

HUD PD&R Regional Reports

Region 2: New York/New Jersey



Quick Facts About Region 2

Long Island, New York

By [Joseph Shinn](#) | 1st Quarter 2025

Sales market conditions—

First quarter 2025: mixed (balanced to slightly tight)
Fourth quarter 2024: mixed (balanced to slightly tight)
First quarter 2024: mixed (balanced to slightly tight)

Apartment market conditions—

First quarter 2025: mixed (slightly soft to tight)
Fourth quarter 2024: mixed (slightly soft to tight)
First quarter 2024: mixed (soft to tight)

Overview

As of the first quarter of 2025, nonfarm payrolls in the New York/New Jersey region increased for the 16th consecutive quarter on a year-over-year basis, following year-over-year declines in each of the four quarters ending March 2021. The economy has fully recovered from severe job losses during March and April 2020 that resulted from the COVID-19 pandemic. During the past year, nonfarm payrolls increased in 7 of the 11 sectors, led by the education and health services sector. Sales market conditions ranged from balanced to slightly tight, unchanged from the first quarter of 2024. Apartment market conditions ranged from slightly soft to tight, and average monthly rents were up throughout the region. In New York City (NYC)—which includes the boroughs of the Bronx, Brooklyn, Manhattan, Queens, and Staten Island—apartment market conditions were tight, unchanged from the first quarter of 2024.

As of the first quarter of 2025—

- Nonfarm payrolls in the region increased by 163,500 jobs, or 1.2 percent, compared with the first quarter of 2024, when nonfarm payrolls increased 1.5 percent compared

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with the same period a year earlier. In New York and New Jersey, nonfarm payrolls rose by 138,400 and 25,100 jobs, or 1.4 and 0.6 percent, respectively; nonfarm payrolls in NYC were up by 85,000 jobs, or 1.8 percent.

- Home construction activity in the region, as measured by the number of single-family homes permitted, increased 17 percent; in New Jersey and New York, home construction rose 22 and 9 percent, respectively. Multifamily building activity

in the region was down 50 percent, with approximately 86 percent of the decrease in New York.

- In the New York-Newark-Jersey City metropolitan area, single-family home construction activity increased by 320 homes, or 11 percent, compared with a 13-percent decline a year ago. Multifamily construction activity in the metropolitan area decreased 51 percent, with approximately 91 percent of the decline in NYC.

Economic Conditions

Nonfarm payrolls in the New York/New Jersey region have been increasing for 4 years on a year-over-year basis, but the rate of increase has slowed during the past year. As of the first quarter of 2025, nonfarm payrolls in the region averaged 14.16 million jobs, representing an increase of 163,500 jobs, or 1.2 percent, compared with the first quarter of 2024. By comparison, as of the first quarter of 2024, nonfarm payrolls increased 1.5 percent compared with the same period a year earlier.

As of the first quarter of 2025, nearly three-fourths of the regionwide job gains were in the education and health services sector, which increased by 122,300 jobs, or 4.0 percent, from the first quarter of 2024. The gain in the sector was concentrated in the health care and social assistance subsector, which increased by 126,500 jobs, or 5.2 percent. Additional significant job gains were in the government and the leisure and hospitality sectors, up by 32,000 and 15,700 jobs, or 1.5 and 1.3 percent, respectively. In the government sector, gains occurred only in the local and state government subsectors,

which increased by 16,800 and 15,600 jobs, or 1.1 and 3.8 percent, respectively. Job gains in the leisure and hospitality sector were partially attributed to approximately 2,600 new hotel rooms added throughout the region during the past year (CoStar Group).

Partially offsetting these gains were losses in the wholesale and retail trade and the mining, logging, and construction sectors, which decreased by 14,300 and 12,100 jobs, or 0.8 and 2.3 percent, respectively. Losses in the wholesale and retail trade sector were in both the wholesale trade and the retail trade subsectors, where nonfarm payrolls declined by 8,500 and 5,800 jobs, or 1.6 and 0.5 percent, respectively. In the mining, logging, and construction sector, the decline was partially attributed to a slowdown in multifamily construction activity.

