

# Monthly Investment and Residential Sales Report: Snapshot of January 2021

## 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, 2020, 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 have been revised based on this newly available information.

From December 2020 to January 2021, REBNY reports increases in transaction activity for both investment sales and residential sales. Total investment and residential transactions increased 73% from the same time last year and increased 1% from the previous month. Total investment and residential sales volume, or consideration, increased 38% year-over-year and increased 21% month-to-month. Total transfer tax revenue generated from these sales to the City and State increased 31% from January 2020 to January 2021 and increased 25% from December 2020 to January 2021. Total mortgage recording tax revenue generated from mortgages to the City and State declined 37% from January 2020 to January 2021 and increased 4% from December 2020 to January 2021.

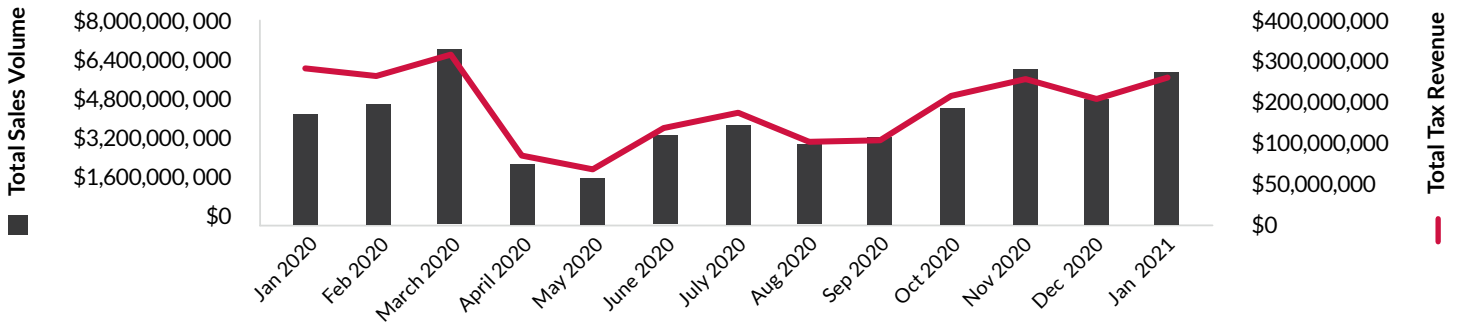
Overall tax revenue for January 2021 declined 6% year-over-year but increased 17% month-to-month. Since the beginning of the COVID-19 pandemic in March 2020 to January 2021, investment sales and residential sales volume totaled \$56.4 billion, which represents a 30% decline compared to the period of March 2019 to January 2020. From March 2020 to January 2021, investment sales and residential transactions totaled 48,132, representing a 27% decline from the previous 11-month pre-pandemic period. Declines in both total transactions and sales volume resulted in a 34% decline in tax revenue, causing New York City and New York State to experience a combined \$1.6 billion loss in tax revenue in 2020.

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. For Fiscal Year 2021, real estate taxes are projected to account for more than half of NYC’s total tax revenue, more than double the next closest contributor – personal income tax at 20%. The health of the real estate industry is critical to the health of both our City and State.

Citywide	Jan 2020	Dec 2020	Jan 2021	%Δ Dec 2020 - Jan 2021	%Δ Jan 2020 - Jan 2021	Mar 2019 - Jan 2020	Mar 2020 - Jan 2021	%Δ
<b>Total Sales Volume</b>	\$4,393,146,015	\$5,000,939,545	\$6,073,361,838	21%	38%	\$80,463,138,404	\$56,355,080,490	-30%
<b>Number of Transactions</b>	2,099	3,610	3,637	1%	73%	48,132	35,170	-27%
<b>Total City Transaction Tax Revenue</b>	\$232,989,543	\$177,493,878	\$207,336,836	17%	-11%	\$3,350,533,689	\$2,147,592,883	-36%
<b>Total State Transaction Tax Revenue</b>	\$76,311,533	\$70,837,641	\$83,227,575	17%	9%	\$1,230,314,844	\$869,455,163	-29%
<b>Total Tax Revenue</b>	\$309,301,076	\$248,331,519	\$290,564,411	17%	-6%	\$4,580,848,533	\$3,017,048,046	-34%

