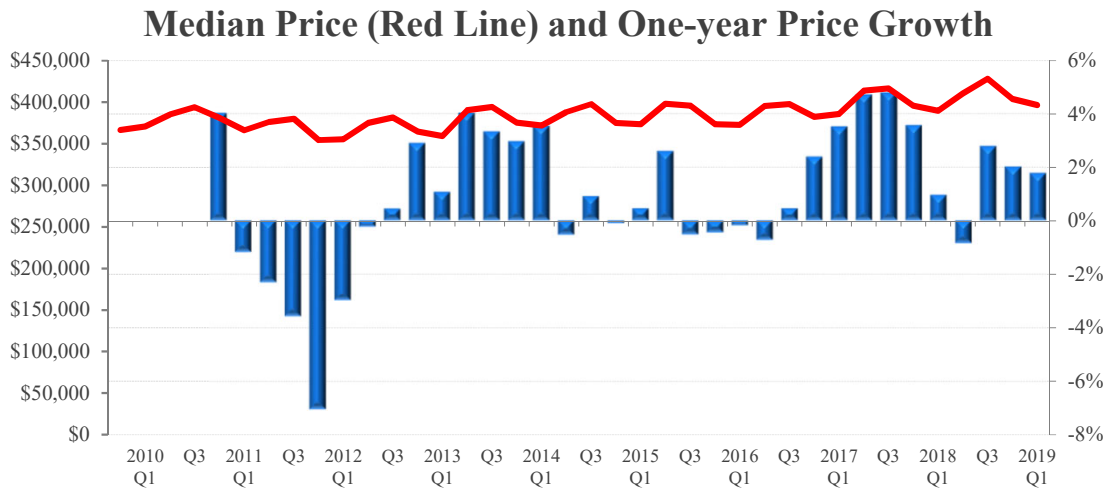


New York-Newark-Jersey City Area

Local Market Report, First Quarter 2019

Today's Market...



Local Price Trends			
Price Activity	New York	U.S.	Local Trend
Current Median Home Price (2019 Q1)	\$396,600	\$253,033	Prices are up from a year ago, but price growth is slowing
1-year (4-quarter) Appreciation (2019 Q1)	1.8%	3.8%	
3-year (12-quarter) Appreciation (2019 Q1)	6.4%	17.3%	
3-year (12-quarter) Housing Equity Gain*	\$23,700	\$37,300	Gains in the last 3 years have extended the trend of positive price growth after the recession
7-year (28 quarters) Housing Equity Gain*	\$41,200	\$94,700	
9-year (36 quarters) Housing Equity Gain*	\$25,900	\$86,667	

*Note: Equity gain reflects price appreciation only

	New York	U.S.	
Conforming Loan Limit**	\$726,525	\$726,525	Most buyers in this market have access to government-backed financing
FHA Loan Limit	\$726,525	\$726,525	
Local Median to Conforming Limit Ratio	55%	not comparable	

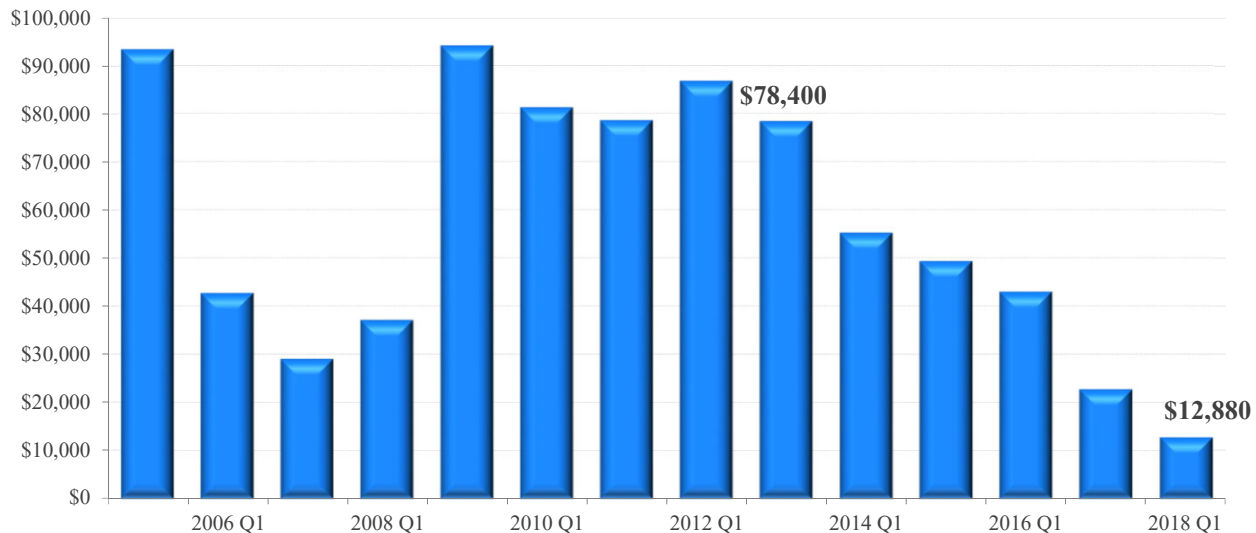
Note: limits are current and include the changes made on January 1st 2019.

