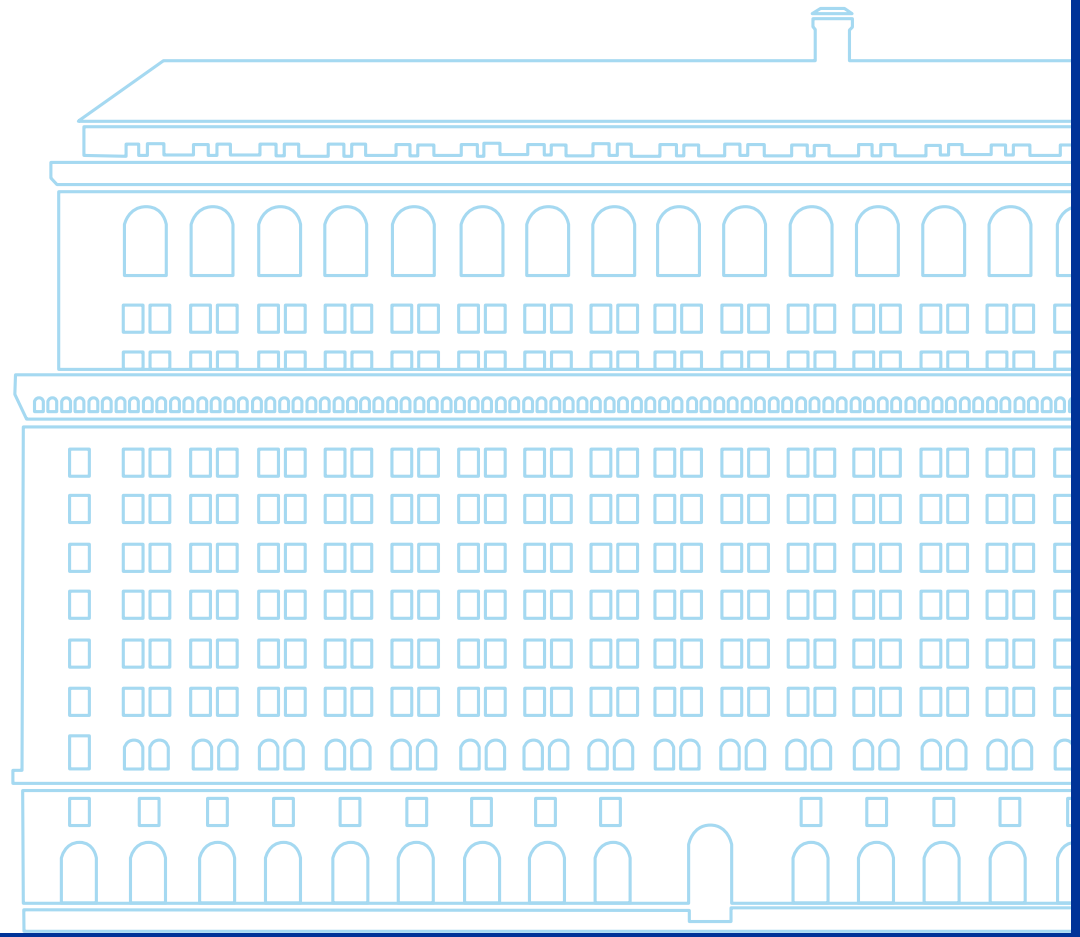
FEDERAL RESERVE BANK *of* NEW YORK

Economic Conditions in New York State

Joelle Scally
Economic Policy Advisor
New York State Rural Housing Coalition Annual Conference
October 1, 2026

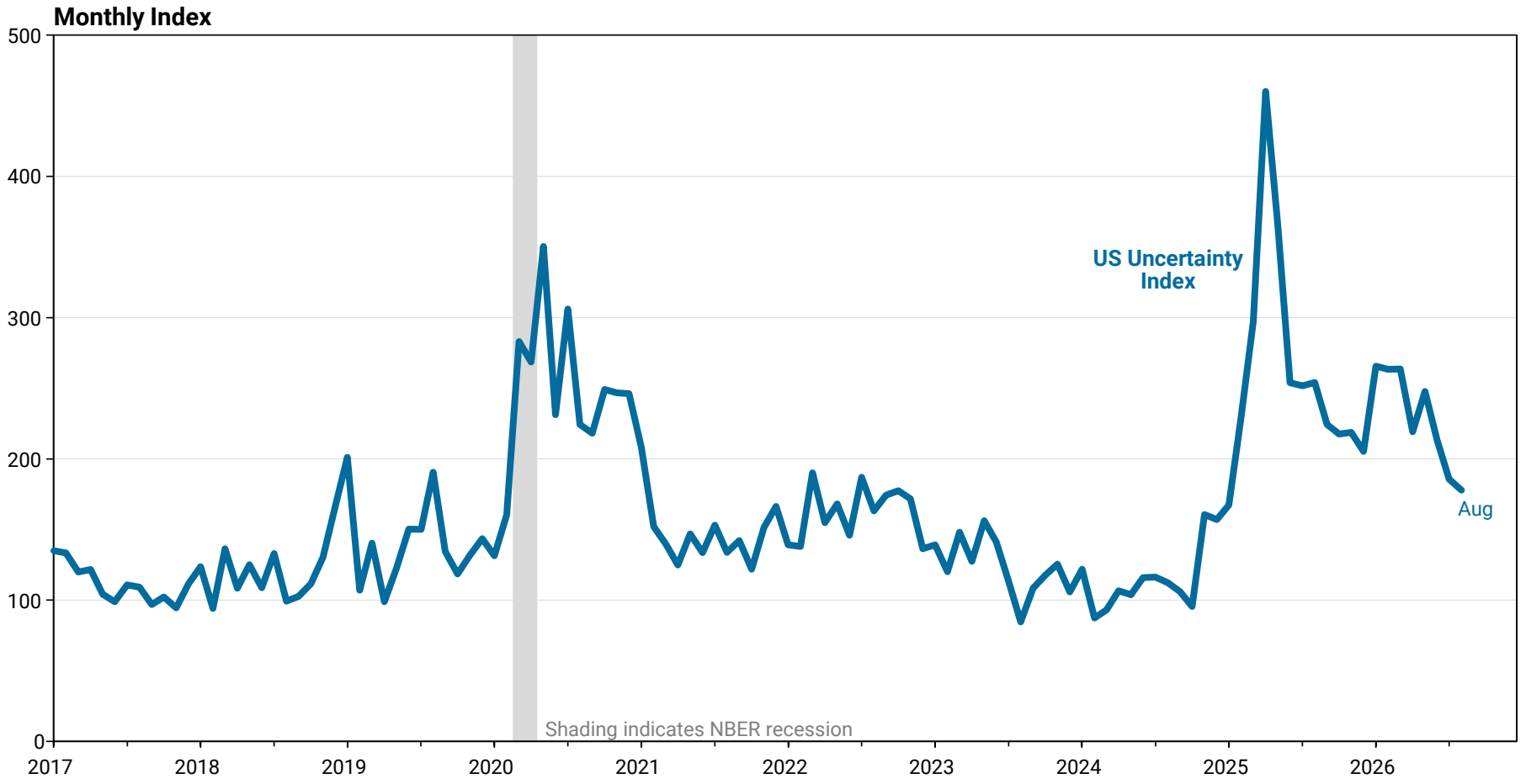


The views expressed herein are those of the presenter and do not necessarily represent those of the Federal Reserve Bank of New York or the Federal Reserve System.

Overview of Regional Conditions

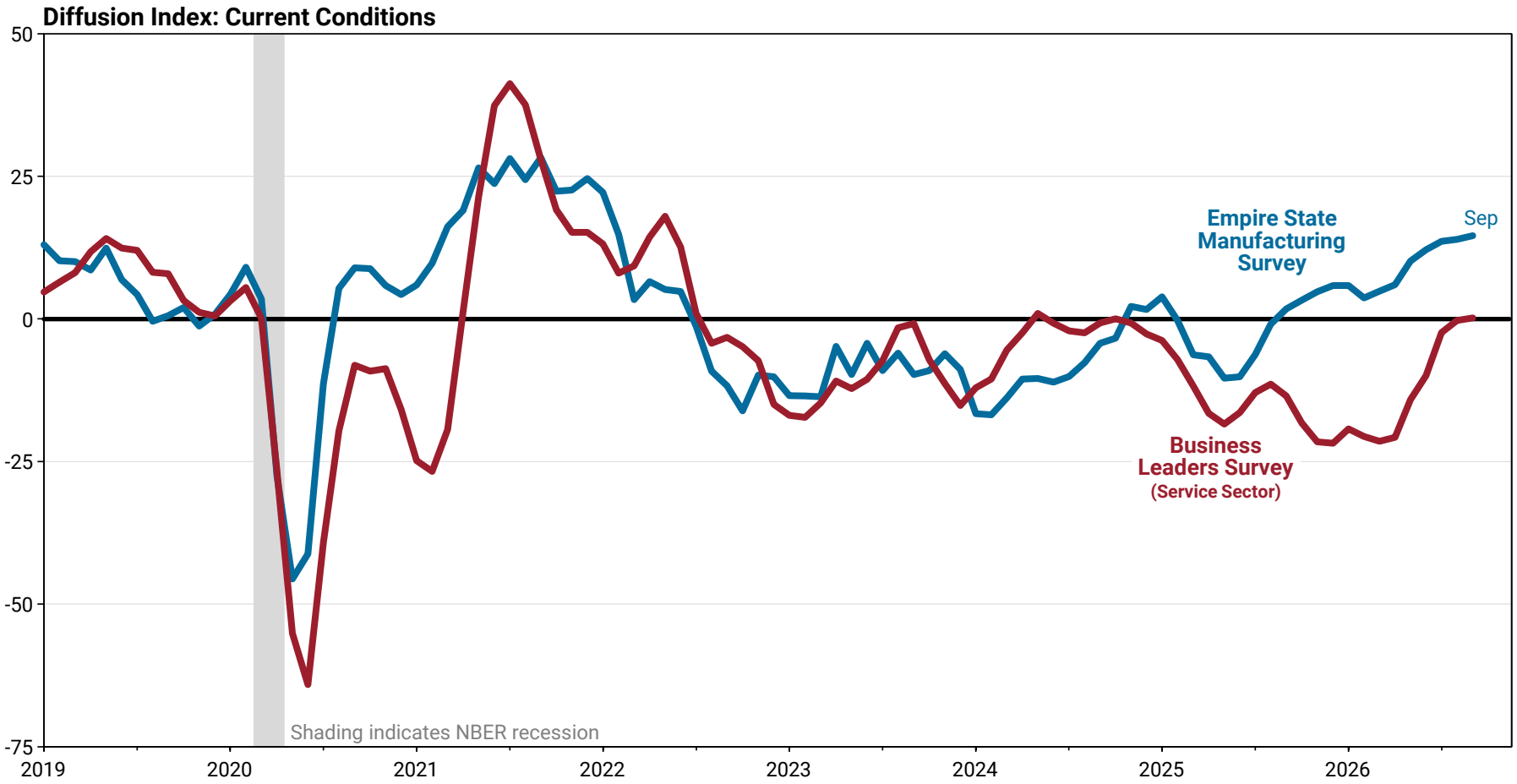
- Modest economic growth in the region.
- Job growth has stalled and unemployment is rising, especially upstate.
- Inflation remains high with widespread cost and pricing pressures.
- Housing among the nation’s hottest; rural prices are rising just as fast.
- Some signs of household stress, though less so in rural areas.

