

The background image is a faded photograph of a residential street. On the left, there is a two-story house with a porch supported by white columns. In the center, a red house with a prominent bay window is visible. To the right, a silver car is parked on the street, and a large tree stands on the sidewalk. The overall scene is a typical suburban neighborhood.

2021 For-Sale Housing Report

Dutchess County Department of Planning and Development

Introduction

This is the inaugural edition of the Dutchess County For-Sale Housing Report, an annual publication tracking changes in local home sales. The report encompasses all arms-length one-family housing sales, including townhomes and condominiums (except where noted), looking at price, sales volume, affordability, new construction, and home characteristics like square footage and acreage. When paired with our longstanding [Rental Housing Survey](#), it provides a comprehensive look at the state of housing in Dutchess County.

The report is broken into three sections, along with an appendix:

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Much of the data for this report comes from municipal assessors and is housed by the Dutchess County Real Property Tax Service Agency (RPT). The report uses data from four property codes that account for the vast majority of owner-occupied housing (see Appendix). Some of these properties may be used for short-term rentals or other non-owner-occupied purposes, and some owner-occupied units under different property codes will not be captured.

Additional data comes from the US Census Bureau and the National Association of Realtors. Historical data is shown to 1950 or as far back as reliable data can be found.

Dutchess County Department of Planning and Development

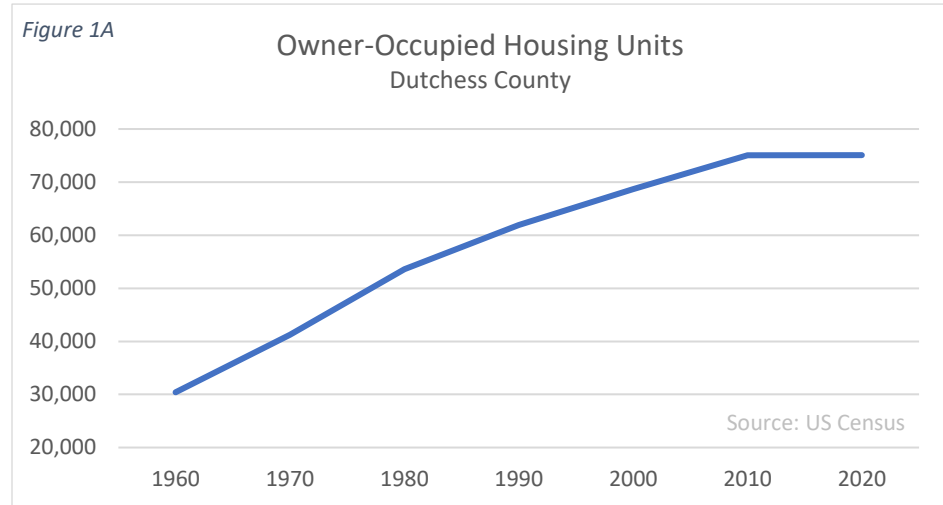
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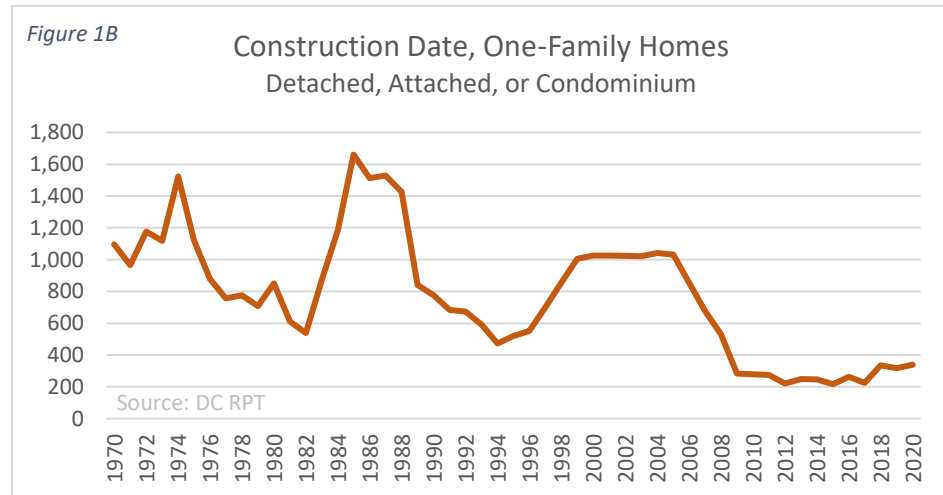


Historical for-sale housing trends

There are around 75,000 owner-occupied homes in Dutchess County. Like elsewhere around the country, that number rose dramatically in the latter half of the 20th century and through the 2000s before leveling off in the 2010s.¹



Dutchess County added housing in waves during that time, with peaks during the 1970s and 1980s and an extended building boom during the early 2000s housing bubble. Since that bubble burst the county has seen a notably low and stable period in new one-family housing construction.

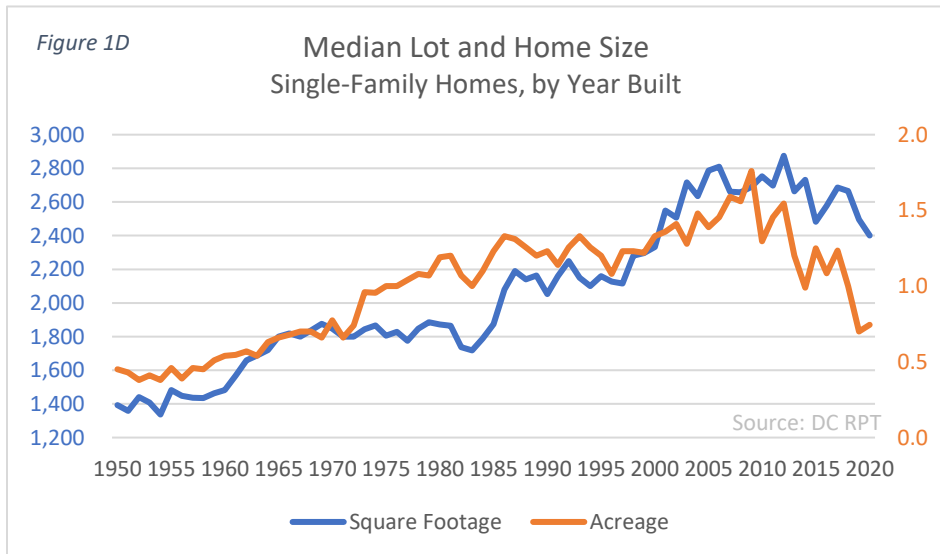
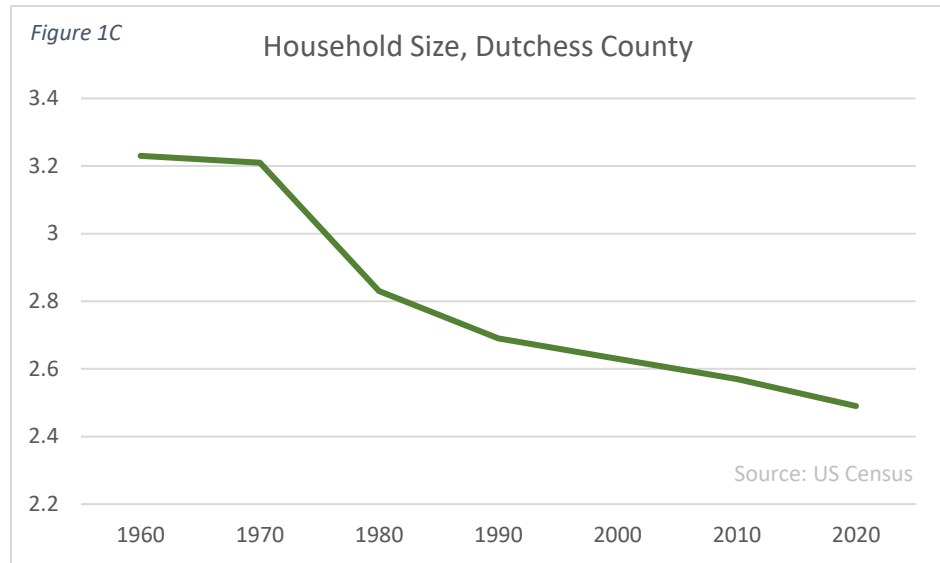


¹ At the time this report was written only limited 2020 Census data had been released, so the American Community Survey 2020 5-Year estimate is used for the 2020 data point on this chart.

Approximately 68 percent of housing units in the county are owner-occupied. That percentage has risen slightly over the past 60 years (it was 65 percent in 1960), but the trend hasn't been consistent across our communities. Ownership rates in the cities of Beacon and Poughkeepsie, the towns that surround Poughkeepsie, and the northwest Rhinebeck/Red Hook area have all declined, while the ownership rate in the southern Harlem Valley (Pawling/Dover/Union Vale) and north-central Dutchess rose by 10 percent or more.

One trend that *has* been consistent across the county is the decline in household size (Figure 1C). Countywide, we've gone from 3.23 people per household in 1960 to 2.49 in 2020. That helps explain why we continue to feel a housing crunch even as population growth has slowed: with fewer people in each home, it takes more units to house the same number of people.

