

Securities Employment Continues Decline in June

- There were just under 180,000 workers on securities payroll during June in New York City, down slightly from May.
- Since peaking in August of 2007, securities employment has fallen by 11,900.

Code Change Causes Spike in Building Permits

- New construction codes, which were set to take effect July 1st, led many developers to rush and file permits.
- In Manhattan, permits were issued for 5,751 units in Manhattan in June alone, and through the first 6 months of the year are up 162% from 2007.
- Brooklyn permits also jumped due to this change, and through June were 73% higher than the same period in 2007.

U.S. Economy Grows at 1.9% Pace in Second Quarter

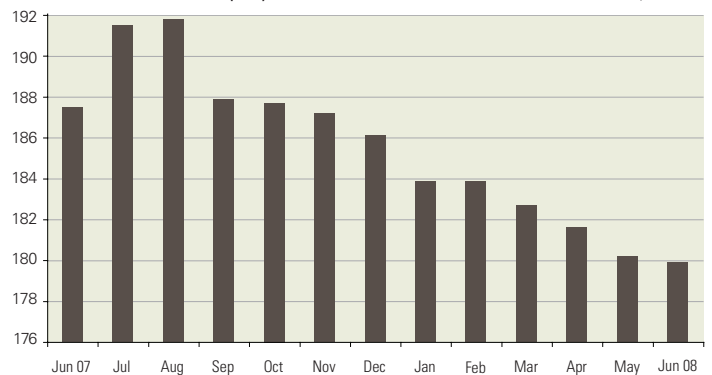
- Gross domestic product, the broadest measure of the U.S. economy, grew at a 1.9% annual pace during the second quarter.
- This was below expectations, but shows that the national economy has yet to fall into recession. While GDP was revised down to -0.2% in the 4th quarter of 2007, growth has accelerated since then.

Condos Account for 54% of Apartment 2ndQ 08 Sales

- Condominium units comprised 54% of all apartment sales in the second quarter, 7% more than a year ago.
- New developments are the main reason for this rise, as they alone accounted for over 1/3 of all sales last quarter.

NYC Securities Employment (thousands)

Source: NYS Dept of Labor

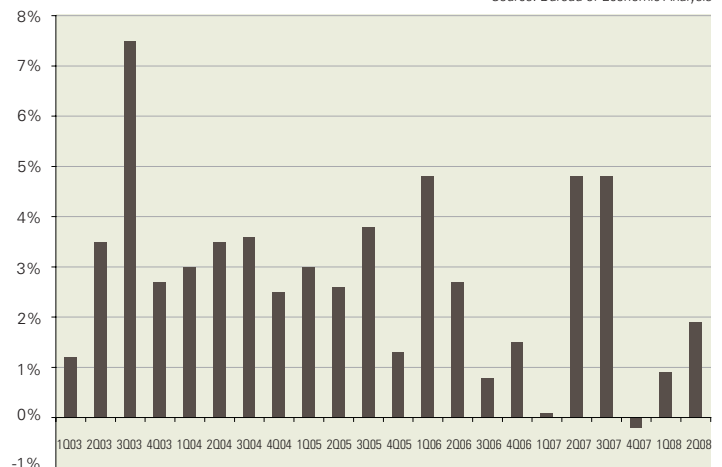

Building Permits (number of units)

Source: Census Bureau

	1st half 2008	1st half 2007	Change
Brooklyn	10,573	6,099	73%
Manhattan	8,108	3,095	162%

Real Gross Domestic Product

Source: Bureau of Economic Analysis


Percentage of Manhattan Apartment Sales

Source: Halstead Property

