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Second Quarter 2021 Hudson Valley Luxury Real Estate Market Report

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Second Quarter 2021

HUDSON VALLEY LUXURY REAL ESTATE MARKET REPORT

Dutchess, Columbia, and
Ulster County residential
sales over \$1,000,000

In recognition of housing price inflation since we began publishing the Hudson Valley Luxury Market Real Estate Overview more than a decade ago, we have renamed this publication the Hudson Valley Luxury Real Estate Market Report and raised the minimum sale price for featured properties to \$1 million from \$750,000.

The Hudson Valley luxury real estate market posted strong year-over-year sales gains during the second quarter of 2021, continuing a trend that has been in place since last summer. Nonetheless, market activity slowed from the torrid pace set in the final quarter of 2020. While it is too early to say that supply and demand have equaled out—available inventory remains low by historical standards—it does appear that the gold rush attitude that prevailed among buyers over the past six to nine months has begun to abate. One other indication that things have changed: fewer instances of properties receiving multiple bids at the end of the quarter than at the beginning.



Milan, New York Web ID: STCPWJ

In total, 61 properties changed hands during the quarter at prices of \$1 million and more. That was up dramatically from 24 in the year-earlier second quarter, but well below the 107 registered at the market's peak in last year's fourth quarter. The buying frenzy that prevailed over the past year and that has been mirrored in other parts of the country can be traced to the outbreak of the COVID-19 pandemic in early 2020. When it forced people to shelter in their homes, some residents of New York City and other urban areas began looking for places to live that would give them more indoor and outdoor space. The shift to remote work during this period also made it easier for people to relocate.

All the buying that followed has driven up home prices. The S&P CoreLogic Case-Shiller National Home Price Index, which tracks average home prices in major metropolitan areas across the country, rose 16.6% over the 12 months ended in May of this year (the latest period for which data is available), marking the highest annual rate of price growth since the index was launched in 1987. Meanwhile, the National Association of Realtors reports that the median existing-home price rose to a record high \$363,000 in June, up 23.4% from a year earlier.

In the three-county Hudson Valley region, the median sale price for luxury properties eased during the second quarter to \$1,350,000, down from \$1,675,000 a year earlier and \$1,500,000 in the first quarter of this year. Homes went from listing to closing in 171 days, on average, down slightly from 178 a year earlier. The average listing discount—the difference between the latest asking price and the actual sale price—narrowed to -4.4% from -5.1%. Activity remained strong at the upper end of the market, with five sales at prices of \$4 million or higher, versus two a year earlier. At the end of the quarter there were 193 luxury properties on the market.



Web ID: BBXM6N

Columbia County

Twice as many luxury properties sold in Columbia County during the second quarter as in the year earlier period (15 vs. 7), but that was still half the number (31) that sold at the market's peak in the fourth quarter of 2020. The median sale price declined substantially year over year, to \$1,330,000 from \$2,150,000, while the average listing discounted narrowed to -4.7% from -6.8%. The average time to sell a home leapt substantially, to 305 from 117, but this year's figure was inflated by the sale of one property in that had lingered on the market for years.

Columbia County was home to three of the five transactions above \$4 million during the quarter, crowned by the sale in Germantown of Riverbend, an 8.6-acre estate sitting high on a bluff on the east bank of the Hudson River. Located midway between Rhinebeck and Hudson and built in 1896, the recently updated 3,200-square-foot home features iconic views of the river and the Catskill Mountains beyond. The estate sold for \$4,950,000.

Also selling during the second quarter was a 245-acre parcel of land in Taghkanic, featuring panoramic views of the Catskill and Berkshire mountains, for \$4.6 million, and a newly constructed 5,500-square-foot ranch-style home in Copake. Situated on two lakefront acres, it sold for \$4.1 million.

Dutchess County

Eighteen luxury properties sold in Dutchess County during the second quarter, up from eight a year earlier but well off the pace of the prior six months. The median sale price ticked slightly higher to \$1,862,000 from \$1,767,500 in the year-earlier period, while the average listing discount narrowed to -5.9% from -7.7%. The average sale closed 122 days after listing, down from 328 days.