Uncertain Times



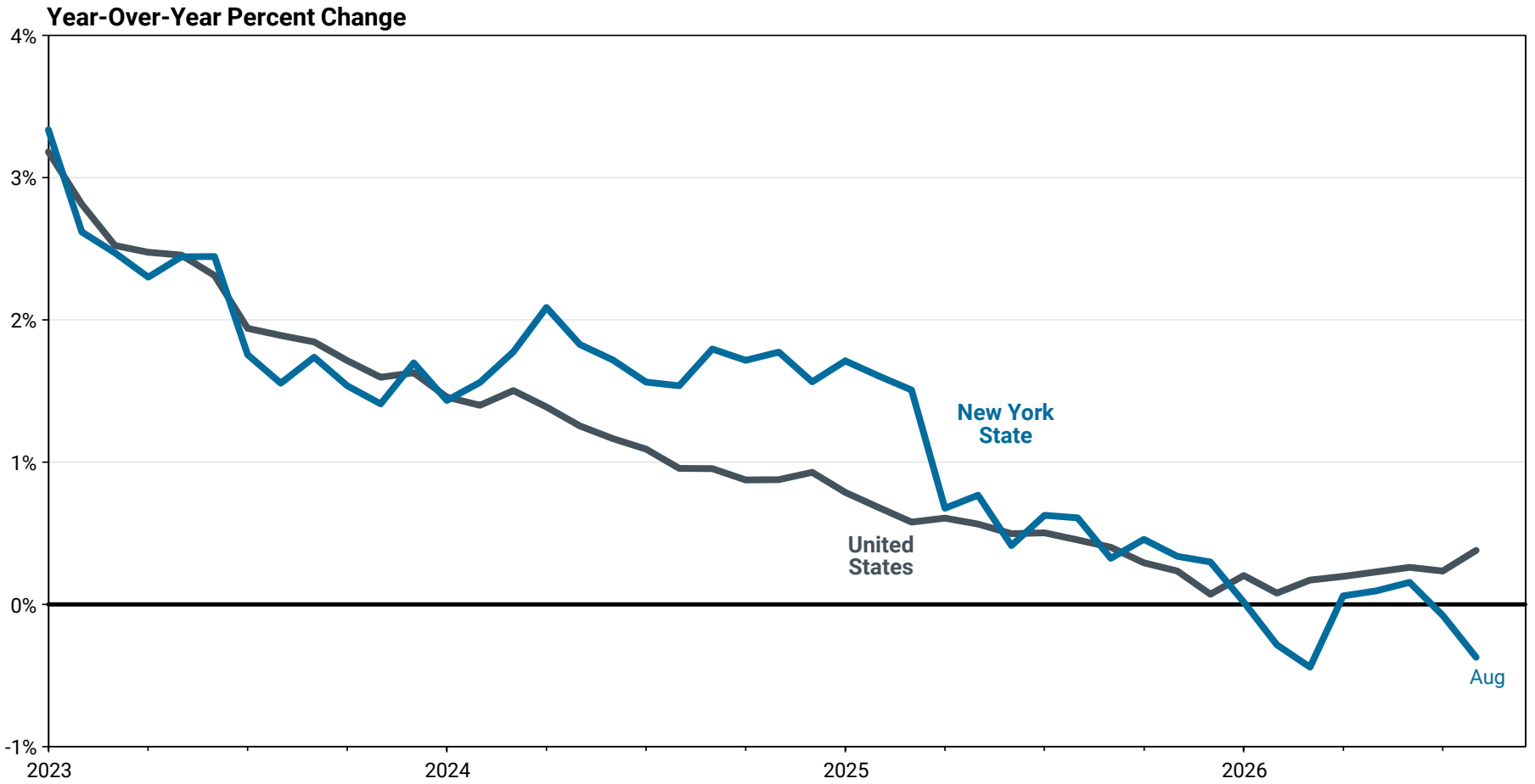
Sources: US Economic Policy Uncertainty Index; Baker, Bloom, and Davis via FRED®

Regional Activity Picking Up After Sustained Weakness



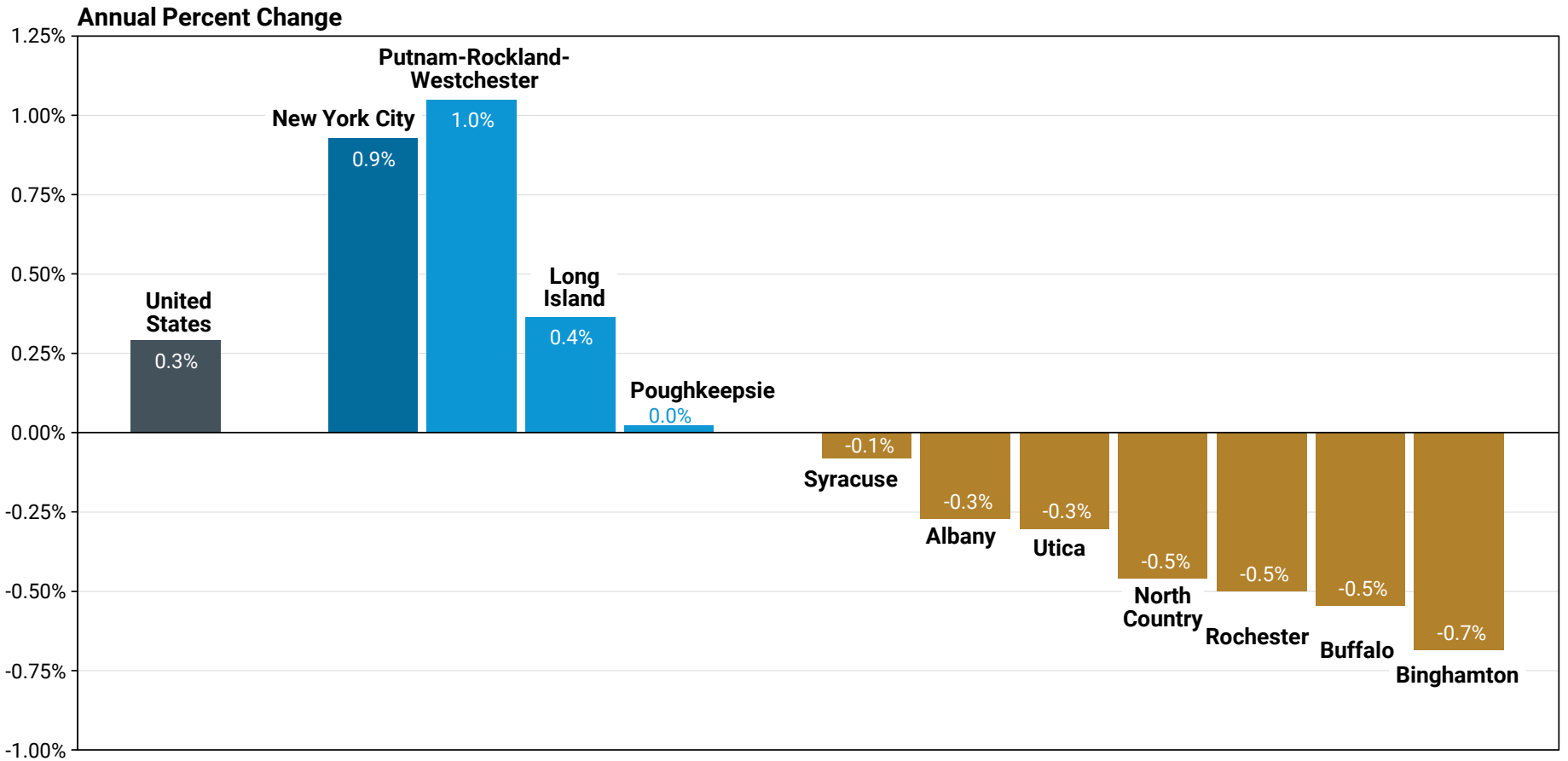
Source: Federal Reserve Bank of New York, expressed as 3-month moving average.

Job Growth Has Slowed Noticeably



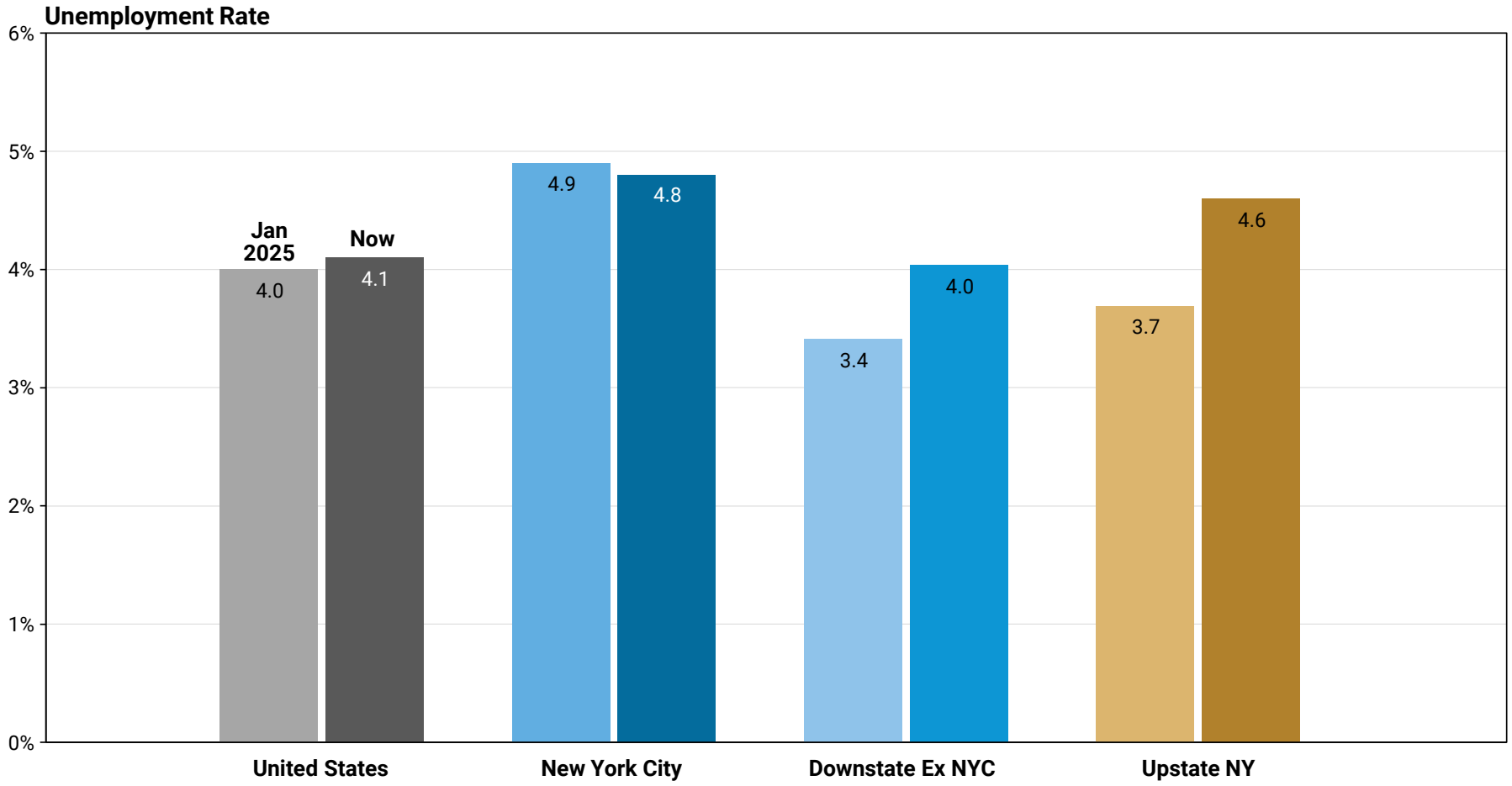
Source: U.S. Bureau of Labor Statistics and Moody's Economy.com. Regional data early benchmarked by NY Fed.

Strongest Job Growth In and Around New York City



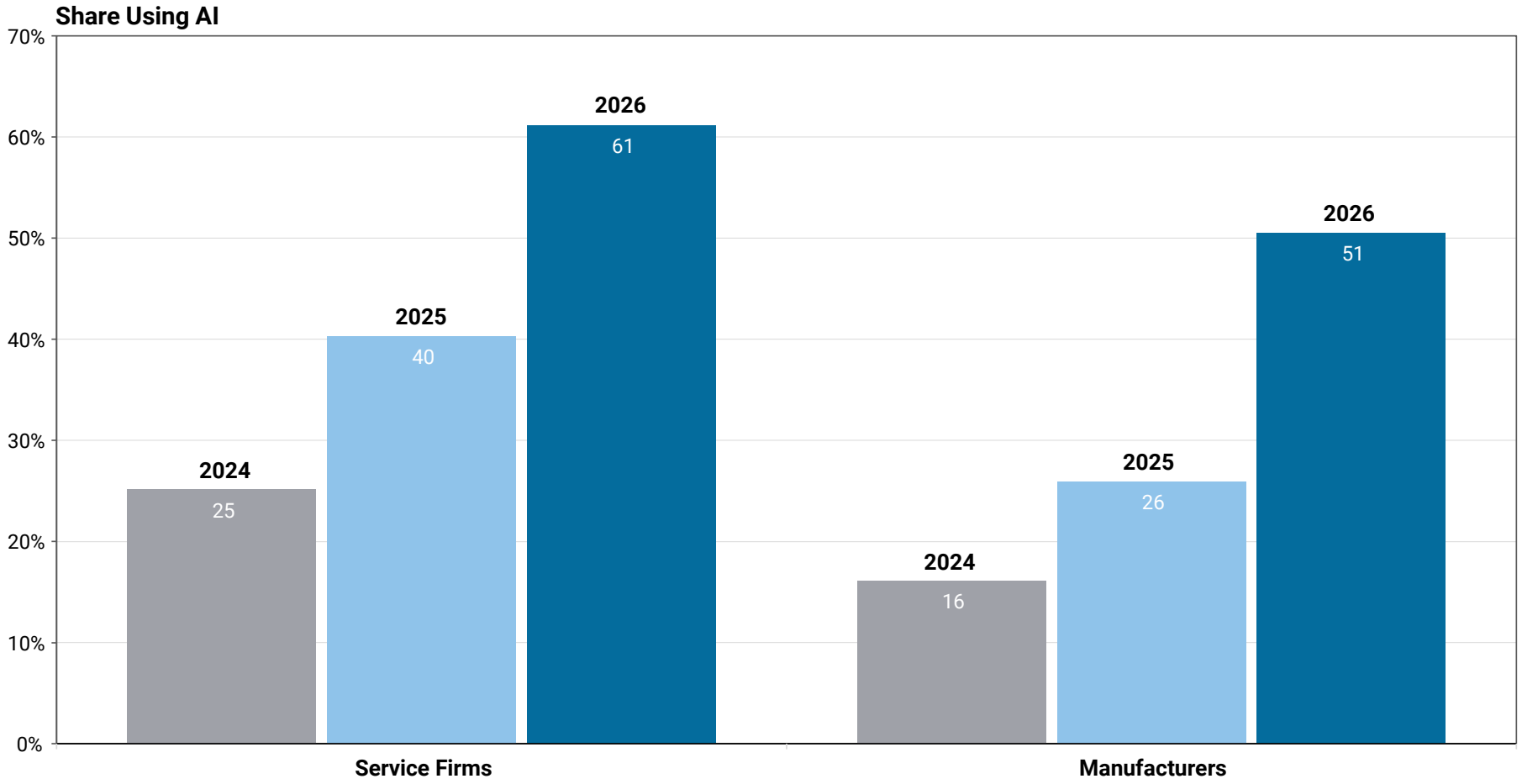
Source: U.S. Bureau of Labor Statistics and Moody's Economy.com; New York State Department of Labor.
Regional data early benchmarked by NY Fed, expressed as 3-month average through August.

