	Columbia County	4	\$841,000
	Dutchess County	5	\$900,000
	Ulster County	6	\$816,500
\$1,000,000-\$1,999,999	All Hudson Valley	16	\$1,246,250
	Columbia County	4	\$1,312,500
	Dutchess County	7	\$1,300,000
	Ulster County	5	\$1,175,000
\$2,000,000-\$3,999,999	All Hudson Valley	7	\$2,830,000
	Columbia County	1	\$2,300,000
	Dutchess County	6	\$3,046,500
	Ulster County	0	n/a
\$4,000,000 +	All Hudson Valley	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
Q1 2019	38	\$1,187,500	\$1,433,158	201	-7.1%	447
Q4 2018	54	\$950,000	\$1,543,751	153	-5.1%	408
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



Millbrook, New York 12545 \$3,925,000 Web ID:JEQTWE

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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

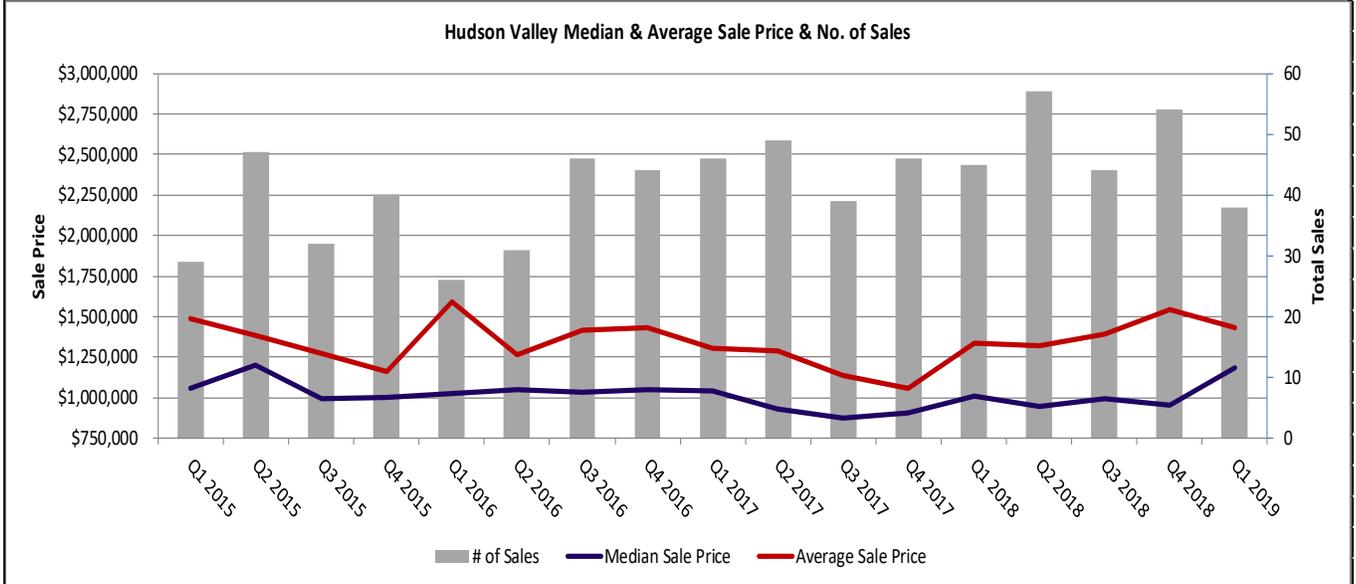
Hudson Valley

Hudson Valley Market Matrix, All									
Sales \$750,000 and over	2015	2016	2017	2018	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019
Median Sale Price	\$ 1,037,500	\$ 1,050,000	\$ 935,000	\$ 975,000	\$ 1,010,000	\$ 945,000	\$ 990,000	\$ 950,000	\$ 1,187,500
Average Sale Price	\$ 1,317,201	\$ 1,419,212	\$ 1,196,059	\$ 1,410,551	\$ 1,338,352	\$ 1,324,056	\$ 1,388,387	\$ 1,543,751	\$ 1,433,158
# of Sales	148	147	181	200	45	57	44	54	38
Avg. DOM	152	218	179	189	237	164	154	153	201
Avg. List Price	\$ 1,448,072	\$ 1,279,133	\$ 1,267,000	\$ 1,310,105	\$ 1,373,200	\$ 1,250,300	\$ 1,446,110	\$ 1,319,745	\$ 1,435,426
Listing Discount	-9.16%	-9.78%	-7.36%	-6.28%	-6.99%	-5.91%	-7.20%	-5.09%	-7.07%
Listing Inventory	492	499	435	474	383	538	567	408	447