Local NAR Leadership

The New York-Newark-Jersey City market is part of region 2 in the NAR governance system, which includes all of New York, New Jersey, and Pennsylvania. The 2019 NAR Regional Vice President representing region 2 is Guy Matteo.

Benefits of Ownership: Total Equity Appreciation

Total Equity Accrued to Owner by Year and Quarter of Purchase



Total Equity Gained** through 2019 Q1 from quarter in which home was of purchased

Price Activity	NewYorkNJLI	U.S.	Local Trend
1-year (4-quarter)	\$12,880	\$12,975	Price appreciation and principle payments in the last 3 years have boosted total equity growth since the recession
3-year (12-quarter)*	\$43,155	\$48,556	
5-year (20-quarter)*	\$55,363	\$75,592	
7-year (28 quarters)*	\$86,740	\$105,940	
9-year (36 quarters)*	\$81,295	\$98,477	
If purchase in 2005, the national price peak	\$93,273	\$70,013	

*Note: Equity gain reflects price and principle payments since purchase, prevailing 30-year fixed rate mortgage at time of purchase and a 10% downpayment. Downpayment is not included in total equity

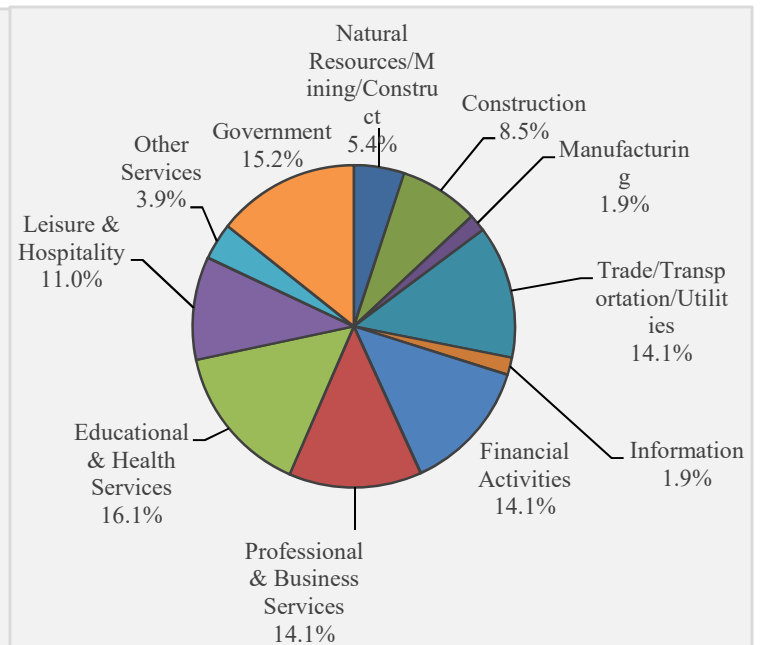
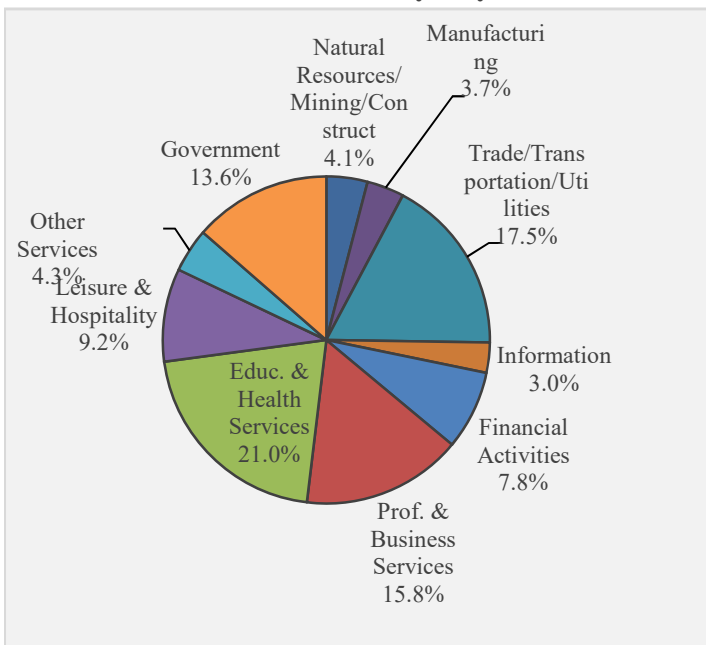
Drivers of Local Supply and Demand...