As of the first quarter of 2025, the unemployment rate in the region averaged 4.6 percent, up slightly from the 4.5-percent rate as of the first quarter of 2024. As of the first quarter of

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As of the first quarter of 2025, nonfarm payrolls increased in the New York/New Jersey region, with gains in the service-providing sectors more than offsetting losses in the goods-producing sectors.

	First Quarter		Year-Over-Year Change	
	2024 (Thousands)	2025 (Thousands)	Absolute (Thousands)	Percent
Total Nonfarm Payrolls	13,994.4	14,157.9	163.5	1.2
Goods-Producing Sectors	1,203.9	1,188.9	-15.0	-1.2
Mining, Logging, & Construction	536.4	524.3	-12.1	-2.3
Manufacturing	667.5	664.5	-3.0	-0.4
Service-Providing Sectors	12,790.5	12,969.0	178.5	1.4
Wholesale & Retail Trade	1,785.0	1,770.7	-14.3	-0.8
Transportation & Utilities	590.5	605.2	14.7	2.5
Information	358.1	350.0	-8.1	-2.3
Financial Activities	1,008.7	1,014.0	5.3	0.5
Professional & Business Services	2,071.6	2,077.0	5.4	0.3
Education & Health Services	3,080.6	3,202.9	122.3	4.0
Leisure & Hospitality	1,248.4	1,264.1	15.7	1.3
Other Services	551.7	557.2	5.5	1.0
Government	2,095.8	2,127.8	32.0	1.5

Note: Numbers may not add to totals due to rounding.

Source: U.S. Bureau of Labor Statistics



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2025, the unemployment rates in New Jersey and New York averaged 5.0 and 4.3 percent, compared with 4.7 and 4.4 percent, respectively, a year ago. The current unemployment rates in both states are higher than the 4.1-percent rate nationwide.