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

Hudson Valley Median Sale Price									
by Market Subset	2015	2016	2017	2018	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019
\$750,000 - \$999,999									
Median	\$ 870,000	\$ 825,000	\$ 847,750	\$ 860,000	\$ 821,843	\$ 852,500	\$ 875,000	\$ 876,125	\$ 835,000
# of Sales	70	71	106	112	22	32	24	34	15
\$1,000,000 - \$1,999,999									
Median	\$ 1,286,500	\$ 1,395,000	\$ 1,325,000	\$ 1,332,500	\$ 1,362,500	\$ 1,305,000	\$ 1,345,000	\$ 1,500,000	\$ 1,246,250
# of Sales	59	55	57	64	18	18	14	14	16
\$2,000,000 - \$3,999,999									
Median	\$ 2,549,000	\$ 2,275,000	\$ 2,500,000	\$ 2,571,848	\$ 2,825,000	\$ 2,359,400	\$ 2,430,000	\$ 3,250,000	\$ 2,830,000
# of Sales	18	16	17	17	4	5	4	4	7
\$4,000,000 +									
Median	\$ 4,682,091	\$ 6,500,000	\$ 6,300,000	\$ 5,650,000	\$ 4,850,000	\$ 5,137,500	\$ 5,838,500	\$ 10,625,000	-
# of Sales	1	5	1	7	1	2	2	2	0

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

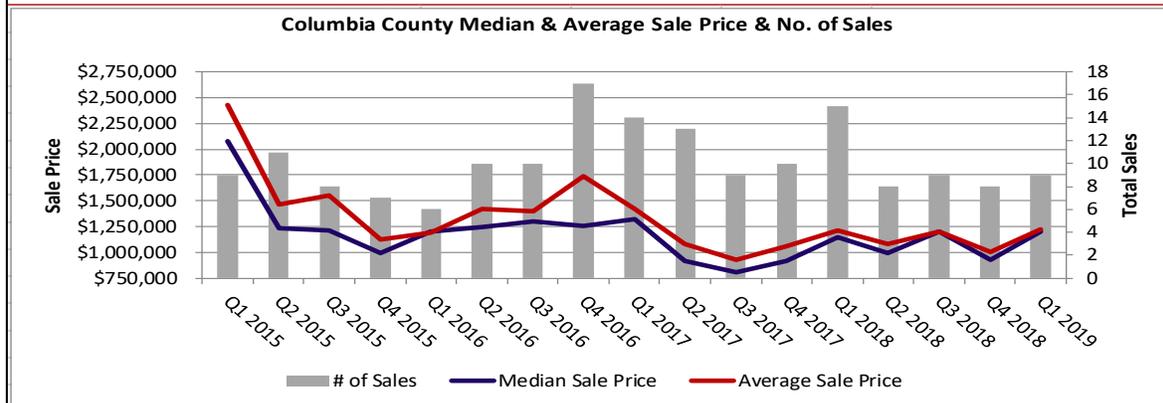


Columbia County Market Matrix	2014	2015	2016	2017	2018
Median Sale Price	\$ 1,090,000	\$ 1,235,000	\$ 1,260,000	\$ 937,250	\$ 1,004,500
Average Sale Price	\$ 1,287,485	\$ 1,662,692	\$ 1,481,739	\$ 1,140,040	\$ 1,143,304
# of Sales	47	35	43	46	40
Avg. DOM	208	124	181	177	208
Avg. List Price	\$ 1,859,264	\$ 1,350,528	\$ 1,700,459	\$ 1,202,193	\$ 1,188,736
Listing Discount	-12.89%	-8.36%	-10.51%	-7.22%	-7.67%

Median Sale Price by Market Subset	2014	2015	2016	2017	2018
\$750,000 - \$999,999					
Median	\$ 865,000	\$ 861,250	\$ 853,750	\$ 845,000	\$ 842,500
# of Sales	19	10	16	29	20
\$1,000,000 - \$1,999,999					
Median	\$ 1,325,000	\$ 1,235,000	\$ 1,409,000	\$ 1,350,000	\$ 1,340,000
# of Sales	23	15	20	13	19
\$2,000,000 - \$3,999,999					
Median	\$ 2,075,000	\$ 2,257,500	\$ 2,465,625	\$ 2,500,000	\$ 2,000,000
# of Sales	5	9	6	4	1
\$4,000,000 +					
Median	---	\$ 4,682,091	\$ 7,000,000	---	---
# of Sales	0	1	1	0	0

