

Heather Croner  
Real Estate

**Sotheby's**  
INTERNATIONAL REALTY



Fourth Quarter 2019  
Hudson Valley Luxury Real Estate Market Overview

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In collaboration with Heather Croner and Pete Hubbell*

Fourth Quarter 2019

HUDSON VALLEY  
LUXURY REAL ESTATE  
MARKET OVERVIEW

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

Hudson Valley's luxury real estate market turned in a strong performance for the second consecutive year in 2019 with 208 properties sold, up from 200 a year earlier.

While the average sale price dipped modestly year over year, to \$1.3 million from \$1.4 million, the dollar volume of sales in the three-county region—\$264.3 million—was the second highest in the last 13 years, exceeded only by the \$282.1 million in total sales registered in 2018. In fact, 2018 and 2019 represented the market's two best years by far in the decade that just ended.

The latest year of strong sales came against a backdrop of shifting prospects for the U.S. economy and financial markets. During the fourth quarter of 2018, stock prices had stumbled badly, falling 19.9% peak to trough, following a series of four interest-rate hikes by the Federal Reserve. Many investors and business executives worried the economy could be headed for a recession. The Fed put its rate-hike regimen on hold, however, and ultimately lowered rates three times during the second half of 2019. Those moves, combined with continued strong employment numbers and a handful of other positive economic indicators, suggested the economy remained on track for continued







Millbrook, New York 12545 \$9,950,000 Web ID: 62582W

growth. They also helped drive the stock market to double-digit gains and sent mortgage rates down. The average rate on a conventional 30-year mortgage, having risen to nearly 5% in early November 2018, fell to just over 3.7% by year-end 2019. Lower mortgage rates generally boost the housing market by making it easier for homebuyers to afford a house if they are financing the purchase.

As has been the pattern for several years now, most of the growth in the Hudson Valley luxury real estate market in 2019 was registered at the lower end of the price scale. Sales of under \$1 million rose to 113 properties from 112 a year earlier, while sales between \$1 million and \$1,999,999 jumped to 75 from 64. By contrast, sales at prices between \$2 million and \$3,999,999 were flat at 17 properties, and sales at prices of \$4 million and above fell to three

from seven.

By all other metrics, the market in 2019 performed much as it did the prior year. The average days on market—the time between a property’s listing and the sale’s closing—fell slightly to 187 days from 189. The average listing discount—the difference between the most recent listing price and the actual sale price—widened modestly to -7.5% from -6.3%, while the median sale price fell to \$960,000 from \$975,000.

The luxury real estate market’s performance during the fourth quarter largely mirrored what went on over the course of the year, with the total number of sales in the quarter rising 9% year over year, the median sale price edging slightly lower and the average listing discount widening modestly.



Clinton Corners, NY 12514 \$1,790,000 Web ID: L6V2HT

## Dutchess County

Dutchess County is the center of the Hudson Valley luxury real estate market and often accounts for nearly half the region's yearly sales. It performed counter to trend in 2019, though, with 75 properties sold, down from 95 a year earlier. As always, we'll resist the temptation to read too much into any one year's results, especially given the strong numbers the county posted in 2018. On a percentage basis, sales slipped most at the high end of the market, with only one transaction priced at \$4 million or higher during the year versus seven in 2018.

Activity in the fourth quarter largely mirrored trends for the year, with 18 properties sold, down from 26 a year earlier. The highest-priced transaction was the sale of Tannery Place, just five minutes outside the picturesque village of Rhinebeck. An elegant country estate and horse property on 15 acres, Tannery Place's notable features include a 5,000-square-foot, circa 1815 Greek Revival house; an 1810 barn converted to a guest house and party space; a caretaker's house; a six-stall barn; three paddocks; an outdoor riding arena and a tennis court.

