



Six-month outlook for commercial market jumps in REBNY's H1 2024 broker confidence report

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Manhattan, NY The Real Estate Board of New York (REBNY), the City's leading real estate trade association, today released its Real Estate Broker Confidence Index report for H1 2024. Both residential and commercial brokers report a negative sentiment on current conditions in New York City for their respective markets. Driving these findings is a sense of market stagnation caused by the upcoming elections, persistently elevated interest rates and quality of life concerns. However, with borrowing costs having likely peaked and imminent interest rate cuts, broker optimism is improved for the remainder of the year.

REBNY's biannual Real Estate Broker Confidence Index report is the City's only broker confidence report -- it surveys residential and commercial brokerage members to measure their confidence in the real estate market across the five boroughs.

"The Fed's recent interest rate cut and expectations for more to come have boosted commercial and residential brokers optimism that transaction activity will be revived, particularly once uncertainty regarding November's election is behind us." said REBNY vice president of market data Keith DeCoster. "From a policy perspective, the advancement of the City of Yes plan that would unlock new development opportunities is also sparking some optimism among commercial brokers."

The Residential Current Confidence Index fell to -6.6 in H1 2024, down from +1 to close 2023. The Residential Expectations Index (EXI), which measures six-month outlook, recorded a 15.8 EXI score, just slightly down from 24.3 at the end of the last half year. These results reflect concerns from residential brokers about legislative proposals targeting broker fees, contracts, agent structure, and other policies, along with recent litigation on real estate business practices.

The Commercial Current Confidence Index was more negative at -23.1, however, this is an improvement from -46.8 to close 2023. As previously mentioned, the Commercial Expectations Index posted its first positive outlook since 2022, jumping from -3.8 to 7.2.

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