

ECONOMIC SNAPSHOT

A Summary of New York City's Economy

APRIL 2009

HIGHLIGHTS

Private Employment fell by 18,200 in February, after an increase of 4,000 jobs in January.

The unemployment rate rose to 8.1 percent in February from 6.9 percent in January.

The Manhattan hotel occupancy rate in February 2009 was 65.8 percent, down from 81.2 percent in February 2008.

The Direct Class A office vacancy rate was 6.7 percent in March 2009, while the average asking rent was \$82 PSF.

Passengers in NYC area airports totaled 7.2 million in January 2009, down 10.5 percent from January 2008.

Unemployment Rates

Place of Residence	12 Months Ending	
	Feb-09	Feb-08
Bronx	8.1%	6.6%
Brooklyn	6.4%	5.3%
Manhattan	5.3%	4.2%
Queens	5.4%	4.3%
Staten Island	5.4%	4.4%
NYC	6.0%	4.9%

Source: New York State Department of Labor (NYSDEL)

Employment

- Private sector jobs in New York City fell by 18,200 in February 2009 after an increase of 4,000 in January.
- In the same period, government jobs in the City increased by 600 for a net loss of 17,500* private and public sector jobs.
- Since February 2008, private sector employment has declined by 76,700 jobs or 2.4 percent.
- Between January and February 2009, the City's unemployment rate rose from 6.9 percent to 8.1 percent.
- Between January and February 2009, the number of employed City residents fell by 10,300 and the number of unemployed City residents rose by 50,900.

Numbers may not add to totals due to rounding.

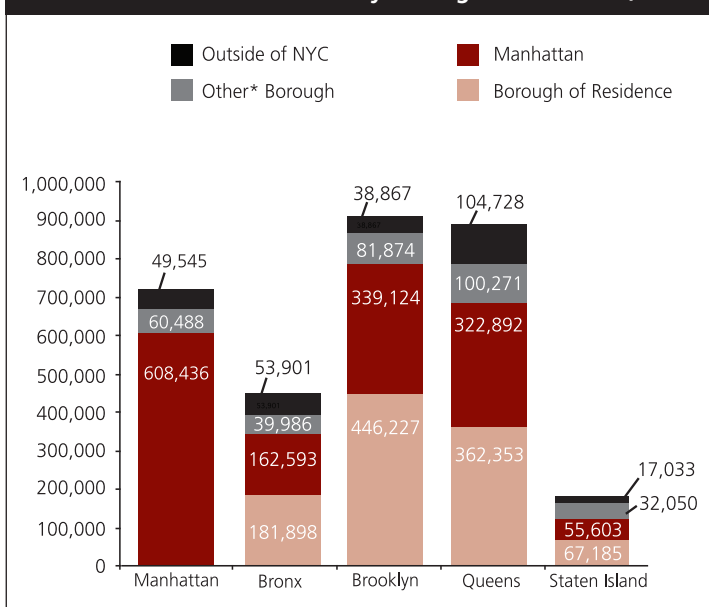
Industry	Employment (000s)			
	Feb-09	Jan-09	Change From Prev. Month	Change From Feb-08
FIRE	447	451	-4	-23
Finance and Insurance	327	330	-3	-22
Securities	172	175	-3	-17
Banking	89	90	-1	-5
Other	65	65	1	0
Real Estate	121	121	-1	-2
SERVICES	1,947	1,956	-9	-8
Information	167	167	0	0
Professional & Business	589	592	-3	-17
Educational	161	164	-3	3
Health & Social Assistance	565	564	1	9
Arts & Entertainment	67	67	0	-1
Accommodation & Food	236	239	-3	-3
Other	162	163	-1	2
TRADE	435	437	-2	-15
Retail	294	294	0	-6
Wholesale	142	143	-2	-9
MANUFACTURING	86	87	-1	-12
TRANSPORTATION & UTILITY	121	121	-1	-4
CONSTRUCTION	120	122	-2	-14
TOTAL PRIVATE	3,155	3,173	-18	-77
GOVERNMENT	559	559	1	-3
TOTAL (Private & Government)	3,714	3,732	-18	-80

Source: New York State Department of Labor (NYSDEL)
Data are seasonally adjusted

Where Do New Yorkers Work?

- In 2007, 3,125,054 NYC residents worked at least 35 hours, and held private or government jobs or were self employed (working residents). Among these, 2,860,980 (92 percent) worked within the five Boroughs and the remaining (8 percent) worked outside of NYC.
- Among the people who lived and worked within NYC, more than half (52 percent) worked in Manhattan and slightly over one-fifth (21 percent) in Brooklyn.
- In the Outer Boroughs, less than half of the people lived and worked in the same borough (between 39 and 49 percent); in Manhattan it was 85 percent.
- In 2007, the Finance and Insurance, and Professional and Business Services sectors accounted for the highest percentage of Manhattan residents who worked in Manhattan or outside of NYC. For those who lived and worked in Manhattan, the third largest sector was Health Care and Social Assistance Services. Manufacturing was the third largest sector among Manhattan residents who worked outside of the City. One-fourth of Manhattan residents who worked in the Outer Boroughs were in the Health Care and Social Assistance Services sector and 10 percent worked in the Transportation and Utilities sector.

