

BROWN HARRIS STEVENS Economics

The Heym Report

June 2016

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City Payrolls Rise 2%

- Employment in New York City increased by 85,400 from May 2015 to May 2016, a 2% gain.
- Education and health services (+30,400) and professional and business services (19,400) added the most jobs over the past year.
- Trade, transportation, and utilities was the only sector to lose jobs compared to May 2015, as retail employment fell by 6,200.

NYC Building Permits Plunge from 2015's Inflated Levels

- Through the first four months of the year, permits have been filed for 2,932 new residential units in New York City.
- This figure is 75% lower than the same period in 2015.
- Last year, developers were rushing to get permits filed before the expiration of the 421a program, leading to the highest permit figures since 1962.

30-Year Mortgage Rates Hit Three-Year Low

- Rates for 30-year mortgages averaged 3.54% in the week ending June 16th, their lowest level since May 2013.
- A year ago rates were averaging 4.00%.
- Global economic concerns and the expectation the Federal Reserve would put off a rate hike, brought mortgage rates down 12 basis points in the past two weeks.

About Our Research Division *Gregory Heym is widely recognized as an industry expert, and is a member of the New York City Economic Advisory Panel. Previously, he served as Vice President and Chief Economist for The Real Estate Board of New York. He received his B.S. in Economics from Saint John's University, and his M.B.A. in Finance from Hofstra University. Visit terraeconomics.com for the latest economic headlines.*

NYC Employment (thousands)

Source: NYS Dept of Labor

INDUSTRY	MAY-16	MAY-15	NET CHANGE	PERCENT CHANGE
Education and Health Services	907.1	876.7	30.4	3.5%
Professional and Business Services	714.7	695.3	19.4	2.8%
Leisure and Hospitality	448.9	433.5	15.4	3.6%
Construction	145.0	138.1	6.9	5.0%
Other Services	190.1	185.5	4.6	2.5%
Local Government	462.5	458.5	4.0	0.9%
Information	189.7	186.9	2.8	1.5%
Financial Activities	456.5	455.2	1.3	0.3%
Manufacturing	79.0	78.1	0.9	1.2%
Federal Government	49.6	49.1	0.5	1.0%
State Government	43.6	43.6	0.0	0.0%
Trade, Transportation, and Utilities	626.6	627.4	-0.8	-0.1%
Total	4,313.3	4,227.9	85.4	2.0%

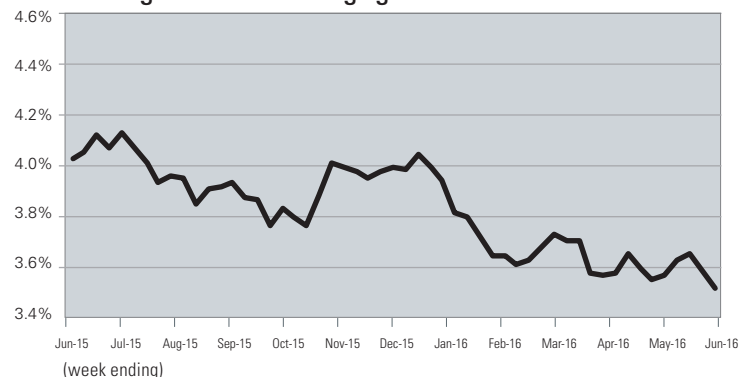
Building Permits

Source: NYC Dept of Finance Final Assessment Roll

	1ST 4 MONTHS 2015	1ST 4 MONTHS 2016	% CHANGE
MANHATTAN	3,119	406	-87%
BRONX	1,023	990	-3%
BROOKLYN	5,913	669	-89%
QUEENS	1,403	577	-59%
STATEN ISLAND	181	290	60%
NYC	11,639	2,932	-75%

Average 30-Year Mortgage Rate

Source: Freddie Mac



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