Unemployment Rising in Some Areas But Remains Low



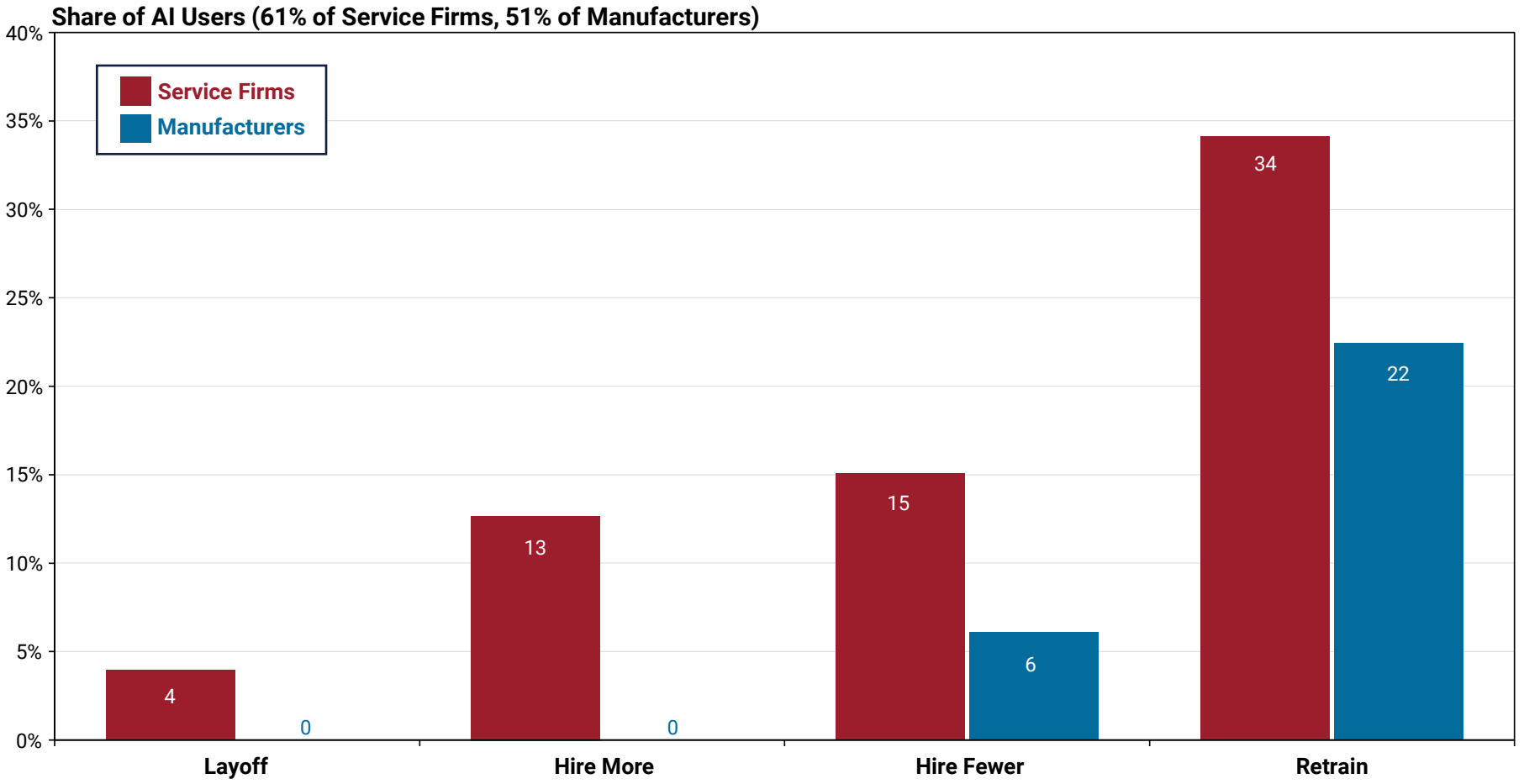
Source: U.S. Bureau of Labor Statistics and Moody's Economy.com; New York State Department of Labor.

AI Adoption Has Continued to Increase in the Region



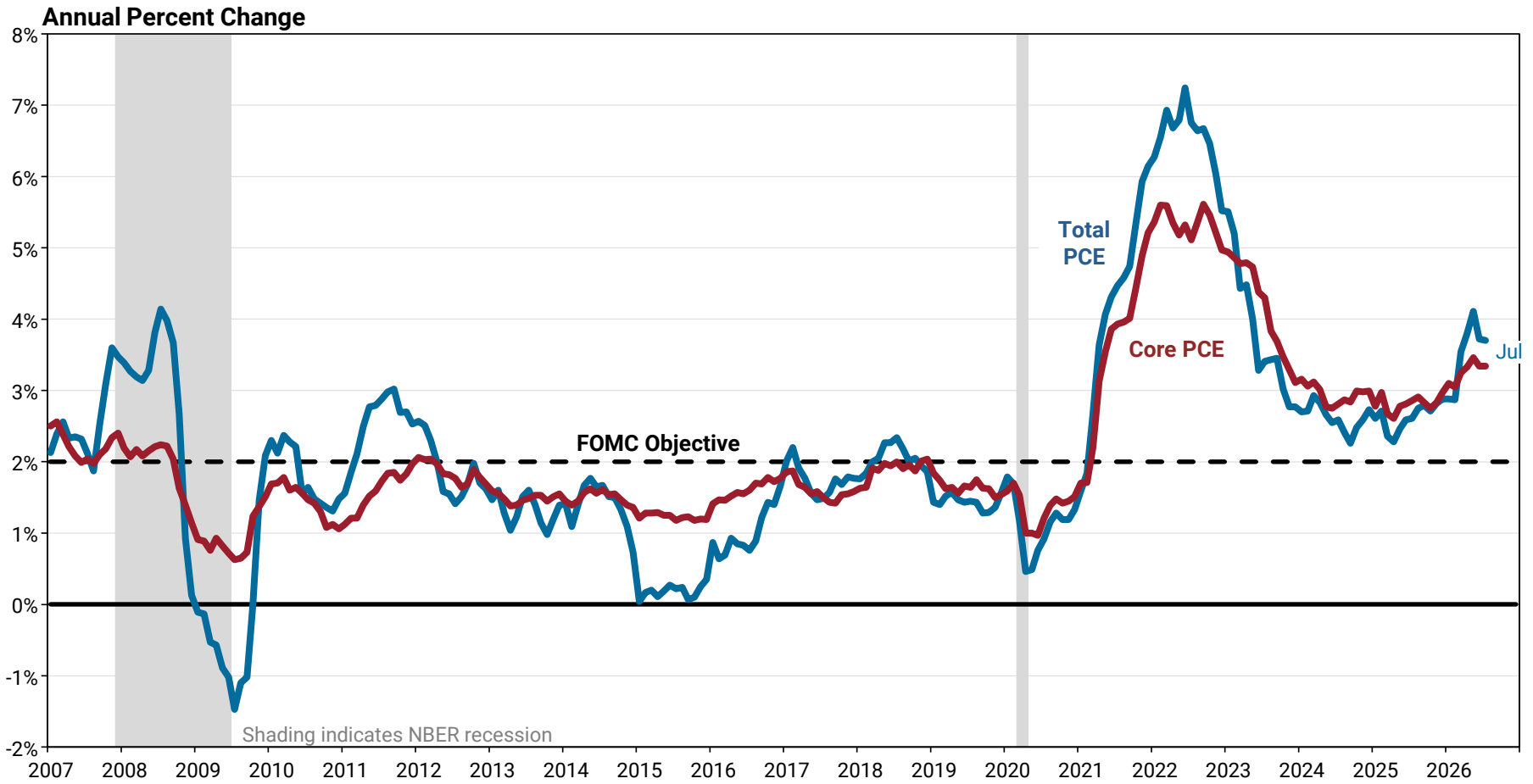
Source: Abel, Deitz, Emanuel, and Montalbano, "Businesses Are Using AI to Transform Work, Not Cut Jobs," *LSE* Blog, September 2026.

How Are Businesses Adjusting Their Workforces to AI?



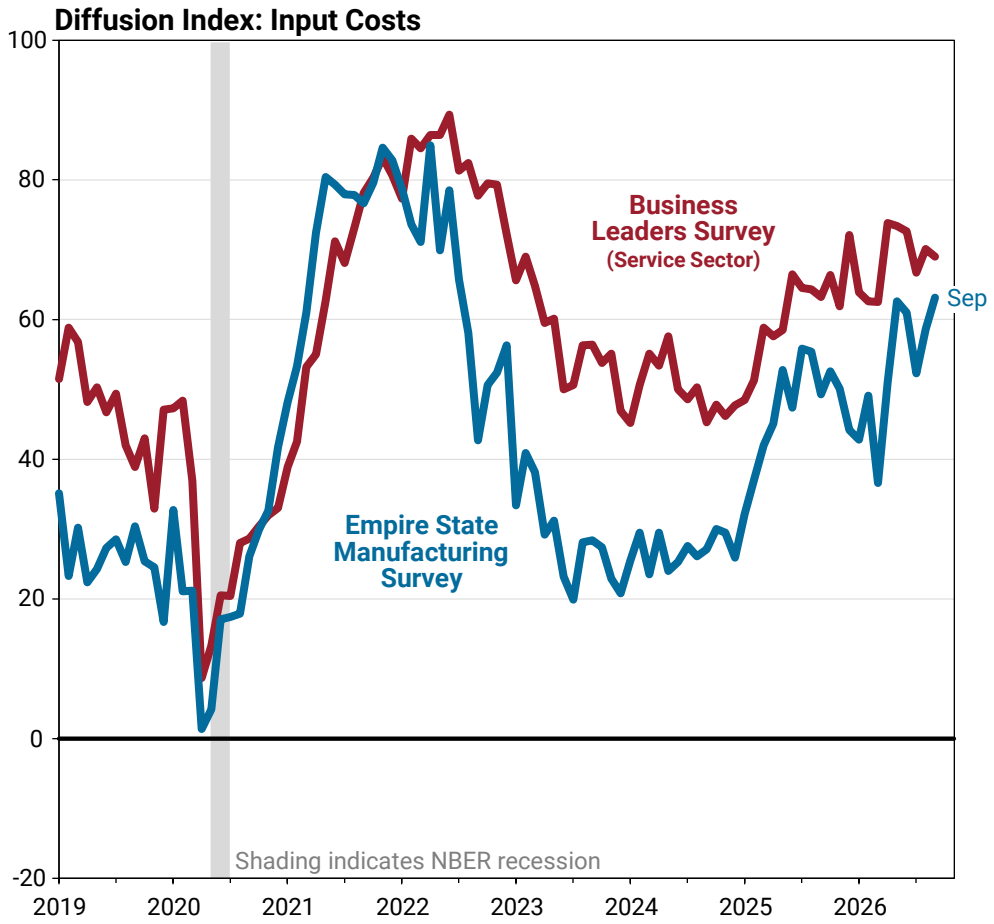
Source: Abel, Deitz, Emanuel, and Montalbano, "Businesses Are Using AI to Transform Work, Not Cut Jobs," *LSE* Blog, September 2026.