Whatever the explanation for the downturn in sales in 2019, Dutchess remains the county where buyers are most likely to find a grand country estate of the sort for which the region is famous. In late January, it was the only of the valley's three counties to have any properties listed for \$10 million or more, with two. There were also three more listed at prices between \$9,950,000 and \$9,995,000, and a total of 21 at \$4 million or more (versus 10 in Columbia County and three in Ulster).



## Columbia County

After a relatively quiet year in 2018, Columbia County's luxury real estate market rebounded nicely in 2019 with 52 sales, up from 40 a year earlier. In general, owners were able to sell for close to their asking price, as the average listing discount narrowed to 4.7% from 5.1% in 2018. Columbia County was the only of the three counties in the Hudson Valley in which both the average and median sale price rose from prior-year levels.

Columbia County closed the year on a strong note, with 14 sales in the fourth quarter, up from nine in the year-earlier quarter. Most of the sales activity was concentrated around homes selling between \$750,000 and \$2 million and reinforced our frequent observation that while the Hudson Valley may be rich in grand estates, it also offers extraordinary value for luxury homebuyers looking to tap into the region's charms at less extravagant price points. In historic New Lebanon, for example, in the northeast corner of Columbia County near the New York-Massachusetts border, a handsomely renovated 5,590-square-foot home dating to the 1790s, sited on 244 acres of land, sold for \$765,000. About 45 minutes southeast of there, a renovated 2,516-square-foot farmhouse that was the site of the Livingston post office in the late 1700s sold for \$780,000. Meanwhile, the highest-priced sale during the quarter was in Chatham, where a 152-acre working dairy farm sold for \$2.7 million.



## Ulster County

The most rugged and heavily wooded of the three counties in the Hudson Valley luxury market, Ulster was in many ways the star of the show in 2019 with 81 sales versus 65 in 2018. It was similarly busy in the fourth quarter with 27 sales, up from 20 a year earlier.

Ulster was home to the most historically significant transaction in the Hudson Valley during the fourth quarter: the \$2,970,000 sale of the Alton B. Parker House, an Italianate stucco mansion completed in 1860, in Esopus. Also known as Rosemount, the house sits on a terrace 50 feet above the Hudson River, where it offers 180-degree views of, and direct access to, the river. It was once the home of Alton B. Parker, chief justice of the New York State Supreme Court, who in 1904 won the Democratic Party's nomination for president but lost in the general election to Theodore Roosevelt. The property is listed on the National Register of Historic Places.



Germanatown, NY 12526 \$1,980,000 Web ID: VFY22E





## Outlook

The strong performance by the Hudson Valley luxury real estate market in the fourth quarter of 2019, combined with a growing economy and low mortgage rates, have us optimistic about the outlook for the market heading into 2020. That said, we are mindful that the current economic expansion, which began in 2009, is now the longest in U.S. history and will inevitably end at some point—even though we see no immediate reason for that reversal to be imminent, absent an unexpected macroeconomic or political shock.

We also are cheered by the fourth-quarter's reminder of what a wonderfully diverse region the Hudson Valley is, both in the types of activities available here and the types of properties accessible to homebuyers. The 59 properties sold in last year's fourth quarter ranged from a dairy farm (in Greenport) to a horse farm (Marbletown), from a French country estate (Pleasant Valley) to a contemporary midcentury modern (Poughkeepsie) and from a classic Hudson Valley farmhouse (Marbletown again) to an industrial-style home fashioned out of a former commercial property (Beacon), located just two blocks from that town's increasingly hip Main Street. In the Hudson Valley's towns and villages, homeowners can enjoy farm-to-table restaurants, art galleries, shopping, concerts and theater and still be within minutes of farmland and woodland. All that, we believe, adds to the enduring appeal of the region's natural beauty.