Columbia County Market Matrix	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019
Median Sale Price	\$ 1,150,000	\$ 987,500	\$ 1,200,000	\$ 925,000	\$ 1,200,000
Average Sale Price	\$ 1,214,427	\$ 1,081,063	\$ 1,205,444	\$ 1,002,281	\$ 1,220,778
# of Sales	15	8	9	8	9
Avg. DOM	325	118	168	111	94
Avg. List Price	\$ 1,327,643	\$ 1,089,083	\$ 1,280,888	\$ 1,055,625	\$ 1,331,250
Listing Discount	-11.68%	-4.68%	-5.89%	-5.06%	-4.32%
Listing Inventory	135	175	200	148	150

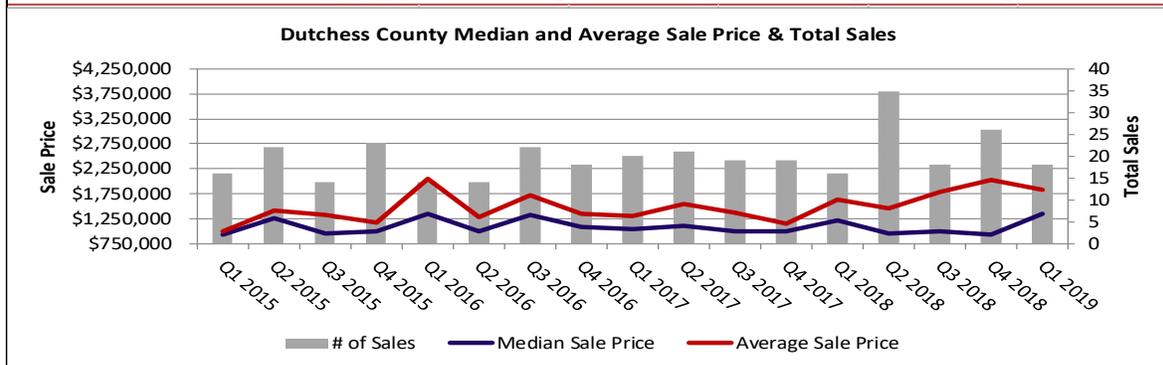
Median Sale Price by Market Subset	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019
\$750,000 - \$999,999					
Median	\$ 797,500	\$ 920,500	\$ 837,000	\$ 853,000	\$ 841,000
# of Sales	6	4	4	6	4
\$1,000,000 - \$1,999,999					
Median	\$ 1,325,000	\$ 1,253,750	\$ 1,345,000	\$ 1,400,000	\$ 1,312,500
# of Sales	9	4	4	2	4
\$2,000,000 - \$3,999,999					
Median	\$ -	\$ -	\$ 2,000,000	\$ -	\$ 2,300,000
# of Sales	0	0	1	0	1
\$4,000,000 +					
Median	---	---	---	---	---
# of Sales	0	0	0	0	0



Dutchess County Market Matrix	2014	2015	2016	2017	2018
Median Sale Price	\$ 985,000	\$ 999,999	\$ 1,166,250	\$ 997,000	\$ 950,000
Average Sale Price	\$ 1,203,050	\$ 1,236,350	\$ 1,598,420	\$ 1,338,096	\$ 1,702,874
# of Sales	66	75	68	80	95
Avg. DOM	218	235	226	199	228
Avg. List Price	\$ 2,107,503	\$ 1,607,587	\$ 1,411,920	\$ 1,482,805	\$ 1,554,421
Listing Discount	-15.20%	-8.45%	-9.70%	-8.54%	-6.70%
Median Sale Price by Market Subset					
	2014	2015	2016	2017	2018
\$750,000 - \$999,999					
Median	\$ 869,000	\$ 852,500	\$ 807,500	\$ 870,000	\$ 863,325
# of Sales	38	38	30	41	54
\$1,000,000 - \$1,999,999					
Median	\$ 1,325,000	\$ 1,317,500	\$ 1,400,000	\$ 1,375,000	\$ 1,435,000
# of Sales	23	31	24	27	20
\$2,000,000 - \$3,999,999					
Median	\$ 2,387,500	\$ 2,649,000	\$ 2,339,175	\$ 2,140,000	\$ 2,610,924
# of Sales	4	6	10	11	14
\$4,000,000 +					
Median	\$ 5,000,000	--	\$ 5,750,000	\$ 6,300,000	\$ 5,650,000
# of Sales	1	0	4	1	7