Among the notable transactions was the sale of the former home of famed broadcaster and World War II correspondent Edward R. Murrow in Pawling for \$4.1 million. The 290.9-acre estate, which remains a working farm, features a 4,704-square-foot, 18th-century home that is identified as Gen. George Washington's 1777 headquarters on an 1867 map.

About 30 miles north of the Pawling estate, a 5,242-square-foot home on 53 acres in Stanfordville, just south of Pine Plains, sold for \$4,375,000. The original house, a Federal-style brick structure built in 1780, has seen significant additions since then, and the property includes a barn with six stalls and a riding arena. Also selling in Stanfordville was a 4,656-square-foot lodge-style home on 125.6 acres for \$4,250,000. That property also includes a five-acre lake.



Ulster County

Ulster County has periodically surprised us with the number of sales, and it turned in a big number again in the second quarter with 28 transactions, up from nine a year earlier. That matched the number sold during the busy fourth quarter of 2020.

Twenty-five of the latest sales were in the \$1 million-to-\$1,999,999 price range, helping drive the median sale price to \$1,275,000 from \$1,598,000 a year earlier. However, properties sold much closer to their asking price, with the average listing discount shrinking to -2.6% from -7.1%. Properties also were snapped up quickly relative to those in Columbia and Dutchess counties, moving from listing to closing in 87 days on average, in line with the 88 days it took in the year-earlier second quarter.

Homes in Ulster County can offer tremendous value at all price points along the curve. For just \$1,022,250, for example, one buyer was able to purchase a charming 2,527-square-foot home, rustic but with thoroughly modern conveniences, on four acres of land less than a mile from Woodstock's Village Green. Built in 1936 for artist Harvey Emrich using peg-and-beam construction and recently occupied by a renowned jazz singer, the house also came with a cottage that was being used as an art and music studio. It was one of eight properties with Woodstock addresses selling during the quarter, including several nestled on wooded lots and boasting storybook charm.

Moving up the price scale, a 4,216-square-foot stone Colonial dating back to 1750 sold for \$2.8 million in Ulster Park. The house, which retains many of its original details, sits on 52 acres of land featuring stone-walled lawns, meadows, rolling hills, a winding stream, an orchard, a vineyard and miles of wooded trails. Other features of the property include a greenhouse, a seven-stall stable and a rustic cabin in the woods—all just 20 minutes from Metro North trains.





Outlook

While still a seller's market, we sense a slight turning in favor of buyers over the past few months. Although inventory is lower than we would like, the intense competition that existed among buyers appears to have eased a bit. Indeed, national news reports have been filled with stories about potential buyers backing away from the real estate market after being priced out in bidding wars.

Those who stay the course have a number of factors working in their favor, including the recent segue from buying frenzy to a simply busy market. And for anyone financing a purchase, mortgage rates remain low and are expected to remain low relative to historical standards for some time. It is worth noting, however, that the Federal Reserve signaled in late July that later this year it could begin scaling back the easy-money policies it adopted at the start of the pandemic.

The relative shortage of properties for sale is not unique to the Hudson Valley and should continue to prop up prices. Mortgage finance company Freddie Mac estimated in April that the U.S. housing market has 3.8 million fewer single-family homes than it needs to meet demand, up 52% from its first estimate in 2018. One potential step toward boosting inventory in the Hudson Valley would be the sale of a 437-acre parcel of land recently listed in Dutchess County for \$39.5 million. Marketed as Hudson River Wine Village—it includes 1.5 miles of Hudson River frontage—the property has been approved for a multiuse community, including 800 residential units, a hotel and conference center, 155,000 square feet of commercial retail and office space and 450,000 square feet of light industrial space.