Hyde Park, NY 12538 \$2,900,000 Web ID: K7CH66

## HUDSON VALLEY LUXURY MARKET SALES IN Q4 AND YEAR 2019 BY MARKET SUBSET

Category	Region	4 <sup>th</sup> Quarter		Year	
		# Sales	Median Price	# Sales	Median Price
<b>\$750,000- \$999,999</b>	<b>All Hudson Valley</b>	<b>34</b>	<b>\$822,500</b>	<b>113</b>	<b>\$842,000</b>
	Columbia County	6	\$772,500	21	\$847,000
	Dutchess County	11	\$850,000	43	\$850,000
	Ulster County	17	\$829,900	49	\$830,000
<b>\$1,000,000- \$1,999,999</b>	<b>All Hudson Valley</b>	<b>21</b>	<b>\$1,275,000</b>	<b>75</b>	<b>\$1,300,000</b>
	Columbia County	7	\$1,395,000	25	\$1,362,500
	Dutchess County	6	\$1,211,250	22	\$1,275,000
	Ulster County	8	\$1,387,500	28	\$1,215,000
<b>\$2,000,000- \$3,999,999</b>	<b>All Hudson Valley</b>	<b>4</b>	<b>\$2,632,500</b>	<b>17</b>	<b>\$2,725,000</b>
	Columbia County	1	\$2,700,000	4	\$2,500,000
	Dutchess County	1	\$2,400,000	9	\$2,800,000
	Ulster County	2	\$2,767,500	4	\$2,495,000
<b>\$4,000,000 +</b>	<b>All Hudson Valley</b>	<b>0</b>	<b>n/a</b>	<b>3</b>	<b>\$7,210,000</b>
	Columbia County	0	n/a	2	\$7,605,000
	Dutchess County	0	n/a	1	\$4,350,000
	Ulster County	0	n/a	0	n/a

### ANNUAL

Year	# of Sales	Median Sale Price	Average Sale Price	Avg. Days on Mkt	Avg. Listing Discount	Listing Inventory
2019	208	\$960,000	\$1,270,744	187	-7.5%	483
2018	200	\$975,000	\$1,410,551	189	-6.3%	474
2017	181	\$935,000	\$1,196,059	179	-7.4%	435
2016	147	\$1,050,000	\$1,419,212	218	-9.8%	499

### QUARTERLY

Period	# of Sales	Median Sale Price	Average Sale Price	Average Days on Market	Average Listing Discount	Listing Inventory
Q4 2019	59	\$949,000	\$1,158,881	187	-5.8%	442
Q3 2019	66	\$960,000	\$1,369,883	161	-7.8%	520
Q2 2019	45	\$904,500	\$1,134,930	197	-9.2%	524
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





Craryville, NY 12521 \$3,275,000 Web ID: X5YR3M

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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., 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.*