Local Economic Outlook	New York	U.S.	
12-month Job Change (Mar)	123,100	Not Comparable	Employment has held up and is on an upward trend
12-month Job Change (Feb)	118,100	Not Comparable	
36-month Job Change (Mar)	416,500	Not Comparable	New York's unemployment rate lags the national average, but has improved relative to the same period last year
Current Unemployment Rate (Mar)	3.9%	3.8%	
Year-ago Unemployment Rate	4.3%	4.0%	Local employment growth is poor and needs to improve
1-year (12 month) Job Growth Rate	1.3%	1.7%	

Share of Total Employment by Industry

New York-Newark-Jersey City Area

U.S.



12-month Employment Change by Industry in the New York-Newark-Jersey City Area (Mar - 2019)

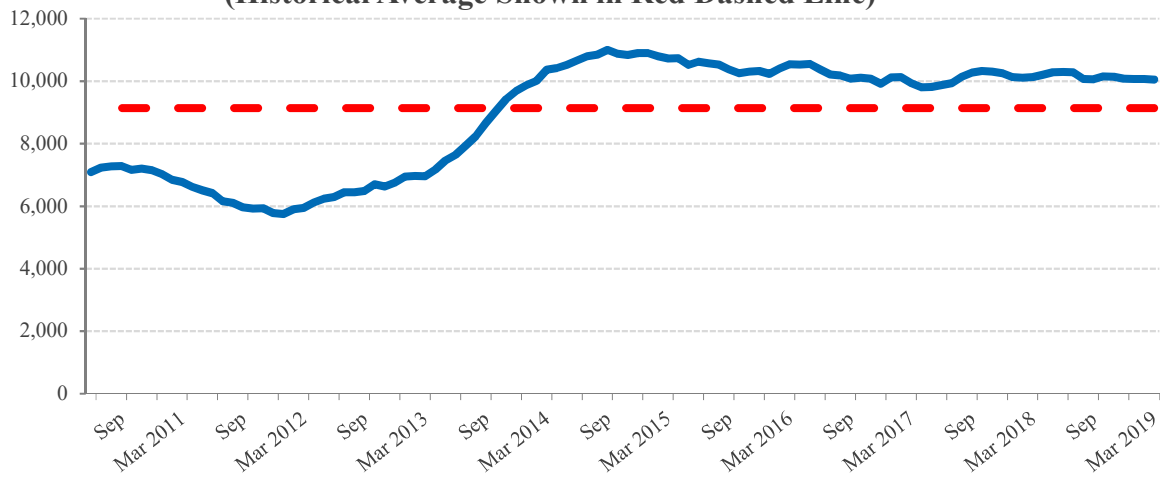
Goods Producing	NA	Information	1,200
Natural Resources/Mining/Construction	12,400	Financial Activities	-3,700
Natural Resources and Mining	NA	Prof. & Business Services	14,800
Construction	NA	Educ. & Health Services	64,900
Manufacturing	1,200	Leisure & Hospitality	7,800
Service Providing Excluding Government	NA	Other Services	10,300
Trade/Transportation/Utilities	2,600	Government	6,600

State Economic Activity Index	New York	U.S.	
12-month change (2019 - Mar)	3.2%	3.0%	New York's economy is stronger than the nation's, but slowed from last month's 3.35% change
36-month change (2019 - Mar)	8.0%	9.2%	