### Total Sales Volume and Total Tax Revenue

January 2020 – January 2021



## INVESTMENT SALES

### Key Takeaways

- Total investment sales volume increased 11% year-over-year from January 2020 to January 2021 and increased 49% month-to-month from December 2020 to January 2021.
- Total investment sales transactions increased 26% year-over-year from January 2020 to January 2021 and increased 49% month-to-month from December 2020 to January 2021.
- Total NYC tax revenue declined 24% year-over-year from January 2020 to January 2021 and increased 26% month-to-month from December 2020 to January 2021.
- Total NYS tax revenue declined 25% year-over-year from January 2020 to January 2021 and increased 26% month-to-month from December 2020 to January 2021.
- Total investment sales transfer tax revenue increased 49% year-over-year from January 2020 to January 2021 and increased 11% month-to-month from December 2020 to January 2021.
- Total investment sales mortgage recording tax revenue declined 49% year-over-year from January 2020 to January 2021 and increased 2% month-to-month from December 2020 to January 2021.
- Total investment sales tax revenue declined 24% year-over-year from January 2020 to January 2021 and increased 26% month-to-month from December 2020 to January 2021.

### Investment Sales

Citywide	Jan 2020	Dec 2020	Jan 2021	%Δ Dec 2020 - Jan 2021	%Δ Jan 2020 - Jan 2021	Mar 2019 - Jan 2020	Mar 2020 - Jan 2021	%Δ
<b>Total Sales Volume</b>	\$2,574,667,730	\$1,916,592,383	\$2,848,514,938	49%	11%	\$33,223,787,318	\$24,333,415,401	-27%
<b>Number of Transactions</b>	314	265	395	49%	26%	3,172	2,975	-6%
<b>Total City Transaction Tax Revenue</b>	\$158,496,954	\$95,582,160	\$120,790,948	26%	-24%	\$2,305,675,616	\$1,232,318,043	-47%
<b>Total State Transaction Tax Revenue</b>	\$39,853,010	\$23,754,904	\$29,861,916	26%	-25%	\$578,515,746	\$307,494,614	-47%
<b>Total Tax Revenue</b>	\$198,349,964	\$119,337,064	\$150,652,864	26%	-24%	\$2,884,191,362	\$1,539,812,658	-47%

## RESIDENTIAL SALES

### Key Takeaways

- Total residential sales volume increased 77% year-over-year from January 2020 to January 2021 and increased 5% month-to-month from December 2020 to January 2021.
- Total residential transactions increased 82% year-over-year from January 2020 to January 2021 and declined 3% month-to-month from December 2020 to January 2021.
- Total NYC tax revenue increased 16% year-over-year from January 2020 to January 2021 and increased 6% month-to-month from December 2020 to January 2021.
- Total NYS tax revenue increased 46% year-over-year from January 2020 to January 2021 and increased 13% month-to-month from December 2020 to January 2021.
- Total residential sales transfer tax and mansion tax revenue increased 79% year-over-year from January 2020 to January 2021 and increased 10% month-to-month from December 2020 to January 2021.
- Total residential sales mortgage recording tax revenue declined 15% year-over-year from January 2020 to January 2021 and increased 6% month-to-month from December 2020 to January 2021.
- Total residential sales tax revenue increased 26% year-over-year from January 2020 to January 2021 and increased 8% month-to-month from December 2020 to January 2021.

### Residential Sales

Citywide	Jan 2020	Dec 2020	Jan 2021	%Δ Dec 2020 - Jan 2021	%Δ Jan 2020 - Jan 2021	Mar 2019 - Jan 2020	Mar 2020 - Jan 2021	%Δ
<b>Total Sales Volume</b>	\$1,818,478,285	\$3,084,347,163	\$3,224,846,899	5%	77%	\$47,239,351,086	\$32,021,665,089	-32%
<b>Number of Transactions</b>	1,785	3,345	3,242	-3%	82%	44,960	32,195	-28%
<b>Total City Transaction Tax Revenue</b>	\$74,492,589	\$81,911,718	\$86,545,889	6%	16%	\$1,044,858,073	\$915,274,840	-12%
<b>Total State Transaction Tax Revenue</b>	\$36,458,523	\$47,082,737	\$53,365,659	13%	46%	\$651,799,098	\$561,960,549	-14%
<b>Total Tax Revenue</b>	\$110,951,112	\$128,994,455	\$139,911,547	8%	26%	\$1,696,657,171	\$1,477,235,388	-13%

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 tax revenue generated by each sales and mortgage 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](http://go.rebny.com/Reports).

Sources: All data on transactions and mortgages is provided by the NYC Department of Finance's Automated City Register Information System (ACRIS). Tax revenue reported on includes NYC and NYS transfer tax and mortgage recording tax as well as NYS mansion tax. Historical data has been revised due to newly available information. Mortgage recording tax data may be skewed due to delays in recording mortgages.