

# Monthly Investment and Residential Sales Report: Snapshot of October 2020

## During the Coronavirus (COVID-19) Crisis

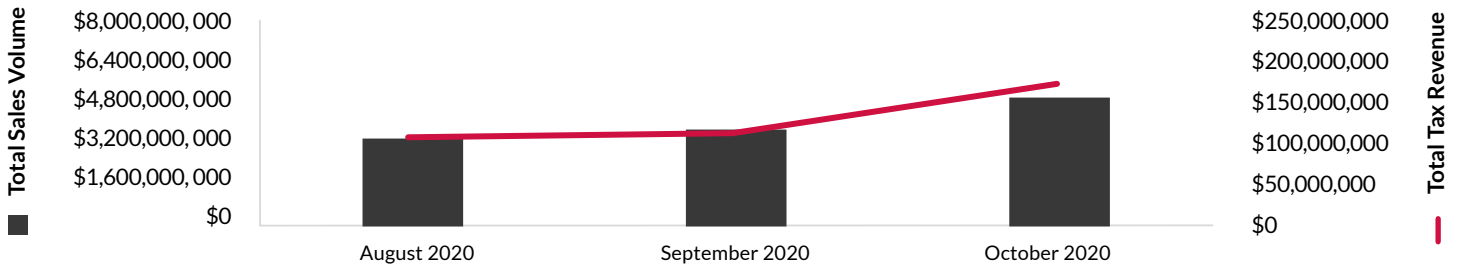
The Real Estate Board of New York (REBNY) has tracked transaction activity as well as the tax revenue generated by real estate transactions on a monthly basis since March 7, when Governor Cuomo announced a state of emergency in New York due to the Coronavirus (COVID-19) crisis. REBNY has increased the frequency of its reporting in an attempt to understand the impact of the crisis not only on the industry but also on the City and State budgets. 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.

From September to October 2020, REBNY reports increases in transaction activity for both investment sales and residential sales. Total investment and residential sales volume, or consideration, was down 34% in October 2020 from the same time last year and up 33% from September to October 2020. The total tax revenue generated from these sales to the City and State declined 57% from October 2019 to October 2020 and increased 51% from September 2020 to October 2020. Investment sales and residential sales year-to-date totaled \$34.5 billion, a 50% decline compared to the same time period in 2019, causing a 39% decline in tax revenue. This resulted in New York City and New York State combined experiencing a \$1.4 billion loss in tax revenue.

Tax revenue contributes to NYC’s essential services, such as salaries for first responders, building service workers, MTA employees, the maintenance of public parks, and vital repairs and maintenance of the public transportation system. Last year, real estate taxes generated \$31.9 billion for the City’s operating budget, accounting for 53% of NYC’s total tax revenue, more than double the next closest contributor – personal income tax at 21%. The health of the real estate industry is critical to the health of both our City and State.

Citywide	October 2019	August 2020	September 2020	October 2020	%Δ October 2019 - October 2020	%Δ September 2020 - October 2020
<b>Total Sales Volume</b>	\$7,016,177,933	\$3,175,886,245	\$3,473,805,089	\$4,627,739,020	-34%	33%
<b>Total City Transaction Tax Revenue</b>	\$417,937,412	\$101,854,738	\$107,930,333	\$169,267,088	-59%	57%
<b>Total State Transaction Tax Revenue</b> (includes State Mansion Tax)	\$132,586,354	\$48,798,905	\$49,659,733	\$69,297,148	-48%	40%
<b>Total Tax Revenue*</b>	\$550,523,766	\$150,653,644	\$157,590,065	\$238,564,236	-57%	51%

**Total Sales Volume and Total Tax Revenue**  
August 2020 – October 2020



## INVESTMENT SALES

### Key Takeaways

- Total investment sales volume declined 52% from October 2019 to October 2020 and increased 4% from September 2020 to October 2020.
- Total investment sales transactions declined 8% from October 2019 to October 2020 and increased 20% from September 2020 to October 2020.
- Total NYC tax revenue declined 72% from October 2019 to October 2020 and increased 37% from September 2020 to October 2020.
- Total NYS tax revenue declined 73% from October 2019 to October 2020 and increased 38% from September 2020 to October 2020.
- Total investment sales transfer tax revenue declined 52% from October 2019 to October 2020 and increased 3% from September 2020 to October 2020.
- Total investment sales mortgage recording tax revenue declined 80% from October 2019 to October 2020 and increased 93% from September 2020 to October 2020.
- Total investment sales tax revenue declined 72% from October 2019 to October 2020 and increased 37% from September 2020 to October 2020.