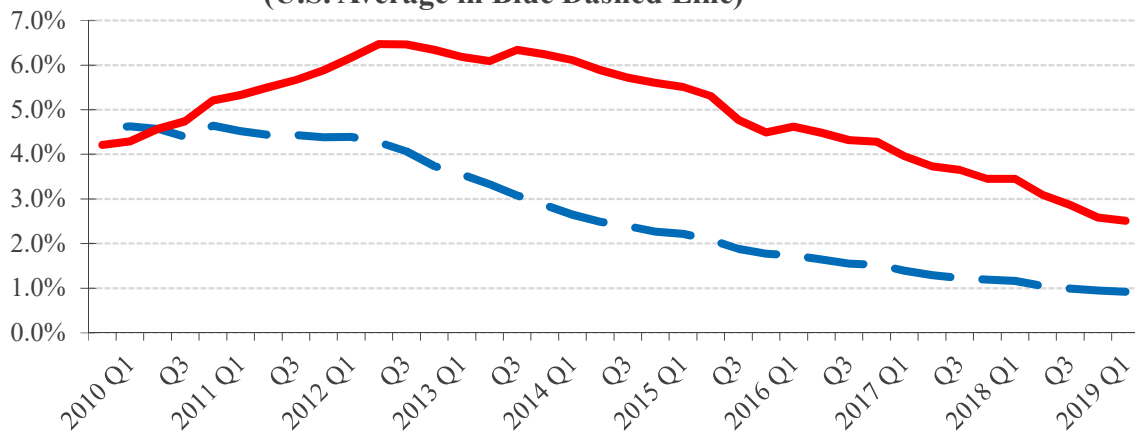
New Housing Construction

Local Fundamentals	New York	U.S.	
12-month Sum of 1-unit Building Permits through Mar 2019	10,048	not comparable	The current level of construction is 9.9% above the long-term average
8-year average for 12-month Sum of 1-Unit Building Permits	9,140	not comparable	Production above trend for an extended period of time could cause prices to moderate as inventory is built up.
Single-Family Housing Permits (Mar 2019) 12-month sum vs. a year ago	-0.8%	1.0%	Construction is down from last year, but appears to have bottomed.

Construction: 12-month Sum of Local Housing Permits
(Historical Average Shown in Red Dashed Line)



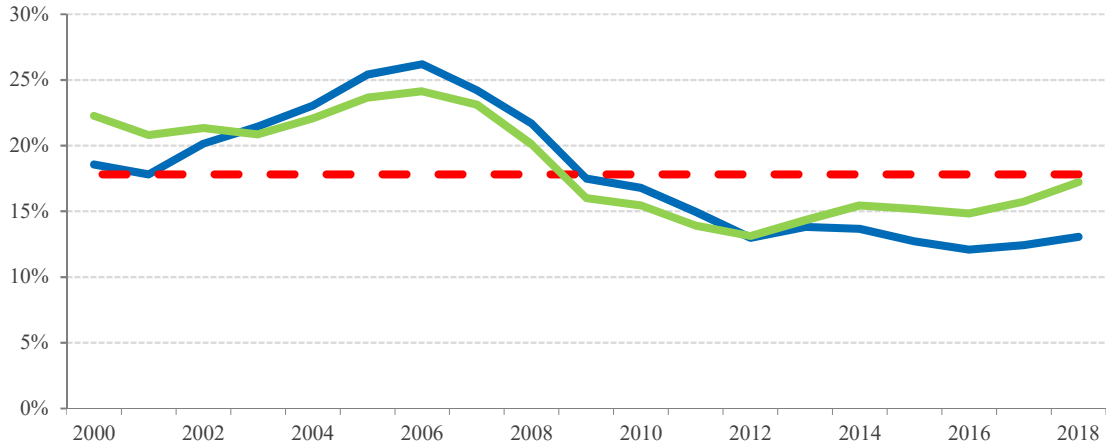
State Total Foreclosure Rate vs. U.S. Average
(U.S. Average in Blue Dashed Line)



