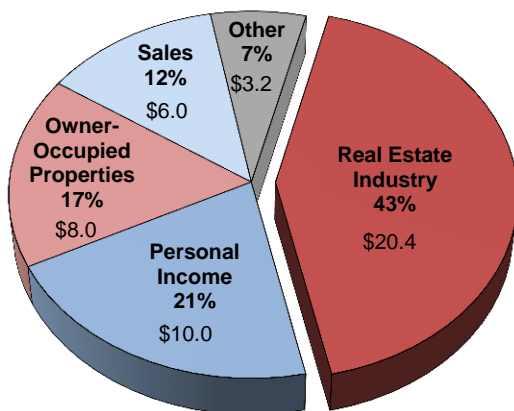


THE INVISIBLE ENGINE: 2016 Economic Impact of New York City's Real Estate Industry

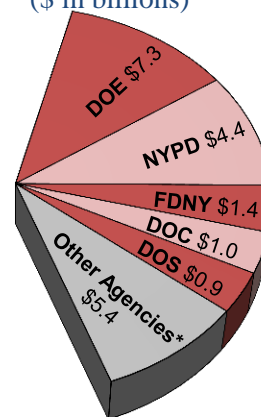
ANNUAL TAXES FROM THE REAL ESTATE INDUSTRY¹

- \$20.4 billion, which is 43% of total NYC taxes collected, is from the real estate industry, including taxes from revenue-generating properties (such as residential rental buildings, office buildings, hotels, retail stores, and utility property; it excludes property and transaction taxes from 1-3 family homes and coop and condo units) and real estate activity
- The \$20.4 billion in annual taxes from the real estate industry increased by 24.4% between FY 2013 and FY 2016; the 43% share of total New York City taxes is 2 percentage points higher than in FY 2013
- These taxes could pay the City's entire share of salaries for teachers, police officers, fire fighters, sanitation workers, and corrections officers, with \$5.4B left to fully fund numerous City agencies

ANNUAL REAL ESTATE INDUSTRY
SHARE OF NYC TAXES
(\$ in billions)



CITY FUNDED PAYROLL EXPENSES THAT
COULD BE PAID BY REAL ESTATE
INDUSTRY TAXES
(\$ in billions)



*\$5.4 billion remaining can fully fund the following agencies: DOT, DEP, DOH, Technology, Libraries, Children's Services, Youth and Community Development, and all 5 District Attorney's Offices

TOTAL ECONOMIC IMPACT OF THE REAL ESTATE INDUSTRY²

- \$139.4 billion in total economic output in 2015, a 20.1% increase from 2013
- Approximately 12.5% of Gross City Product (GCP), which is a 0.5 percentage point increase from 2013
- 606,600 total jobs, a 9.5% increase from 2013
 - 15.3% = the increase in direct employment in the construction industry compared with 2013
- \$45.8 billion in total wages and benefits, a 28.7% increase from 2013
 - 16.6% = the increase in direct wages in the construction industry compared with 2013
- \$75,700 = the average salary and benefits for a worker directly employed in the real estate industry, a 21.1% increase compared with 2013

¹ Annual taxes include real estate related taxes (property, mortgage, transfer, hotel, and commercial occupancy) from revenue-generating property (all properties in Class 3 [utility] and Class 4 [office, hotels, etc.] and all residential rental buildings in Class 2; it excludes property and transaction taxes from 1-3 family homes and co-op and condo units) and taxes (personal income, sales, corporate, and other business taxes) generated by real estate industry activity. Activity includes individuals employed in the real estate industry (e.g. brokers, property managers) and the goods and services this employment generates.

² Total economic impact is the combined direct, indirect, and induced effect on the local economy, including jobs, wages, and tax revenue and includes construction and non-construction real estate activities. All dollar amounts are constant 2016 dollars. All comparisons are to FY 2013.