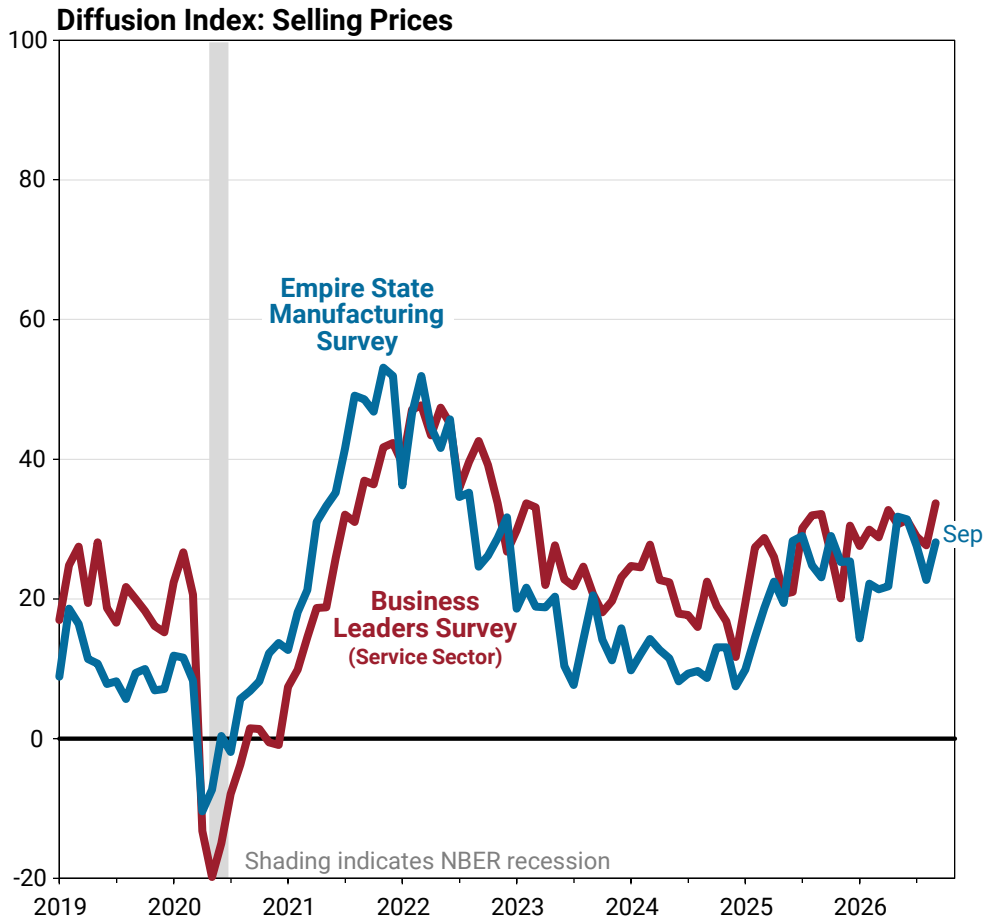
Inflation Remains Above Target



Source: U.S. Bureau of Economic Analysis via Haver Analytics.

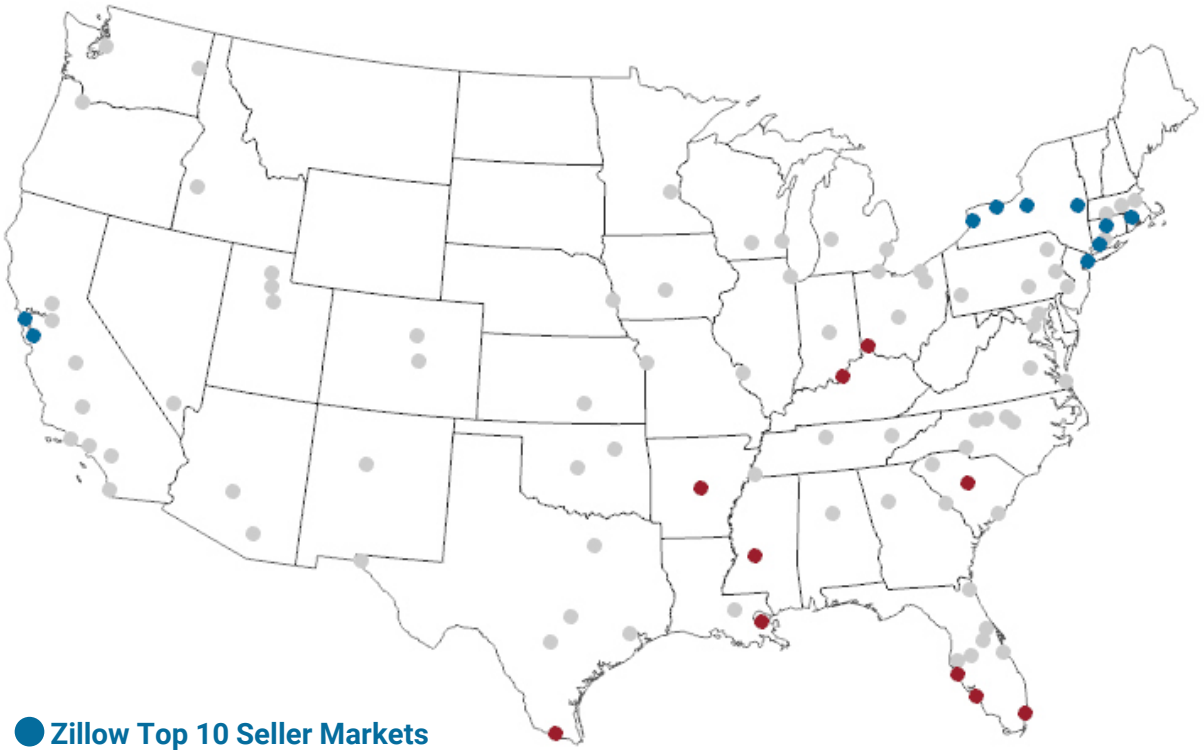
Cost and Price Increases Elevated in the Region





Source: Federal Reserve Bank of New York.

Regional Markets Rank at Top of Zillow Market Heat Index



Zillow Top 10 Seller Markets
Zillow Bottom 10 Buyer Markets

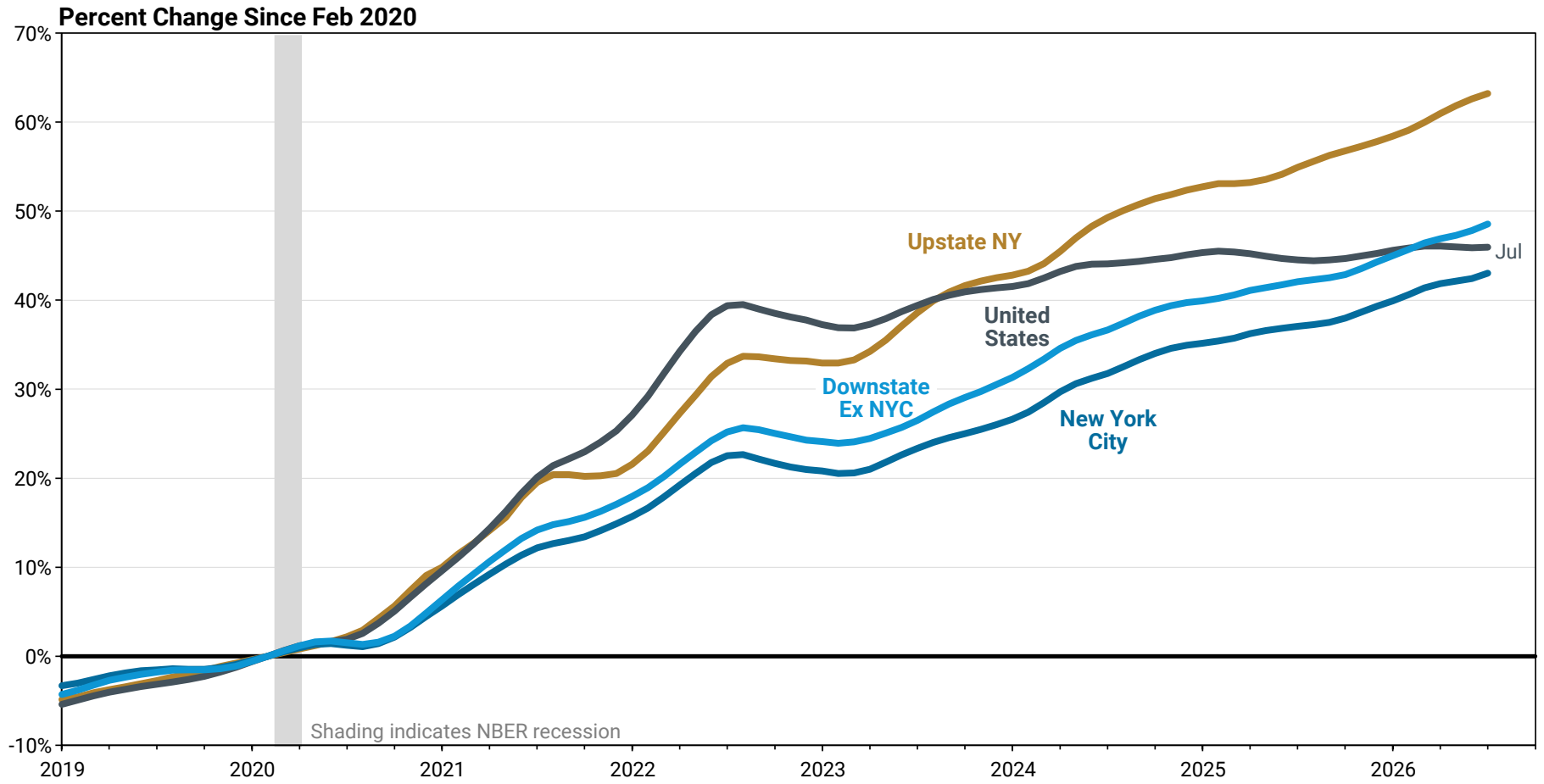
Source: Zillow Market Heat Index.

Top 10 Seller Markets*

Rochester, NY	**138**
San Francisco, CA	104
Syracuse, NY	**83**
Hartford, CT	81
San Jose, CA	80
Albany, NY	**71**
Buffalo, NY	**69**
New York, NY**	**67**
Providence, RI	67
Bridgeport, CT	67

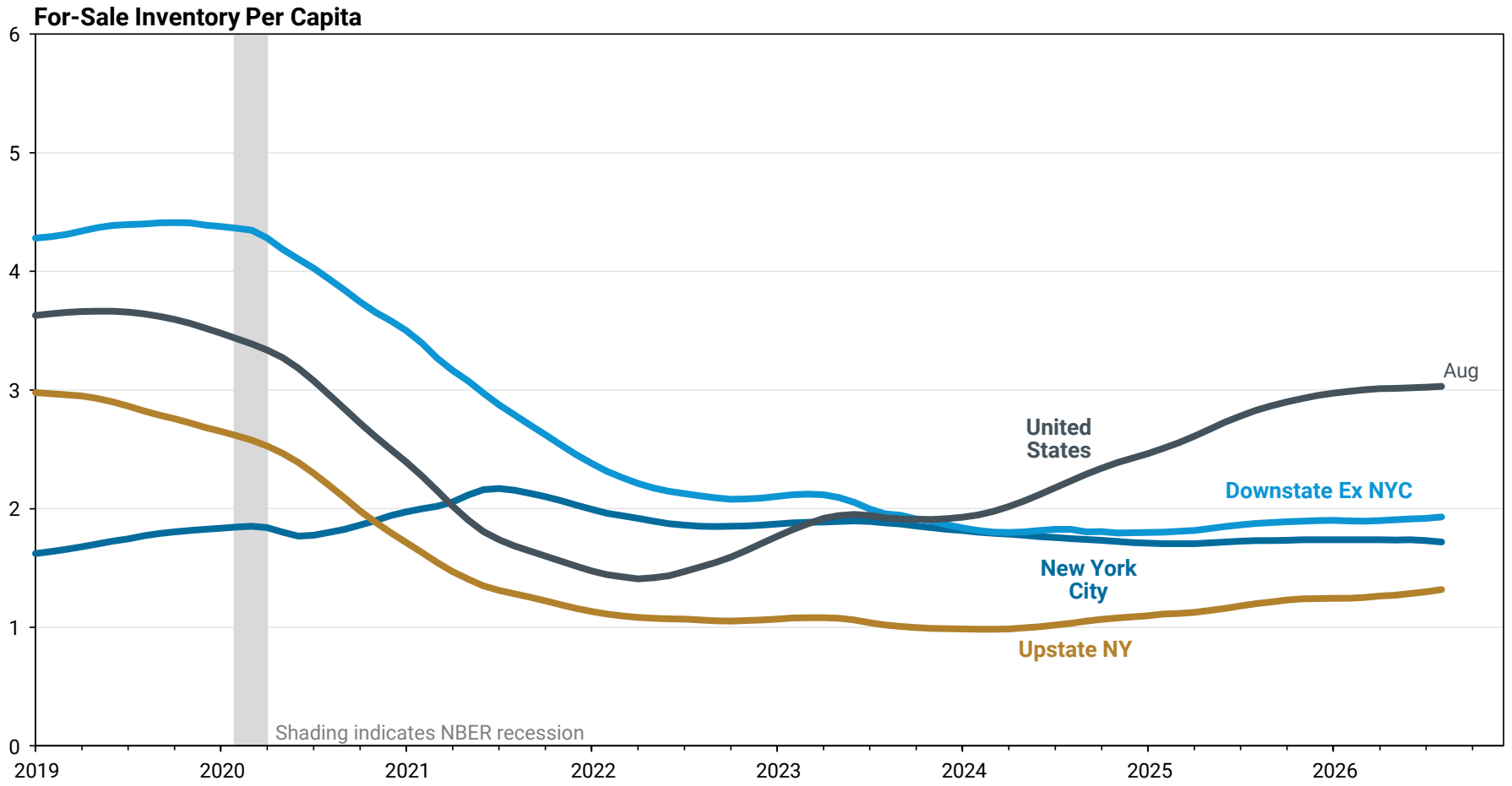
**Out of 100 Largest Metros*
***New York, NY includes NYC, Downstate NY, and Northern NJ*
As of August 2026