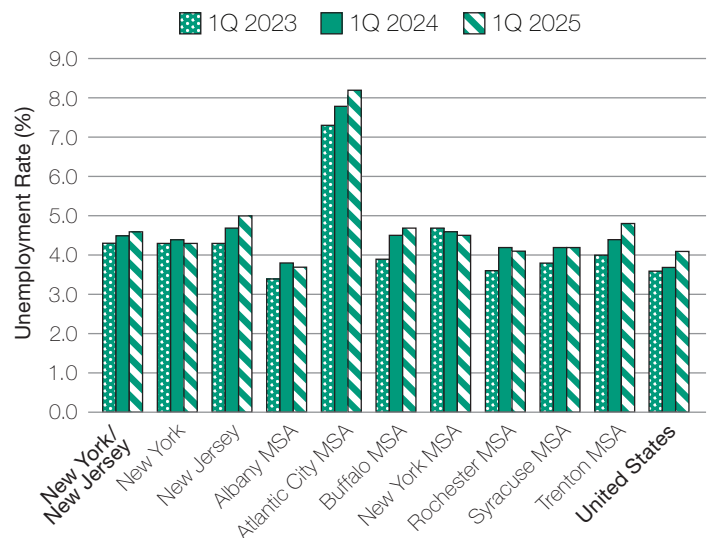
As of the first quarter of 2025—

- Nonfarm payrolls in New York increased by 138,400 jobs, or 1.4 percent, compared with the first quarter of 2024, when nonfarm payrolls increased 1.7 percent compared with the same period a year earlier. During the past year, the largest gains were in the education and health services and the government sectors, which increased by 86,900 and 26,000 jobs, or 3.8 and 1.8 percent, respectively.
- In NYC, nonfarm payrolls rose by 85,000 jobs, or 1.8 percent, compared with a 1.9-percent increase a year ago. Approximately 83 percent of the net gain in NYC was in the education and health services sector, which rose by 70,200 jobs, or 5.7 percent, compared with the first quarter of 2024.
- Nonfarm payrolls increased throughout Upstate New York, led by gains in the Rochester and Buffalo metropolitan areas, rising by 6,700 jobs in each area, or 1.3 and 1.2 percent, respectively. In the Syracuse and Albany metropolitan areas, nonfarm payrolls were up by 6,400 and 5,900 jobs, or 2.1 and 1.3 percent, respectively, from the first quarter of 2024.
- In New Jersey, nonfarm payrolls increased by 25,100 jobs, or 0.6 percent, compared with the first quarter of 2024, when nonfarm payrolls increased 1.1 percent compared with the same period a year earlier. In the Atlantic City metropolitan area and Camden metropolitan division,

nonfarm payrolls increased by 6,800 jobs in each, or 4.2 and 1.2 percent, respectively.

- During the past year, nonfarm payrolls in New Jersey were up in 6 of the 11 sectors, led by the education and health services sector, which increased by 35,400 jobs, or 4.6 percent, from the first quarter of 2024. Partially offsetting this gain were losses in the professional and business services and the wholesale and retail trade sectors, which declined by 8,400 and 7,100 jobs, or 1.2 and 1.1 percent, respectively.

As of the first quarter of 2025, the unemployment rate was up in New Jersey but down in New York compared with the first quarter of 2024.



1Q = first quarter.

Source: U.S. Bureau of Labor Statistics

Population

As of July 1, 2024, the population of the New York/New Jersey region was 29.37 million, representing an increase of 251,100, or 0.9 percent, from 2023 to 2024 (U.S. Census Bureau population estimates as of July 1). The population rise was due to a combination of net in-migration of 181,400 people and net natural increase of 69,700 people. By comparison, from 2022 to 2023, the population rose by 118,000, or 0.4 percent. The slower population growth was due to lower levels of net in-migration and net natural increase, totaling 53,200 people and 64,800 people, respectively. The population increase in the New York/New Jersey region from 2023 to 2024 was the fifth fastest of the 10 HUD-defined regions and was slightly slower than the 1.0-percent rise nationwide.

During the 12 months ending July 1, 2024—

- The population of New York was up by approximately 129,900, or 0.7 percent, compared with a 0.2-percent

increase from 2022 to 2023. The increase from 2023 to 2024 was due to combined net in-migration of 86,200 people and net natural change of 43,700 people.

- Approximately two-thirds of the net population rise in New York was in NYC, where the population increased by 87,200, or 1.0 percent. The population of NYC increased an average of 0.7 percent annually from 2022 to 2024, compared with an average annual 2.2-percent decline from 2020 to 2022.
- The population rose in all major metropolitan areas in Upstate New York, led by an increase of approximately 6,250, or 0.5 percent, in the Albany metropolitan area. In the Rochester, Buffalo, and Syracuse metropolitan areas, the population increased by 2,400, 2,100, and 920, or 0.2, 0.2, and 0.1 percent, respectively.

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- In New Jersey, the population increased by 121,200, or 1.3 percent, because of combined net in-migration of 95,200 people and net natural increase of 26,000. By comparison, from 2022 to 2023, the population rose by 84,400, or 0.9 percent; population growth was slower largely because of lower net in-migration of 59,100 people.

- The population was up in all New Jersey metropolitan areas and metropolitan divisions, led by the Newark and Lakewood-New Brunswick metropolitan divisions, where the population increased by 36,850 and 27,950, or 1.6 and 1.1 percent, respectively. In the Trenton and Vineland metropolitan areas, the population rose 1.5 percent in each area, or by 5,850 and 2,350, respectively.

From 2023 to 2024, the population increased in the New York/New Jersey region at a rate more than double the rate a year earlier.