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APPENDIX

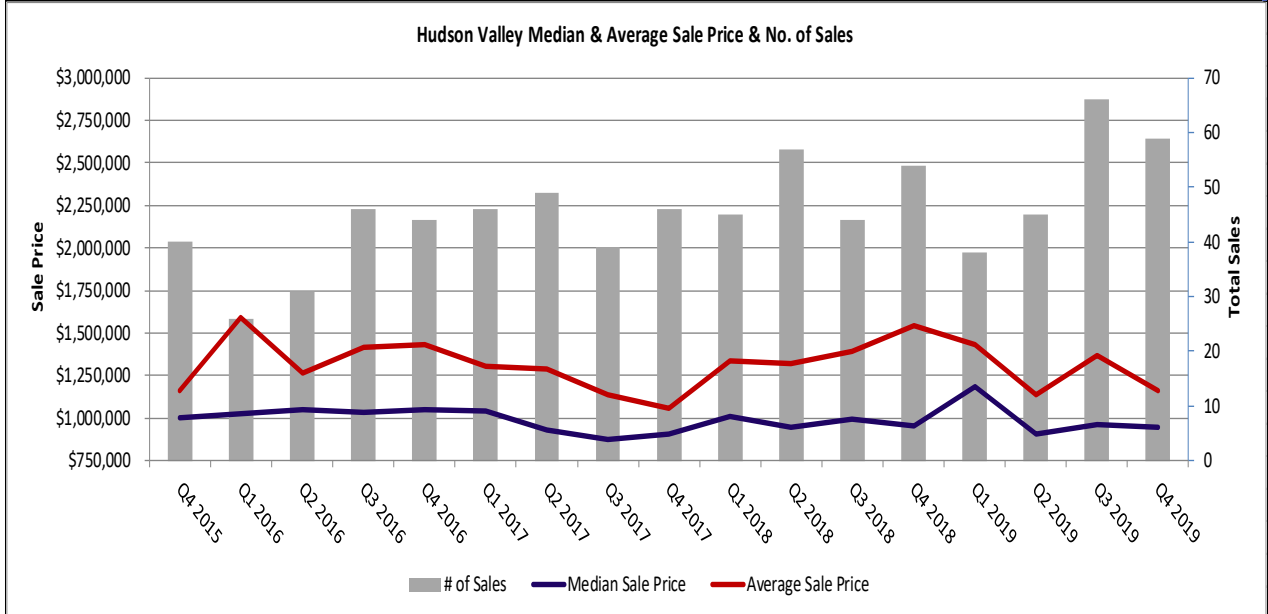
Hudson Valley

Hudson Valley Market Matrix, All									
Sales \$750,000 and over	2016	2017	2018	2019	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019
Median Sale Price	\$ 1,050,000	\$ 935,000	\$ 975,000	\$ 960,000	\$ 950,000	\$ 1,187,500	\$ 904,500	\$ 960,000	\$ 949,000
Average Sale Price	\$ 1,419,212	\$ 1,196,059	\$ 1,410,551	\$ 1,270,744	\$ 1,543,751	\$ 1,433,158	\$ 1,134,930	\$ 1,369,833	\$ 1,158,881
# of Sales	147	181	200	208	54	38	45	66	59
Avg. DOM	218	179	189	187	153	201	197	161	187
Avg. List Price	\$ 1,279,133	\$ 1,267,000	\$ 1,310,105	\$ 1,350,561	\$ 1,319,745	\$ 1,435,426	\$ 1,175,218	\$ 1,553,182	\$ 1,238,419
Listing Discount	-9.78%	-7.36%	-6.28%	-7.49%	-5.09%	-7.07%	-9.24%	-7.82%	-5.81%
Listing Inventory	499	435	474	483	408	447	524	520	442

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

Hudson Valley Median Sale Price									
by Market Subset	2016	2017	2018	2019	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019
<b>\$750,000 - \$999,999</b>									
Median	\$ 825,000	\$ 847,750	\$ 860,000	\$ 842,000	\$ 876,125	\$ 835,000	\$ 835,000	\$ 871,526	\$ 822,500
# of Sales	71	106	112	113	34	15	28	36	34
<b>\$1,000,000 - \$1,999,999</b>									
Median	\$ 1,395,000	\$ 1,325,000	\$ 1,332,500	\$ 1,300,000	\$ 1,500,000	\$ 1,246,250	\$ 1,300,000	\$ 1,300,000	\$ 1,275,000
# of Sales	55	57	64	75	14	16	13	25	21
<b>\$2,000,000 - \$3,999,999</b>									
Median	\$ 2,275,000	\$ 2,500,000	\$ 2,571,848	\$ 2,725,000	\$ 3,250,000	\$ 2,830,000	\$ 2,287,500	\$ 2,529,600	\$ 2,632,500
# of Sales	16	17	17	17	4	7	4	2	4
<b>\$4,000,000 +</b>									
Median	\$ 6,500,000	\$ 6,300,000	\$ 5,650,000	\$ 7,210,000	\$ 10,625,000	-	-	\$ 7,210,000	-
# of Sales	5	1	7	3	2	0	0	3	0

