

# ECONOMIC SNAPSHOT

A Summary of New York City's Economy

JUNE 2009

## HIGHLIGHTS

Private Employment fell by 600 in April after a decrease of 13,400 jobs in March.

The unemployment rate fell to 8.0 percent in April from 8.1 percent in March.

The Manhattan hotel occupancy rate in April 2009 was 85.4 percent, down from 87.2 percent in April 2008.

The Manhattan Direct Class A office vacancy rate was 7.7 percent in May 2009, while the average asking rent was \$78 PSF.

Passengers in NYC area airports totaled 8.2 million in March 2009, down 12.2 percent from March 2008.

## Employment

- Private sector jobs in New York City fell by 600 in April 2009 after a decrease of 13,400 in March.
- In the same period, government jobs in the City increased by 3,800 for a net gain of 3,200 private and public sector jobs.
- Since April 2008, private sector employment has declined by 93,600 jobs or 2.9 percent.
- Between March and April 2009, the City's unemployment rate fell from 8.1 percent to 8.0 percent.
- Between March and April 2009, the number of employed City residents rose by 6,600 and the number of unemployed City residents fell by 3,500.

Industry	Employment (000s)			
	Apr-09	Mar-09	Change From Prev. Month	Change From Apr-08
<b>FIRE</b>	<b>443</b>	<b>445</b>	<b>-2</b>	<b>-26</b>
Finance and Insurance	322	325	-3	-25
Securities	167	169	-2	-20
Banking	88	89	-1	-6
Other	67	67	-1	1
Real Estate	121	120	1	-1
<b>SERVICES</b>	<b>1,942</b>	<b>1,945</b>	<b>-3</b>	<b>-20</b>
Information	166	166	0	-2
Professional & Business	583	584	-1	-26
Educational	167	167	0	9
Health & Social Assistance	565	564	1	7
Arts & Entertainment	64	67	-2	-5
Accommodation & Food	235	235	-1	-7
Other	163	163	0	2
<b>TRADE</b>	<b>435</b>	<b>432</b>	<b>2</b>	<b>-16</b>
Retail	295	292	3	-6
Wholesale	140	141	-1	-10
<b>MANUFACTURING</b>	<b>83</b>	<b>83</b>	<b>-1</b>	<b>-14</b>
<b>TRANSPORTATION &amp; UTILITY</b>	<b>121</b>	<b>119</b>	<b>2</b>	<b>-5</b>
<b>CONSTRUCTION</b>	<b>121</b>	<b>120</b>	<b>1</b>	<b>-12</b>
<b>TOTAL PRIVATE</b>	<b>3,144</b>	<b>3,145</b>	<b>-1</b>	<b>-94</b>
GOVERNMENT	565	561	4	-1
<b>TOTAL (Private &amp; Government)</b>	<b>3,709</b>	<b>3,705</b>	<b>3</b>	<b>-93</b>

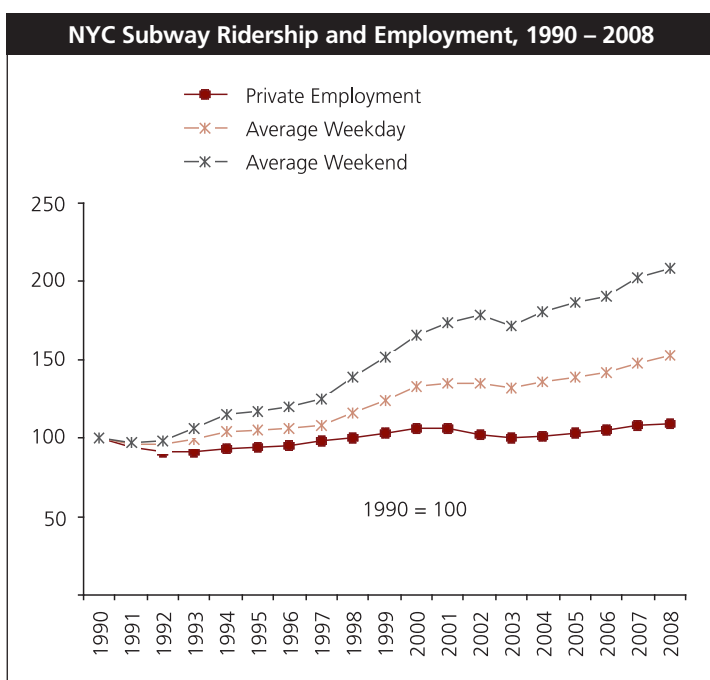
Unemployment Rates		
Place of Residence	12 Months Ending	
	Apr-09	Apr-08
Bronx	8.7%	6.6%
Brooklyn	7.1%	5.3%
Manhattan	5.9%	4.2%
Queens	5.9%	4.3%
Staten Island	5.9%	4.4%
<b>NYC</b>	<b>6.6%</b>	<b>4.9%</b>