NYC Residents: Place of Work by Borough of Residence, 2007



Source: U.S. Census Bureau, American Community Survey.
*Other than Manhattan and the borough of Residence

- Among the major sectors for Outer Borough residents, regardless of place of work, were Health Care and Social Assistance Services (accounting for the highest percentage of those who worked outside of NYC) and the Trade

industry (accounting for the highest percentage of those who worked in the Outer Boroughs). The Professional and Business Services was the most common sector for Outer Borough residents who worked in Manhattan.

Manhattan and Outer Borough Residents by Place of Work: Percentage Employed by Industry and Total Number, 2007						
	Manhattan Residents Employed in			Outer Borough Residents Employed in		
	Manhattan	Outer Boroughs	Outside NYC	Manhattan	Outer Boroughs	Outside NYC
FIRE	20%	7%	22%	14%	7%	13%
Finance and Insurance	16%	6%	20%	11%	3%	11%
Real Estate	4%	1%	2%	4%	4%	2%
SERVICES	61%	60%	49%	55%	55%	45%
Information	9%	3%	5%	5%	2%	3%
Professional & Business	22%	6%	15%	16%	7%	9%
Educational	6%	12%	8%	5%	10%	4%
Health & Social Assistance	11%	25%	9%	13%	22%	15%
Arts, Entertainment, & Recreation	4%	2%	4%	2%	2%	1%
Accommodation & Food Services	5%	6%	6%	9%	6%	7%
Other	4%	5%	1%	5%	6%	6%
TRADE	8%	9%	8%	10%	12%	17%
Retail	6%	6%	4%	8%	9%	13%
Wholesale	2%	3%	4%	2%	3%	5%
MANUFACTURING	3%	6%	11%	4%	5%	9%
TRANSPORTATION & UTILITY	3%	10%	5%	6%	9%	7%
CONSTRUCTION	2%	3%	4%	5%	8%	6%
TOTAL PRIVATE	97%	95%	99%	94%	96%	98%
GOVERNMENT	3%	5%	1%	6%	4%	2%
TOTAL EMPLOYED RESIDENTS	608,436	60,488	49,545	880,212	1,311,844	214,529

Source: U.S. Census Bureau, American Community Survey

Real Estate and Construction

Real Estate

- In March 2009, the Manhattan Class A direct vacancy rate rose to 6.7 percent and average asking rate fell \$2 PSF to \$82 PSF.
- In the same month, the Midtown South Class A direct vacancy rate rose to 3.7 percent, while the average direct office rental rate remained at \$64 PSF.
- The total Manhattan sublease vacancy rate was 3.5 percent in March, up from 3.2 percent in February.

Construction

For the four months ending February 2009:

- Building projects (including new, additions and alterations) that started construction in NYC declined by 21.4 percent and infrastructure (non-building) project starts decreased by 46.2 percent from the four months ending February 2008.
- Planned space for building project starts decreased 53.2 percent from the same period in 2008.
- 814 residential buildings with 6,159 units of housing started construction, decreases of 29.2 and 33.3 percent respectively from the previous year.

Class A Office Vacancy Rates and Average Rents						
	Vacancy Rate			Average Rents/SF		
	Direct		Sublease	Direct		Sublease
	Mar-09	Feb-09	Mar-09	Mar-09	Feb-09	Mar-09
Midtown	7.7%	7.3%	3.6%	\$86	\$88	\$64
Midtown South	3.7%	3.6%	2.2%	\$64	\$64	\$47
Downtown	3.8%	3.4%	3.6%	\$55	\$57	\$43
Manhattan Totals	6.7%	6.4%	3.5%	\$82	\$84	\$59

Source: Cushman and Wakefield

Construction Starts, Four Months Ending				
Indicator	Building		Non-Building	
	Feb-09	Feb-08	Feb-09	Feb-08
Number of projects	1,695	2,157	63	117
Square Feet (000s)	10,352	22,141	n.a.	n.a.
Value (\$,000s)	1,717,813	7,844,873	358,165	2,371,955

Source: McGraw Hill Construction

Tourism, Travel and Transit

Tourism and Travel

Broadway Ticket Sales

- There were approximately 878,000 tickets sold during the four weeks ending March 29, 2009, a 15.9 percent decrease from the same period last year.
- Broadway revenue during this period was roughly \$63.1 million, a 17.1 percent decrease from last year.

Note: Gross revenue and attendance figures do not include all shows
Source: The Broadway League

Air Traffic

- In January 2009, 7.2 million passengers flew into and out of the region's airports, a decrease of 10.5 percent from January 2008.

Source: Port Authority of New York and New Jersey

Hotel Occupancy

- In February 2009, the average daily hotel room rate was \$216, a 17.6 percent decrease from February 2008.
- Hotel occupancy was 65.8 percent in February 2009, down from 81.2 percent in February 2008.

Source: PKF Consulting

Transit Ridership

- Total ridership on MTA subways, trains and buses in February 2009 was roughly 192 million, a decrease of 3.7 percent from February 2008.
- In February 2009, subway ridership was roughly 120 million, a decrease of 4.4 percent from January 2008.

Source: Metropolitan Transportation Authority