Even as the number of people living in each home has declined, the size of new houses increased. Single-family homes built in the 1950s have a median size of around 1,400 square feet.² For homes built in the 2000s, it's nearly double that. This upward trend has leveled off over the last decade. Lot size for single-family homes has also grown: the median lot size for a home built in the 1950s is less than half an acre while the median for a home built in the 2000s is nearly 1.4 acres. Similar to square footage, the pattern of ever larger lots reversed course in the 2010s – the median lot size over the last decade was the same size as homes built in the 1980s.



² This is the current (2021) size of homes and lots as recorded by municipal assessors. Many older homes have had additions added to them, so their original median size was likely even smaller than what is shown here.

Home Values & Affordability

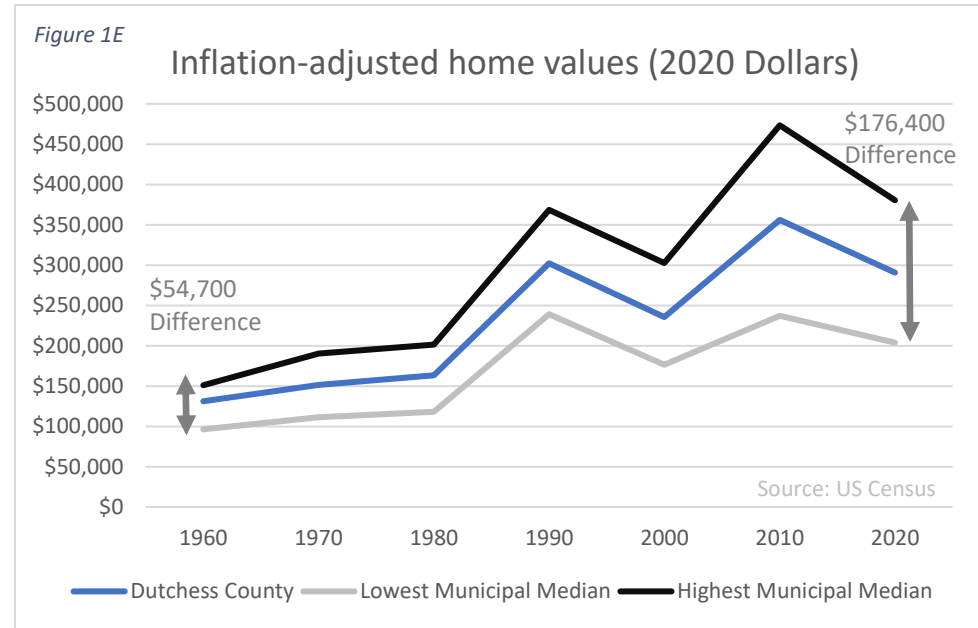
As one would expect, home values have increased over the last 60 years, even when adjusting for inflation. In 2020 dollars, a median home in 1960 would have cost \$100,000 to \$150,000, depending on where in the county it was located. Sixty years later, median prices range from \$200,000 to nearly \$400,000, even after coming down somewhat from the 2000s housing bubble.³ The increase is notable, but so is the expanded range – housing used to cost roughly the same amount across the county, and that is no longer the case (Figure 1E).

Housing affordability is made up of several factors—the price of the home, mortgage interest rates, taxes, insurance, and closing costs. The increase in home values over the years has affected affordability, but that impact has been somewhat mitigated by an extended period of low mortgage interest rates. Table 1A illustrates what the national average interest rate was around the time of the last six Censuses:

Table 1A

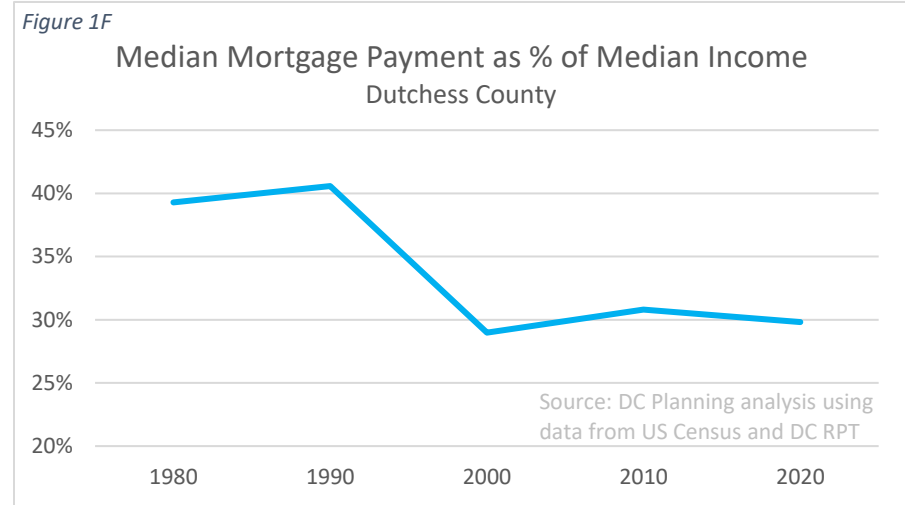
National Average Mortgage Rate					
1971	1980	1990	2000	2010	2020
7.3%	16.4%	10.2%	8.2%	5.1%	3.3%

Source: [St. Louis Fed](#). April 2, 1971 earliest available.



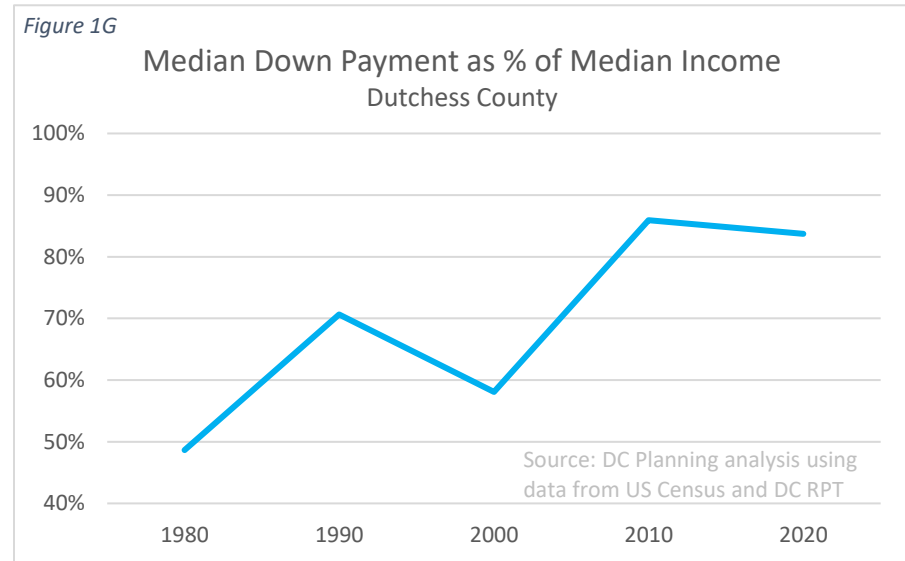
³ Data from 1960-2000 come from the Long-Form Census filled out by a subset of Census respondents, so they represent an estimate from that year. 2010 and 2020 data come from the 5-Year American Community Survey (table DP04) and include data collected from 2006-10 and 2016-20, respectively. That explains why the housing bubble is reflected in the data even though the Recession had begun by 2010.

Because of high interest rates, a household in 1980 making the median income and buying the median-priced house would have had to spend 39% of their income on mortgage payments. In the 1990s that figure fell to around 30% and has stayed there even as prices and taxes increased.



**Principal, interest, and estimated taxes (insurance escrow not included)*

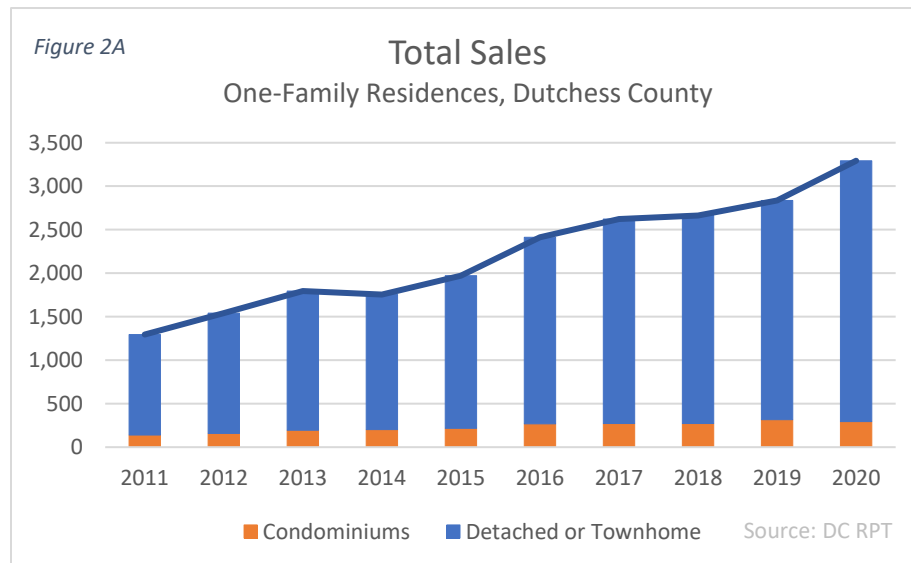
One thing a lower interest rate cannot prevent is the rise of the initial cost of buying a home – the down payment and the closing costs, which are tied to the purchase price. A 20% down payment on a median home in 1980 would have been about 50% of median household income; in 2020, it was 84% (\$68,500). Saving that much is simply impossible for many households. A down payment that is less than 20% of the purchase price (such as with an FHA loan) can substantially lower that barrier but adds mortgage insurance costs to the monthly payment. No matter the size of the down payment, the buyer must pay several thousand dollars in closing costs. The limited number of homes available, especially on the lower end of the market, can also present a barrier.



