

ECONOMIC SNAPSHOT

A Summary of New York City's Economy

MARCH 2008

HIGHLIGHTS

Private employment rose by 15,100 jobs in January 2008, after a decrease of 4,000 jobs in December 2007.

The unemployment rate rose to 5.7 percent in January, from 5.1 percent in December.

The NYC hotel occupancy rate in January 2008 was 75.9 percent, up from 74.8 percent in January 2007.

The Manhattan Direct Class A office vacancy rate was 4.3 percent in February 2008, while the average asking rent was \$83 PSF.

Passengers in NYC's airports totaled 8.8 million in December 2007, down 0.4 percent from December 2006.

Employment Facts

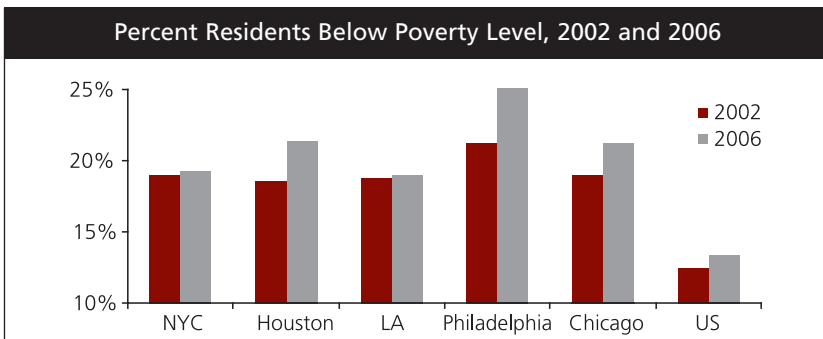
- Private sector jobs in New York City increased by 15,100 in January 2008 after a decrease of 4,000 in December 2007.
- Government jobs in the City fell by 1,800 for a net gain of 13,300 total (private and public sector) jobs.
- Since January 2007, the private sector has grown by 1.6 percent, adding 50,800 total jobs.
- The City's unemployment rate rose to 5.7 percent in January 2008, from 5.1 percent in December 2007.
- The number of employed City residents increased by 10,200 between December and January, the largest month-over-month increase since January 1978 (the earliest time period for which this data has been estimated by NYSDOL using the current methodology).

Industry	Employment (000s)			
	Jan-08	Dec-07	Change From Prev. Month	Change From Jan-07
FIRE	472	469	4	8
Finance and Insurance	349	347	2	5
Real Estate	124	122	1	4
SERVICES	1,936	1,931	5	36
Information	169	167	2	4
Professional & Business	590	593	(3)	6
Educational	155	155	0	1
Health & Social Assistance	559	558	0	11
Arts & Entertainment	65	64	1	2
Accommodation & Food	239	236	4	11
Other	160	159	1	3
TRADE	452	446	6	7
Retail	301	297	5	7
Wholesale	151	149	2	1
MANUFACTURING	98	98	(0)	(7)
TRANSPORTATION & UTILITY	125	124	1	2
CONSTRUCTION	129	129	(0)	4
TOTAL PRIVATE	3,212	3,197	15	51
GOVERNMENT	561	563	(2)	4
TOTAL (Private & Government)	3,774	3,760	13	55

Source: New York State Department of Labor (NYSDOL)

Poverty and Government Income Support

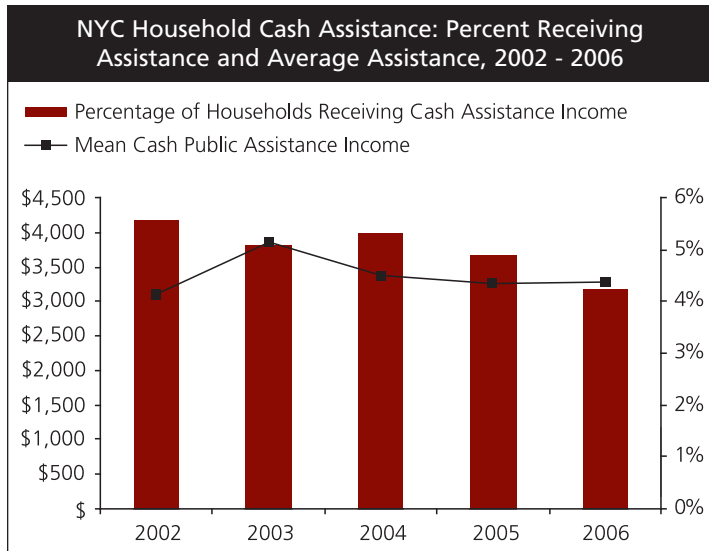
- In New York City, from 2002 to 2006, median household income and the poverty rate both increased. Median income increased by 18.3 percent, and at the same time, the percentage of individuals living below the poverty level increased from 19.0 to 19.2 percent.
- The NYC poverty rate is lower than that of most major cities. Large cities had a higher percentage of residents below the poverty level than the U.S. as a whole.
- Between 2002 and 2006, the percentage of residents living below the poverty level also increased in other major cities (ranging from 0.2 percentage points in Los Angeles to 3.9 percentage points in Philadelphia) and nationally (0.9 percentage points).
- Low income households can supplement their income using cash public assistance and food stamp benefits.
- A higher percentage of households receive food stamps than cash public assistance. The proportion of households receiving cash assistance has generally declined in major cities from 2002 to 2006, while the proportion of those supplementing their income with food stamps has increased during this period.



