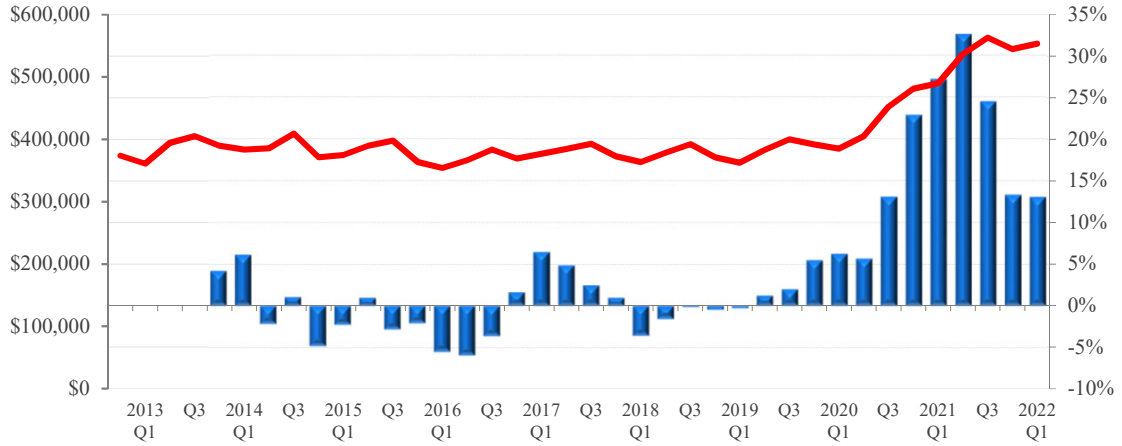
New York-Jersey City-White Plains Area

Local Market Report, First Quarter 2022

reflecting the impact of COVID-19 on the local economy

Today's Market…

Median Price (Red Line) and One-year Price Growth



Local Price Trends			
Price Activity	**New York**	**U.S.**	**Local Trend**
Current Median Home Price (2022 Q1)	$553,400	$365,767	Prices are up from a year ago, but price growth is slowing
1-year (4-quarter) Appreciation (2022 Q1)	13.0%	15.2%	
3-year (12-quarter) Appreciation (2022 Q1)	52.7%	44.5%	
3-year (12-quarter) Housing Equity Gain*	$191,000	$112,700	Gains in the last 3 years have extended the trend of positive price growth after the recession
7-year (28 quarters) Housing Equity Gain*	$178,800	$162,367	
9-year (36 quarters) Housing Equity Gain*	$192,300	$189,833	
*Note: Equity gain reflects price appreciation only			

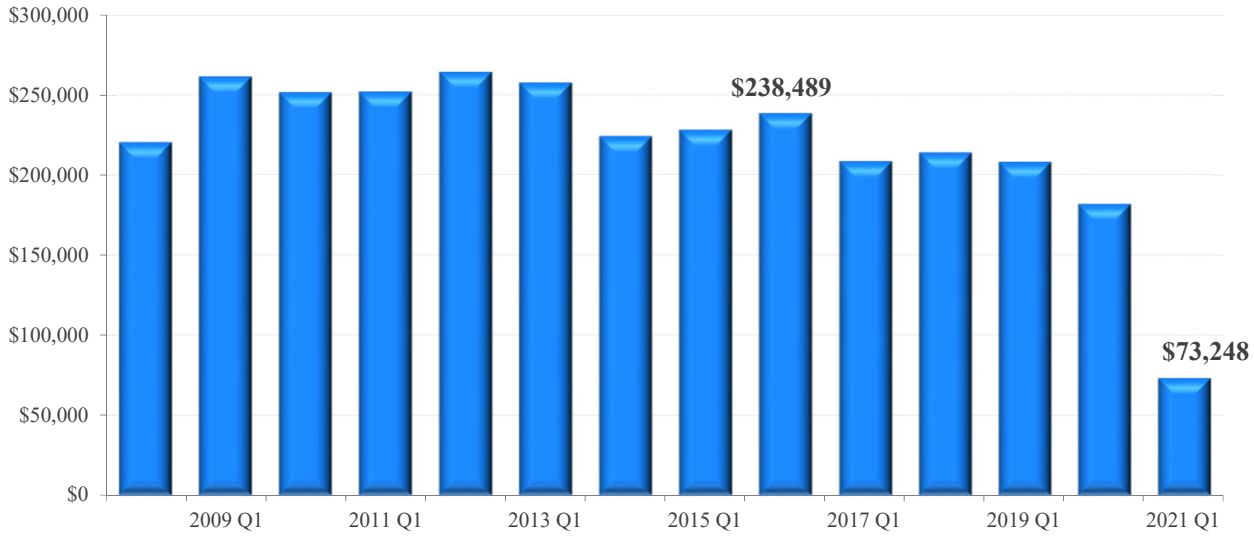
	New York	**U.S.**	
Conforming Loan Limit**	$970,800	$765,600	Most buyers in this market have access to government-backed financing
FHA Loan Limit	$970,800	$765,600	
Local Median to Conforming Limit Ratio	57%	not comparable	
Note: limits are current and include the changes made on January 1st 2022.			