Home Prices Continue to Rise in the Region



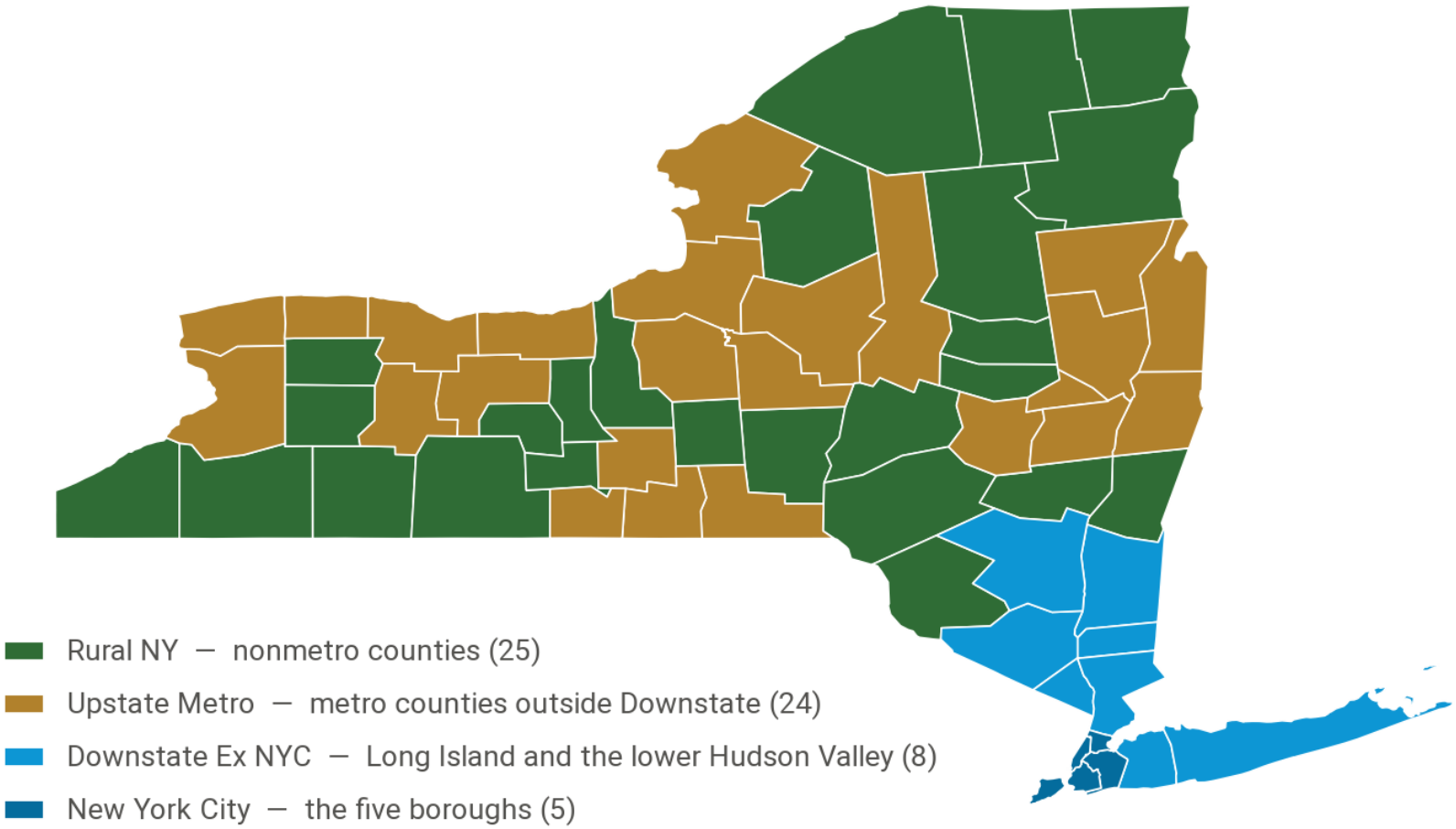
Source: Zillow Home Value Index.

Exceptionally Low Inventory Driving Up Home Prices



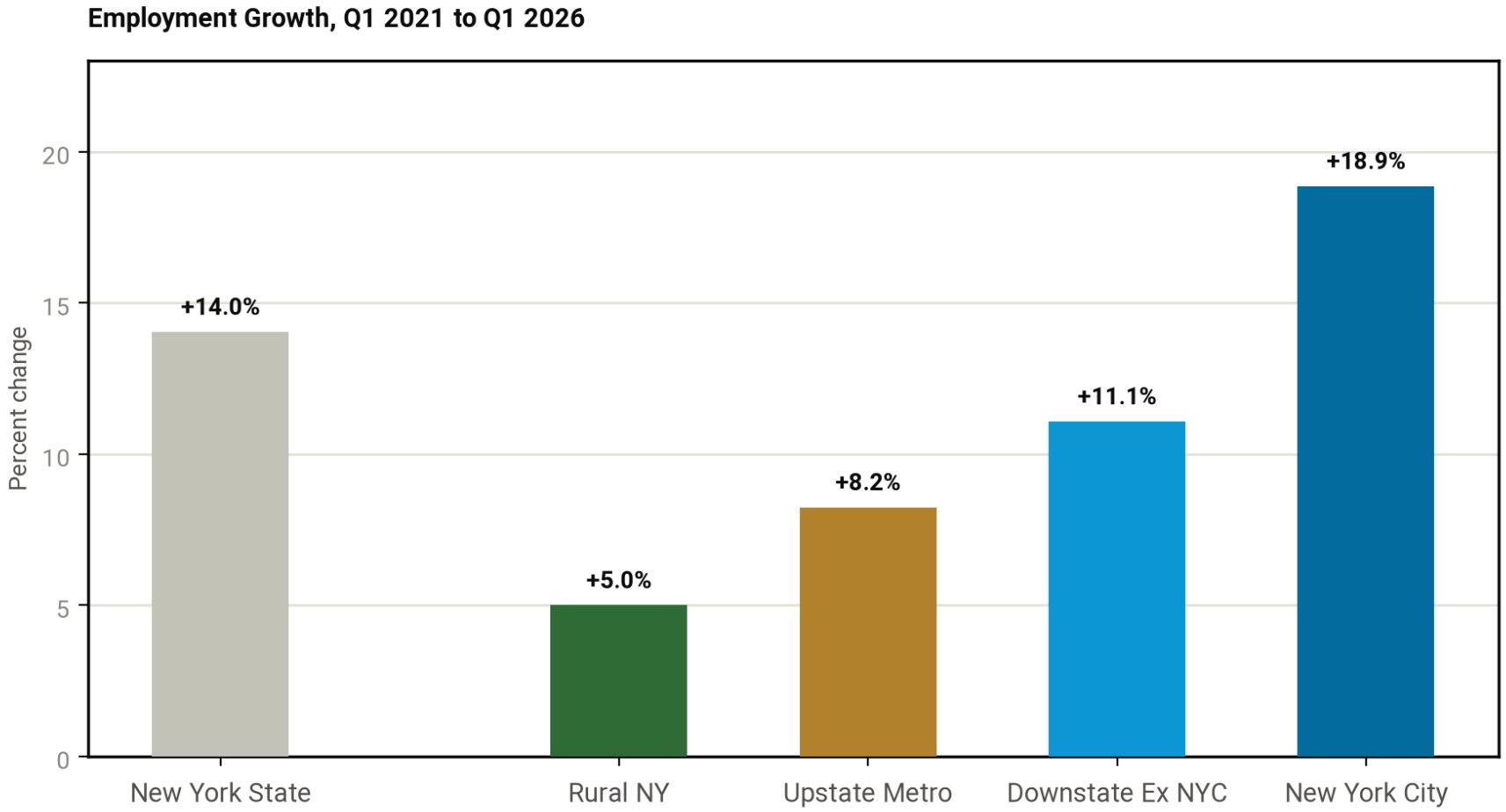
Source: Realtor.com, U.S. Census Bureau, Moody's Analytics, expressed as 12-month moving average.

Defining Rural New York



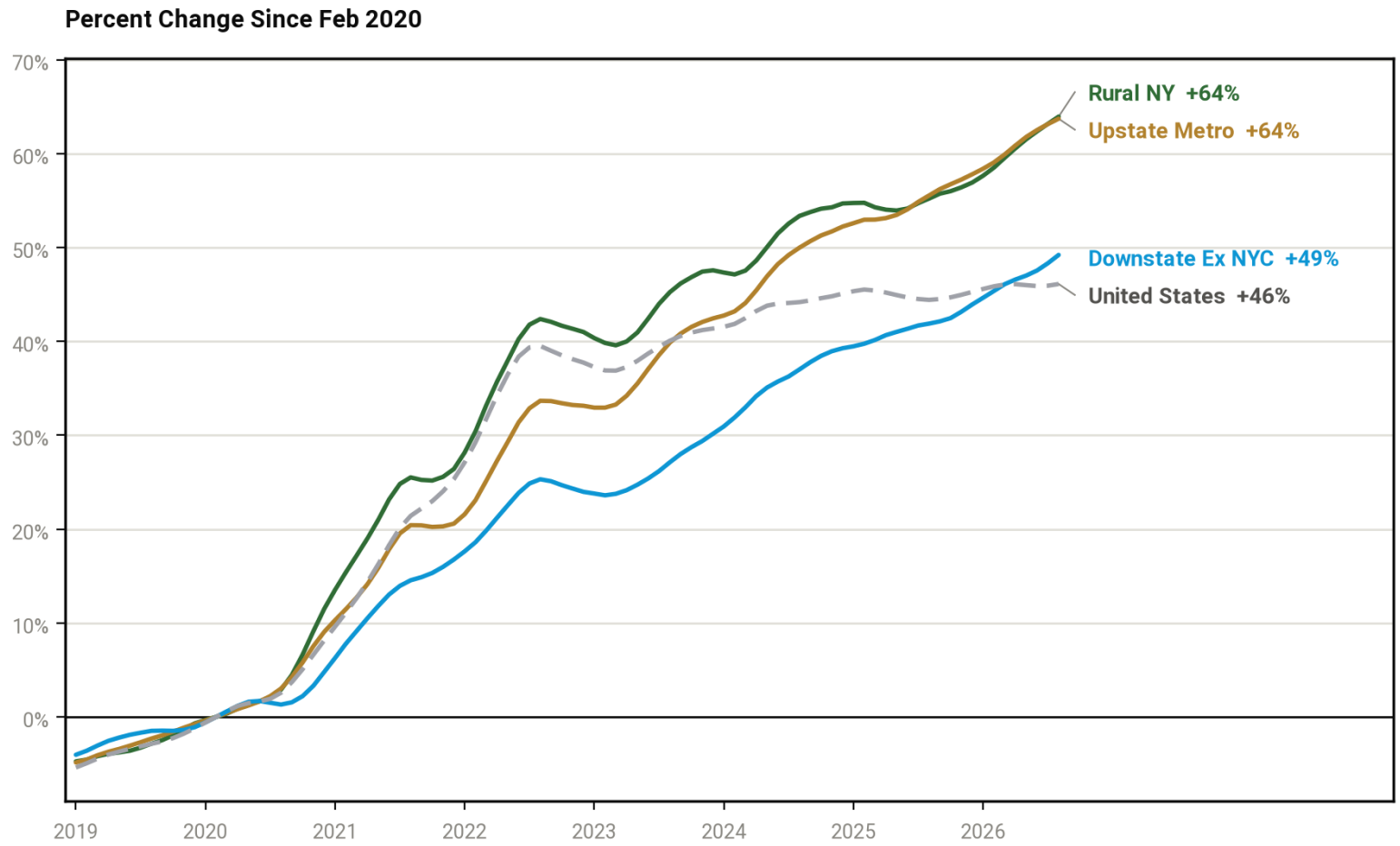
Source: USDA Economic Research Service, Rural-Urban Continuum Codes (2023)