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

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Data are seasonally adjusted

## Subway Ridership Trends in NYC

- In 2008, a total of 1.56 billion rides were taken on the NYC subway system, the highest level since 1952. This represents an increase of 61.7 percent from 1990. Subway ridership in NYC has followed the overall economic trends, in particular, employment.
- In 2008, on average, 4.96 million rides were taken on the subway every day during the work week. From 1990 to 2008, the average weekday ridership increased by 53.2 percent (2.4 percent annually), far exceeding the 9.1 percent increase in the City's employment (0.5 percent annually).
- Between 1990 and 2008, average daily weekend subway ridership more than doubled, increasing at an annual average rate of 4.2 percent, and reaching a high of 2.64 million in 2008.
- From 1990 to 2008, average weekday ridership in Brooklyn and the Bronx experienced larger increases relative to Manhattan and Queens, resulting in an increase in their share of Citywide weekday ridership. During the same period, average weekend ridership more than doubled in all boroughs with the exception of Queens, while, as a percent of average Citywide weekend ridership, it increased only in Manhattan.

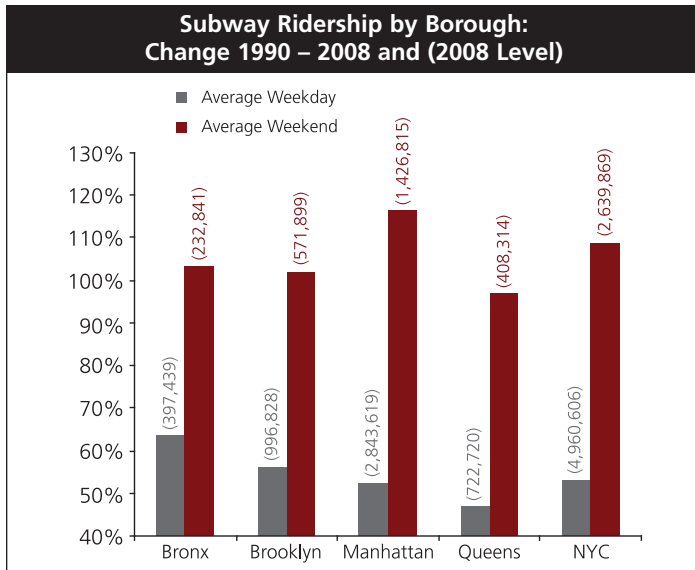


Source: Metropolitan Transportation Authority and Bureau of Labor Statistics

## Subway Ridership Trends in NYC

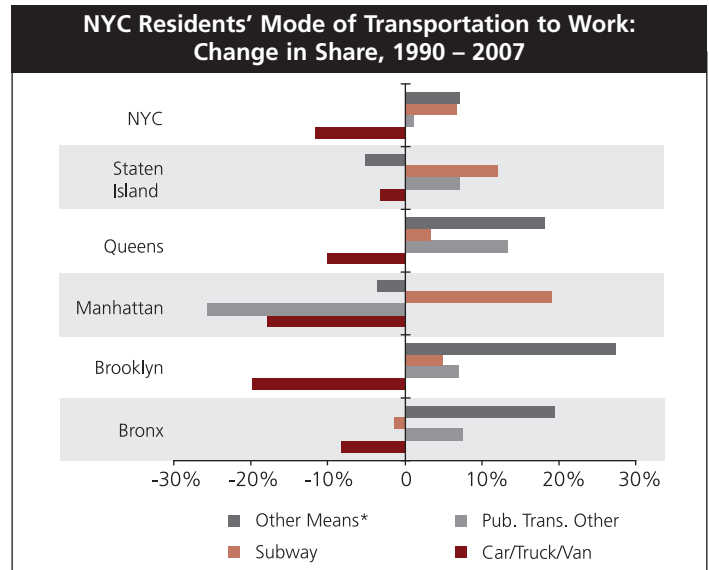
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- From 1990 to 2007, the number of employed City residents increased by 19.1 percent, while those using the subway to commute to work rose by 23.7 percent. Over the same period, the share of employed New Yorkers who took the subway for work increased (6.9 percent), while the share of those using cars and taxicabs, and walking to work decreased (11.7 percent, 12.5 percent and 3.9 percent, respectively).