Source: NYSORPS, Mid-Hudson MLS

Dutchess County Market Matrix	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019
Median Sale Price	\$ 1,210,605	\$ 945,000	\$ 992,500	\$ 930,500	\$ 1,350,000
Average Sale Price	\$ 1,627,496	\$ 1,453,326	\$ 1,779,918	\$ 2,031,853	\$ 1,817,333
# of Sales	16	35	18	26	18
Avg. DOM	261	233	187	206	353
Avg. List Price	\$ 1,661,660	\$ 1,461,125	\$ 1,807,156	\$ 1,702,985	\$ 1,929,219
Listing Discount	-8.30%	-6.94%	-8.30%	-5.07%	-10.45%
Listing Inventory	153	185	225	163	188
Median Sale Price by Market Subset					
	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019
\$750,000 - \$999,999					
Median	\$ 864,900	\$ 860,825	\$ 837,500	\$ 872,500	\$ 900,000
# of Sales	8	20	10	16	5
\$1,000,000 - \$1,999,999					
Median	\$ 1,486,000	\$ 1,260,750	\$ 1,300,000	\$ 1,400,000	\$ 1,300,000
# of Sales	4	8	3	5	7
\$2,000,000 - \$3,999,999					
Median	\$ 2,650,000	\$ 2,359,400	\$ 2,510,000	\$ 3,400,000	\$ 3,046,500
# of Sales	3	5	3	3	6
\$4,000,000 +					
Median	\$ 4,850,000	\$ 5,137,500	\$ 5,838,500	\$ 10,625,000	
# of Sales	1	2	2	2	0



Ulster County Market Matrix	2014	2015	2016	2017	2018
Median Sale Price	\$ 946,000	\$ 995,000	\$ 900,000	\$ 875,000	\$ 975,000
Average Sale Price	\$ 1,061,545	\$ 1,133,115	\$ 971,135	\$ 1,036,313	\$ 1,117,591
# of Sales	45	38	36	55	65
Avg. DOM	166	158	222	162	130
Avg. List Price	\$ 1,381,877	\$ 1,074,380	\$ 1,037,555	\$ 1,116,001	\$ 1,187,159
Listing Discount	-8.01%	-6.65%	-6.43%	-6.31%	-4.48%

Median Sale Price by Market Subset	2014	2015	2016	2017	2018
<i>\$750,000 - \$999,999</i>					
Median	\$ 889,750	\$ 883,500	\$ 845,000	\$ 825,000	\$ 855,000
# of Sales	30	22	25	36	38
<i>\$1,000,000 - \$1,999,999</i>					
Median	\$ 1,292,650	\$ 1,228,000	\$ 1,162,500	\$ 1,140,000	\$ 1,300,000
# of Sales	14	13	11	17	25
<i>\$2,000,000+</i>					
Median	\$ 2,614,700	\$ 2,500,000	0	\$ 2,973,500	\$ 2,500,000
# of Sales	1	3	-	2	2

Ulster County Market Matrix	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019
Median Sale Price	\$ 989,250	\$ 879,950	\$ 985,000	\$ 975,000	\$ 875,000
Average Sale Price	\$ 1,140,677	\$ 1,139,733	\$ 1,070,676	\$ 1,125,807	\$ 978,272
# of Sales	14	14	17	20	11
Avg. DOM	124	141	107	141	155
Avg. List Price	\$ 1,130,299	\$ 1,200,692	\$ 1,160,126	\$ 1,200,626	\$ 1,045,808
Listing Discount	-1.00%	-6.10%	-6.13%	-5.15%	-6.46%
Listing Inventory	95	178	142	97	109

Median Sale Price by Market Subset	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019
<i>\$750,000 - \$999,999</i>					
Median	\$ 820,593	\$ 832,500	\$ 910,000	\$ 903,625	\$ 816,500
# of Sales	8	8	10	12	6
<i>\$1,000,000 - \$1,999,999</i>					
Median	\$ 1,250,000	\$ 1,490,069	\$ 1,375,000	\$ 1,275,000	\$ 1,175,000
# of Sales	5	6	7	7	5
<i>\$2,000,000+</i>					
Median	\$ 3,000,000	\$ -	\$ -	\$ 2,000,000	-
# of Sales	1	0	0	1	0