Selling that parcel and developing it will take time, of course. In the meantime, we continue to see good value—and opportunity—in the Hudson Valley market, with some truly stunning properties for sale. Among the more prominent examples is Sugar Maple Farm, a 466-acre equestrian estate in Poughquag (pronounced Poh-kwag), about 26 minutes southwest of Poughkeepsie in Dutchess County. The estate's 18,000-square-foot Georgian manor house, built in 1980, was designed by renowned architect Boris Baranovich and overlooks a very large spring-fed lake. The lower level of the three-story house includes a lavish indoor swimming pool, sitting areas, kitchen, bathrooms, changing rooms, sauna, billiard room, gym, wet bar, wine cellar and half basketball court. The property also includes a substantial gate house, staff apartments, farm buildings and stabling for horses—all just 90 minutes north of New York City. The estate is being offered for \$15 million.

Sugar Maple Farm is a big property, and while we have seen a trend away from buyers looking for large tracts of land we still typically have a handful of potential buyers at any one time interested in that segment of the market.

For all the activity our market has seen over the past year, much remains the same. With so much to offer, from farms to riverfront properties, wooded hideaways, charming small-town homes and grand estates, Hudson Valley's luxury market continues to attract a wide range of homeowners eager to enjoy the relaxed, bucolic lifestyle it can offer.



Poughquag, New York Web ID: ETQQ25

HUDSON VALLEY LUXURY MARKET SALES IN Q2 2021 BY MARKET SUBSET

Category	Region	# Sales	Median Price
\$1,000,000-\$1,999,999	All Hudson Valley	44	\$1,250,0500
	Columbia County	9	\$1,200,500
	Dutchess County	10	\$1,412,500
	Ulster County	25	\$1,260,000
\$2,000,000-\$3,999,999	All Hudson Valley	12	\$2,725,000
	Columbia County	3	\$2,700,000
	Dutchess County	6	\$2,700,000
	Ulster County	3	\$2,775,000
\$4,000,000 +	All Hudson Valley	5	\$4,375,000
	Columbia County	3	\$4,600,000
	Dutchess County	2	\$4,312,500
	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
Q 2 2021	61	\$1,350,000	\$1,824,587	171	-4.4%	193
Q 1 2021	66	\$1,500,000	\$2,069,878	109	-3.4%	204
Q 4 2020	109	\$1,500,000	\$1,744,810	129	-4.5%	n/a
Q 3 2020	78	\$1,487,000	\$1,830,314	146	-2.0%	n/a
Q 2 2020	24	\$1,675,000	\$2,491,000	178	-5.1%	n/a



Web ID: BBXM6N

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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