	Population Estimate (as of July 1)			Percentage Change	
	2022	2023	2024	2022 to 2023	2023 to 2024
United States	334,017,321	336,806,231	340,110,988	0.8	1.0
New York/New Jersey Region	28,998,974	29,117,009	29,368,099	0.4	0.9
New York	19,703,747	19,737,367	19,867,248	0.2	0.7
New York City	8,356,179	8,390,888	8,478,072	0.4	1.0
New Jersey	9,295,227	9,379,642	9,500,851	0.9	1.3

Source: U.S. Census Bureau, Building Permits Survey

Sales Market Conditions

Sales market conditions in the New York/New Jersey region ranged from balanced to slightly tight as of the first quarter of 2025, unchanged from a year ago. Similar to the conditions in the rest of the nation, home sales were low during the past year because mortgage interest rates stayed high after rising sharply during 2022 and 2023, when home sales declined significantly. During the 12 months ending March 2025, the average interest rate of a 30-year fixed-rate mortgage was 6.8 percent, up slightly from 6.7 percent a year ago and significantly higher than the average 3.1-percent rate during 2020 and 2021 (Freddie Mac).

In New York, sales market conditions were slightly tight in most areas. In March 2025, New York had 2.7 months of available for-sale housing inventory, unchanged from March 2024, and the home sales price was 0.2 percent above the listing price on average compared with 0.7 percent above the listing price in March 2024 (New York State Association of REALTORS®, Inc.). During the 12 months ending March 2025, approximately 104,000 existing homes were sold in New York, representing a decrease of 1,200 homes, or 1 percent, from the previous 12-month period. By comparison, existing home sales declined an average of 16 percent annually during the previous 2 years. During the past year, the average price of existing homes in New York increased 7 percent to \$555,200, compared with a 1-percent decrease a year ago.

In Upstate New York, home sales decreased in the Rochester metropolitan area, where the number of homes sold declined by 400 homes, or 3 percent, to 12,100 homes sold (Redfin, a national real estate brokerage). Home sales in the Albany and Buffalo metropolitan areas increased by 400 and 75 homes, or 2 and 1 percent, to 20,600 and 9,325 homes sold, respectively (Redfin, a national real estate brokerage; Buffalo Niagara

Association of REALTORS®). During the 12 months ending March 2025, average home prices in the Albany, Buffalo, and Rochester metropolitan areas increased 11, 8, and 8 percent to \$369,400, \$296,600, and \$273,000, respectively.

Sales market conditions in NYC are balanced, unchanged from a year ago. In March 2025, NYC had 6.0 months of available for-sale housing inventory, down from 6.4 months of inventory a year ago (Redfin, a national real estate brokerage). During the 12 months ending March 2025, 40,100 new and existing homes were sold in NYC, representing an increase of 1,400 homes, or 4 percent, compared with the 12 months ending March 2024. By comparison, home sales declined an average of 19 percent annually during the previous 2 years. During the past year, the average sales price of new and existing homes in NYC increased 2 percent to approximately \$1.33 million.

Sales market conditions in New Jersey are slightly tight, unchanged compared with the first quarter of 2024. In March, New Jersey had 2.8 months of housing inventory available for sale, down from 3.0 months in March 2024 (New Jersey Association of REALTORS®). During the 12 months ending March 2025, approximately 56,000 existing homes were sold in New Jersey, representing an increase of 1,300 homes, or 2 percent, from the previous 12-month period. By comparison, home sales declined an average of 16 percent annually from March 2022 through March 2024. During the past year, home sales increased 4 percent in central New Jersey and 2 percent in northern New Jersey and southern New Jersey. During the 12 months ending March 2025, the average price of an existing home in New Jersey rose 10 percent to \$716,200.

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Home sales were up in New Jersey but down slightly in New York during the past year, and average home sales prices increased in both states.