Local NAR Leadership

The New York-Jersey City-White Plains market is part of region 2 in the NAR governance system, which includes all of New York, New Jersey, and Pennsylvania. The 2022 NAR Regional Vice President representing region 2 is Frank Jacovini.

Benefits of Ownership:
Total Equity Appreciation

Total Equity Accrued to Owner by Year and Quarter of Purchase



Total Equity Gained** through 2022 Q1 from quarter in which home was of purchased			
Price Activity	**NewYorkWP**	**U.S.**	**Local Trend**
1-year (4-quarter)	$73,248	$54,263	
3-year (12-quarter)*	$208,131	$124,663	Price appreciation and principle payments in the last 3 years have boosted total equity growth since the recession
5-year (20-quarter)*	$208,523	$154,612	
7-year (28 quarters)*	$228,055	$189,111	
9-year (36 quarters)*	$257,548	$221,623	

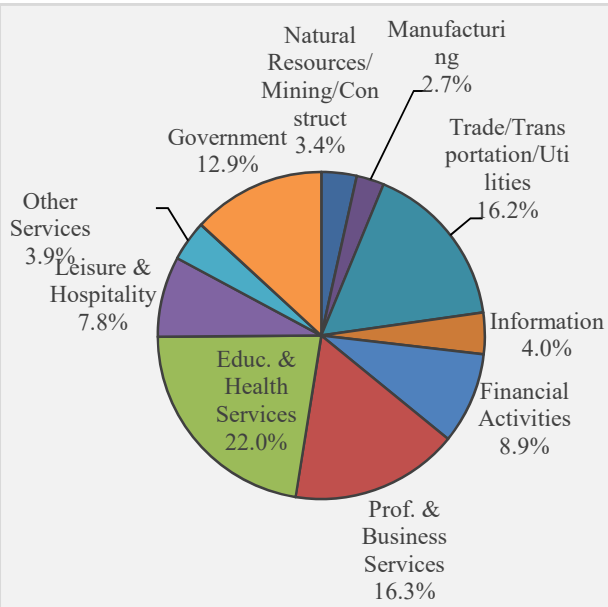
*Note: Equity gain reflects price and principle payments since purchase, prevailing 30-year fixed rate mortgage at time of purchase and a 10% downpayment. Downpayment is not included in total equity