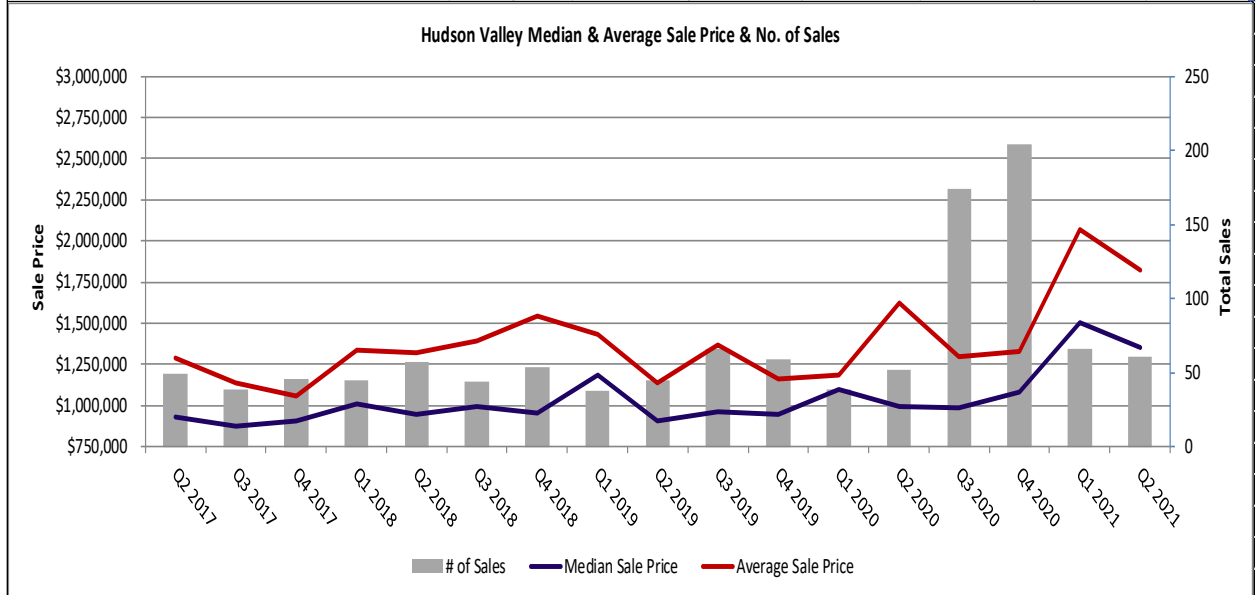
Hudson Valley

Hudson Valley Market Matrix, All Sales \$1,000,000 and over									
	2017	2018	2019	2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021*	Q2 2021
Median Sale Price	\$ 935,000	\$ 975,000	\$ 960,000	\$ 999,999	\$ 992,500	\$ 985,000	\$ 1,082,750	\$ 1,500,000	\$ 1,350,000
Average Sale Price	\$ 1,196,059	\$ 1,410,551	\$ 1,270,744	\$ 1,338,888	\$ 1,626,173	\$ 1,297,817	\$ 1,330,139	\$ 2,069,878	\$ 1,824,587
# of Sales	181	200	208	469	52	174	204	66	61
Avg. DOM	179	189	187	110	200	120	99	109	171
Avg. List Price	\$ 1,267,000	\$ 1,310,105	\$ 1,350,561	\$ 1,353,332	\$ 1,631,753	\$ 1,334,246	\$ 1,377,363	\$ 1,974,547	\$ 2,048,277
Listing Discount	-7.36%	-6.28%	-7.49%	-2.65%	-3.86%	-2.17%	-3.46%	-3.36%	-4.39%
Listing Inventory	435	474	483	363	355	370	289	204	193

Source, all tables & graphs: NYSORPS, Mid-Hudson MLS, Columbia-Northern Dutchess MLS, Hudson Valley Catskill Region MLS *Prior to Q1 2021 all figures were based on sales over \$750,000

Hudson Valley Median Sale Price by Market Subset									
	2017	2018	2019	2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021
\$750,000 - \$999,999									
Median	\$ 847,750	\$ 860,000	\$ 842,000	\$ 855,000	\$ 875,000	\$ 856,250	\$ 850,000		
# of Sales	106	112	113	235	28	96	95		
\$1,000,000 - \$1,999,999									
Median	\$ 1,325,000	\$ 1,332,500	\$ 1,300,000	\$ 1,350,000	\$ 1,430,000	\$ 1,356,500	\$ 1,337,500	\$ 1,362,500	\$ 1,250,000
# of Sales	57	64	75	185	16	62	86	46	44
\$2,000,000 - \$3,999,999									
Median	\$ 2,500,000	\$ 2,571,848	\$ 2,725,000	\$ 2,500,000	\$ 2,675,000	\$ 3,000,000	\$ 2,515,000	\$ 2,675,000	\$ 2,725,000
# of Sales	17	17	17	43	6	15	20	14	12
\$4,000,000 +									
Median	\$ 6,300,000	\$ 5,650,000	\$ 7,210,000	\$ 7,325,000	\$ 10,450,000	\$ 10,250,000	\$ 4,400,000	\$ 5,897,500	\$ 4,375,000
# of Sales	1	7	3	6	2	1	3	6	5

