

ECONOMIC SNAPSHOT

A Summary of New York City's Economy

DECEMBER 2008

HIGHLIGHTS

Private Employment fell by 6,500 jobs in October, after a decrease of 3,700 jobs in September.

The unemployment rate fell to 5.7 percent in October from 5.8 percent in September.

The Manhattan hotel occupancy rate in October 2008 was 86.4 percent, down from 91.0 percent in October 2007.

The Direct Class A office vacancy rate was 5.6 percent in October 2008, while the average asking rent was \$88 PSF.

Passengers in NYC area airports totaled 8.1 million in September 2008, down 6.3 percent from September 2007.

Unemployment Rates

Place of Residence	12 Months Ending	
	Oct-08	Oct-07
Bronx	7.0%	6.7%
Brooklyn	5.6%	5.3%
Manhattan	4.5%	4.3%
Queens	4.6%	4.4%
Staten Island	4.7%	4.4%
NYC	5.2%	4.9%

Source: New York State Department of Labor (NYS DOL)

Employment

- Private sector jobs in New York City decreased by 6,500 in October 2008 after a decrease of 3,700 in September 2008.
- Government jobs in the City rose by 3,800 for a net loss of 2,700 total (private and public sector) jobs.
- Since October 2007, the private sector has grown by 0.2 percent, adding 5,300 total jobs.
- The City's unemployment fell to 5.7 percent in October from 5.8 percent in September.
- The number of employed City residents rose by 11,300 and the number of unemployed City residents fell by 5,800 between September and October.

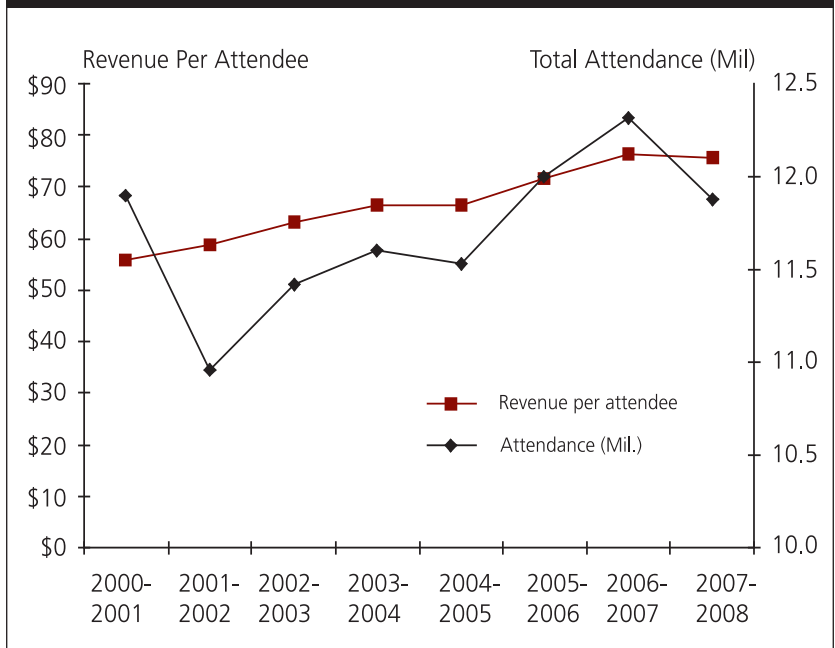
Industry	Employment (000s)			
	Oct-08	Sep-08	Change From Prev. Month	Change From Oct-07
FIRE	458	460	-2	-13
Finance and Insurance	333	335	-2	-17
Securities	172	172	-1	-16
Banking	94	95	-1	-1
Other	67	68	-1	1
Real Estate	125	125	0	4
SERVICES	1,953	1,954	-1	21
Information	171	171	0	3
Professional & Business	599	598	1	2
Educational	156	156	0	2
Health & Social Assistance	562	562	-1	5
Arts & Entertainment	64	65	-1	0
Accommodation & Food	241	242	-1	6
Other	162	161	1	3
TRADE	451	453	-2	3
Retail	303	304	-1	4
Wholesale	148	149	0	-1
MANUFACTURING	93	94	-1	-7
TRANSPORTATION & UTILITY	127	127	0	2
CONSTRUCTION	129	130	-1	0
TOTAL PRIVATE	3,210	3,216	-7	5
GOVERNMENT	564	560	4	2
TOTAL (Private & Government)	3,774	3,776	-3	7

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

Broadway Trends

- In the 2007-08 Broadway season, a total of 11.9 million tickets were sold. The total gross revenue from these sales was \$897 million, for an average revenue of \$75.57 per ticket.
- The total attendance (ticket sales) was the same in 2007-08 as it was in 2000-01, however, it has fluctuated annually. Attendance levels returned to pre 2001-02 levels in 2005-06. After reaching a peak of 12.3 million in 2006-07, attendance fell by 3.6 percent in 2007-08.
- Revenue per attendee increased almost every season for an overall increase of 42 percent from 2000-01 to 2007-08, an annual average growth rate of 4.4 percent.
- Out of a total of 12.3 million Broadway tickets sold in 2006-07, almost two-thirds were to out-of-town visitors, i.e., those living outside the New York City Metropolitan area. New York City residents made up 16.5 percent of the attendees and 18.3 percent lived in the suburbs.