Drivers of Local Supply and Demand…

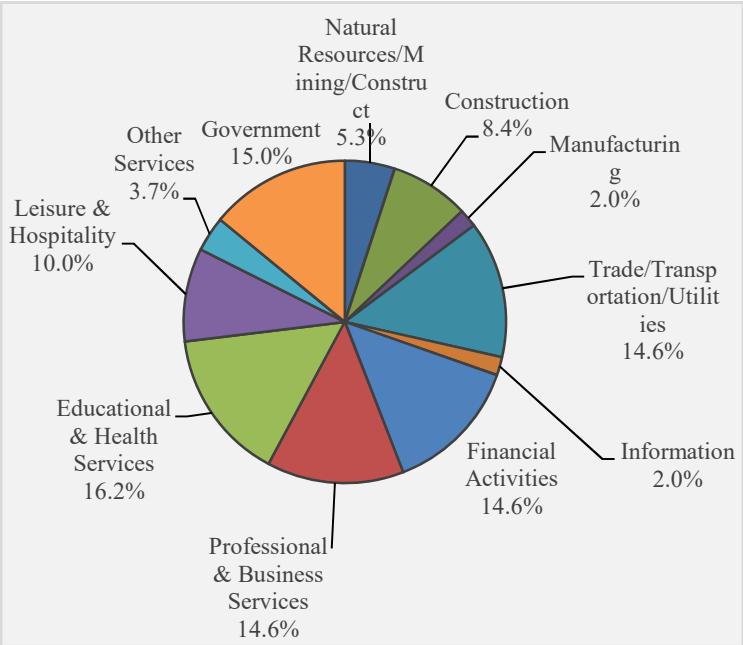
Local Economic Outlook	New York	U.S.	
12-month Job Change (Mar)	374,200	Not Comparable	Employment growth has eased, but remains positive
12-month Job Change (Feb)	386,800	Not Comparable	
36-month Job Change (Mar)	-278,900	Not Comparable	New York's unemployment situation is worse than the national average and weighs on confidence
Current Unemployment Rate (Mar)		3.6%	
Year-ago Unemployment Rate	9.4%	6.0%	Local employment growth is poor and needs to improve
1-year (12 month) Job Growth Rate	5.7%	6.2%	

Share of Total Employment by Industry

New York-Jersey City-White Plains Area



U.S.

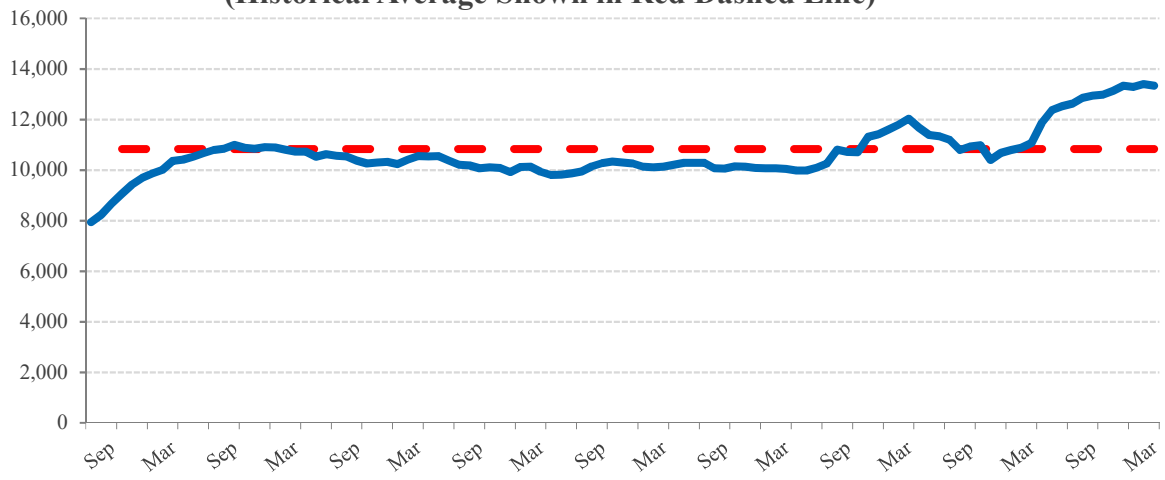


12-month Employment Change by Industry (Mar - 2022)			
Goods Producing	NA	Information	18,500
Natural Resources/Mining/Construction	-2,900	Financial Activities	9,700
Natural Resources and Mining	NA	Prof. & Business Services	69,500
Construction	NA	Educ. & Health Services	49,100
Manufacturing	7,200	Leisure & Hospitality	145,800
Service Providing Excluding Government	NA	Other Services	24,800
Trade/Transportation/Utilities	53,600	Government	9,200

