



New REBNY report: New York's real estate market sees 46% decline in investment and residential sales in 2020 as a result of the Pandemic

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New York, NY The Real Estate Board of New York (REBNY) reported that year-to-date investment and residential sales totaled \$47.1 billion, representing a 46% decline compared to 2019 and leading to a 36% decrease in tax revenue.

New York City and New York State have collectively lost \$1.6 billion in tax revenue in 2020 due to these significant declines in real estate market activity, according to REBNY's Monthly Investment and Residential Sales Reports.

New York City tax revenue totaled \$1.9 billion in 2020, representing a 38% decline compared to 2019, while State tax revenue totaled \$785 million in 2020, a 32% decline when compared to 2019.

Despite three consecutive months of increases in investment and residential sales, REBNY's report shows investment and residential sales volume declined to \$5 billion in December 2020, an 18% decrease from November 2020. This was driven largely in part to a 38% decline in investment sales volume during this time. As a result, tax revenue declined 12% from November 2020 to December 2020, totaling \$250 million.

From December 2019 to December 2020, total investment and residential sales volume declined 32% and tax revenue generated by those sales declined 36% year-over-year.

"With this full scope of real estate activity in 2020, we can fully see the devastating economic impact the COVID pandemic has had on New York," said REBNY president James Whelan. "Our city and state are in dire need for the new federal administration to step in with a stimulus package—including state and local aid, rent relief and unemployment benefits—that addresses our economy and helps all New Yorkers out of this crisis."

The real estate industry is the fundamental driver of New York City's economy, generating more than half (53%) of the city's total annual tax revenue in the last fiscal year, which is more than double the next closest contributor – personal income tax, which accounts for 21% of the city's annual tax revenue.

Beginning October 2020, REBNY began incorporating city and state collected mortgage recording tax in the total tax revenue values; historical data has been revised based on this newly available

information.

REBNY's Monthly Investment and Residential Sales Report is a compilation of transaction activity for both investment sales and residential sales in New York City. REBNY is tracking all transactions by asset class on a monthly basis to monitor the economic health of the industry and the impact of the Coronavirus (COVID-19) crisis on the city and the state's ability to generate taxes needed for essential government services. The report is an analysis of official data from the NYC Department of Finance's Automated City Register Information System (ACRIS) and captures total sales volume, number of transactions and tax revenue.

Download REBNY's Monthly Investment and Residential Sales Report [here](#).

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