Trends Over the Last Decade

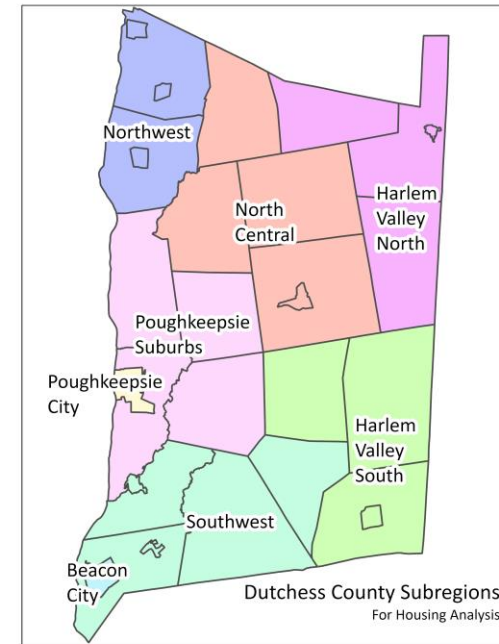
Sales:

2011-2020 saw the housing market rise out of the Great Recession and recover much of its energy and value. In Dutchess County, the number of sales rose steadily throughout the decade, culminating with the beginnings of a housing sales boom during the COVID pandemic. Overall there were nearly 20,000 arms-length⁴ detached or townhome single-family home sales in Dutchess County during these years, along with about 2,300 condominium sales.



County Subregions

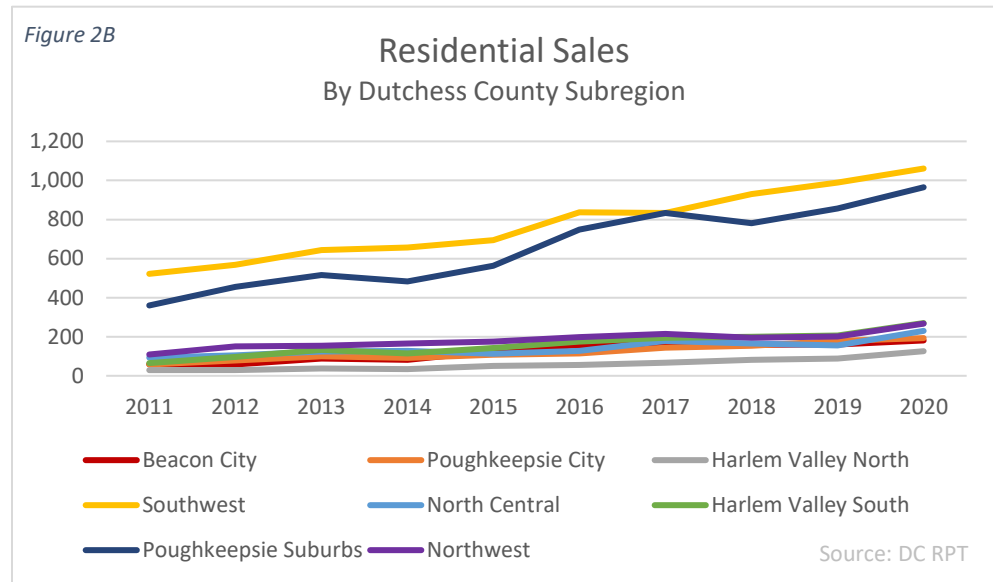
For some analyses, data is presented in eight subregions of the county. This helps show the diversity of experiences within the county without the small sample size issues that can arise from looking at each individual municipality. These subregions were first used in the 2022 Dutchess County Housing Needs Assessment.



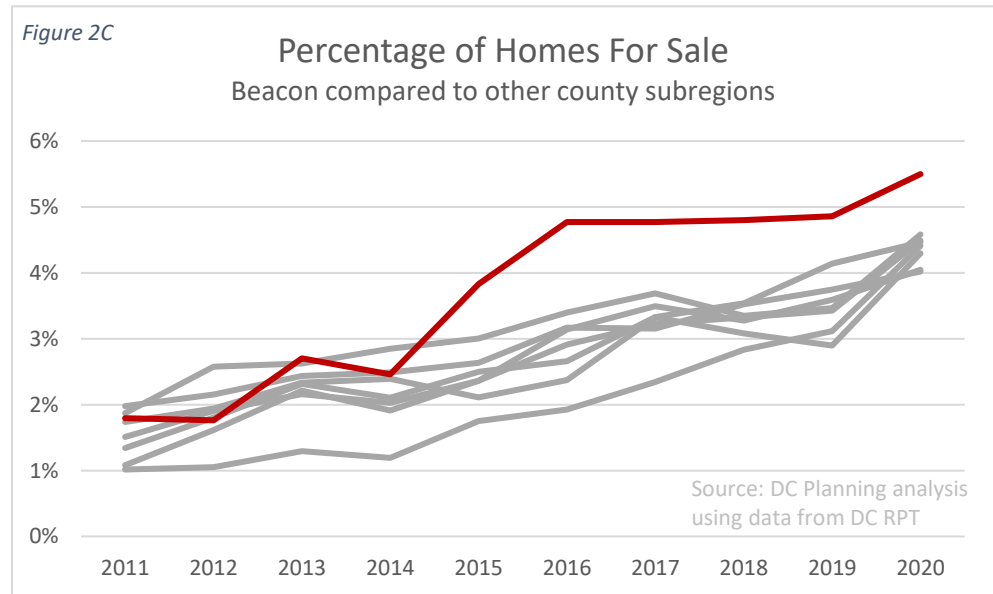
- Northwest:** Rhinebeck, Red Hook
- North Central:** Milan, Stanford, Clinton, Washington
- Harlem Valley North:** Pine Plains, Northeast, Amenia
- Harlem Valley South:** Dover, Union Vale, Pawling
- Southwest:** Beekman, East Fishkill, Fishkill, Wappinger
- Poughkeepsie Suburbs:** Hyde Park, Pleasant Valley, LaGrange, Poughkeepsie Town

⁴ Arms-length sales are those in which the sale is conducted on the open market, with no relationship between the seller and buyer.

Unsurprisingly, sales were largely concentrated in the most populous parts of the county, with 64% of sales occurring in the 11 towns and villages in the Poughkeepsie Suburbs and the county’s suburban Southwest.



But while the highest number of homes were sold in those suburban areas, if we look at the *percentage* of homes sold in each subregion, we can see that the City of Beacon has been by far the most active market in the county. For five consecutive years, around one out of every 20 Beacon homes were sold.



Prices:

Initially, prices continued to fall even as sales increased. The Dutchess County market reached its post-Recession price low point in 2013, and only really began to climb again in the last four years of the decade.

That pattern holds relatively true across the subregions, despite some year-to-year fluctuations. Notably, though, while prices rose everywhere in 2020, they rose more slowly in the populous Southwest and the Poughkeepsie City/Suburbs areas and fastest in the rural northern Harlem Valley. The City of Beacon went from the second-lowest median price in the county to the third highest over these ten years.

These rising prices mean that even as the number of home sales has grown, the number of homes we might think of as obtainable for a first-time or limited-means buyer has declined. Most of the growth is in the \$300,000-\$500,000 range, with home sales under \$300,000 having peaked in 2016/2017. As a percentage of sales, these less expensive homes went from 61% of all sales in 2015 to just 35% in 2020.