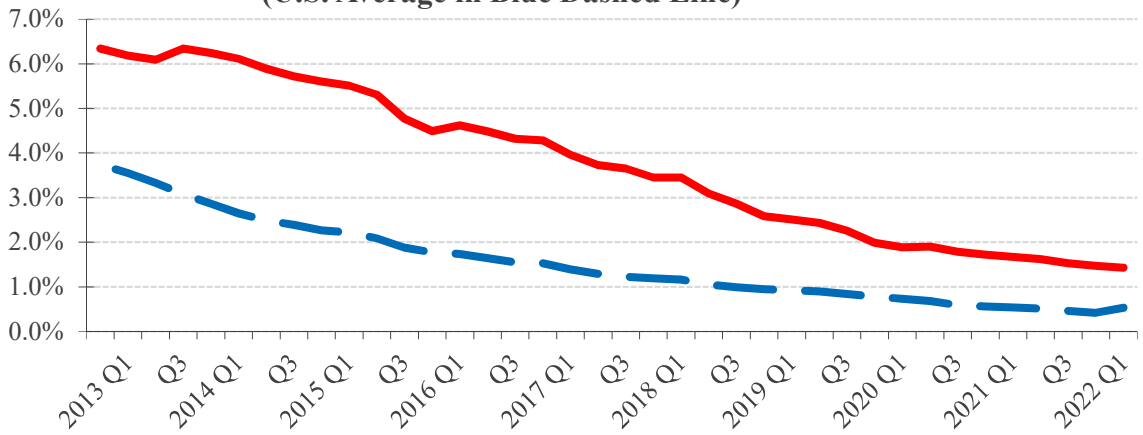
State Economic Activity Index	New York	U.S.	
12-month change (2022 - Mar)	10.8%	5.7%	The economy of New York has outpaced the rest of the nation and improved modestly from last month's 10.77% change
36-month change (2022 - Mar)	NA	4.4%	

New Housing Construction			
Local Fundamentals	**New York**	**U.S.**	
12-month Sum of 1-unit Building Permits through Mar	13,334	not comparable	The current level of construction is 23.1% above the long-term average
8-year average for 12-month Sum of 1-Unit Building Permits	10,835	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) 12-month sum vs. a year ago	20.4%	7.8%	Construction is on the rise relative to last year, suggesting that the local inventory has stabilized

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

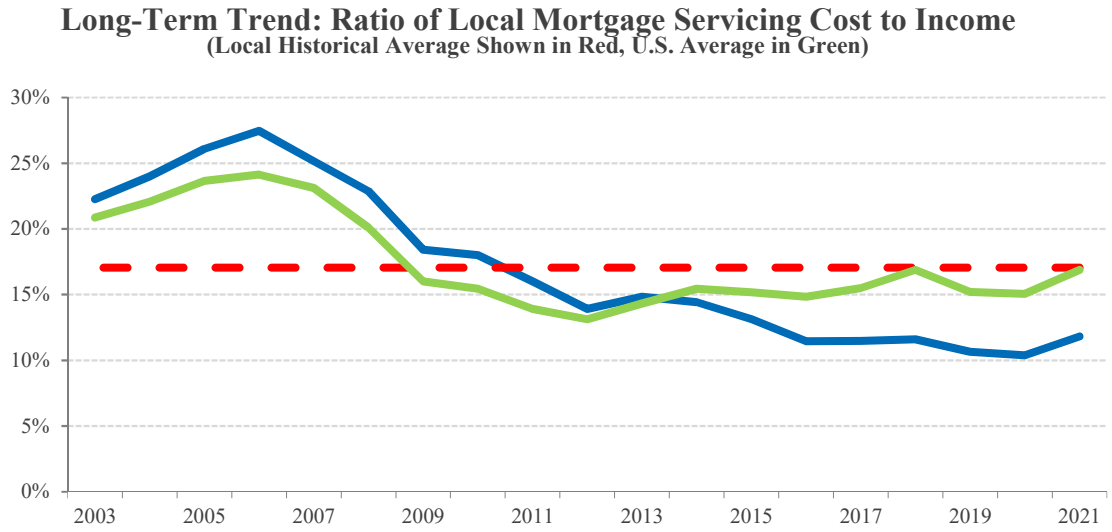


State Total Foreclosure Rate vs. U.S Average
(U.S. Average in Blue Dashed Line)