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



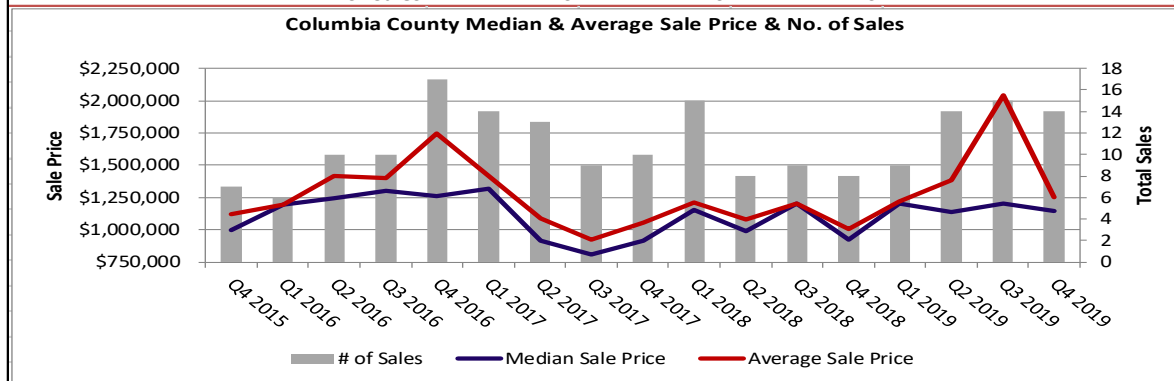


Columbia County Market Matrix	2015	2016	2017	2018	2019
Median Sale Price	\$ 1,235,000	\$ 1,260,000	\$ 937,250	\$ 1,004,500	\$ 1,175,000
Average Sale Price	\$ 1,662,692	\$ 1,481,739	\$ 1,140,040	\$ 1,143,304	\$ 1,508,690
# of Sales	35	43	46	40	52
Avg. DOM	124	181	177	208	177
Avg. List Price	\$ 1,350,528	\$ 1,700,459	\$ 1,202,193	\$ 1,188,736	\$ 1,572,167
Listing Discount	-8.36%	-10.51%	-7.22%	-7.67%	-5.31%

Median Sale Price by Market Subset	2015	2016	2017	2018	2019
<b>\$750,000 - \$999,999</b>					
Median	\$ 861,250	\$ 853,750	\$ 845,000	\$ 842,500	\$ 847,000
# of Sales	10	16	29	20	21
<b>\$1,000,000 - \$1,999,999</b>					
Median	\$ 1,235,000	\$ 1,409,000	\$ 1,350,000	\$ 1,340,000	\$ 1,362,500
# of Sales	15	20	13	19	25
<b>\$2,000,000 - \$3,999,999</b>					
Median	\$ 2,257,500	\$ 2,465,625	\$ 2,500,000	\$ 2,000,000	\$ 2,500,000
# of Sales	9	6	4	1	4
<b>\$4,000,000 +</b>					
Median	\$ 4,682,091	\$ 7,000,000	---	---	\$ 7,605,000
# of Sales	1	1	0	0	2

Columbia County Market Matrix	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019
Median Sale Price	\$ 925,000	\$ 1,200,000	\$ 1,137,500	\$ 1,200,000	\$ 1,144,750
Average Sale Price	\$ 1,002,281	\$ 1,220,778	\$ 1,380,036	\$ 2,041,493	\$ 1,251,571
# of Sales	8	9	14	15	14
Avg. DOM	111	94	237	122	229
Avg. List Price	\$ 1,055,625	\$ 1,331,250	\$ 1,257,250	\$ 2,238,286	\$ 1,313,643
Listing Discount	-5.06%	-4.32%	-7.80%	-4.83%	-4.73%
Listing Inventory	148	150	172	166	129