Affordability

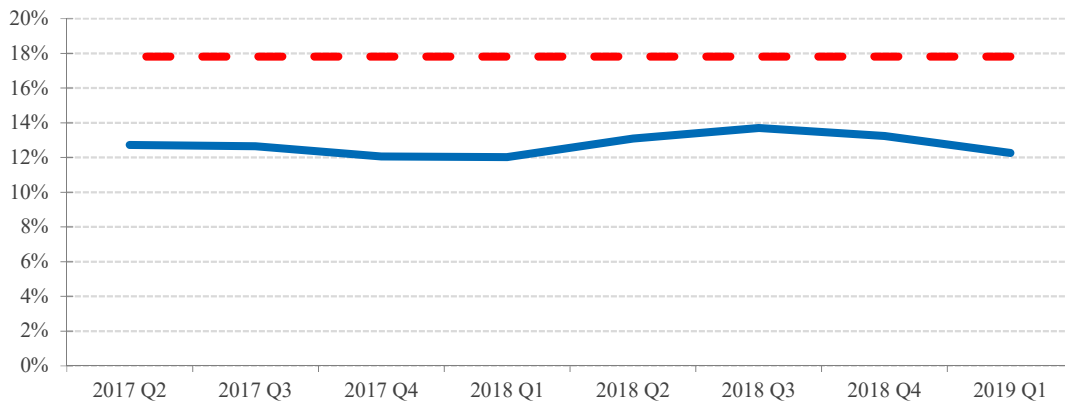


Long-Term Trend: Ratio of Local Mortgage Servicing Cost to Income
(Local Historical Average Shown in Red, U.S. Average in Green)

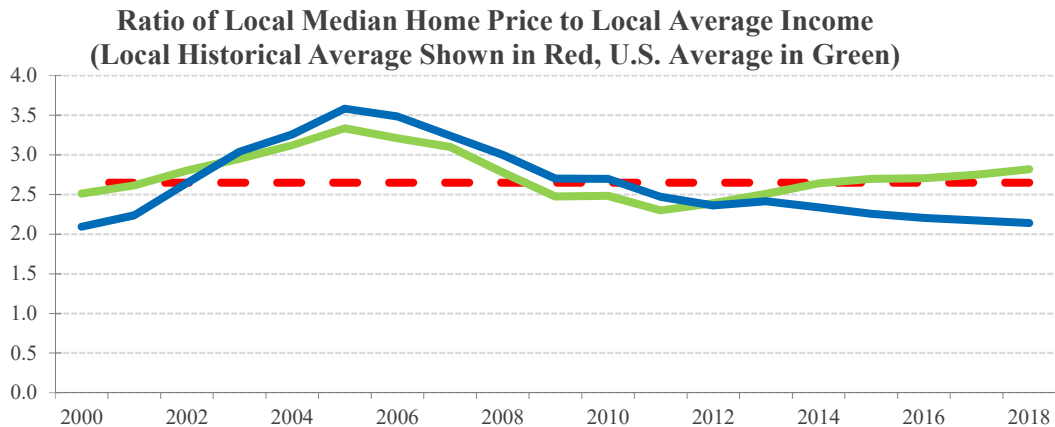


Monthly Mortgage Payment to Income	New York	U.S.	
Ratio for 2018	13.1%	17.2%	Historically strong and an improvement over the fourth quarter of 2018
Ratio for 2019 Q1	12.3%	15.9%	
Historical Average	17.8%	18.6%	More affordable than most markets

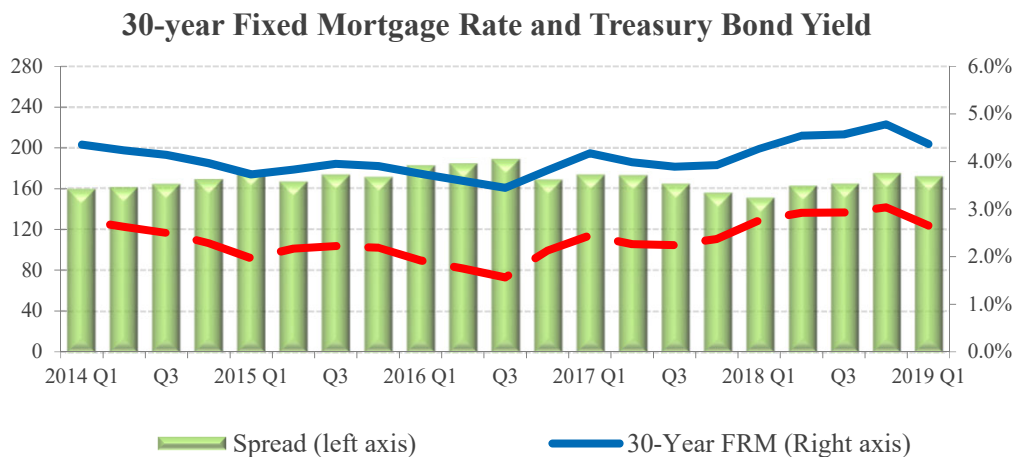
Recent Trend - Local Mortgage Servicing Cost to Income
(Historical Average Shown in Red Dashed Line)