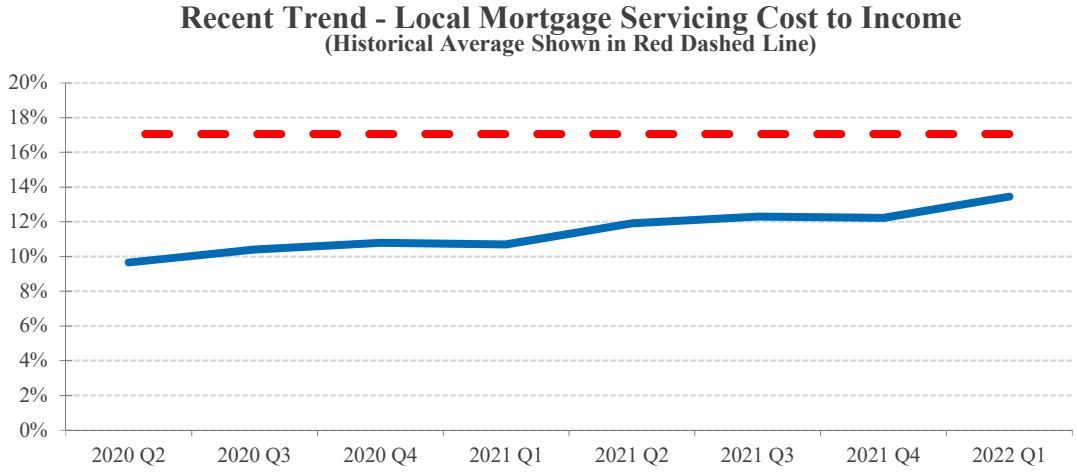


Source: Mortgage Bankers' Association

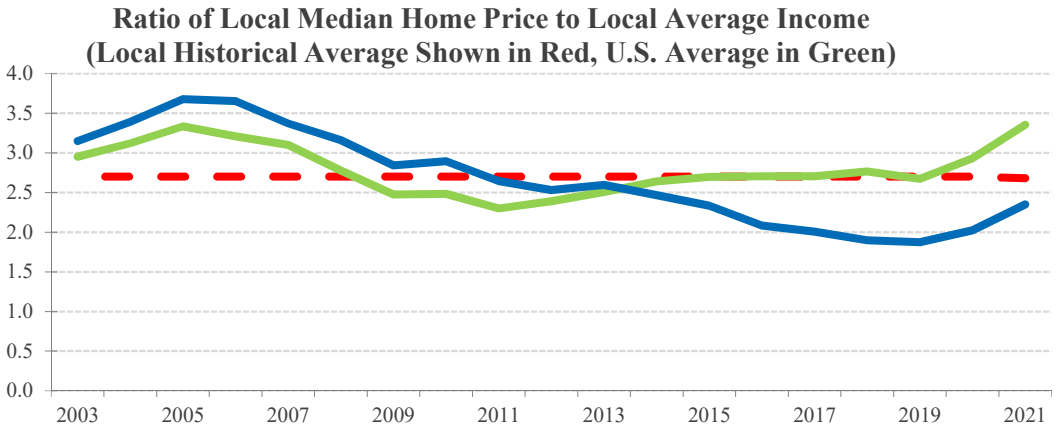
Affordability



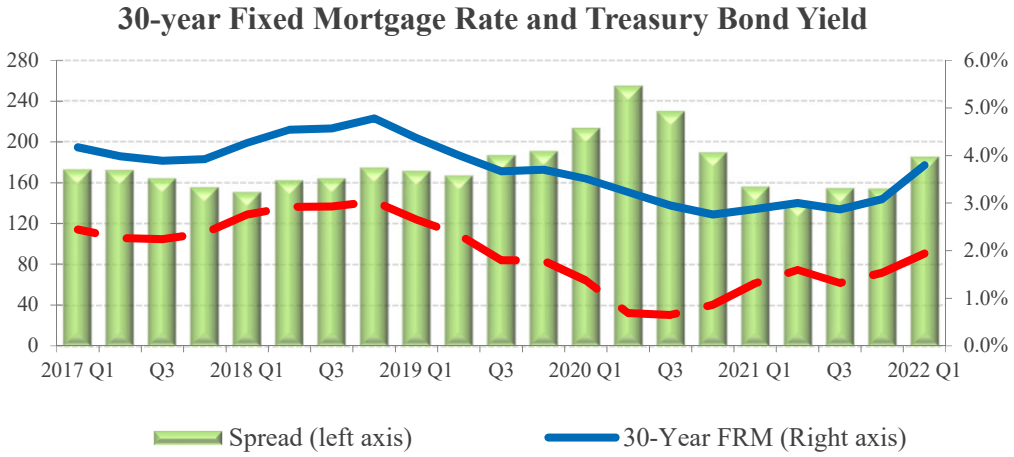
Monthly Mortgage Payment to Income	New York	U.S.	
Ratio for 2021	11.8%	16.9%	Historically strong, but weaker than the fourth quarter of 2021
Ratio for 2022 Q1	13.5%	18.5%	
Historical Average	17.1%	18.1%	More affordable than most markets