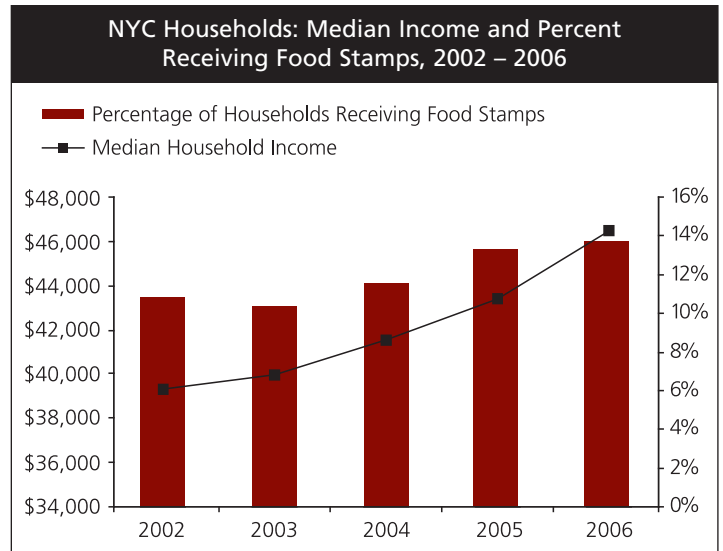
Source: U.S. Census Bureau

- Similar to the national trend, fewer NYC households were receiving cash assistance in 2006 than in 2002; the percentage that were cash assistance recipients declined from 5.6 percent to 4.2 percent. At the same time, mean cash assistance income for recipients increased slightly during the same period.

- Food stamps receipt in NYC also followed national trends. The percentage of households with food stamp assistance increased from 10.8 percent to 13.7 percent during the 2002 to 2006 period.



Source (both charts): U.S. Census Bureau



Real Estate

- In February 2008, direct vacancy rates in Downtown areas fell 0.2% to 2.9%, while direct office rental rates remained at \$60 PSF.
- In the same month, Midtown Class A direct office vacancy rates fell 0.1% to 4.9 percent while average rental rates increased \$1 to \$86 PSF.
- The total Manhattan sublease vacancy rate was 1.1 percent in February 2008, the same level as in January.

Class A Office Vacancy Rates and Average Rents

	Vacancy Rate			Average Rents/SF		
	Direct		Sublease	Direct		Sublease
	Feb-08	Jan-08	Feb-08	Feb-08	Jan-08	Feb-08
Midtown	4.9%	5.0%	1.2%	\$86	\$85	\$78
Midtown South	1.0%	1.0%	0.3%	\$65	\$65	\$48
Downtown	2.9%	3.1%	0.8%	\$60	\$60	\$44
Manhattan Totals	4.3%	4.4%	1.1%	\$83	\$81	\$73

Source: Cushman and Wakefield

Other Indicators

Tourism and Travel

Air Traffic

- December 2007, 8.8 million passengers flew into and out of the region's airports, a 0.4 percent decrease from December 2006 passenger levels.

Source: Port Authority of New York and New Jersey

Hotel Occupancy

- In January 2008, the average daily hotel room rate was \$262, a 10 percent increase from January 2007.
- Hotel occupancy was 75.9 percent in January 2008, up from 74.8 percent in January 2007.

Source: PKF Consulting

Broadway Ticket Sales

- Broadway attendance during the five weeks ending March 2, 2008 was approximately 1.1 million, a 2.3 percent increase from the same period last year.
- Broadway revenue during this period was roughly \$79 million, a 0.1 percent decrease from last year.

Source: The Broadway League

Subway Ridership

- Total ridership on MTA subways, trains and buses in December 2007 was roughly 205 million, an increase of 0.2 percent from December 2006.
- In December 2007, subway ridership was roughly 130 million, an increase of 1.5 percent from December 2006.

Source: Metropolitan Transportation Authority

New Construction

For the four months ending January 2008:

- There were 2,116 building projects (including new, additions and alterations) that started construction in NYC, a 5 percent decrease from the four months ending January 2007. There were 79 infrastructure (non-building) project starts, a decrease of 5 percent from last year.
- Planned space for building project starts is approximately 11.2 million square feet, a 36 percent decrease from the same period in 2006.

Source: Dodge Analytics