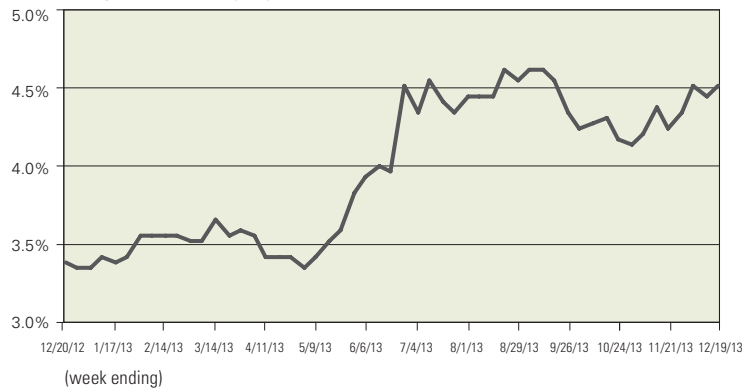


Mortgage Rates Rise as Fed Taper Begins

- Rates for 30-year conforming mortgages averaged 4.47% for the week ending 12/19/13, up from 4.42% the prior week, and 3.37% a year ago.
- The 30-year rate is at its highest level in 3 months.
- As expected, the Federal Reserve announced it would scale back its bond-buying program by \$10 billion per month, as economic growth has strengthened recently.

30-year Mortgage Rates

Source: Freddie Mac



City Employment Exceeds 4 Million in November

- Total employment in New York City rose by over 110,000 in the twelve months ending November, a 2.8% increase.
- Gains were led by the education and health services (+48,400) and leisure and hospitality (+26,700) sectors.
- The only sectors to lose jobs over the past year were state (-1,200) and local government (-2,300).

NYC Employment (thousands)

Source: NYS Dept of Labor

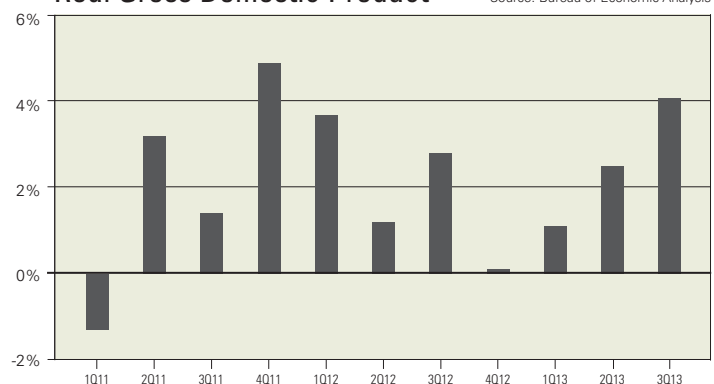
INDUSTRY	NOV-13	NOV-12	NET CHANGE	PERCENT CHANGE
Education and Health Services	849.1	800.7	48.4	6.0%
Leisure and Hospitality	387.4	360.7	26.7	7.4%
Trade, Transportation, and Utilities	621.4	603.7	17.7	2.9%
Professional and Business Services	641.1	634.3	6.8	1.1%
Other Services	178.0	171.5	6.5	3.8%
Financial Activities	438.1	434.4	3.7	0.9%
Construction	119.8	116.5	3.3	2.8%
Information	177.9	177.5	0.4	0.2%
Manufacturing	76.8	76.6	0.2	0.3%
Federal Government	49.8	49.8	0.0	0.0%
State Government	44.2	45.4	-1.2	-2.6%
Local Government	448.5	450.8	-2.3	-0.5%
Total	4,032.1	3,921.9	110.2	2.8%

Economic Growth Stronger Than Expected

- Gross Domestic Product, which measures the value of all goods and services produced in the U.S., rose at a 4.1% annual pace in the third quarter, its strongest rate in almost 2 years.
- Initially, GDP was thought to have risen by 3.6%.
- While most of the growth is attributable to a buildup of inventories, both business and consumer spending were better than originally reported.

Real Gross Domestic Product

Source: Bureau of Economic Analysis


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