Median Home Price to Income	New York	U.S.	
Ratio for 2021	2.4	3.4	The price-to-income ratio has fallen and is below the historical average
Ratio for 2022 Q1	2.4	3.3	
Historical Average	2.7	2.7	Affordable compared to most markets

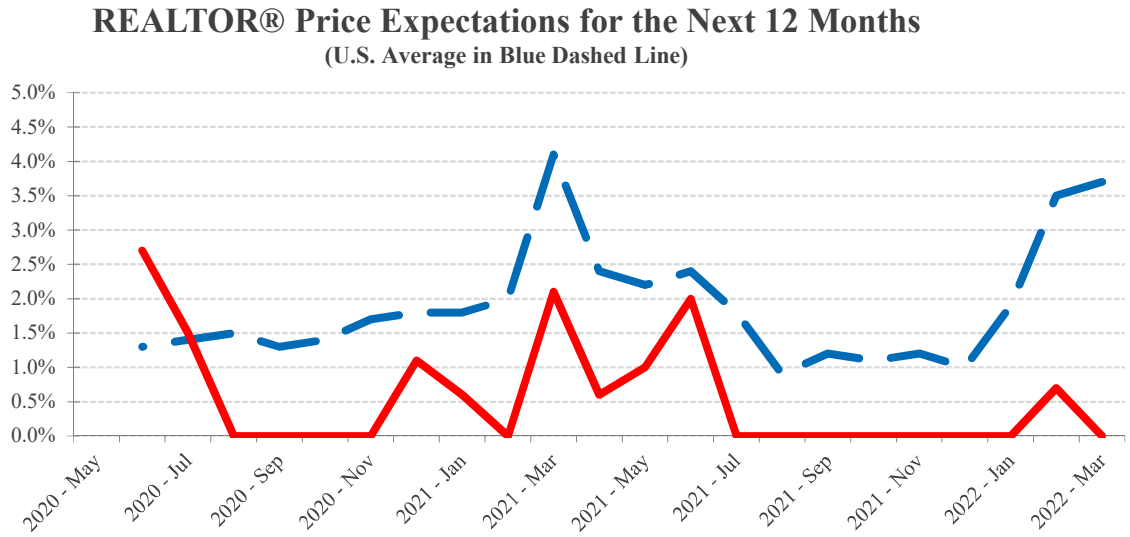


The Mortgage Market



Mortgage rates surged in the first quarter of the year. The war in Ukraine added to upward pressure on inflation. As a result, the Federal Reserve raised its short-term interest rates by 25 basis points in March in its efforts to control elevated inflation. Although the Fed doesn't set up mortgage rates, Fed's actions have a ripple effect. A higher rate for banks tends to make borrowing more expensive for consumers affecting eventually long-term interest rates (such as 10-year Treasury bond). While mortgage rates typically follow the trend of the 10-year Treasury yield, the rate on the conventional 30-year mortgage also tends to rise. Nevertheless, the Fed will continue its tightening policy with additional rate hikes in the following months. Thus, the outlook is for mortgage rates to rise even further. According to the mortgage finance provider Freddie Mac, the 30-year fixed mortgage rate rose to 3.8 percent in Q1 2022 from 2.9 percent a year earlier. NAR forecasts the 30-year fixed mortgage rate to hover around 5.5 percent in mid-2022.

REALTOR® Price Expectations



Source: NAR

REALTOR® Price Expectations	New York	U.S.	
2022 - Mar	0.0%	3.6%	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	1.0%	2.2%	

Geographic Coverage for this Report

The New York area referred to in this report covers the geographic area of the New York-Jersey City-White Plains 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:

Bergen County, Hudson County, Passaic County, Bronx County, Kings County, New York County, Putnam County, Queens County, Richmond County, Rockland County, and Westchester County

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