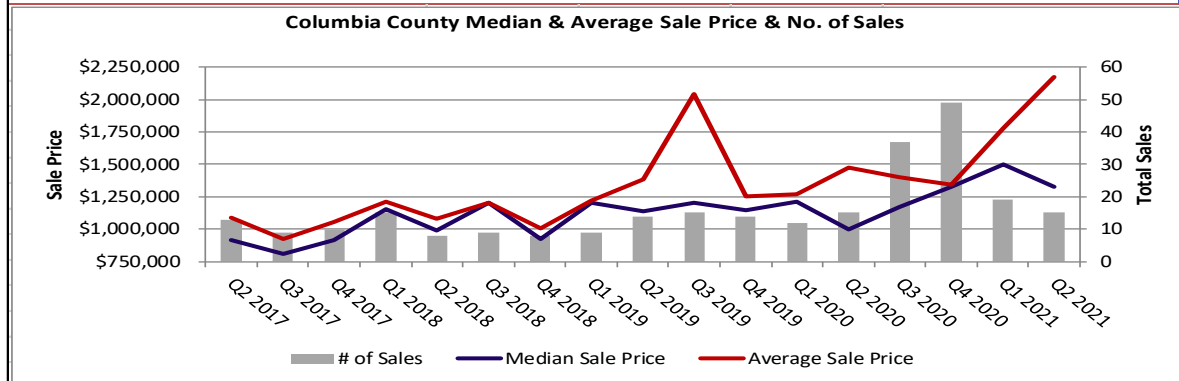
Source: NYSORPS, Mid-Hudson MLS, Columbia-Northern Dutchess MLS, Hudson Valley Catskill Region MLS



Columbia County Market Matrix	2016	2017	2018	2019	2020
Median Sale Price	\$ 1,260,000	\$ 937,250	\$ 1,004,500	\$ 1,175,000	\$ 1,200,000
Average Sale Price	\$ 1,481,739	\$ 1,140,040	\$ 1,143,304	\$ 1,508,690	\$ 1,369,856
# of Sales	43	46	40	52	113
Avg. DOM	181	177	208	177	95
Avg. List Price	\$ 1,700,459	\$ 1,202,193	\$ 1,188,736	\$ 1,572,167	\$ 1,382,120
Listing Discount	-10.51%	-7.22%	-7.67%	-5.31%	-3.40%
Median Sale Price by Market Subset					
	2016	2017	2018	2019	2020
<i>\$750,000 - \$999,999</i>					
Median	\$ 853,750	\$ 845,000	\$ 842,500	\$ 847,000	\$ 850,000
# of Sales	16	29	20	21	47
<i>\$1,000,000 - \$1,999,999</i>					
Median	\$ 1,409,000	\$ 1,350,000	\$ 1,340,000	\$ 1,362,500	\$ 1,390,000
# of Sales	20	13	19	25	52
<i>\$2,000,000 - \$3,999,999</i>					
Median	\$ 2,465,625	\$ 2,500,000	\$ 2,000,000	\$ 2,500,000	\$ 2,397,500
# of Sales	6	4	1	4	14
<i>\$4,000,000 +</i>					
Median	\$ 7,000,000	---	---	\$ 7,605,000	---
# of Sales	1	0	0	2	0

Source: NYSORPS, Columbia Northern Dutchess MLS. Beginning in 2021, figures are based on Sales over \$1,000,000