Median Home Price to Income	New York	U.S.	
Ratio for 2018	2.1	2.8	The price-to-income ratio has fallen and is below the historical average
Ratio for 2019 Q1	2.0	2.7	
Historical Average	2.7	2.7	Affordable compared to most markets



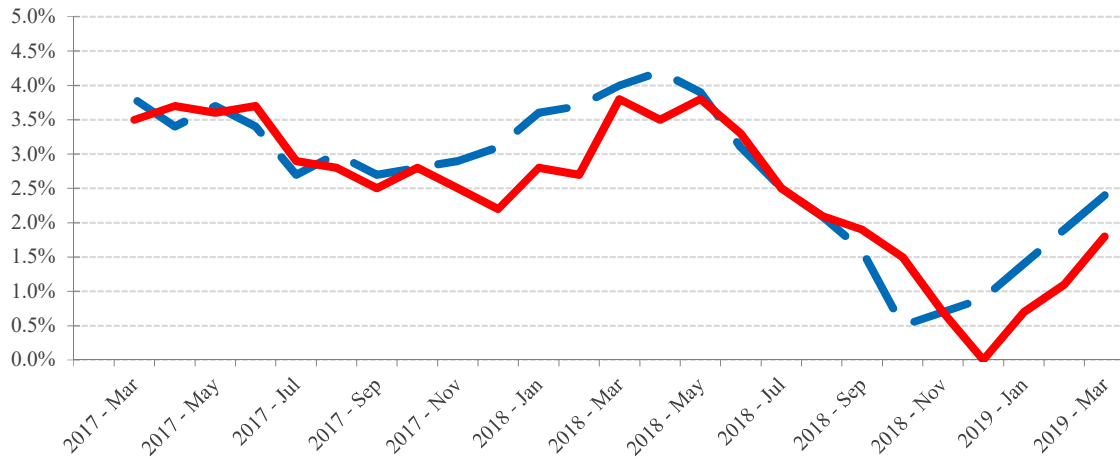
The Mortgage Market



Mortgage rates started off 2019 at very good levels. In fact, mortgage rates declined, starting the new year with the 30-year fixed rate mortgage dipping to 4.37 percent in Q1 2019 from 4.78 percent in the Q4 2018, according to mortgage finance provider Freddie Mac. After a year of gradual increases, mortgage rates are declining. Stock market volatility, global trade worries and the government shutdown are pushing rates down to their lowest levels since August. The government's 10-year Treasury note declined to 2.65 percent in Q1 2019 from 2.76 in Q1 2018. Looking ahead, NAR is forecasting the 30-year fixed rate mortgage to average 4.3 percent for 2019 and 4.6 percent for 2020, respectively.

REALTOR® Price Expectations

REALTOR® Price Expectations for the Next 12 Months
(U.S. Average in Blue Dashed Line)



Source: NAR

REALTOR® Price Expectations	New York	U.S.	
2019 - Mar	1.8%	2.4%	REALTORS® expect weaker price growth in New York than in the U.S. in the next 12 months. Their price expectations for the local market are more modest than a year ago.
Prior 12 months	3.8%	4.0%	



Geographic Coverage for this Report

The New York area referred to in this report covers the geographic area of the New York-Newark-Jersey City metro area as officially defined by the Office of Management and Budget of the U.S. Government. The official coverage area includes the following counties:

Dutchess County, NY; Putnam County, NY; Nassau County, NY; Suffolk County, NY; Essex County, NJ; Hunterdon County, NJ; Morris County, NJ; Somerset County, NJ; Sussex County, NJ; Union County, NJ; Pike County, PA; Bergen County, NJ; Hudson County, NJ; Middlesex County, NJ; Monmouth County, NJ; Ocean County, NJ; Passaic County, NJ; Bronx County, NY; Kings County, NY; New York County, NY; Orange County, NY; Queens County, NY; Richmond County, NY; Rockland County, NY; Westchester County, NY

More information on the OMB's geographic definitions can be found at https://obamawhitehouse.archives.gov/omb/bulletins_default/