### Investment Sales

Citywide	October 2019	August 2020	September 2020	October 2020	%Δ October 2019 - October 2020	%Δ September 2020 - October 2020
<b>Total Sales Volume</b>	\$3,650,791,019	\$1,177,175,451	\$1,682,161,564	\$1,744,236,310	-52%	4%
<b>Number of Transactions</b>	255	193	195	234	-8%	20%
<b>Total City Transaction Tax Revenue</b>	\$341,267,068	\$55,921,729	\$69,984,045	\$95,631,413	-72%	37%
<b>Total State Transaction Tax Revenue</b> (includes State Mansion Tax)	\$87,001,499	\$13,837,752	\$17,365,181	\$23,895,030	-73%	38%
<b>Total Tax Revenue</b>	<b>\$428,268,568</b>	<b>\$69,759,481</b>	<b>\$87,349,227</b>	<b>\$119,526,443</b>	<b>-72%</b>	<b>37%</b>

## RESIDENTIAL SALES

### Key Takeaways

- Total residential sales volume declined 14% from October 2019 to October 2020 and increased 61% from September 2020 to October 2020.
- Total residential transactions declined 16% from October 2019 to October 2020 and increased 71% from September 2020 to October 2020.
- Total NYC tax revenue declined 4% from October 2019 to October 2020 and increased 94% from September 2020 to October 2020.
- Total NYS tax revenue remained flat from October 2019 to October 2020 and increased 41% from September 2020 to October 2020.
- Total residential sales transfer and mansion tax revenue increased 8% from October 2019 to October 2020 and increased 43% from September 2020 to October 2020.
- Total residential sales mortgage recording tax revenue declined 18% from October 2019 to October 2020 and increased 153% from September 2020 to October 2020.
- Total residential sales tax revenue declined 3% from October 2019 to October 2020 and increased 69% from September 2020 to October 2020.

### Residential Sales

Citywide	October 2019	August 2020	September 2020	October 2020	%Δ October 2019 - October 2020	%Δ September 2020 - October 2020
<b>Total Sales Volume</b>	\$3,365,386,913	\$1,998,710,794	\$1,791,643,525	\$2,883,502,710	-14%	61%
<b>Number of Transactions</b>	3,525	1,985	1,741	2,975	-16%	71%
<b>Total City Transaction Tax Revenue</b>	\$76,670,344	\$45,933,009	\$37,946,287	\$73,635,675	-4%	94%
<b>Total State Transaction Tax Revenue (includes State Mansion Tax)</b>	\$45,584,854	\$34,961,154	\$32,294,551	\$45,402,118	0%	41%
<b>Total Tax Revenue*</b>	<b>\$122,255,198</b>	<b>\$80,894,163</b>	<b>\$70,240,838</b>	<b>\$119,037,794</b>	<b>-3%</b>	<b>69%</b>

The Real Estate Board of New York's (REBNY) Monthly Investment and Residential Sales Report is a compilation of transaction activity for both investment sales and residential sales in New York City and New York State. REBNY is tracking all revenue generated by each asset class and transaction on a monthly basis to monitor changes as a result of the Coronavirus (COVID-19) crisis. The report is an analysis of official data from the NYC Department of Finance's Automated City Register Information System (ACRIS). The report captures total sales volume, number of transactions, and tax revenue. All REBNY research reports can be found at [go.rebny.com/Reports](https://go.rebny.com/Reports).

Sources: All data on transactions is provided by the NYC Department of Finance's Automated City Register Information System (ACRIS). The mortgage reporting tax revenue data is provided by a NYC Department of Finance July 2020 report on Calendar Year 2019. Tax revenue reported on includes NYC and NYS transfer tax as well as NYS mansion tax. Historical data has been revised due to newly available information.