Broadway Gross Ticket Revenue Per Attendee and Total Attendance 2000 - 2007

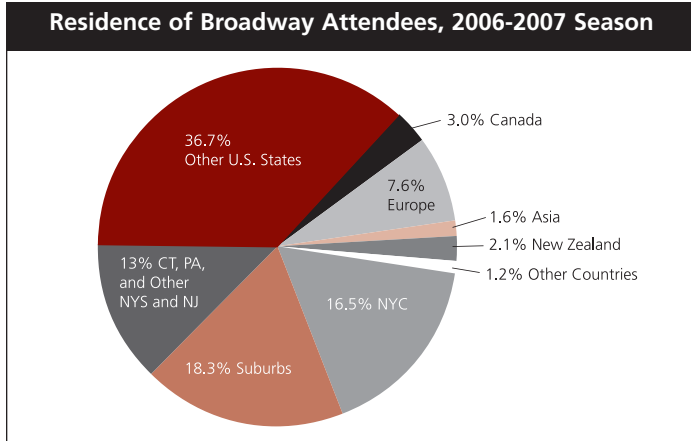


Source: The Broadway League
A season is defined as the 52 weeks following the Tony awards each year.

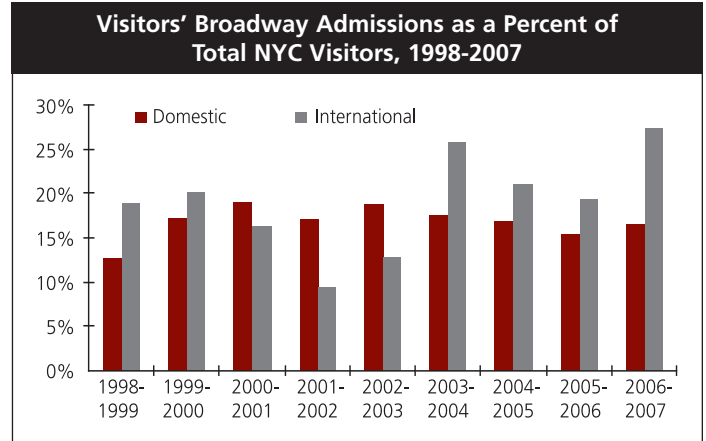
- A high proportion of the visitor attendees were U.S. residents. Although domestic visitor admissions rebounded within one year of the 2001–02 season, they fell during 2004–05 and 2005–06 seasons by 1.9 and 3.9 percent respectively. From 2005–06 to 2006–07, domestic visitor admissions increased by 11.8 percent.
- In 2006–07, international attendees accounted for 23.8 percent of the visitor attendees, a higher percentage than in 2001–02 (9.4 percent). After a decrease of 52.5 percent in 2001–02 (from the

previous season), international tourist admissions increased by 262.9 percent over the five following seasons ending in 2006–07.

- In the last 9 years, annual Broadway attendance by visitors has been between 13.8 and 18.5 percent of the number of visitors to the City. International Broadway visitors have fluctuated between 9.5 and 27.3 percent of total international visitors, while the corresponding range for domestic visitors was narrower — 12.7 to 19.0 percent.



Source: The Broadway League



Source: The Broadway League

Real Estate and Construction

Real Estate

- In November 2008, the Manhattan Class A direct vacancy rate rose to 5.6% and the average asking rental rate fell to \$88 PSF.
- In the same month, the Downtown Class A direct vacancy rate fell to 3.4%, while the average direct office rental rate fell \$1 to \$61 PSF.
- The total Manhattan sublease vacancy rate was 2.6 percent in November, up from 2.5 percent in October.

Construction

For the four months ending October 2008:

- Building projects (including new, additions and alterations) that started construction in NYC fell by 23.2 percent and infrastructure (non-building) project starts increased by 49.1 percent from the four months ending October 2007.
- Planned space for building project starts fell 26.0 percent from the same period in 2007.
- 988 residential buildings with 6,040 units of housing started construction, decreases of 23.6 and 37.6 percent respectively from the previous year.

	Vacancy Rate		Average Rents/SF			
	Direct	Sublease	Direct	Sublease		
	Nov-08	Oct-08	Nov-08	Nov-08	Oct-08	Nov-08
Midtown	6.3%	6.1%	2.6%	\$93	\$95	\$76
Midtown South	3.6%	3.5%	0.6%	\$64	\$63	\$55
Downtown	3.4%	3.5%	3.1%	\$61	\$62	\$46
Manhattan Totals	5.6%	5.4%	2.6%	\$88	\$90	\$69

Source: Cushman and Wakefield

Indicator	Building		Non-Building	
	Oct-08	Oct-07	Oct-08	Oct-07
Number of projects	1,962	2,555	158	106
Square Feet (000s)	12,065	16,298	n.a.	n.a.
Value (\$,000s)	4,068,775	4,967,503	1,714,941	2,083,783

Source: McGraw Hill Construction

Tourism, Travel and Transit

Tourism and Travel

Broadway Ticket Sales

- There were approximately 894,000 tickets sold during the four weeks ending November 30, 2008, a 99.5 percent increase from the same period last year, in which the stagehand strike took place.
- Broadway revenue during this period was roughly \$72.7 million, a 120.7 percent increase from last year.

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

Air Traffic

- In September 2008, 8.1 million passengers flew into and out of the region's airports, a decrease of 6.3 percent from September 2007.

Source: Port Authority of New York and New Jersey

Hotel Occupancy

- In October 2008, the average daily hotel room rate was \$358, a 2.9 percent decrease from October 2007.
- Hotel occupancy was 86.4 percent in October 2008, down from 91.0 percent in October 2007.

Source: PKF Consulting

Transit Ridership

- Total ridership on MTA subways, trains and buses in October 2008 was roughly 231 million, an increase of 0.4 percent from October 2007.
- In October 2008, subway ridership was roughly 145 million, an increase of 1.2 percent from October 2007.

Source: Metropolitan Transportation Authority