	12 Months Ending	Number of Homes Sold				Price		
		2024	2025	Percent Change	Average or Median	2024 (\$)	2025 (\$)	Percent Change
New York (E)*,**	March	105,200	104,000	-1	AVG	518,400	555,200	7
New York City (N&E)**	March	38,700	40,100	4	AVG	1,308,000	1,334,600	2
Albany MSA (N&E)**	March	20,200	20,600	2	AVG	333,500	369,400	11
Buffalo MSA (E)**	March	9,250	9,325	1	AVG	274,800	296,600	8
Rochester MSA (E)**	March	12,500	12,100	-3	AVG	253,900	273,000	8
New Jersey (E)***	March	54,700	56,000	2	AVG	652,400	716,200	10
Northern New Jersey (E)***	March	20,200	20,600	2	MED	385,000–710,000	415,000–812,500	NA
Central New Jersey (E)***	March	9,400	9,800	4	MED	405,000–653,300	423,000–675,000	NA
Southern New Jersey (E)***	March	25,100	25,600	2	MED	232,300–680,000	277,500–750,000	NA

AVG = average. E = existing. MED = median. MSA = metropolitan statistical area. NA = not available. N&E = new and existing.

Notes: *Excludes parts of New York City. **Includes single-family homes, townhomes, and condominiums. ***Includes only single-family homes.

Sources: Buffalo Niagara Association of REALTORS®; New Jersey Association of REALTORS®; New York State Association of REALTORS®, Inc.; Redfin, a national real estate brokerage

In February 2025, 1.5 percent of home loans in the region were seriously delinquent or had transitioned into real estate owned status, down from 1.7 percent in February 2024 (Cotality). This rate is the highest of the 10 HUD-defined regions and higher than the 1.1-percent rate nationwide; however, the current rate in the region is the lowest in more than 15 years. In New York and New Jersey, the rates were 1.8 and 1.1 percent, down from 2.0 and 1.2 percent, respectively, a year earlier.

As of the first quarter of 2025 (preliminary data)—

- In response to sales market conditions staying slightly tight in most of the region, homebuilding activity increased 17 percent to 6,725 homes permitted, the highest first quarter permitting level in nearly 20 years. The rise in the region was in contrast to a 4-percent decline in permitting nationwide, and the New York/New Jersey region was the only HUD region where single-family construction increased.
- In New Jersey, home construction activity increased by 790 homes, or 22 percent, from the first quarter of 2024, when homebuilding declined 8 percent from the same period a year earlier. During the past year, homebuilding activity was up in 14 of 21 counties, led by Mercer and Monmouth Counties, where the number of homes permitted nearly tripled and was up 73 percent, respectively, from the first quarter of 2024.
- Single-family permitting activity in New York increased by 190 homes, or 9 percent, compared with a 13-percent rise a year ago. Single-family home permitting rose or was little changed throughout Upstate New York, led by an increase of 60 homes, or 34 percent, in the Rochester metropolitan area.

- In the New York-Newark-Jersey City metropolitan area, single-family home permitting activity was up by 320 homes, or 11 percent, compared with the first quarter of 2024, when homebuilding activity was down 13 percent compared with the same period a year earlier. Within the metropolitan area, the most significant increases were in the Lakewood-New Brunswick and Newark metropolitan divisions, where single-family permitting activity rose by approximately 330 and 30 homes, or 25 and 7 percent, respectively.

As of the first quarter of 2025, homebuilding activity was up in New York and New Jersey.



1Q = first quarter.

Note: Based on preliminary data.

Source: U.S. Census Bureau, Building Permits Survey

Apartment Market Conditions

Apartment market conditions in the major metropolitan areas in the New York/New Jersey region ranged from slightly soft to tight as of the first quarter of 2025, compared with conditions ranging from soft to tight a year ago. Apartment market conditions in New York reflected regionwide conditions. In Upstate New York, conditions ranged from balanced to slightly soft. The apartment markets in the Rochester and Albany metropolitan areas remained balanced, unchanged from the first quarter of 2024. As of the first quarter of 2025, the apartment vacancy rates in these metropolitan areas averaged 5.1 and 4.5 percent, compared with 5.1 and 4.7 percent, respectively, as of the same quarter a year ago (CoStar Group). Conditions in the Syracuse and Buffalo metropolitan areas were slightly soft, compared with balanced conditions a year ago, with vacancy rates of 7.1 and 5.8 percent, up from 6.0 and 5.6 percent, respectively, as of the first quarter of 2024. Average rents were up throughout Upstate New York, led by increases of 4 percent in both the Rochester and Syracuse metropolitan areas.

