

# BROWN HARRIS STEVENS Economics

## The Heym Report

August 2017

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### Hiring Remains Brisk in NYC

- New York City payrolls rose by 2.5% over the past 12 months, with 106,800 more jobs being added in July than the year before.
- The education and health-services sector accounted for half of this gain.
- Professional and business services (+30,100) and leisure and hospitality (+15,400) also posted strong growth compared to a year ago.

### Permits Up Sharply From 2016

- Through July, permits were issued for 13,503 new residential units in NYC.
- This represents an 82% jump from the first seven months of 2016.
- The number of permits was lower last year due to a rush of filings in 2015 when the 421-a program was scheduled to expire.
- Manhattan's 204% increase in permits was the largest of any borough, while Staten Island posted the only decline compared to last year.

### Mortgage Rates Fall for Fourth Straight Week

- Rates for 30-year conforming mortgages averaged 3.82% for the week ending August 31st, reaching a new low for 2017.
- Concern about both foreign and domestic issues has led investors to the safety of U.S. Treasuries, thus bringing down rates.
- One year ago, rates were averaging 3.46%.

**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](http://terraeconomics.com) for the latest economic headlines.*

### NYC Employment (thousands)

Source: NYS Dept of Labor

INDUSTRY	JUL-17	JUL-16	NET CHANGE	PERCENT CHANGE
Education and Health Services	955.6	902.0	53.6	5.9%
Professional and Business Services	758.7	728.6	30.1	4.1%
Leisure and Hospitality	459.3	443.9	15.4	3.5%
Financial Activities	481.5	473.3	8.2	1.7%
Other Services	193.1	187.6	5.5	2.9%
Construction	154.9	149.5	5.4	3.6%
Local Government	470.7	469.8	0.9	0.2%
Federal Government	50.1	49.9	0.2	0.4%
State Government	43.8	43.6	0.2	0.5%
Manufacturing	74.1	76.3	-2.2	-2.9%
Trade, Transportation, and Utilities	619.6	622.0	-2.4	-0.4%
Information	189.5	197.6	-8.1	-4.1%
<b>Total</b>	<b>4,450.9</b>	<b>4,344.1</b>	<b>106.8</b>	<b>2.5%</b>

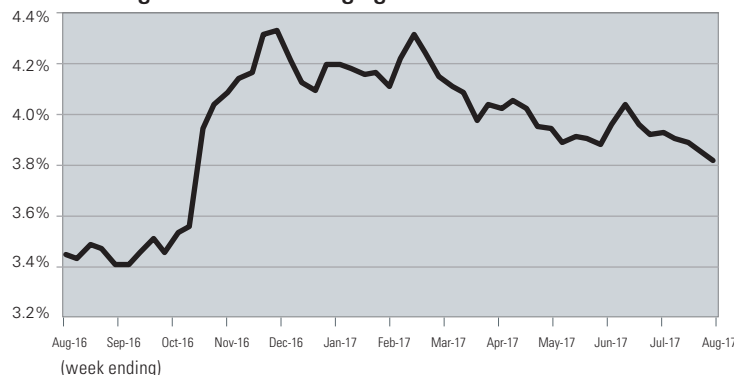
### Building Permits

Source: HUD

	First 7 Months 2016	First 7 Months 2017	% Change
Manhattan	1,094	3,323	204%
Bronx	2,335	2,471	6%
Brooklyn	1,913	3,914	105%
Queens	1,433	3,380	136%
Staten Island	664	415	-38%
NYC	7,439	13,503	82%

### Average 30-Year Mortgage Rate

Source: Freddie Mac



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