Figure 2D

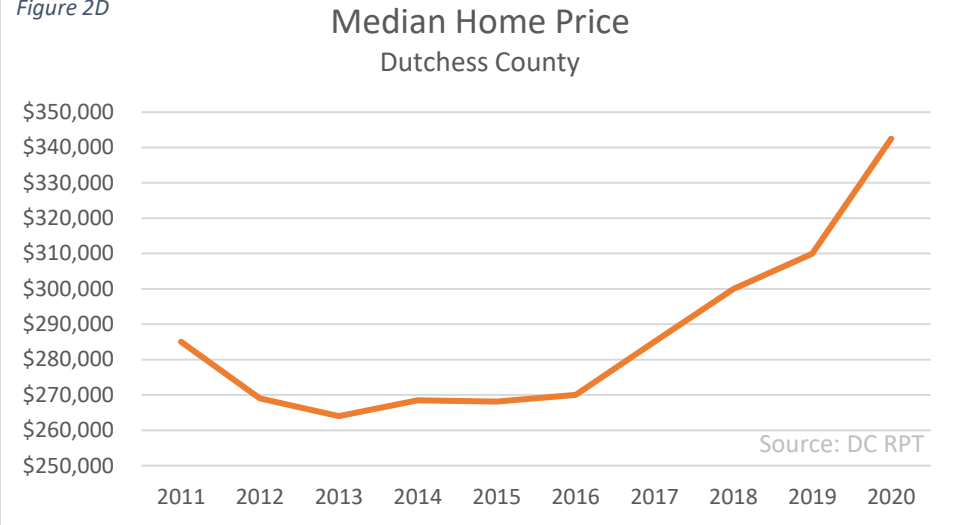
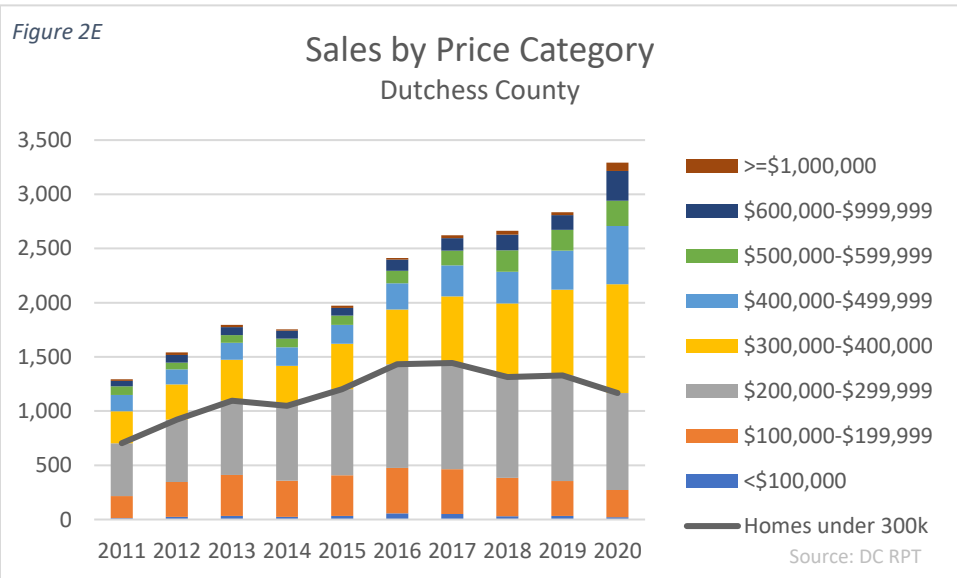
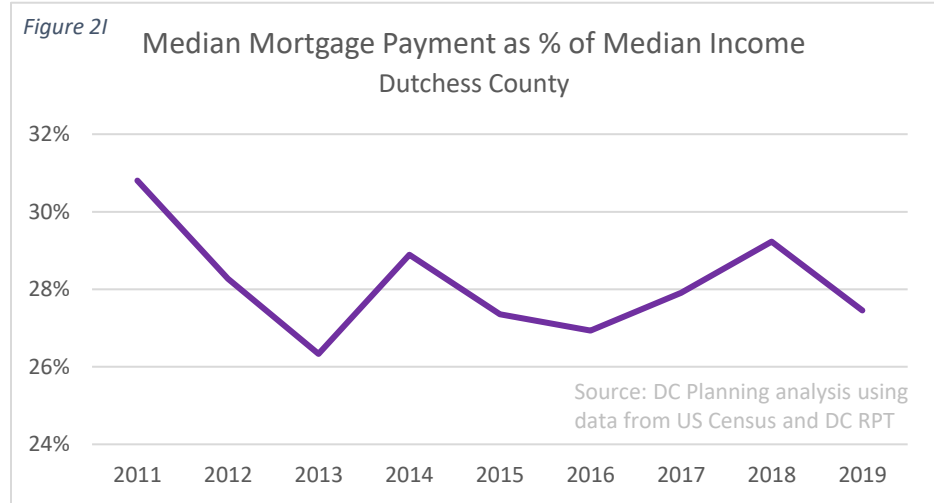


Figure 2E



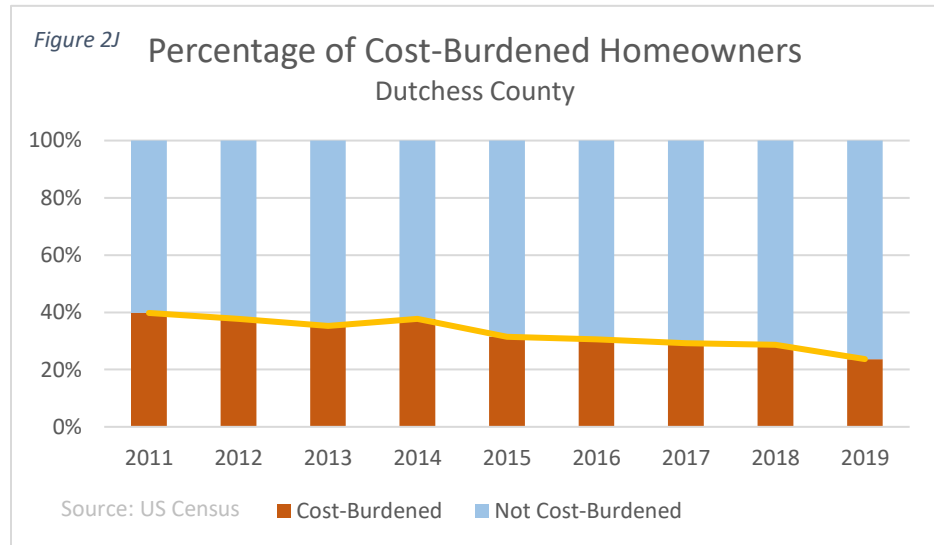
*Affordability:*⁵

Over the past decade the median income homebuyer purchasing the median price house would have paid 26-31% of their income on their mortgage. Prices and taxes both rose but interest rates declined, keeping mortgage payment growth in check. Through 2019 the amount needed for a down payment actually declined relative to income, from 84% of annual median income in 2011 to 72% in 2019, as median household incomes kept pace with median home prices (a trend that likely changed in the intervening years). Nevertheless, that amount of money remains well out of reach for many households.



*Principal, interest, and estimated taxes (insurance escrow not included)

The measure above only shows conditions for the median-income household buying the median-price home, and does not give us a sense of how many households may be struggling. To do that, we can use the Census Bureau’s American Community Survey to estimate the percentage of homeowners who are cost-burdened (cost-burdened is defined here as paying 30% or more of your income on housing). The estimates show that the percentage of cost-burdened homeowners has fallen from around 40% in 2011 (during the Great Recession) to around 24% in 2019.⁶

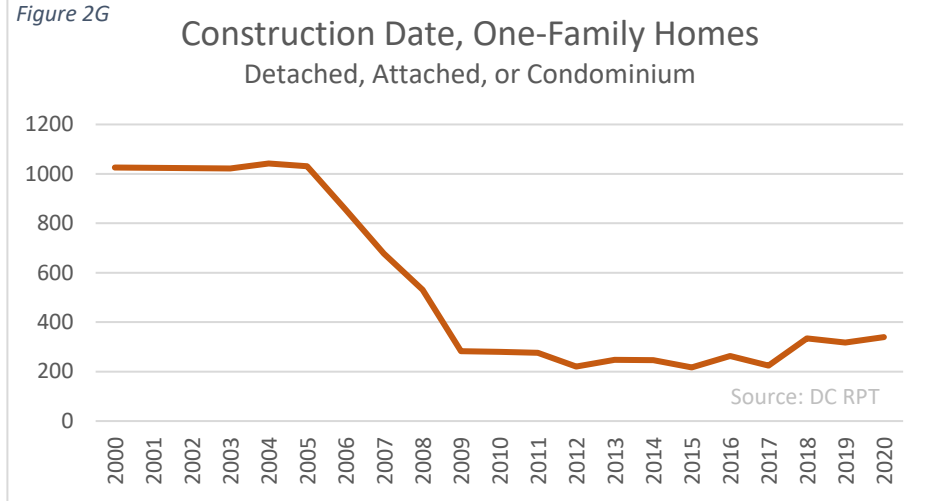


⁵ Income data is not available for 2020 since no 1-year county-level ACS was published due to pandemic data collection issues, so our affordability measures only go to 2019

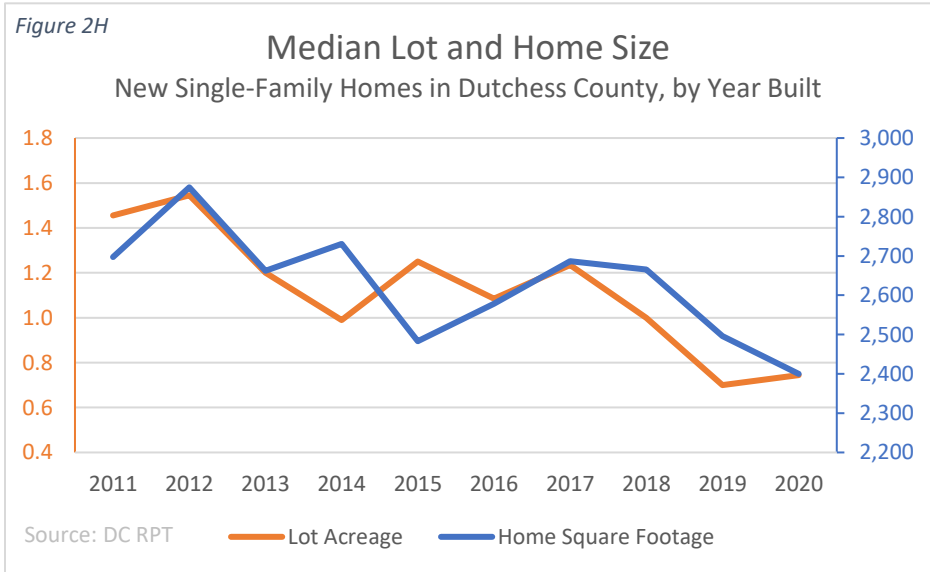
⁶ This measure is not reliably available for earlier years, so it is not included in the historical housing trends section.