In NYC, conditions were tight, unchanged from a year ago. Unlike the rest of the region, apartment market conditions have stayed tight in NYC since 2022 because of continued strong absorption of apartment units. Since 2022, an average of 15,000 apartment units have been absorbed annually, up 8 percent from the average of 13,850 units absorbed annually from 2016 through 2021. By comparison, average annual absorption in the portions of the New York/New Jersey region located outside NYC since 2022 was down 9 percent compared with 2016 through 2021. As of the first quarter of 2025, the apartment vacancy rate in NYC was 2.2 percent, up slightly from the 2.1-percent rate a year ago, and the

average rent increased 2 percent to \$3,647. On Long Island, conditions transitioned from soft to balanced during the past year, and the apartment vacancy rate declined from 6.6 percent as of the first quarter of 2024 to 4.6 percent as of the first quarter of 2025. Conditions on Long Island tightened during the past year because the absorption of approximately 1,650 units during the 12 months ending March 2025 was more than triple the 510 new market-rate units that were completed. As of the first quarter of 2025, the average rent on Long Island was \$2,938, up 2 percent from the first quarter of 2024.

In New Jersey, apartment market conditions ranged from balanced to slightly tight in all areas cited in this report, unchanged from the first quarter of 2024. Conditions in northern New Jersey remained balanced, unchanged from a year ago. As of the first quarter of 2025, the apartment vacancy rate was 4.9 percent, down slightly from 5.1 percent a year ago, and the average rent rose 2 percent to \$2,563. Conditions were also balanced in the Atlantic City metropolitan area, with a 3.8-percent vacancy rate, unchanged from a year ago, and the average rent increased 4 percent to \$1,701. Conditions in the Trenton metropolitan area were slightly tight, with a vacancy rate of 3.7 percent, down from 4.2 percent a year ago. As of the first quarter of 2025, the average rent in the metropolitan area was \$2,211, up 3 percent from the first quarter of 2024.

As of the first quarter of 2025 (preliminary data)—

- Multifamily building activity in the region, as measured by the number of multifamily units permitted, declined by 8,225 units, or 50 percent, to approximately 8,350 units permitted.

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As of the first quarter of 2025, apartment market conditions ranged from slightly soft to tight in the New York/New Jersey region, and average rents were up in all areas.

	Market Condition	Vacancy Rate			Average Monthly Rent		
		1Q 2024 (%)	1Q 2025 (%)	Percentage Point Change	1Q 2024 (\$)	1Q 2025 (\$)	Percent Change
Albany	Balanced	4.7	4.5	-0.2	1,579	1,617	2
Atlantic City	Balanced	3.8	3.8	0.0	1,638	1,701	4
Buffalo	Slightly Soft	5.6	5.8	0.2	1,303	1,340	3
Long Island	Balanced	6.6	4.6	-2.0	2,879	2,938	2
New York City	Tight	2.1	2.2	0.1	3,567	3,647	2
Northern New Jersey	Balanced	5.1	4.9	-0.2	2,502	2,563	2
Rochester	Balanced	5.1	5.1	0.0	1,407	1,462	4
Syracuse	Slightly Soft	6.0	7.1	1.1	1,292	1,343	4
Trenton	Slightly Tight	4.2	3.7	-0.5	2,140	2,211	3

1Q = first quarter.

Note: Data are for market-rate and mixed market-rate (combined market-rate and affordable) general occupancy apartment properties with five or more units, including those that are stabilized and in lease up.