Median Sale Price by Market Subset	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019
<b>\$750,000 - \$999,999</b>					
Median	\$ 853,000	\$ 841,000	\$ 863,000	\$ 900,000	\$ 772,500
# of Sales	6	4	6	5	6
<b>\$1,000,000 - \$1,999,999</b>					
Median	\$ 1,400,000	\$ 1,312,500	\$ 1,320,000	\$ 1,350,000	\$ 1,395,000
# of Sales	2	4	6	8	7
<b>\$2,000,000 - \$3,999,999</b>					
Median	\$ -	\$ 2,300,000	\$ 2,787,500	\$ -	\$ 2,700,000
# of Sales	0	1	2	0	1
<b>\$4,000,000 +</b>					
Median	---	---	---	\$ 7,605,000	---
# of Sales	0	0	0	2	0



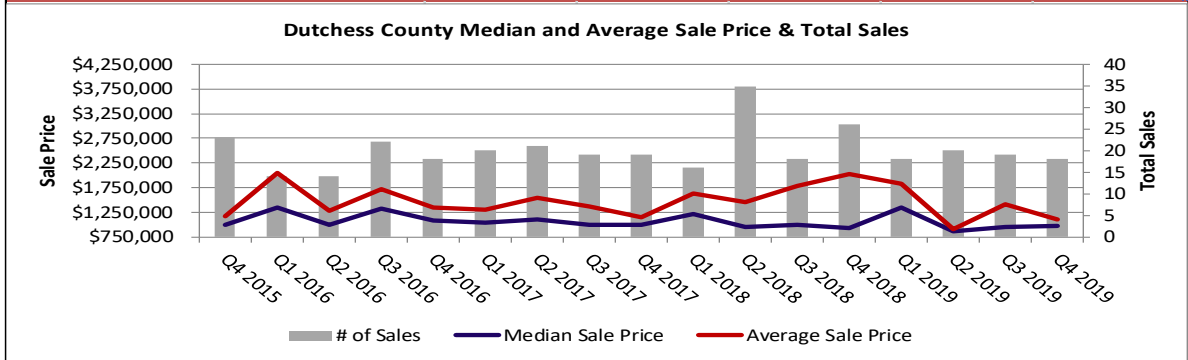
Dutchess County Market Matrix	2015	2016	2017	2018	2019
Median Sale Price	\$ 999,999	\$ 1,166,250	\$ 997,000	\$ 950,000	\$ 940,000
Average Sale Price	\$ 1,236,350	\$ 1,598,420	\$ 1,338,096	\$ 1,702,874	\$ 1,296,479
# of Sales	75	68	80	95	75
Avg. DOM	235	226	199	228	233
Avg. List Price	\$ 1,607,587	\$ 1,411,920	\$ 1,482,805	\$ 1,554,421	\$ 1,326,968
Listing Discount	-8.45%	-9.70%	-8.54%	-6.70%	-9.61%

Median Sale Price by Market Subset	2015	2016	2017	2018	2019
<b>\$750,000 - \$999,999</b>					
Median	\$ 852,500	\$ 807,500	\$ 870,000	\$ 863,325	\$ 850,000
# of Sales	38	30	41	54	43
<b>\$1,000,000 - \$1,999,999</b>					
Median	\$ 1,317,500	\$ 1,400,000	\$ 1,375,000	\$ 1,435,000	\$ 1,275,000
# of Sales	31	24	27	20	22
<b>\$2,000,000 - \$3,999,999</b>					
Median	\$ 2,649,000	\$ 2,339,175	\$ 2,140,000	\$ 2,610,924	\$ 2,800,000
# of Sales	6	10	11	14	9
<b>\$4,000,000 +</b>					
Median	--	\$ 5,750,000	\$ 6,300,000	\$ 5,650,000	\$ 4,350,000
# of Sales	0	4	1	7	1