New Home Construction:

Dutchess County assessors recorded 2,686 newly constructed homes between 2011 and 2020. Of those, 65% (1,737) were single-family homes and the remaining 35% were condominiums. These totals represented a large decline from the highs of the early 2000s, with new housing construction at its lowest level since at least 1970 throughout this decade.



Early in the decade, new single-family home square footage was the highest it has ever been, with the median home nearly 2,900 square feet in 2012. Median lot size that year was the fourth-highest on record at 1.55 acres. As the years progressed, however, these numbers declined for the first time in recent history. In 2020 median lot size was nearly a full acre less than in 2012, and the median new home was nearly 500 square feet smaller.

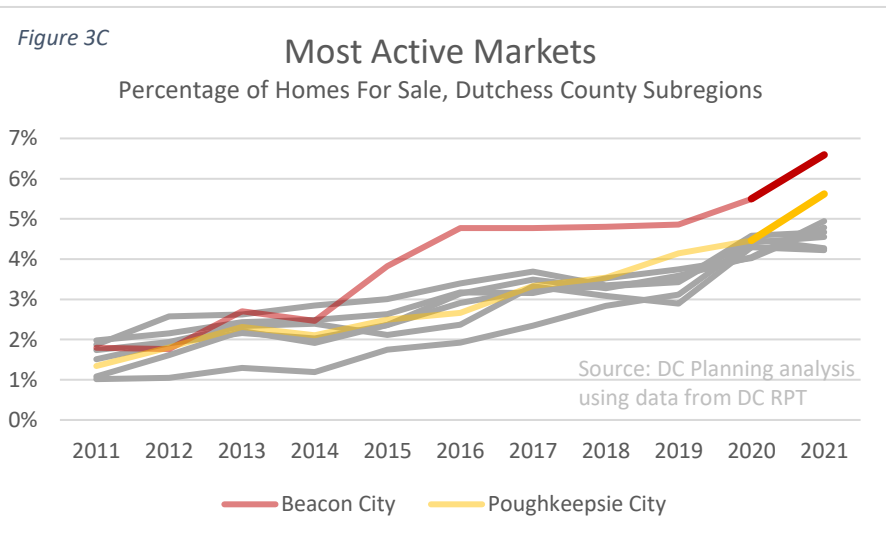
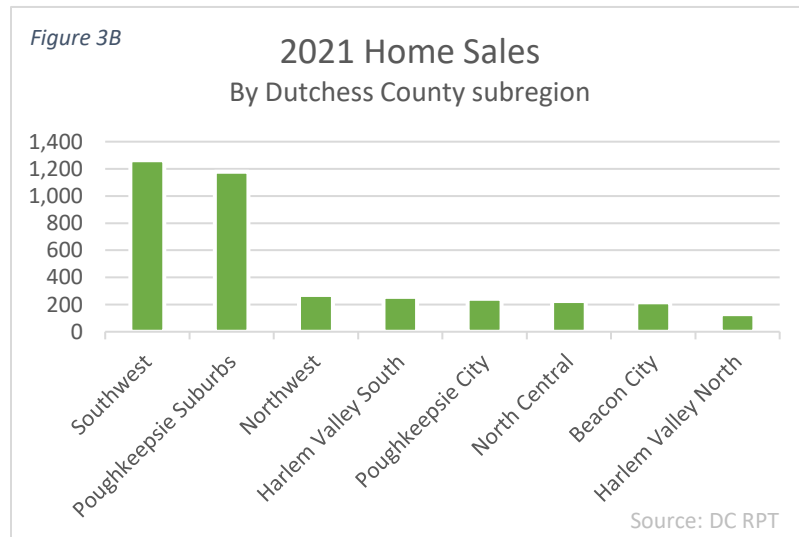
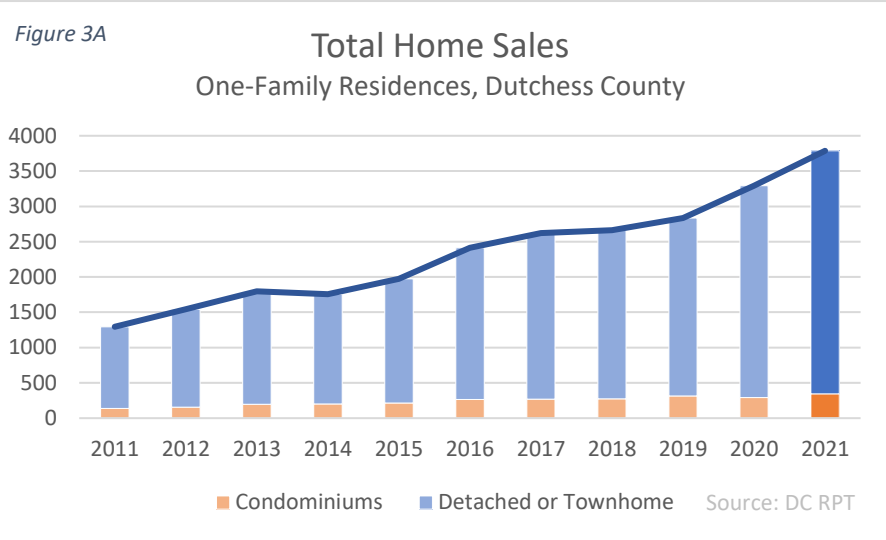


The 2021 For-Sale Housing Market

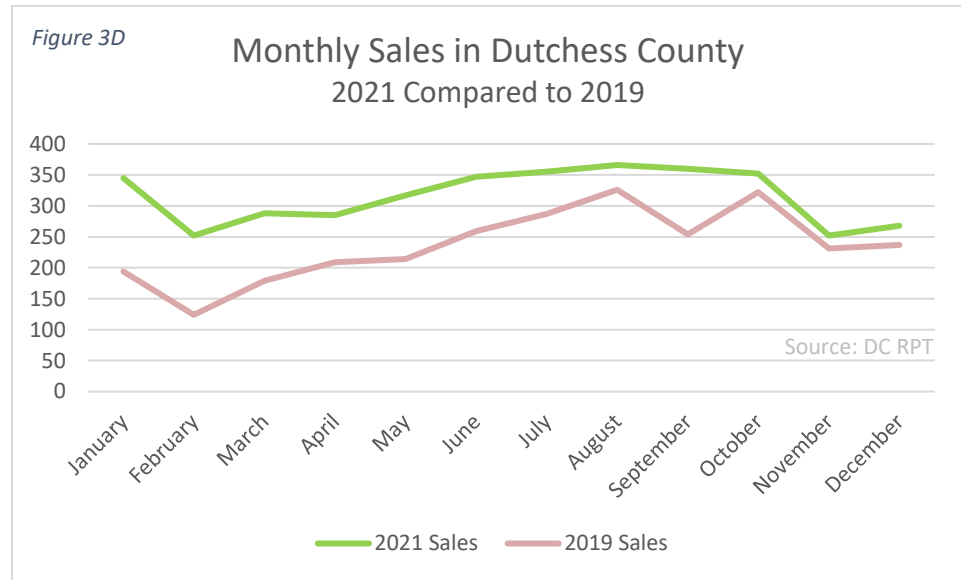
Sales

2021 was a robust year for the Dutchess County housing market. The 3,787 total sales registered by the Dutchess County Real Property Tax Service Agency was a 15% increase over 2020 and nearly three times the number of sales seen a decade earlier in 2011. As in past years, roughly 10% of sales were for condominiums (Figure 3A).

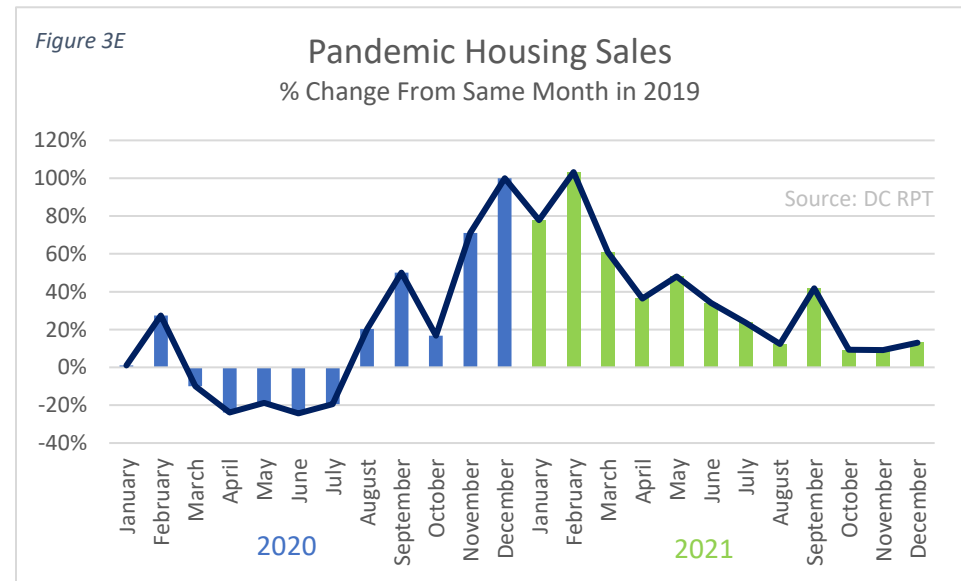
Most of these sales happened in the populous towns of the county's Southwest and Poughkeepsie Suburbs (Figure 3B), but as in past years those subregions were not the hottest markets. The City of Beacon remained the most active market in the county, with over 6% of the city's homes going up for sale in 2021 (Figure 3C). The City of Poughkeepsie was the second-most active, with around 5.5% of its homes turning over during the year.



