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Third Quarter 2023 Hudson Valley Luxury Real Estate Market Report

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Third Quarter 2023

HUDSON VALLEY

LUXURY REAL ESTATE MARKET REPORT

Dutchess, Columbia, and Ulster County Residential Sales of \$1 million-plus

Year-over-year sales of luxury real estate continued to trend lower during the third quarter of 2023, but the market nonetheless remained healthy. Homes generally sold quickly at very near their asking prices.

Sixty-nine properties changed hands during the quarter, down from 76 a year earlier but up sharply from 32 in the first quarter of this year and 53 in the second. The properties that sold spent an average of just 66 days on market, a metric that counts the total days from listing to closing, compared with 96 in the year-earlier quarter. The average listing discount—the difference between the latest asking price and the final sale price—narrowed. On average, homes sold for 1.5% less than sellers were asking, versus 3.2% less a year earlier.

Sales tended to cluster toward the lower end of the market, with the median sale price falling to \$1,355,000 from \$1,540,000 in the year-earlier quarter. The average sale price fell to \$1,599,369 from \$2,209,217. Ulster County was home to the only sale over the \$4 million mark. By comparison, there were eight sales at that price or higher in the 2022 third quarter.

Modest levels of inventory continue to be a drag on sales, with 238 properties listed for sale at the end of the quarter, down from 245 a year earlier. Still, inventory levels are better than they were at the end of this year's first quarter, when only 179 properties were listed.





Millbrook, NY Web ID: 852D63

Dutchess County

Dutchess County was the most active of the three counties in the third quarter with 26 sales versus 25 a year earlier. The properties that sold spent an unusually small amount of time on the market—just 60 days, on average, down from 98 a year earlier. Bucking trends elsewhere, the median sale price rose to \$1,525,000 from \$1,450,000.

Nineteenth-century homes proved popular with buyers in Dutchess County. In Red Hook, a five-bedroom, two-story clapboard farmhouse built in 1840 sold for \$3,755,000, making it the highest-priced sale in the county for the quarter. In the nearby town of Washington—Millbrook hunt country—a stone farmhouse known as Smoke Rise sold for \$3.2 million. In addition to a three-bedroom main house built in 1875, the property features a three-bedroom lodge/guest house, pool, pond with dock, lighted tennis court, basketball court, barn and new three-car garage.



Millbrook, NY Web ID: 852D63

Columbia County

After being the busiest of the three counties in the second quarter of this year, Columbia County was home to the fewest sales in the third quarter with 20 transactions, down from 23 a year earlier. As was the case across the region, properties tended to sell quickly, spending an average 67 days on market, down from 132 a year earlier. The average listing discount was small, too, at just 1.1%.

In line with trends across the Hudson Valley, the median sale price in Columbia County fell to \$1,355,000 from \$1,750,000 a year earlier.

The county's largest sale took place in Ghent, where the Jedidiah Link House, built in 1825, sold for \$3 million. Situated on 20 acres, the Greek Revival-style house features four bedrooms and 3.5 baths. It has been painstakingly restored consistent with its original architectural style while still incorporating modern conveniences.

At the other end of the price spectrum, another home dating to the early 1800s—this one the Lawrence Van Buren house—sold in the heart of Kinderhook village for \$1,025,000. Sitting on a lot of just a third of an acre, the two-story brick home was built in the Federal style built in 1812 and features three bedrooms, 3.5 baths and a total of 3,128 square feet of living space. The property also includes a three-car carriage house with a two-bedroom apartment on its second floor. Lawrence Van Buren was the brother of President Martin Van Buren.

Ulster County

Twenty-three properties sold in Ulster County, down from 28 a year earlier. The median price fell to \$1,350,000 from \$1,550,000. The homes that sold spent an average of 70 days on market, up from 59, while the average listing discount narrowed to 0.8% from 1%.

Topping the sales list was a three-house family compound on 7.6 acres in Woodstock that sold within days of listing to the first person who looked at it, for \$4,380,000—slightly above asking price. Within walking distance of town, yet secluded at the end of a private lane, the property's central feature is a three-bedroom, 3,200-square-foot main house. A converted stable/guest house features two additional bedrooms, as does a mother-in-law cottage with its own separate address and driveway. Exterior highlights of the property include two ponds and a swimming pool.