Source: NYSORPS, Mid-Hudson MLS

Dutchess County Market Matrix	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019
Median Sale Price	\$ 930,500	\$ 1,350,000	\$ 860,000	\$ 940,000	\$ 972,500
Average Sale Price	\$ 2,031,853	\$ 1,817,333	\$ 906,179	\$ 1,402,618	\$ 1,097,254
# of Sales	26	18	20	19	18
Avg. DOM	206	353	186	227	189
Avg. List Price	\$ 1,702,985	\$ 1,929,219	\$ 993,516	\$ 1,288,333	\$ 1,172,028
Listing Discount	-5.07%	-10.45%	-10.19%	-11.45%	6.38%
Listing Inventory	163	188	195	218	175

Median Sale Price by Market Subset	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019
<b>\$750,000 - \$999,999</b>					
Median	\$ 872,500	\$ 900,000	\$ 797,500	\$ 875,000	\$ 850,000
# of Sales	16	5	16	11	11
<b>\$1,000,000 - \$1,999,999</b>					
Median	\$ 1,400,000	\$ 1,300,000	\$ 1,251,250	\$ 1,500,000	\$ 1,211,250
# of Sales	5	7	4	5	6
<b>\$2,000,000 - \$3,999,999</b>					
Median	\$ 3,400,000	\$ 3,046,500	---	\$ 2,529,600	\$ 2,400,000
# of Sales	3	6	0	2	1
<b>\$4,000,000 +</b>					
Median	\$ 10,625,000	---	---	\$ 4,350,000	---
# of Sales	2	0	0	1	0





Ulster County Market Matrix	2015	2016	2017	2018	2019
Median Sale Price	\$ 995,000	\$ 900,000	\$ 875,000	\$ 975,000	\$ 925,000
Average Sale Price	\$ 1,133,115	\$ 971,135	\$ 1,036,313	\$ 1,117,591	\$ 1,094,160
# of Sales	38	36	55	65	81
Avg. DOM	158	222	162	130	184
Avg. List Price	\$ 1,074,380	\$ 1,037,555	\$ 1,116,001	\$ 1,187,159	\$ 1,185,047
Listing Discount	-6.65%	-6.43%	-6.31%	-4.48%	-6.73%

Median Sale Price by Market Subset	2015	2016	2017	2018	2019
<b>\$750,000 - \$999,999</b>					
Median	\$ 883,500	\$ 845,000	\$ 825,000	\$ 855,000	\$ 830,000
# of Sales	22	25	36	38	49
<b>\$1,000,000 - \$1,999,999</b>					
Median	\$ 1,228,000	\$ 1,162,500	\$ 1,140,000	\$ 1,300,000	\$ 1,215,000
# of Sales	13	11	17	25	28
<b>\$2,000,000+</b>					
Median	\$ 2,500,000	0	\$ 2,973,500	\$ 2,500,000	\$ 2,495,000
# of Sales	3	-	2	2	4

Ulster County Market Matrix	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019
Median Sale Price	\$ 975,000	\$ 875,000	\$ 981,750	\$ 937,500	\$ 885,000
Average Sale Price	\$ 1,125,807	\$ 978,272	\$ 1,238,886	\$ 1,035,527	\$ 1,151,904
# of Sales	20	11	11	32	27
Avg. DOM	141	155	168	135	143
Avg. List Price	\$ 1,200,626	\$ 1,045,808	\$ 1,274,888	\$ 1,132,928	\$ 1,229,585
Listing Discount	-5.15%	-6.46%	-9.73%	-7.17%	-6.32%
Listing Inventory	97	109	157	136	138

Median Sale Price by Market Subset	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019
<b>\$750,000 - \$999,999</b>					
Median	\$ 903,625	\$ 816,500	\$ 835,000	\$ 850,000	\$ 829,900
# of Sales	12	6	6	20	17
<b>\$1,000,000 - \$1,999,999</b>					
Median	\$ 1,275,000	\$ 1,175,000	\$ 1,300,000	\$ 1,185,000	\$ 1,387,500
# of Sales	7	5	3	12	8
<b>\$2,000,000+</b>					
Median	\$ 2,000,000	-	\$ 2,260,000	-	\$ 2,767,500
# of Sales	1	0	2	0	2