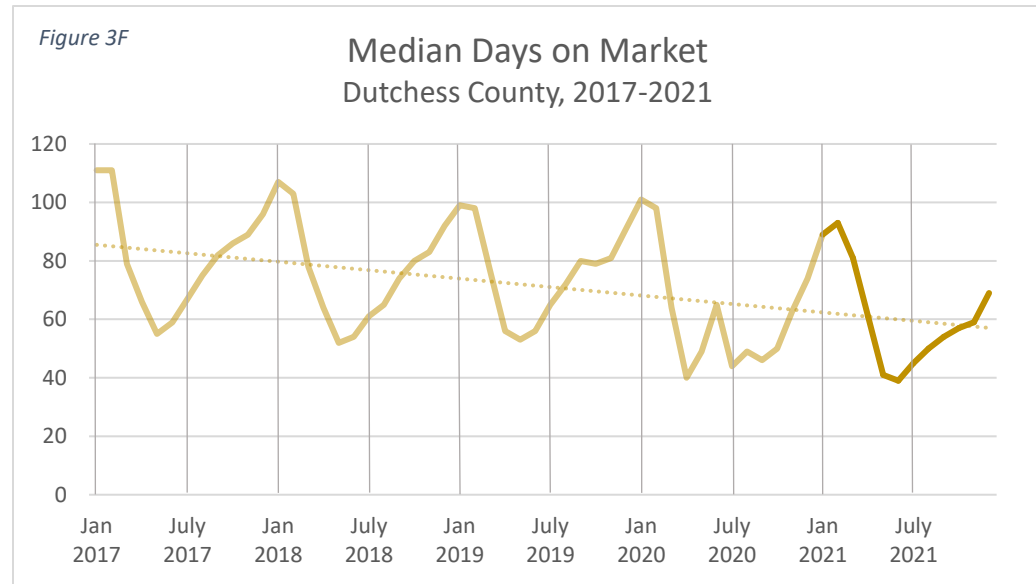
When we break these sales totals down by month, we find that much of the extra activity in 2021 happened earlier in the year. Winter is generally much slower than summer (as the last pre-pandemic year, 2019, shows), but in January/February 2021 the decline was not nearly as steep. Also of note, the usual September slow-down (generally attributed to school starting) did not occur in 2021.



Looking at 2020/2021 combined, we can see the full arc of the pandemic sales boom by comparing the sales from each month with the same month in 2019. By the end of 2021, we still had an active market, with sales up around 10% from 2019, but nowhere near the highs we saw in winter 2020/2021.



The amount of time a house spends on the market depends heavily on the season, but over the last several years there is a clear trend towards quicker sales. In summer 2021 the median time a home spent on the market was nearly 20 days less than it was in summer 2017.



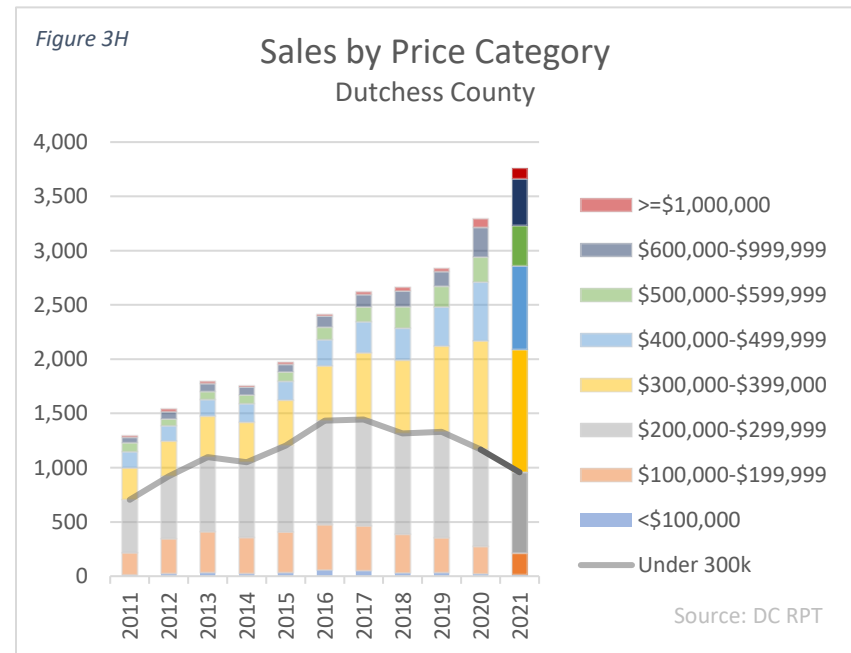
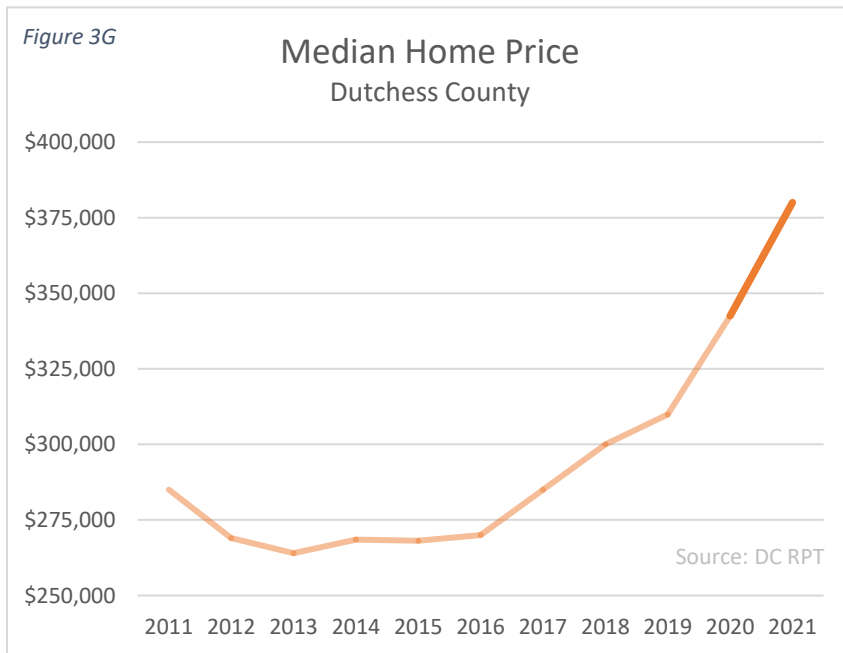
Source: <https://www.realtor.com/research/data/>

Prices

The median home price in the county rose by 11% between 2020 and 2021, from \$342,500 to \$380,000 (Figure 3G). The median price has now increased 44% since the post-recession low point in 2013. With this increase, despite the overall growth in sales there was a substantial decrease in the number of homes available for under \$300,000 (Table 3A and Figure 3H). The 984 homes sold in those more affordable tiers was the lowest total since 2012.

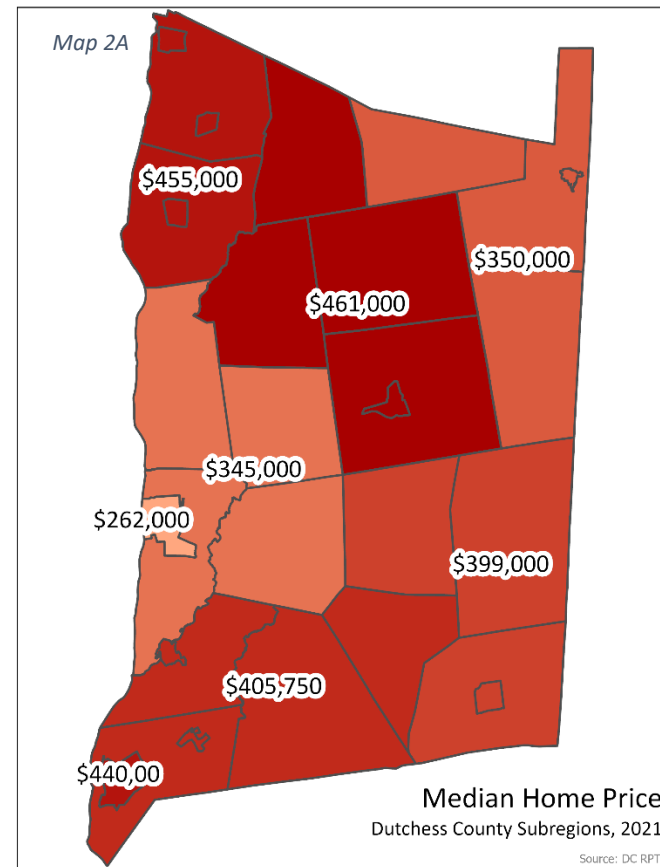
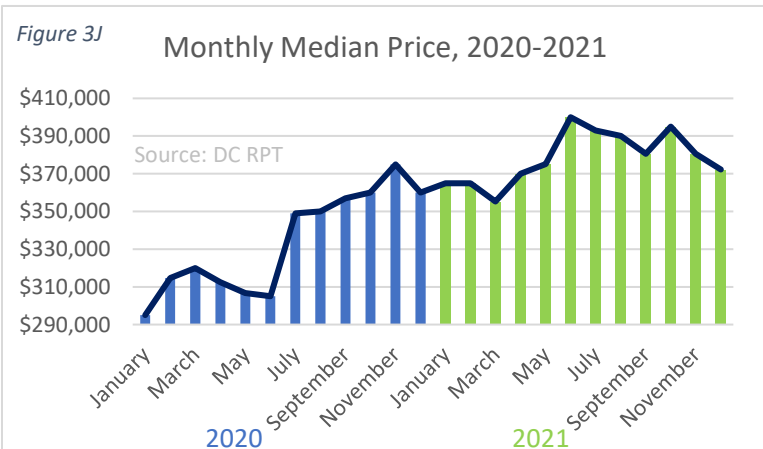
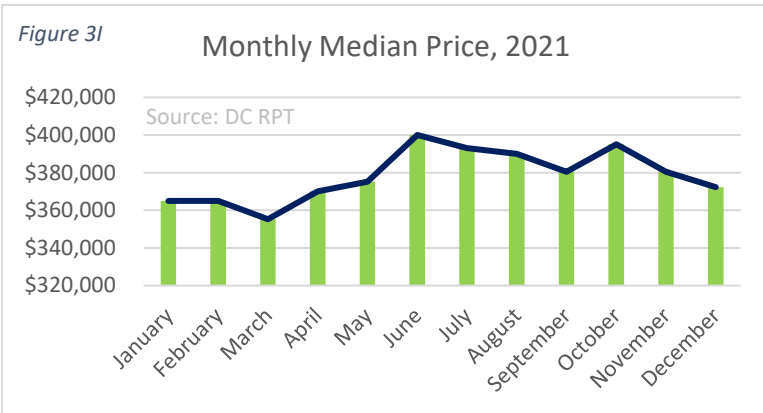
Table 3A