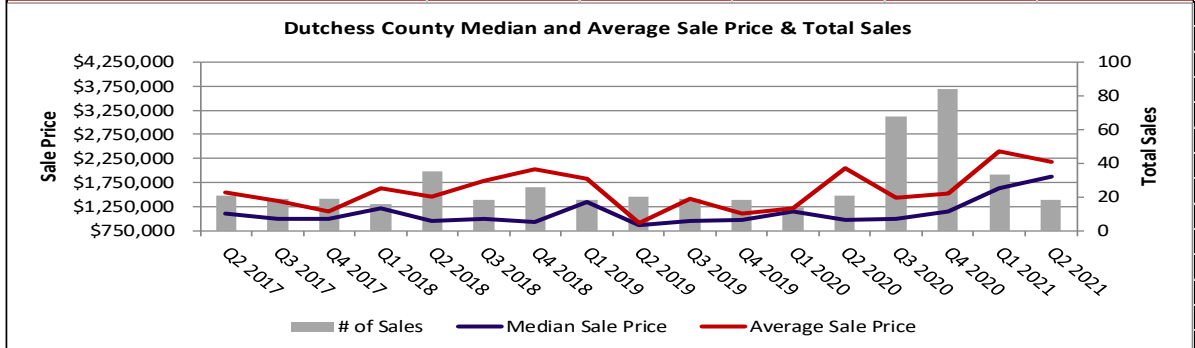
Columbia County Market Matrix	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021
Median Sale Price	\$ 999,000	\$ 1,170,000	\$ 1,325,000	\$ 1,495,000	\$ 1,330,000
Average Sale Price	\$ 1,470,867	\$ 1,400,541	\$ 1,340,321	\$ 1,779,579	\$ 2,169,812
# of Sales	15	37	49	19	15
Avg. DOM	133	87	88	123	305
Avg. List Price	\$ 1,550,667	\$ 1,374,321	\$ 1,412,533	\$ 1,826,263	\$ 2,344,571
Listing Discount	-5.15%	-3.00%	-4.83%	-2.56%	-4.66%
Period-End Listing Inventory	109	112	92	73	66
Median Sale Price by Market Subset					
	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021
<i>\$750,000 - \$999,999</i>					
Median	\$ 885,000	\$ 895,000	\$ 817,500		
# of Sales	8	17	18		
<i>\$1,000,000 - \$1,999,999</i>					
Median	\$ 1,200,000	\$ 1,375,000	\$ 1,400,000	\$ 1,372,500	\$ 1,200,000
# of Sales	3	15	27	14	9
<i>\$2,000,000 - \$3,999,999</i>					
Median	\$ 2,675,000	\$ 3,000,000	\$ 2,162,500	\$ 2,073,500	\$ 2,700,000
# of Sales	4	5	4	4	3
<i>\$4,000,000 +</i>					
Median	---	---	---	\$ 4,995,000	\$ 4,600,000
# of Sales	0	0	0	1	3



Dutchess County Market Matrix	2016	2017	2018	2019	2020
Median Sale Price	\$ 1,166,250	\$ 997,000	\$ 950,000	\$ 940,000	\$ 1,042,000
Average Sale Price	\$ 1,598,420	\$ 1,338,096	\$ 1,702,874	\$ 1,296,479	\$ 1,521,609
# of Sales	68	80	95	75	187
Avg. DOM	226	199	228	233	153
Avg. List Price	\$ 1,411,920	\$ 1,482,805	\$ 1,554,421	\$ 1,326,968	\$ 1,543,565
Listing Discount	-9.70%	-8.54%	-6.70%	-9.61%	-2.39%
Median Sale Price by Market Subset					
	2016	2017	2018	2019	2020
\$750,000 - \$999,999					
Median	\$ 807,500	\$ 870,000	\$ 863,325	\$ 850,000	\$ 857,500
# of Sales	30	41	54	43	90
\$1,000,000 - \$1,999,999					
Median	\$ 1,400,000	\$ 1,375,000	\$ 1,435,000	\$ 1,275,000	\$ 1,300,000
# of Sales	24	27	20	22	68
\$2,000,000 - \$3,999,999					
Median	\$ 2,339,175	\$ 2,140,000	\$ 2,610,924	\$ 2,800,000	\$ 2,550,000
# of Sales	10	11	14	9	23
\$4,000,000 +					
Median	\$ 5,750,000	\$ 6,300,000	\$ 5,650,000	\$ 4,350,000	\$ 7,325,000
# of Sales	4	1	7	1	6

Source: NYSORPS, Mid-Hudson MLS. Beginning in 2021, figures are based on Sales over \$1,000,000