Rural Job Growth Has Lagged the State



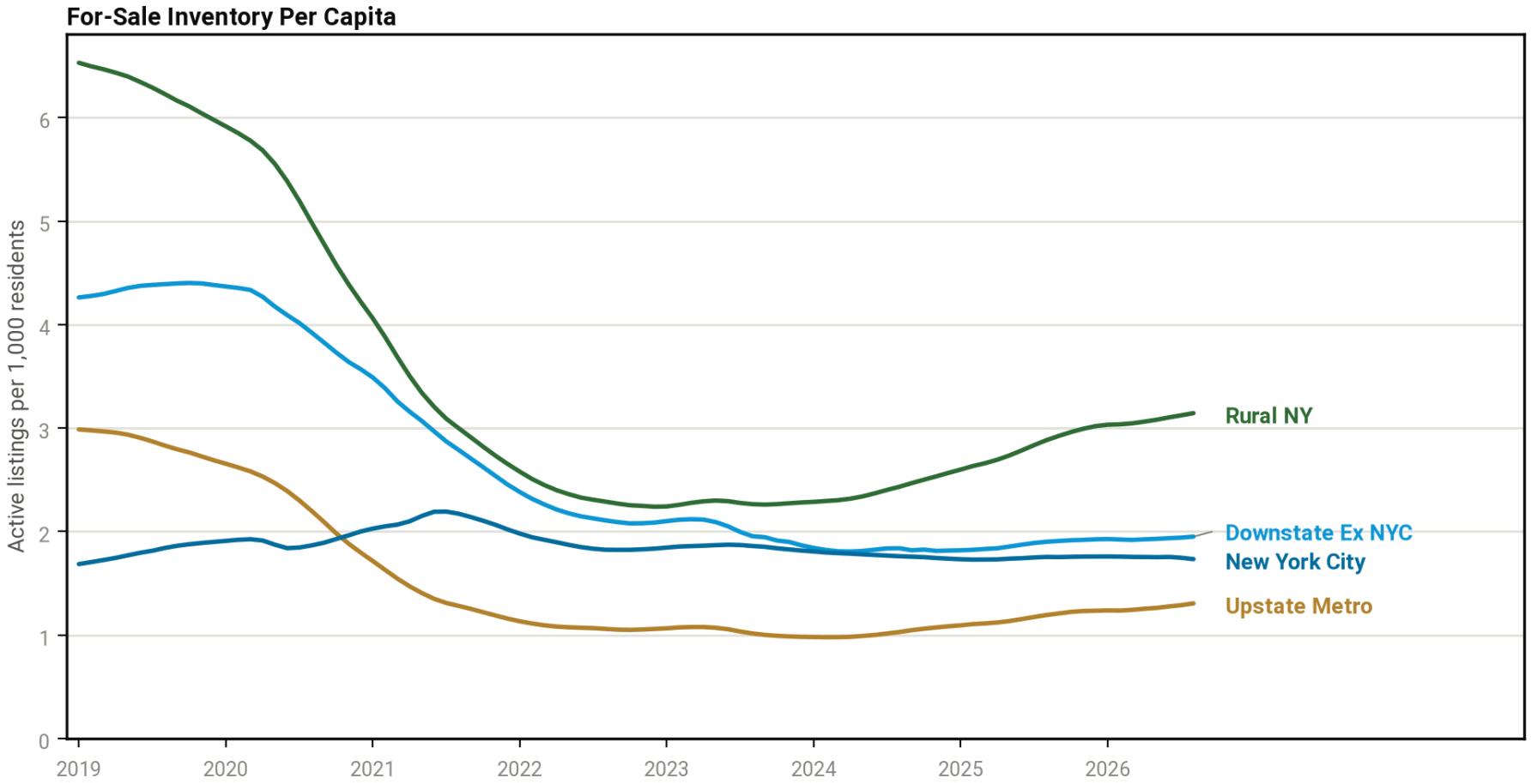
Source: U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages, via Haver Analytics. Jan–Mar averages of monthly employment, all industries.
Rural NY = nonmetro counties (USDA ERS Rural-Urban Continuum Codes, 2023).

Rural Home Prices Have Risen as Fast as Upstate Cities



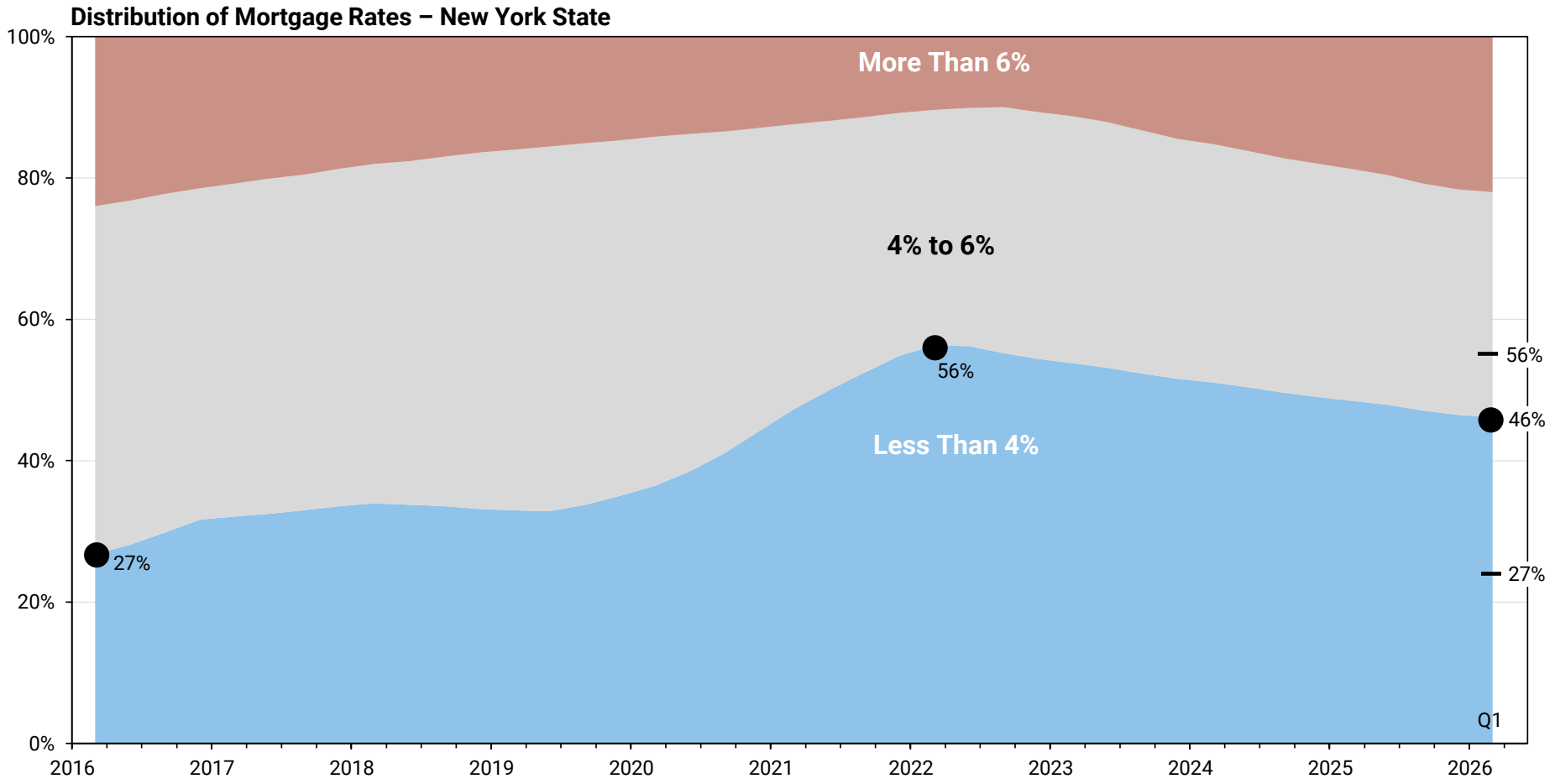
Source: Zillow Home Value Index; U.S. Census Bureau, American Community Survey 5-year estimates, 2020–2024 (owner-occupied units, used to weight counties).
Rural NY = nonmetro counties (USDA ERS Rural-Urban Continuum Codes, 2023).

Rural Inventory Is Rebounding, but Still Half Its 2019 Level



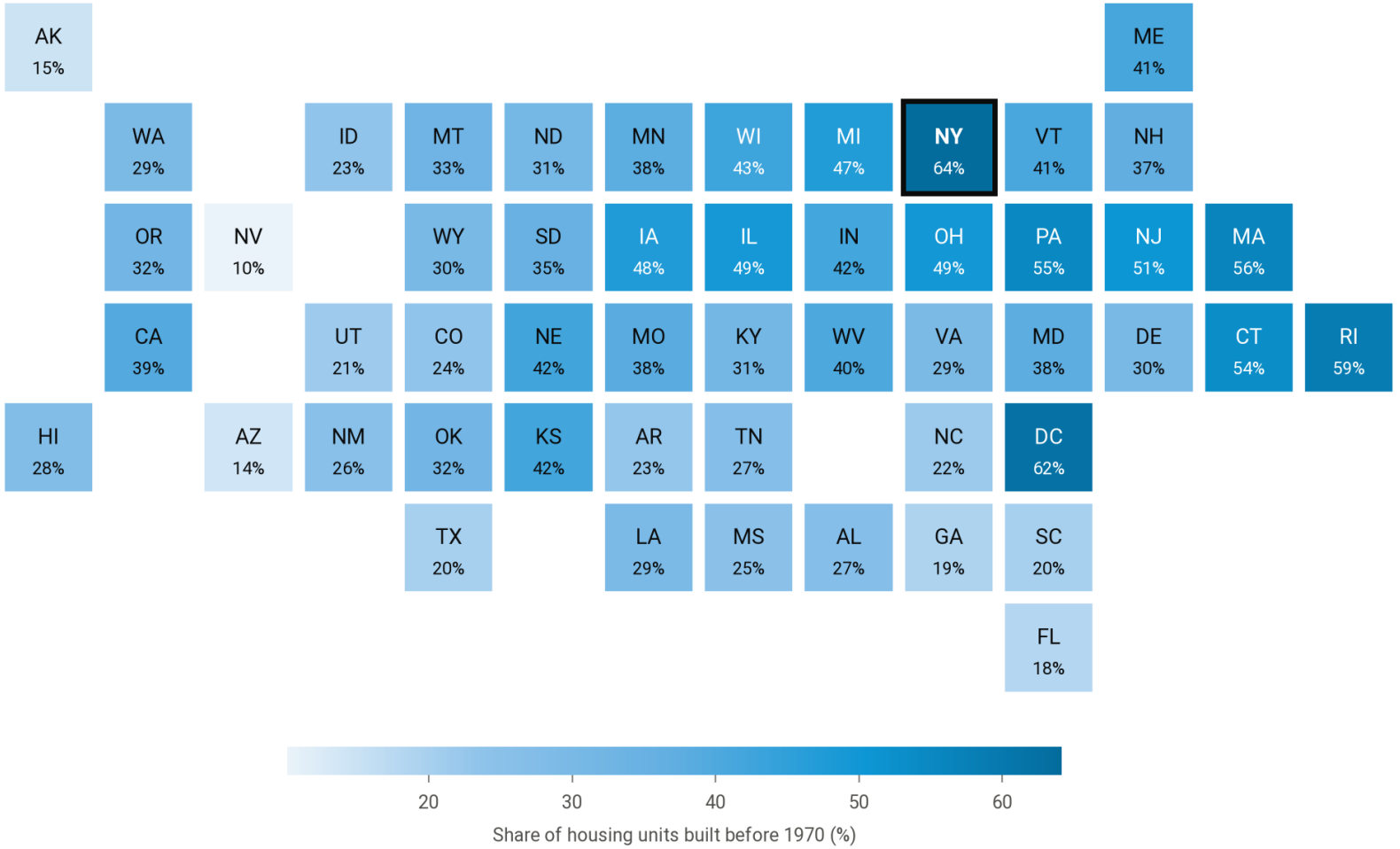
Source: Realtor.com, RDC Inventory Core Metrics – County History; U.S. Census Bureau, American Community Survey 5-year estimates, 2020–2024 (population). Active listings per 1,000 residents, 12-month moving average. Rural NY = nonmetro counties (USDA ERS Rural-Urban Continuum Codes, 2023).