Price Tier	Sales	% of Total Sales	% Change From 2020
<\$100,000	14	0.4%	-30%
\$100,000-\$199,999	198	5%	-22%
\$200,000-\$299,999	745	20%	-17%
\$300,000-\$400,000	1132	30%	13%
\$400,000-\$499,999	771	20%	43%
\$500,000-\$599,999	372	10%	61%
\$600,000-\$999,999	430	11%	56%
>=\$1,000,000	98	3%	26%

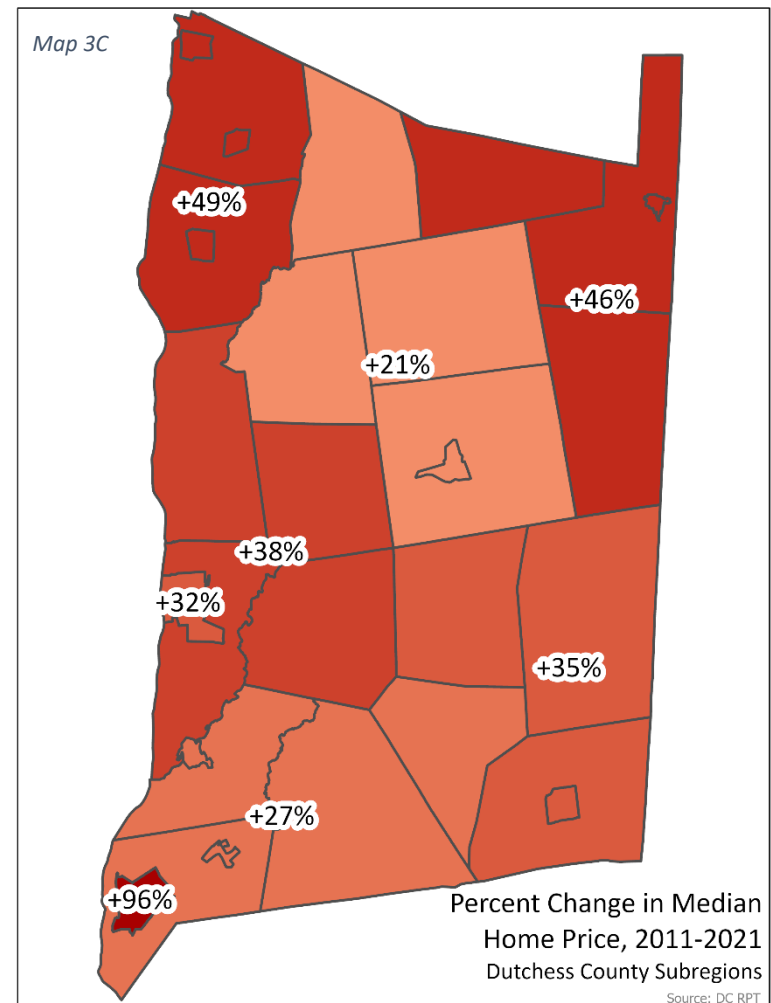
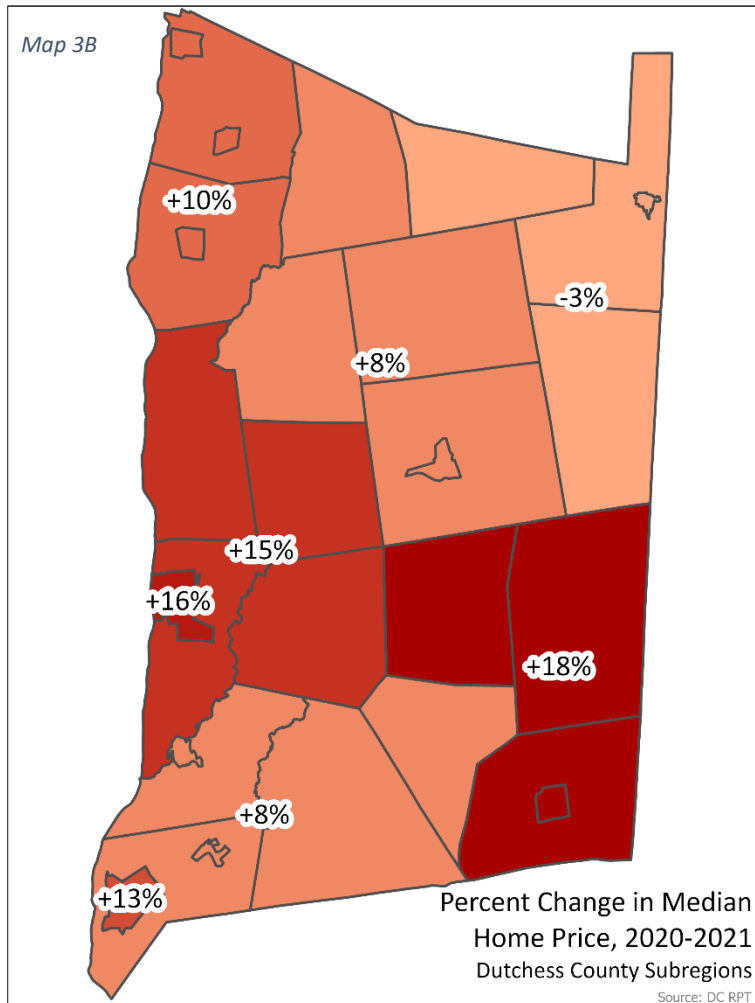


Month-to-month, median prices varied within a \$45,000 range. They rose in the first half of the year, peaking in June before fluctuating and declining in the later months. Backing out to the combined 2020-2021 pandemic market, we see that prices rose over \$100,000 between January 2020 and June 2021, with nearly half of that jump coming between June and July 2020, as the market recovered from its initial shock.

The median price of a home in 2021 varied across the subregions by nearly \$200,000. The most expensive housing markets were in the North Central and Northwestern regions, along with the City of Beacon. The Southwest and Harlem Valley South subregions were in a second tier, with Harlem Valley North and Poughkeepsie Suburbs in a third. The City of Poughkeepsie remained the least expensive market in the county.

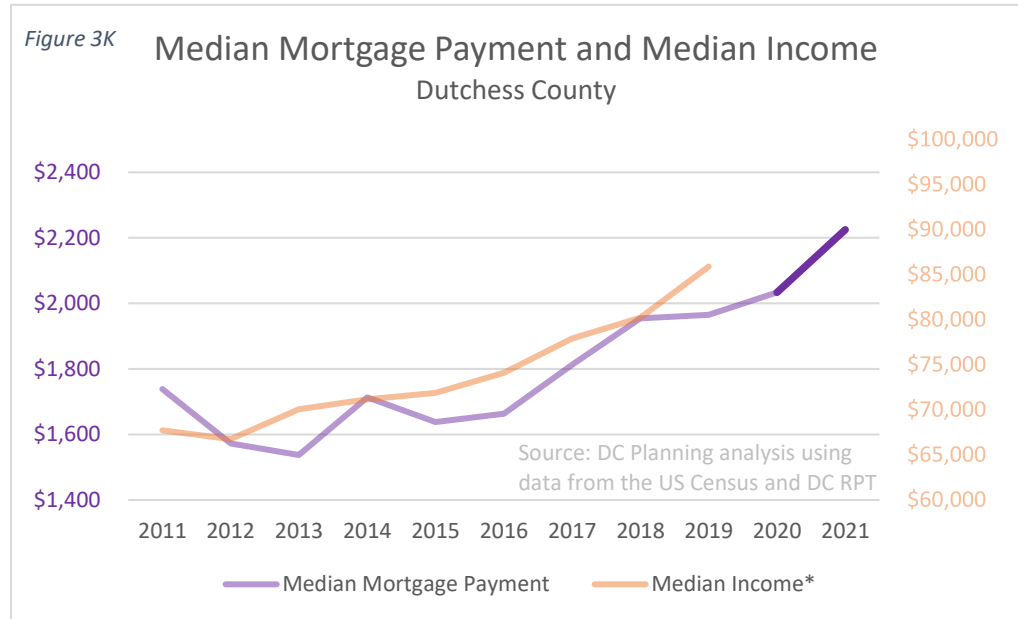


Every part of the county except Harlem Valley North saw an increase in median prices between 2020 and 2021 (Map 3B). Harlem Valley South, the cities of Poughkeepsie and Beacon, and the Poughkeepsie Suburbs all saw a price increase of 15% or more. Looking further back, over the last decade every region of the county has seen a substantial rise but none moreso than Beacon, where the median price has nearly doubled since 2011 (Map 3C).