Dutchess County Market Matrix	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021
Median Sale Price	\$ 970,000	\$ 995,000	\$ 1,153,750	\$ 1,625,000	\$ 1,862,000
Average Sale Price	\$ 2,052,405	\$ 1,426,145	\$ 1,516,334	\$ 2,401,665	\$ 2,181,111
# of Sales	21	68	84	33	18
Avg. DOM	303	186	146	129	122
Avg. List Price	\$ 2,061,717	\$ 1,462,464	\$ 1,540,058	\$ 2,562,833	\$ 2,317,944
Listing Discount	-0.92%	-0.30%	-4.16%	-6.29%	-5.90%
Period-End Listing Inventory	147	145	114	95	73
Median Sale Price by Market Subset					
	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021
\$750,000 - \$999,999					
Median	\$ 892,250	\$ 860,000	\$ 827,500		
# of Sales	13	37	34		
\$1,000,000 - \$1,999,999					
Median	\$ 1,321,875	\$ 1,325,000	\$ 1,282,125	\$ 1,425,000	\$ 1,412,500
# of Sales	4	24	33	21	10
\$2,000,000 - \$3,999,999					
Median	\$ 2,675,000	\$ 3,717,500	\$ 2,507,500	\$ 2,960,000	\$ 2,700,000
# of Sales	2	6	14	8	6
\$4,000,000 +					
Median	\$ 10,450,000	\$ 10,250,000	\$ 4,400,000	\$ 6,900,000	\$ 4,312,500
# of Sales	2	1	3	4	2



Ulster County Market Matrix	2016	2017	2018	2019	2020
Median Sale Price	\$ 900,000	\$ 875,000	\$ 975,000	\$ 925,000	\$ 950,000
Average Sale Price	\$ 971,135	\$ 1,036,313	\$ 1,117,591	\$ 1,094,160	\$ 1,116,000
# of Sales	36	55	65	81	169
Avg. DOM	222	162	130	184	82
Avg. List Price	\$ 1,037,555	\$ 1,116,001	\$ 1,187,159	\$ 1,185,047	\$ 1,134,310
Listing Discount	-6.43%	-6.31%	-4.48%	-6.73%	-2.16%
Median Sale Price by Market Subset					
	2016	2017	2018	2019	2020
<i>\$750,000 - \$999,999</i>					
Median	\$ 845,000	\$ 825,000	\$ 855,000	\$ 830,000	\$ 863,000
# of Sales	25	36	38	49	98
<i>\$1,000,000 - \$1,999,999</i>					
Median	\$ 1,162,500	\$ 1,140,000	\$ 1,300,000	\$ 1,215,000	\$ 1,295,000
# of Sales	11	17	25	28	65
<i>\$2,000,000+</i>					
Median	0	\$ 2,973,500	\$ 2,500,000	\$ 2,495,000	\$ 2,324,500
# of Sales	-	2	2	4	6

Source: NYSORPS, Hudson Valley Catskill Region MLS. Beginning in 2021, figures are based on Sales over \$1,000,000

Ulster County Market Matrix	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021
Median Sale Price	\$ 1,050,000	\$ 946,500	\$ 950,000	\$ 1,350,000	\$ 1,275,000
Average Sale Price	\$ 1,212,344	\$ 1,116,265	\$ 1,102,826	\$ 1,681,786	\$ 1,410,452
# of Sales	16	69	71	14	28
Avg. DOM	165	87	64	75	87
Avg. List Price	\$ 1,282,875	\$ 1,165,953	\$ 1,124,335	\$ 1,534,545	\$ 1,482,316
Listing Discount	-5.50%	-3.22%	-1.67%	-1.22%	-2.61%
Period-End Listing Inventory	99	113	83	36	54
Median Sale Price by Market Subset					
	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021
<i>\$750,000 - \$999,999</i>					
Median	\$ 800,000	\$ 845,000	\$ 870,000		
# of Sales	7	42	43		
<i>\$1,000,000 - \$1,999,999</i>					
Median	\$ 1,598,000	\$ 1,363,000	\$ 1,287,500	\$ 1,325,000	\$ 1,260,000
# of Sales	9	23	26	11	25
<i>\$2,000,000 - \$3,999,999</i>					
Median	-	\$ 2,137,500	\$ 2,750,000	\$ 2,475,000	\$ 2,775,000
# of Sales	0	4	2	2	3
<i>\$4,000,000+</i>					
Median	-	-	-	\$ 4,070,000	-
# of Sales	0	0	0	1	0