Outlook

The U.S. real estate market faces several challenges right now, highlighted by a sharp rise in mortgage rates over the past two years. On Oct. 19, the average 30-year fixed rate mortgage carried an interest rate of 8.03%, according to Mortgage Daily News, up from 5.99% as recently as Feb. 2. This marks the first time the 30-year rate has hit 8% since 2000. As recently as Sept. 15, 2021, the average 30-year rate was just 2.93%.

In part because of the rate hikes, home sales across all price ranges nationally fell in September to their lowest level in 13 years, according to the National Association of Realtors, with total sales down 15.4% over the latest 12 months.

The surge in mortgage rates has made homes more expensive to finance for buyers who can't pay cash. It also helps keep inventory off the market, as homeowners who borrowed at attractive rates years ago may be reluctant to give up those loans and finance a new property at a higher rate.

Against this backdrop, the 9.2% year-over-year decline in luxury property sales in the Hudson Valley during the third quarter does not appear overly worrisome. Consider that in 2019, before the market surged in the wake of the COVID-19 pandemic, there were only 30 sales at prices of \$1 million or higher during the third quarter.

That makes this year's third quarter, with its 69 transactions, look robust.

Other factors speaking to the underlying strength of the market today include the fact that homes continue to sell briskly and at narrow discounts to their asking prices. Indeed, with relatively few homes for sale, it's not uncommon for potential buyers to find themselves in bidding wars when they find a property they like. As we've said before, the biggest problem for the Hudson Valley luxury market right now is not a lack of demand but rather a lack of supply.

As we look to the future, we also are encouraged by a recent uptick of listing activity at the higher end of the market. Four properties are listed in Dutchess County at prices ranging from \$20 million to \$28 million. Two are in Millbrook, one is in nearby Amenia and the fourth is in Hyde Park. Of course, homes at the top of the market typically take longer to sell than those at the lower end, and sales above \$10 million are uncommon for our region. Nonetheless, these four properties present a welcome opportunity for well-heeled buyers seeking truly distinctive properties.

Barring any substantial change in the economic outlook, we anticipate continued strong sales activity in the months ahead.



HUDSON VALLEY LUXURY MARKET SALES IN Q3 2023 BY MARKET SUBSET

Category	Region	# Sales	Median Price
\$1,000,000-\$1,999,999	All Hudson Valley	59	\$1,335,000
	Columbia County	15	\$1,285,000
	Dutchess County	22	\$1,350,000
	Ulster County	22	\$1,349,000
\$2,000,000-\$3,999,999	All Hudson Valley	9	\$2,700,000
	Columbia County	5	\$2,600,000
	Dutchess County	4	\$3,050,000
	Ulster County	0	n/a
\$4,000,000 +	All Hudson Valley	1	\$4,380,000
	Columbia County	0	n/a
	Dutchess County	0	n/a
	Ulster County	1	\$4,380,000

HUDSON VALLEY LUXURY MARKET OVERVIEW

Period	# of Sales	Median Sale Price	Average Sale Price	Avg. Days on Market	Avg. Listing Discount	Listing Inventory
Q 3 2023	69	\$1,355,000	\$1,599,369	66	-1.5%	238
Q 2 2023	53	\$1,457,000	\$1,683,753	119	-2.5%	240
Q 1 2023	32	\$1,350,000	\$1,411,234	83	-4.0%	179
Q 4 2022	71	\$1,400,000	\$1,709,089	61	+0.3%	182
Q 3 2022	76	\$1,540,000	\$2,209,217	96	-3.2%	245