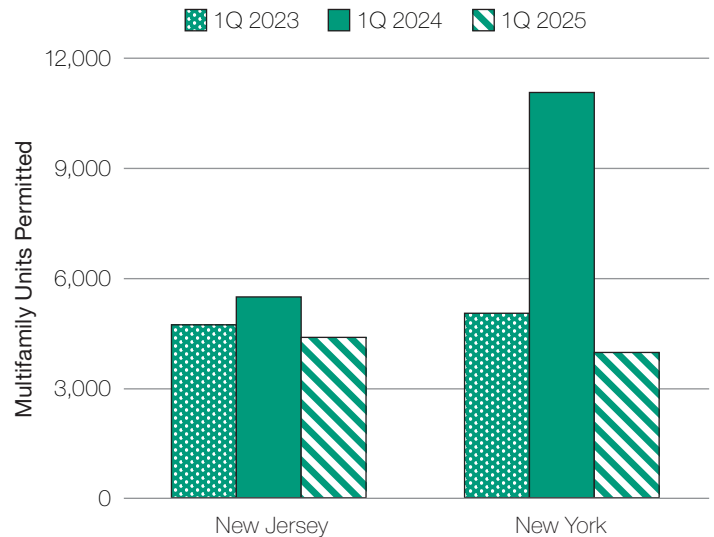
Sources: Market condition—Economic and Market Analysis Division; vacancy rate and average monthly rent—CoStar Group

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By comparison, as of the first quarter of 2024, multifamily permitting activity increased 70 percent to 16,600 units permitted, the highest first quarter permitting activity in more than 20 years.

- Multifamily building activity in New York declined 64 percent to 3,975 units permitted compared with the first quarter of 2024, when multifamily permitting more than doubled from the same period a year earlier. Multifamily construction was down throughout Upstate New York, led by decreases of 180 and 120 units, or 80 and 75 percent, in the Rochester and Buffalo metropolitan areas, respectively.
- In New Jersey, multifamily construction activity decreased by 1,125 units, or 20 percent, to 4,375 units permitted. By comparison, as of the first quarter of 2024, multifamily building activity increased 16 percent from a year earlier.
- In the New York-Newark-Jersey City metropolitan area, multifamily construction activity was down by 7,325 units, or 51 percent, to 6,975 units permitted, compared with a 69-percent increase a year ago. The decrease in the metropolitan area was primarily concentrated in NYC, where multifamily permitting declined by 6,675 units, or 70 percent.

As of the first quarter of 2025, multifamily construction activity decreased significantly in the New York/New Jersey region, with strong declines in both states.



1Q = first quarter.

Note: Based on preliminary data.

Source: U.S. Census Bureau, Building Permits Survey

Terminology Definitions and Notes

A. Definitions

Absorption	The net change, positive or negative, in the number of occupied units in a given geographic range.
Apartment Vacancy Rate/Average Monthly Rent	Data are for market-rate and mixed market-rate and affordable general occupancy apartment properties with five or more units, including those that are stabilized and in lease up. A property is stabilized once it reaches a 90-percent occupancy rate or at least 18 months have passed since the property was changed from “under construction” to “existing” on the CoStar Group website.
Building Permits	Building permits do not necessarily reflect all residential building activity. Some units are constructed or created without a building permit or are issued a different type of building permit. For example, some units classified as commercial structures are not reflected in the residential building permits. As a result, the analyst, through diligent fieldwork, makes an estimate of this additional construction activity. Some of these estimates are included in the discussions of single-family and multifamily building permits.
Existing Home Sales	Includes regular resales, short sales, and real estate owned sales.
Net Natural Increase	Resident births are greater than resident deaths.
Seriously Delinquent Mortgages	Mortgages 90 or more days delinquent or in foreclosure.

B. Notes on Geography

1.	The metropolitan statistical area and metropolitan division definitions noted in this report are based on the delineations established by the Office of Management and Budget (OMB) in the OMB Bulletin dated July 21, 2023.
2.	Upstate New York refers to the portions of the state excluding the New York-Newark-Jersey City, NY-NJ metropolitan area.
3.	Central New Jersey is defined as Hunterdon, Mercer, Middlesex, and Somerset Counties.