Mortgage Rate Lock-In Contributing to Low Inventory



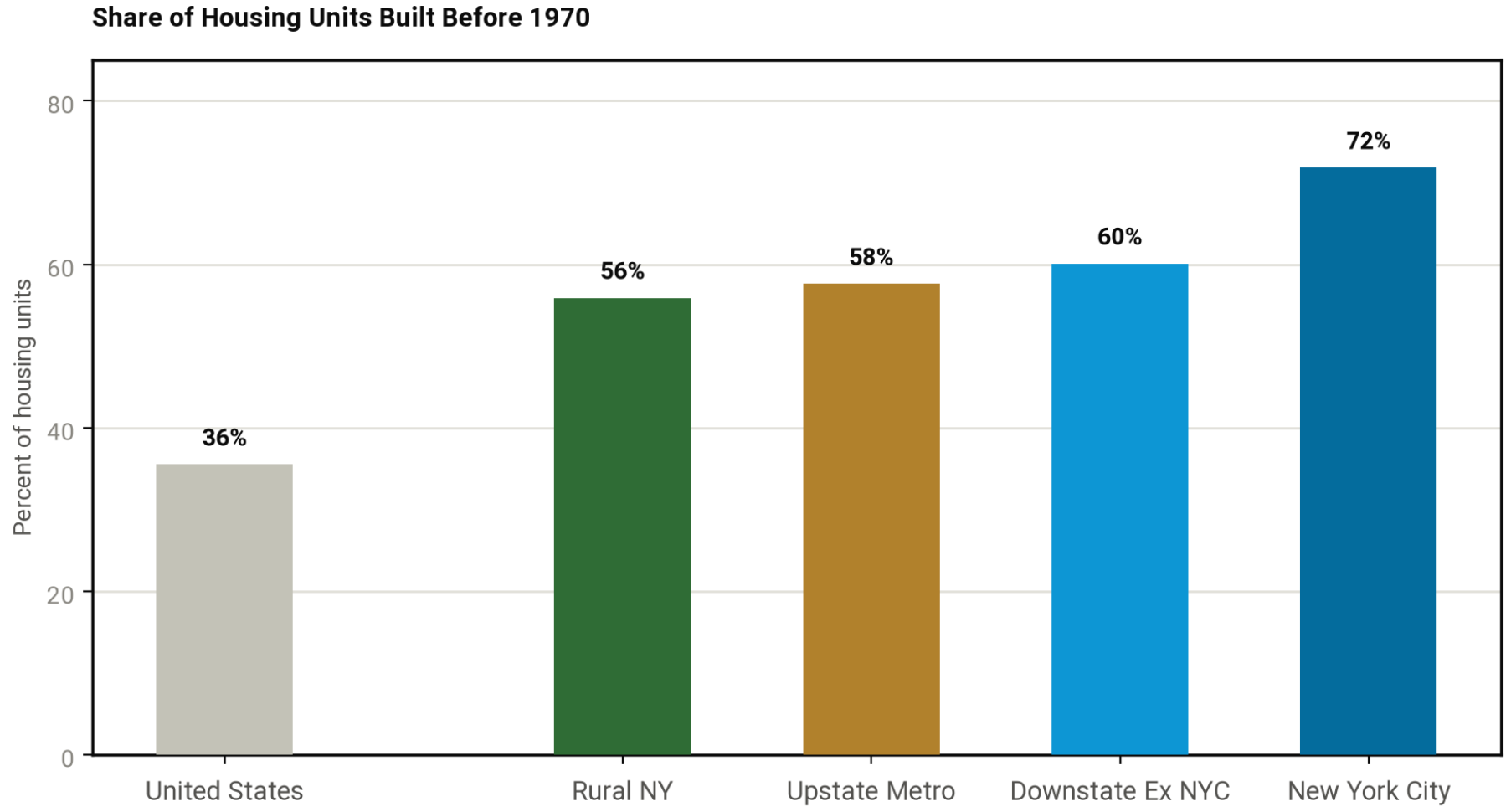
Source: Federal Housing Finance Agency.

New York Has the Oldest Housing Stock in the Nation



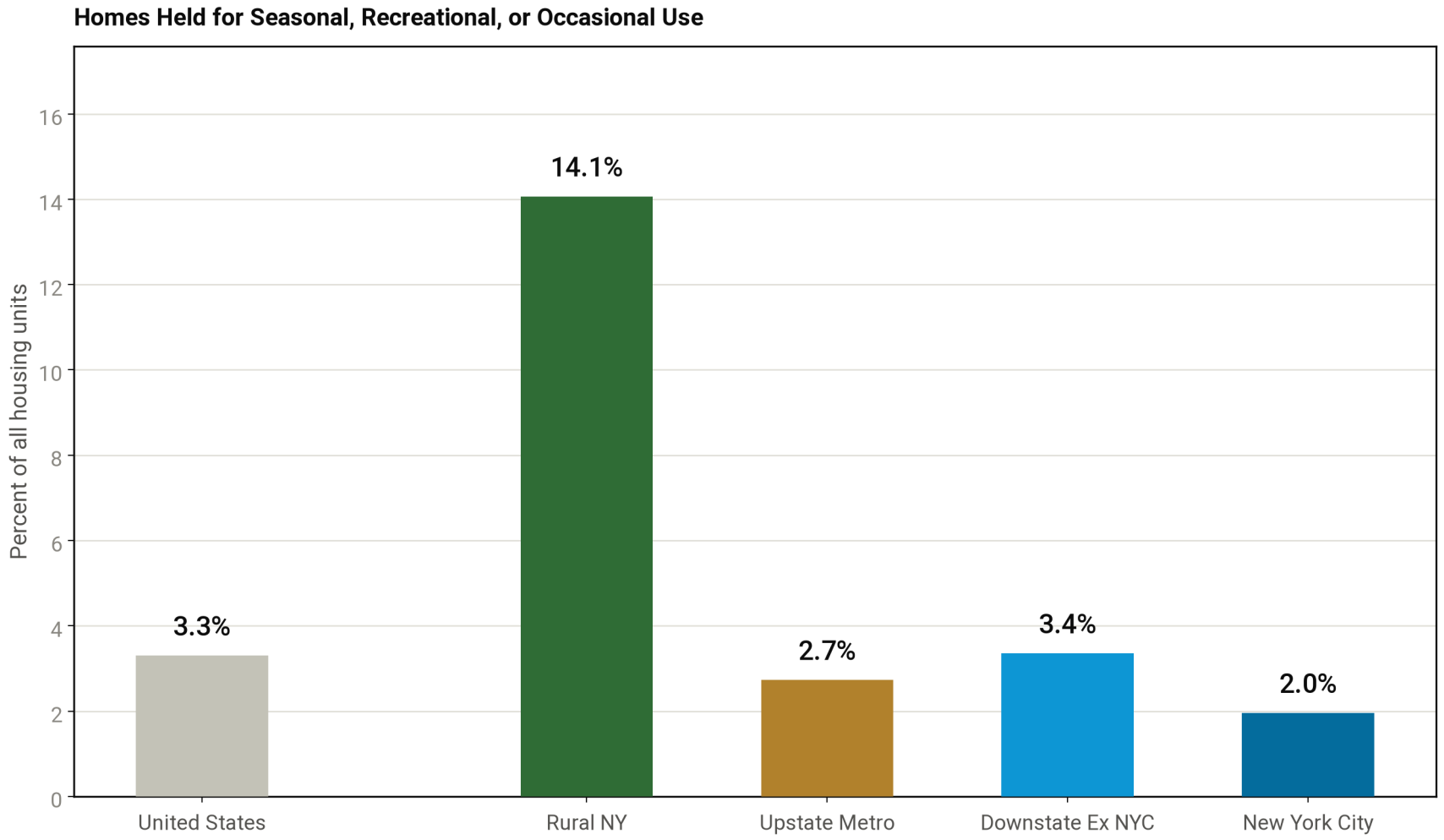
Source: U.S. Census Bureau, American Community Survey 5-year estimates, 2020–2024, table B25034 (Year Structure Built).

New York's Housing Stock is Aging …And Not Just in Cities



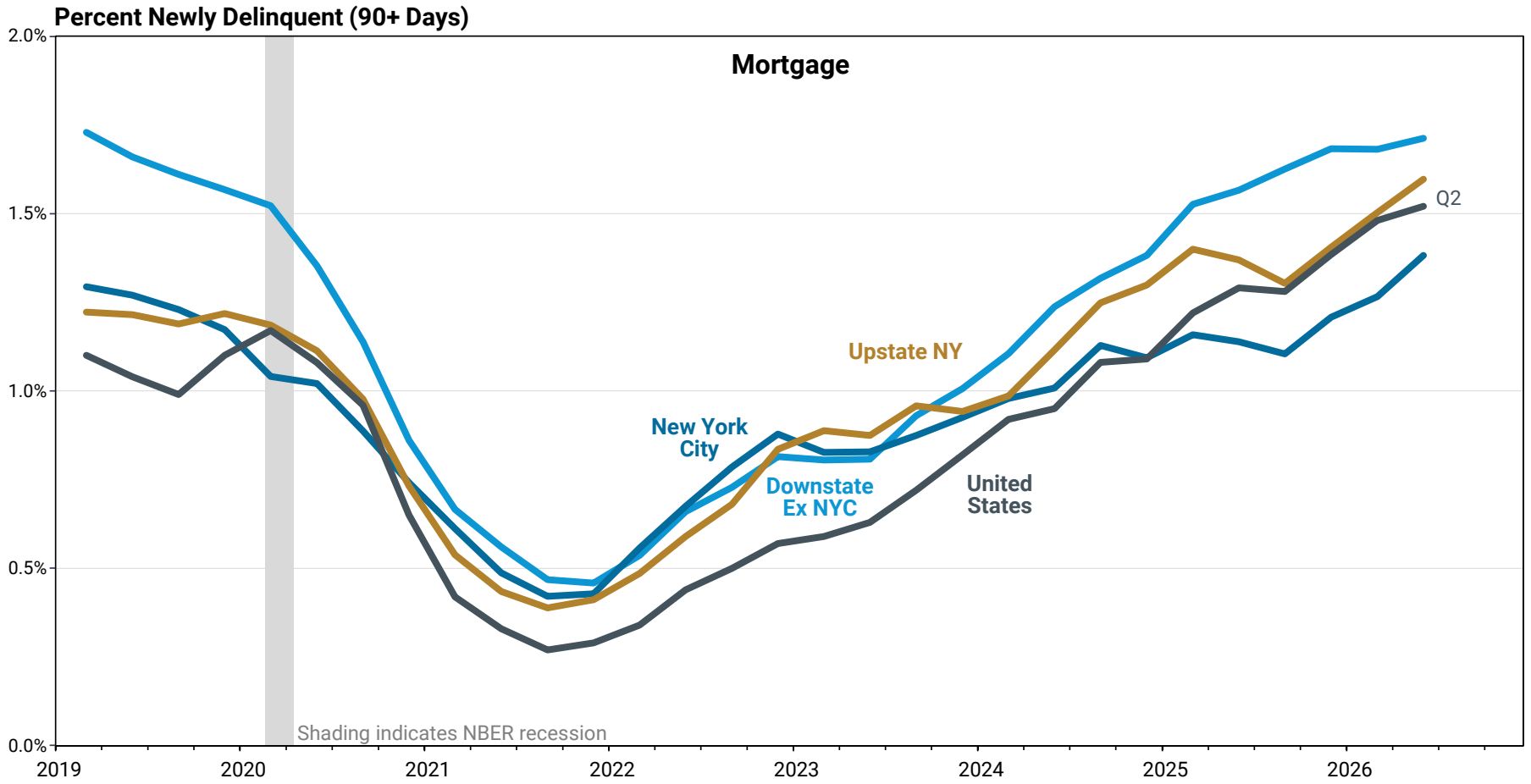
Source: U.S. Census Bureau, American Community Survey 5-year estimates, 2020–2024, table B25034 (Year Structure Built).
Rural NY = nonmetro counties (USDA ERS Rural-Urban Continuum Codes, 2023).

In New York, 1 in 7 Rural Area Homes Are Seasonal



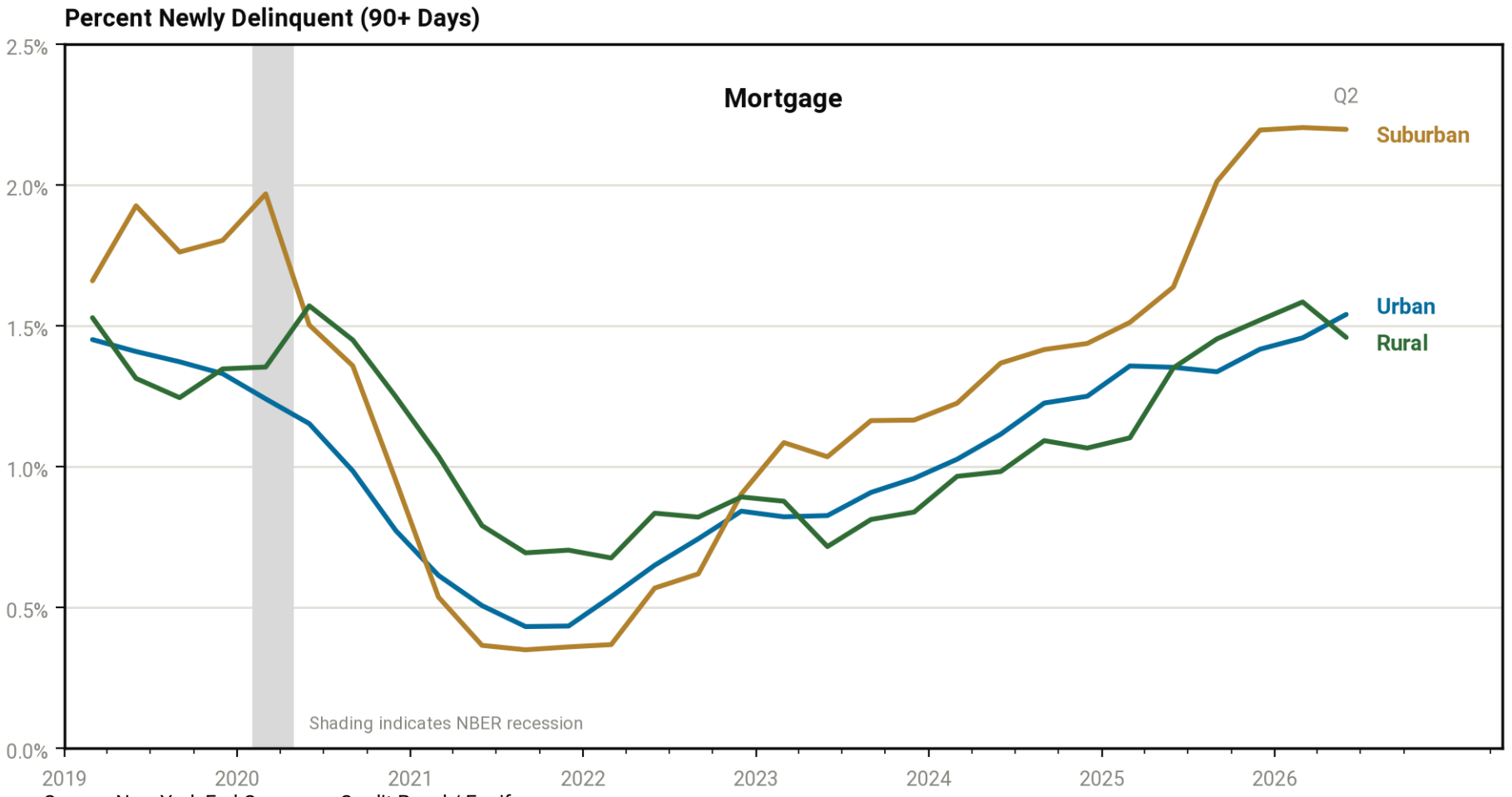
Source: U.S. Census Bureau, American Community Survey 5-year estimates, 2020–2024, tables B25003 and B25004. Vacant for seasonal, recreational, or occasional use, as a share of all housing units (occupied and vacant). Rural NY = nonmetro counties (USDA ERS Rural-Urban Continuum Codes, 2023).