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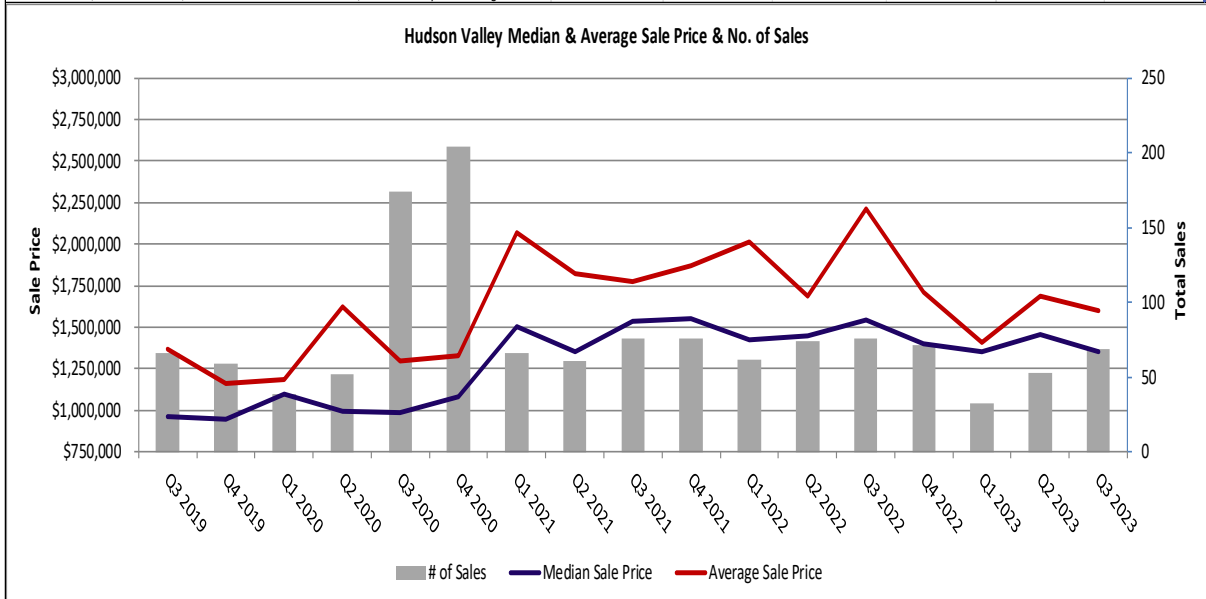
This information contained in this Market Overview has been compiled from NYS ORPS, Mid-Hudson MLS, Columbia Northern Dutchess MLS, and Ulster MLS. We believe this information to be true and accurate. Heather Croner Real Estate, Hubbell and Associates, Inc. and Randy Myers assume no responsibility for 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.

Hudson Valley Market Matrix, All Sales \$1,000,000 and over									
	2019	2020	2021*	2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023
Median Sale Price	\$ 960,000	\$ 999,999	\$ 1,500,000	\$ 1,450,000	\$ 1,540,000	\$ 1,400,000	\$ 1,350,000	\$ 1,457,000	\$ 1,355,000
Average Sale Price	\$ 1,270,744	\$ 1,338,888	\$ 1,880,259	\$ 1,903,857	\$ 2,209,217	\$ 1,709,089	\$ 1,411,234	\$ 1,683,753	\$ 1,599,369
# of Sales	208	469	279	283	76	71	32	53	69
Avg. DOM	187	110	123	90	96	61	83	119	66
Avg. List Price	\$ 1,350,561	\$ 1,353,332	\$ 1,918,622	\$ 1,905,167	\$ 2,206,502	\$ 1,702,231	\$ 1,469,281	\$ 1,717,305	\$ 1,626,146
Listing Discount	-7.49%	-2.65%	-2.30%	-2.37%	-3.18%	0.31%	-3.96%	-2.50%	-1.54%
Listing Inventory	483	363	197	205	245	182	179	240	238

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									
	2019	2020	2021*	2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023
\$750,000 - \$999,999									
Median	\$ 842,000	\$ 855,000							
# of Sales	113	235							
\$1,000,000 - \$1,999,999									
Median	\$ 1,300,000	\$ 1,350,000	\$ 1,350,000	\$ 1,325,000	\$ 1,370,000	\$ 1,279,000	\$ 1,350,000	\$ 1,250,000	\$ 1,335,000
# of Sales	75	185	203	217	55	54	29	41	59
\$2,000,000 - \$3,999,999									
Median	\$ 2,725,000	\$ 2,500,000	\$ 2,600,000	\$ 2,500,000	\$ 2,400,000	\$ 2,475,000	\$ 2,097,000	\$ 2,595,000	\$ 2,700,000
# of Sales	17	43	61	51	13	15	3	11	9
\$4,000,000 +									
Median	\$ 7,210,000	\$ 7,325,000	\$ 4,600,000	\$ 5,500,000	\$ 5,200,000	\$ 4,750,000	\$ -	\$ 4,200,000	\$ 4,380,000
# of Sales	3	6	15	15	8	2	0	1	1