Affordability:

In 2021 prices surged while interest rates stayed very low (2.65-3.18%). The result was higher-than-ever closing costs and a median mortgage payment that rose nearly \$200 from the median 2020 payment, to \$2,225. At the time of publishing, income and cost burden data is not yet available for 2021, but it is likely that median household income grew in 2021 as well, somewhat counteracting the cost increase. Those figures will be reflected in the Recent Trends section of future iterations of this report.



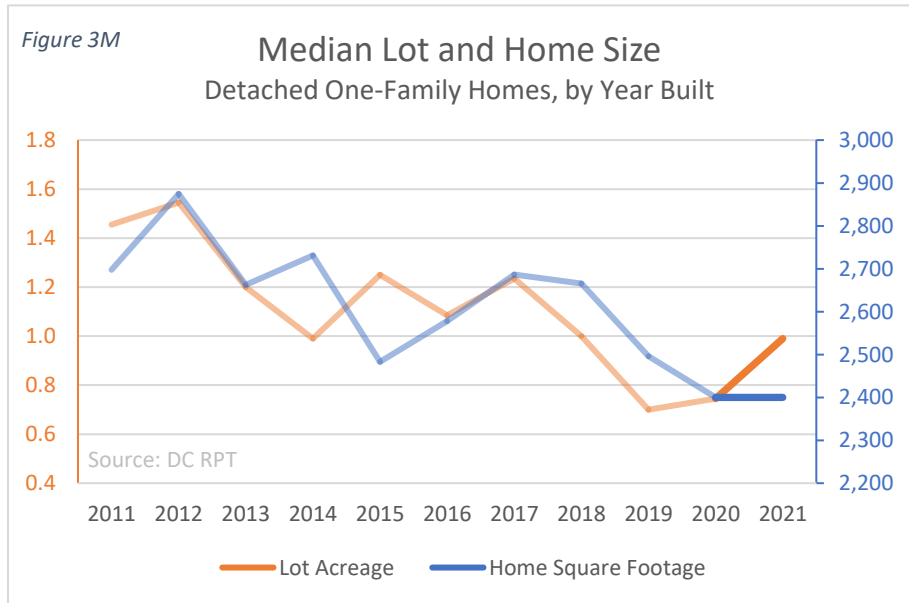
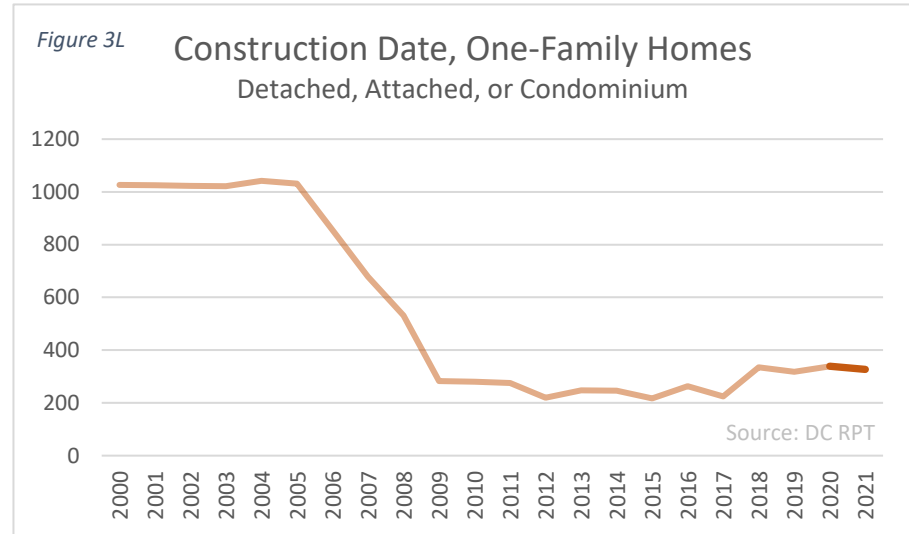
**Median income data not available for 2020/2021. 2011-2019 line is included for context.*

New construction:

Dutchess County assessors recorded 327 newly constructed one-family homes in 2021. This total extends a stretch of years with remarkably low new home construction rates (see also Figure 1B). Of these, 87% (283) were single-family homes and the remaining 13% were condominiums.

A little over 40% (139) of these new homes were part of large condo or subdivision developments, including at Sleight Farms in the Town of LaGrange (34 units), Regency at Fishkill in the Town of Fishkill (23), Stratford Farm in the Town of Poughkeepsie (21), River Ridge in Hyde Park (18), 249 Main Street in Beacon (18) Tradition at Red Hook (15), and Hopewell Glen in East Fishkill (10). The remaining 188 units were scattered across small subdivisions and individual lots in 24 different municipalities.

The median lot size of new single-family homes increased slightly to around one acre. It remains lower than the medians generally seen over the last several decades. Single-family home square footage stayed level at 2,400 square feet, which is lower than the peak house sizes seen in the 2000s and early 2010s but still larger than earlier years.



Conclusion:

2021 began with the cresting of the COVID housing bubble, first with sales totals peaking in January and then with prices peaking in June. It appears the surge has receded, leaving a strong but less overheated market. Our cities had strong years, with Beacon continuing its run as the county's most active market and Poughkeepsie experiencing its highest turnover rate in recent history, even as prices remained substantially lower than the rest of the county. With rising prices, the number of lower-priced homes on the market hit its lowest point in nearly a decade, and closing costs hit new highs. New construction, meanwhile, continued previous trends of somewhat smaller home and lot sizes, though the median lot size did rise somewhat. The total number of new homes constructed remained at the low, steady rate of the last ten years.

Appendix: Methodological Notes

Census Data:

Pre-2000 Census data comes from physical Data Books assembled by the Planning Department at the time and kept in our office library. Newer data can be found at www.data.census.gov.

Sales Data:

Sales data was collected by municipal assessors and is housed by Dutchess County Real Property Tax Services (RPT) on New York State-developed Real Property System (RPS) software. It included all arms-length sales of property from [class](#) 210 (one-family year-round residence), 215 (one-family year-round residence with accessory apartment), 240 (rural residence with acreage), and 241 (primary residential, also used in agricultural production). This data was then cleaned as follows:

- Deleted all \$11.00 sales. The RPS software requires a price greater than \$10.00 on all transactions unless certain sales conditions are present. If a blank or under-threshold sales price is recorded in the County Clerk's office on the Real Property Transfer Report (RP-5217) RPT inputs \$11.00 as a placeholder.
- Deleted all sales with blank square footage and build date columns. These are often land-only sales that were misclassified, but they can also be build-to-suit contracts or just entry errors.
- Manually examined all properties sold for more than \$1,000,000 with under 1 acre of land and removed three which appeared to be a case of someone purchasing a set of townhouses or condos and the purchase being entered under the parcel number for one of the units.
- Manually removed duplicate sales with different site numbers (a single parcel can have more than one "site," and if so the sale may appear multiple times in the data).
- Deleted the bottom 0.5% of entries for all years. This is to remove sales that technically qualify as "arm's length" but were likely not sold at market rate. We find the price point at the 0.5% mark and remove all sales below that amount (generally 6-12 sales per year). Using a % instead of a number allows for consistency over time as market prices change.

For square footage and lot size, we removed all sales marked as a condominium. There is no way to sort for townhomes or other attached housing, so we also removed all sales with a lot size of 0.05 acres or less.

All One-Family Homes Data:

For tables on construction date, median square footage, and median lot size, we obtained a table of all 210/215/240/241 properties and joined it to a table of residential structure data, all of which is collected by the assessors and stored in RPS. We manually removed any errors and duplicates. Again, for square footage and lot size analyses we removed all parcels marked as condominiums and all sales with a lot size of 0.05 acres or less.

Affordability:

To determine affordability, we used a slight variation on the National Association of Realtors' [Housing Affordability Index](#). We found national average mortgage interest rates for the reported date closest to April 1 (to line up with the Census) and used that to estimate the mortgage payment for the median Dutchess County home. The formula is $MEDPRICE * .8 * (IR/12) / (1 - (1/(1+IR/12)^{360}))$. This assumes a 20% down payment. Because this formula does not take tax rates into account, we used RPT's [tax rates records](#) to find the tax rate for every combination of municipality and school district in the county for 1980, 1990, 2000, and 2010-2021. We then weighted those rates by the number of housing units in each of those geographic areas and found the overall average tax rate for the county. We used that to estimate the tax bill for the median home in each year and incorporated that amount into the estimated median mortgage payment shown in the report.

For more recent years we added a housing cost burden measure, which estimates the number of homeowners paying 30% or more of their household income on housing. That data comes from the American Community Survey 1-Year Estimates, Table DP04 (Selected Housing Characteristics).