Note: Ridership data is by place of origin  
Source: Metropolitan Transportation Authority

- A higher proportion of workers took the Subway to work in 2007 than 1990 in all boroughs except the Bronx. In comparison, the proportion who took cars decreased across all boroughs. In fact, the percentage share of Manhattan workers commuting by all other means except the Subway, declined during this period.



\*Includes: Taxicab, Bicycle, Motorcycle, Walking, Other and Work at Home  
Source: U.S. Census Bureau

## Real Estate and Construction

### Real Estate

- In May 2009, the Manhattan Class A direct vacancy rate rose to 7.7 percent and average asking rate fell \$2 PSF to \$78 PSF.
- In the same month, the Downtown Manhattan Class A direct vacancy rate rose to 4.4 percent, while the average direct office rental rate fell to \$53 PSF.
- The Midtown South sublease vacancy rate was 2.0 percent in May, down from 2.7 percent in April.

### Construction

For the four months ending April 2009:

- Building projects (including new, additions and alterations) that started construction in NYC declined by 33.3 percent and infrastructure (non-building) project starts decreased by 38.2 percent from the four months ending April 2008.
- Planned space for building project starts decreased 84.4 percent from the same period in 2008.
- 609 residential buildings with 1,940 units of housing started construction, decreases of 43.1 and 77.2 percent respectively from the previous year.

### Class A Office Vacancy Rates and Average Rents

	Vacancy Rate		Average Rents/SF			
	Direct	Sublease	Direct	Sublease		
	May-09	Apr-09	May-09	May-09	Apr-09	
Midtown	8.8%	8.4%	4.1%	\$82	\$84	\$62
Midtown South	4.0%	3.9%	2.0%	\$62	\$63	\$46
Downtown	4.4%	4.2%	3.6%	\$53	\$55	\$43
<b>Manhattan Totals</b>	<b>7.7%</b>	<b>7.3%</b>	<b>3.9%</b>	<b>\$78</b>	<b>\$80</b>	<b>\$58</b>

Source: Cushman and Wakefield

### Construction Starts, Four Months Ending

Indicator	Building		Non-Building	
	Apr-09	Apr-08	Apr-09	Apr-08
Number of projects	1,370	2,054	81	131
Square Feet (000s)	3,394	21,811	n.a.	n.a.
Value (\$,000s)	1,275,755	8,297,627	415,559	2,016,830

Source: McGraw Hill Construction

## Tourism, Travel and Transit

### Tourism and Travel

#### Broadway Ticket Sales

- There were approximately 1.0 million tickets sold during the four weeks ending May 31, 2009, a 2.2 percent decrease from the same period last year.
- Broadway revenue during this period was roughly \$78.1 million, a 0.8 percent increase from last year.

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

#### Air Traffic

- In March 2009, 8.2 million passengers flew into and out of the region's airports, a decrease of 12.2 percent from March 2008.

Source: Port Authority of New York and New Jersey

### Hotel Occupancy

- In April 2009, the average daily hotel room rate was \$224, a 25.9 percent decrease from April 2008.
- Hotel occupancy was 85.4 percent in April 2009, down from 87.2 percent in April 2008.

Source: PKF Consulting

### Transit Ridership

- Total ridership on MTA subways, trains and buses in April 2009 was roughly 212.5 million, a decrease of 2.7 percent from April 2008.
- In April 2008, subway ridership was roughly 133.6 million, a decrease of 2.6 percent from April 2008.

Source: Metropolitan Transportation Authority