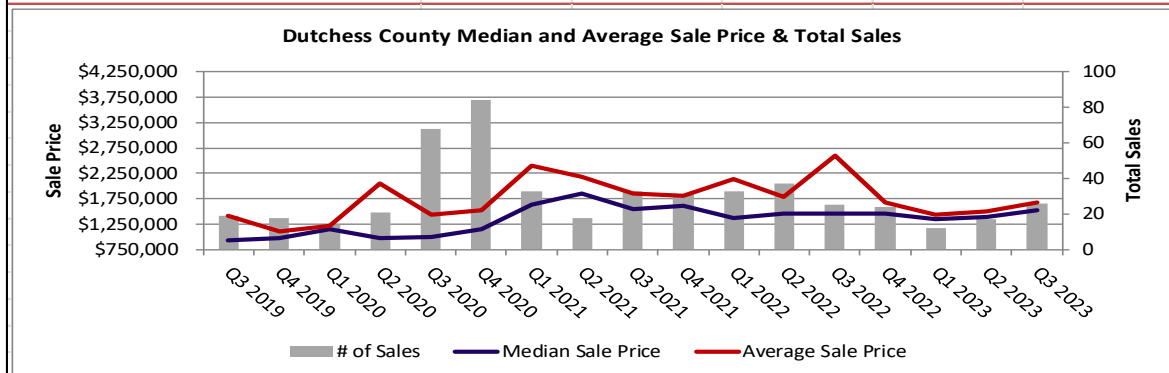
Source: NYSORPS, Mid-Hudson MLS, Columbia-Northern Dutchess MLS, Hudson Valley Catskill Region MLS



Dutchess County Market Matrix	2018	2019	2020	2021	2022
Median Sale Price	\$ 950,000	\$ 940,000	\$ 1,042,000	\$ 1,635,000	\$ 1,450,000
Average Sale Price	\$ 1,702,874	\$ 1,296,479	\$ 1,521,609	\$ 2,050,882	\$ 2,028,586
# of Sales	95	75	187	115	119
Avg. DOM	228	233	153	130	91
Avg. List Price	\$ 1,554,421	\$ 1,326,968	\$ 1,543,565	\$ 2,147,471	\$ 2,107,025
Listing Discount	-6.70%	-9.61%	-2.39%	-3.66%	-3.59%
Median Sale Price by Market Subset					
	2018	2019	2020	2021	2022
\$750,000 - \$999,999					
Median	\$ 863,325	\$ 850,000	\$ 857,500		
# of Sales	54	43	90		
\$1,000,000 - \$1,999,999					
Median	\$ 1,435,000	\$ 1,275,000	\$ 1,300,000	\$ 1,400,000	\$ 1,300,000
# of Sales	20	22	68	77	90
\$2,000,000 - \$3,999,999					
Median	\$ 2,610,924	\$ 2,800,000	\$ 2,550,000	\$ 2,750,000	\$ 2,300,000
# of Sales	14	9	23	32	21
\$4,000,000 +					
Median	\$ 5,650,000	\$ 4,350,000	\$ 7,325,000	\$ 5,587,500	\$ 6,112,500
# of Sales	7	1	6	6	8

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

Dutchess County Market Matrix	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023
Median Sale Price	\$ 1,450,000	\$ 1,454,125	\$ 1,350,000	\$ 1,387,500	\$ 1,525,000
Average Sale Price	\$ 2,601,540	\$ 1,678,969	\$ 1,442,917	\$ 1,509,995	\$ 1,680,380
# of Sales	25	24	12	17	26
Avg. DOM	98	66	88	158	60
Avg. List Price	\$ 2,956,200	\$ 1,677,893	\$ 1,583,583	\$ 1,369,288	\$ 1,726,500
Listing Discount	-11.66%	1.00%	-8.88%	1.02%	-2.68%
Period-End Listing Inventory	92	73	72	101	84
Median Sale Price by Market Subset					
	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023
\$1,000,000 - \$1,999,999					
Median	\$ 1,325,000	\$ 1,375,000	\$ 1,350,000	\$ 1,312,500	\$ 1,350,000
# of Sales	18	19	11	14	22
\$2,000,000 - \$3,999,999					
Median	\$ 2,200,000	\$ 2,300,000	\$ 2,200,000	\$ 2,150,000	\$ 3,050,000
# of Sales	3	4	1	3	4
\$4,000,000 +					
Median	\$ 5,687,500	\$ 4,000,000	\$ -	\$ -	\$ -
# of Sales	4	1	0	0	0



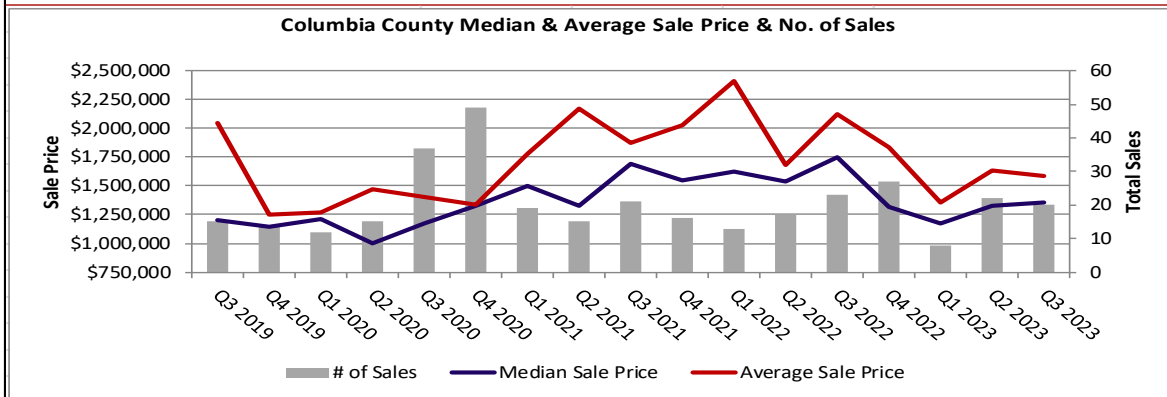
Columbia County Market Matrix	2018	2019	2020	2021	2022
Median Sale Price	\$ 1,004,500	\$ 1,175,000	\$ 1,200,000	\$ 1,500,000	\$ 1,542,500
Average Sale Price	\$ 1,143,304	\$ 1,508,690	\$ 1,369,856	\$ 1,944,053	\$ 1,978,187
# of Sales	40	52	113	71	80
Avg. DOM	208	177	95	164	111
Avg. List Price	\$ 1,188,736	\$ 1,572,167	\$ 1,382,120	\$ 2,006,054	\$ 2,043,659
Listing Discount	-7.67%	-5.31%	-3.40%	-2.39%	-3.20%

Median Sale Price by Market Subset	2018	2019	2020	2021	2022
\$750,000 - \$999,999					
Median	\$ 842,500	\$ 847,000	\$ 850,000		
# of Sales	20	21	47		
\$1,000,000 - \$1,999,999					
Median	\$ 1,340,000	\$ 1,362,500	\$ 1,390,000	\$ 1,300,000	\$ 1,325,500
# of Sales	19	25	52	50	58
\$2,000,000 - \$3,999,999					
Median	\$ 2,000,000	\$ 2,500,000	\$ 2,397,500	\$ 2,370,000	\$ 2,550,000
# of Sales	1	4	14	15	17
\$4,000,000 +					
Median	---	\$ 7,605,000	---	\$ 4,972,500	\$ 5,500,000
# of Sales	0	2	0	6	5

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

Columbia County Market Matrix	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023
Median Sale Price	\$ 1,750,000	\$ 1,320,000	\$ 1,200,000	\$ 1,328,500	\$ 1,355,000
Average Sale Price	\$ 2,123,587	\$ 1,831,794	\$ 1,355,000	\$ 1,636,136	\$ 1,585,598
# of Sales	23	27	8	22	20
Avg. DOM	132	73	77	121	67
Avg. List Price	\$ 1,938,848	\$ 1,851,907	\$ 1,396,125	\$ 1,674,914	\$ 1,619,421
Listing Discount	1.09%	-1.09%	-2.95%	-1.96%	-1.10%
Period-End Listing Inventory	82	59	68	74	78

Median Sale Price by Market Subset	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023
\$1,000,000 - \$1,999,999					
Median	\$ 1,410,000	\$ 1,250,000	\$ 1,175,000	\$ 1,200,000	\$ 1,285,000
# of Sales	17	19	7	17	15
\$2,000,000 - \$3,999,999					
Median	\$ 2,368,750	\$ 2,780,000	\$ 2,000,000	\$ 2,595,000	\$ 2,600,000
# of Sales	4	7	1	5	5
\$4,000,000 +					
Median	\$ 7,310,000	\$ 5,500,000	--	--	--
# of Sales	2	1	0	0	0



Ulster County Market Matrix	2018	2019	2020	2021	2022
Median Sale Price	\$ 975,000	\$ 925,000	\$ 950,000	\$ 2,400,000	\$ 1,425,000
Average Sale Price	\$ 1,117,591	\$ 1,094,160	\$ 1,116,000	\$ 2,603,667	\$ 1,656,368
# of Sales	65	81	169	93	84
Avg. DOM	130	184	82	77	67
Avg. List Price	\$ 1,187,159	\$ 1,185,047	\$ 1,134,310	\$ 1,602,342	\$ 1,641,045
Listing Discount	-4.48%	-6.73%	-2.16%	-0.85%	1.01%
Median Sale Price by Market Subset					
	2018	2019	2020	2021	2022
\$750,000 - \$999,999					
Median	\$ 855,000	\$ 830,000	\$ 863,000		
# of Sales	\$ 38	\$ 49	\$ 98		
\$1,000,000 - \$1,999,999					
Median	\$ 1,300,000	\$ 1,215,000	\$ 1,295,000	\$ 1,341,000	\$ 1,370,000
# of Sales	25	\$ 28	\$ 65	\$ 76	\$ 69
\$2,000,000 - \$3,999,999					
Median	\$ 2,500,000	\$ 2,495,000	\$ 2,324,500	\$ 2,400,000	\$ 2,475,000
# of Sales	2	\$ 4	\$ 6	\$ 14	\$ 13
\$4,000,000 +					
Median	---	---	---	\$ 4,070,000	\$ 5,200,000
# of Sales	0	\$ -	\$ -	\$ 3	\$ 2

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

Ulster County Market Matrix	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023
Median Sale Price	\$ 1,550,000	\$ 1,425,000	\$ 1,375,000	\$ 1,637,000	\$ 1,350,000
Average Sale Price	\$ 1,929,268	\$ 1,579,580	\$ 1,417,042	\$ 1,969,571	\$ 1,519,766
# of Sales	28	20	12	14	23
Avg. DOM	59	45	84	77	70
Avg. List Price	\$ 1,724,459	\$ 1,576,894	\$ 1,428,136	\$ 2,107,714	\$ 1,532,517
Listing Discount	1.02%	1.01%	-1.00%	-6.56%	-0.84%
Period-End Listing Inventory	71	50	39	65	76
Median Sale Price by Market Subset					
	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023
\$1,000,000 - \$1,999,999					
Median	\$ 1,385,000	\$ 1,317,500	\$ 1,375,000	\$ 1,440,000	\$ 1,349,000
# of Sales	20	16	11	10	22
\$2,000,000 - \$3,999,999					
Median	\$ 2,750,000	\$ 2,362,500	\$ 2,097,000	\$ 2,900,000	-
# of Sales	6	4	1	3	0
\$4,000,000+					
Median	\$ 5,200,000	-	\$ -	\$ 4,200,000	\$ 4,380,000
# of Sales	2	0	0	1	1