Mortgage Delinquencies Rising



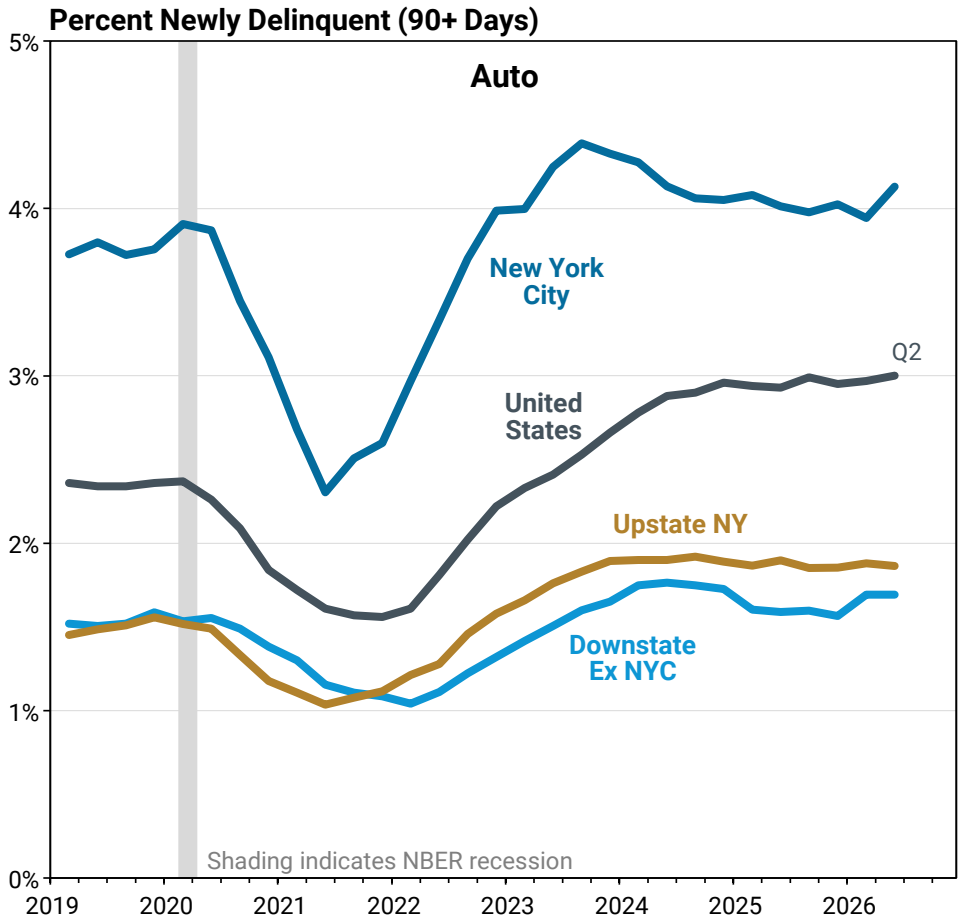
Source: New York Fed Consumer Credit Panel / Equifax.

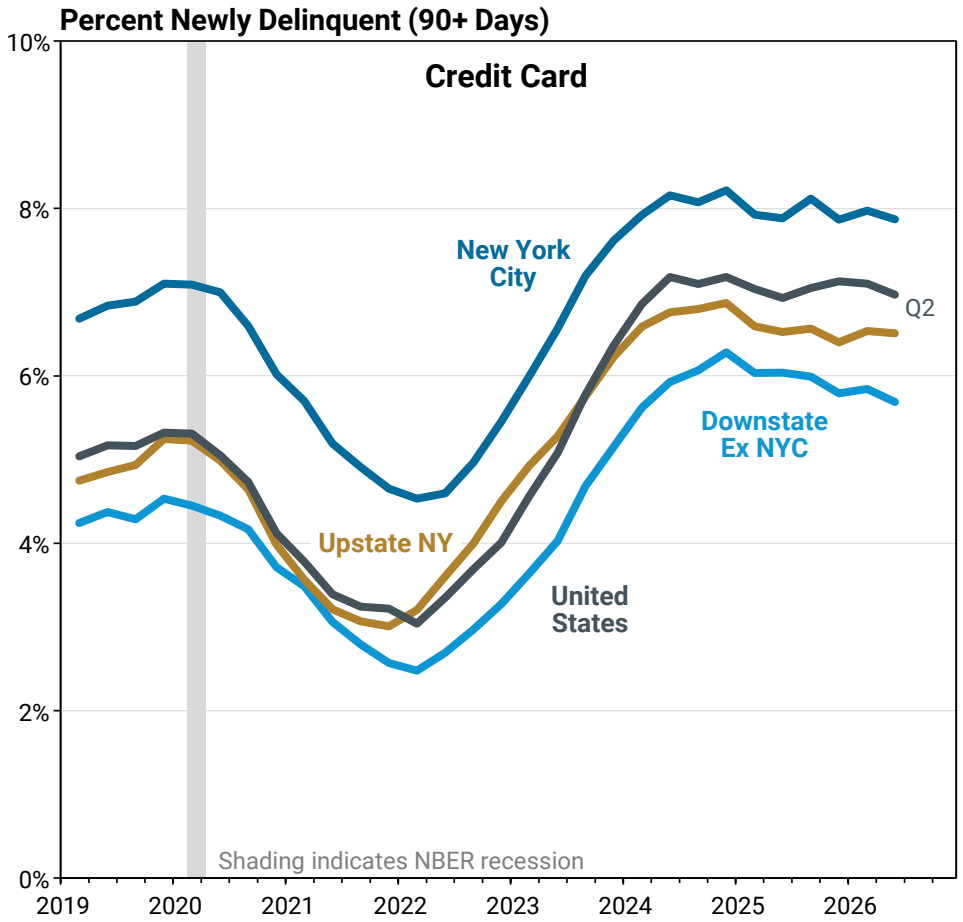
Mortgage Delinquency Patterns Differ by Urbanicity



Source: New York Fed Consumer Credit Panel / Equifax.
Urban, suburban, and rural are defined by ZIP code using Rural-Urban Commuting Area (RUCA) codes, so they differ from the county groups used on the housing slides.

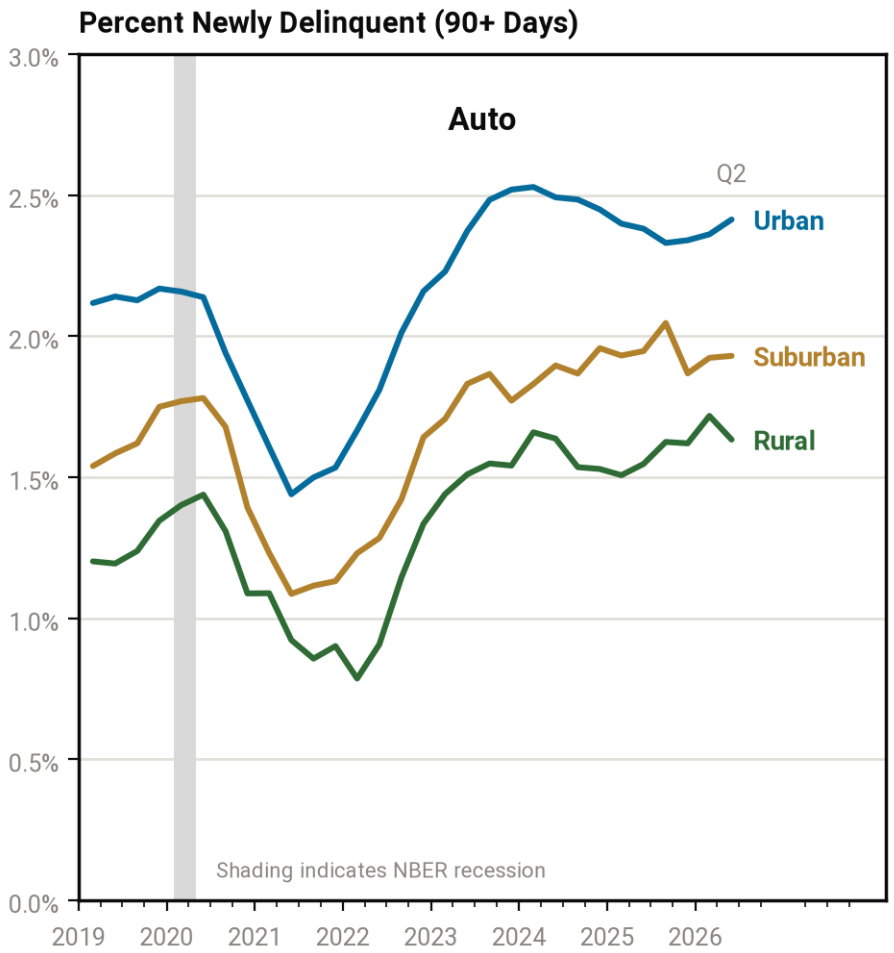
Auto & Credit Card Delinquencies Elevated But Not Worsening

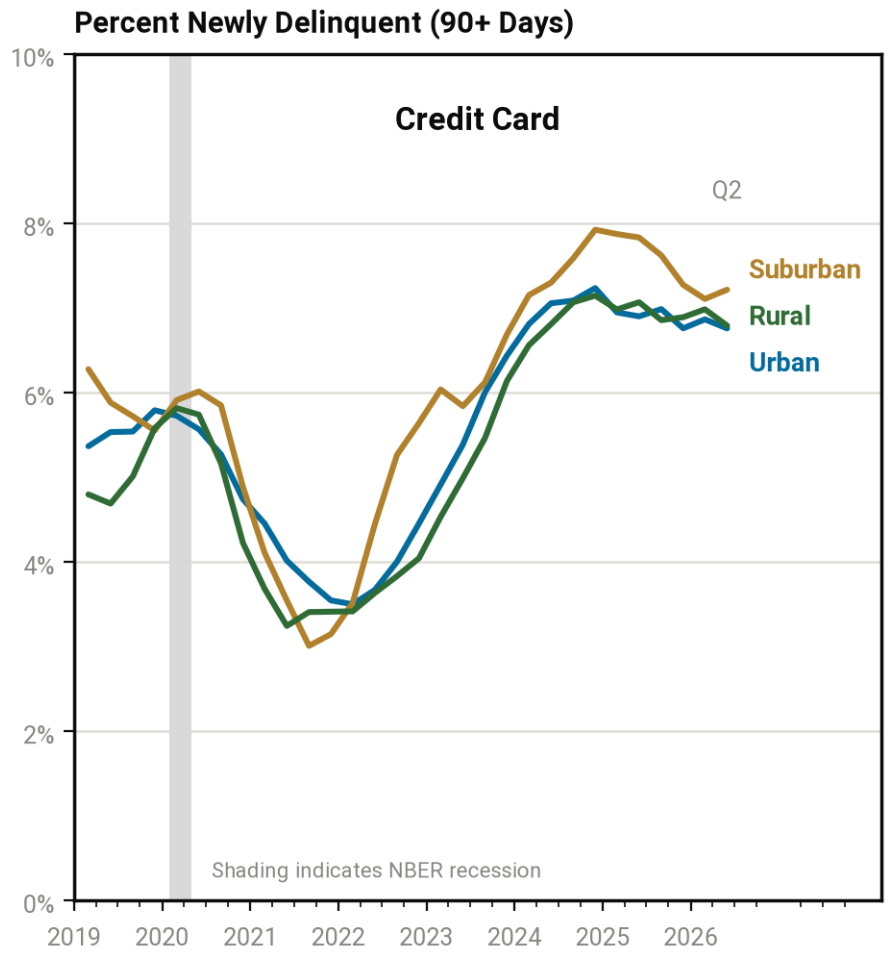




Source: New York Fed Consumer Credit Panel / Equifax.

Rural Households Less Likely to Be Behind on Debt Payments



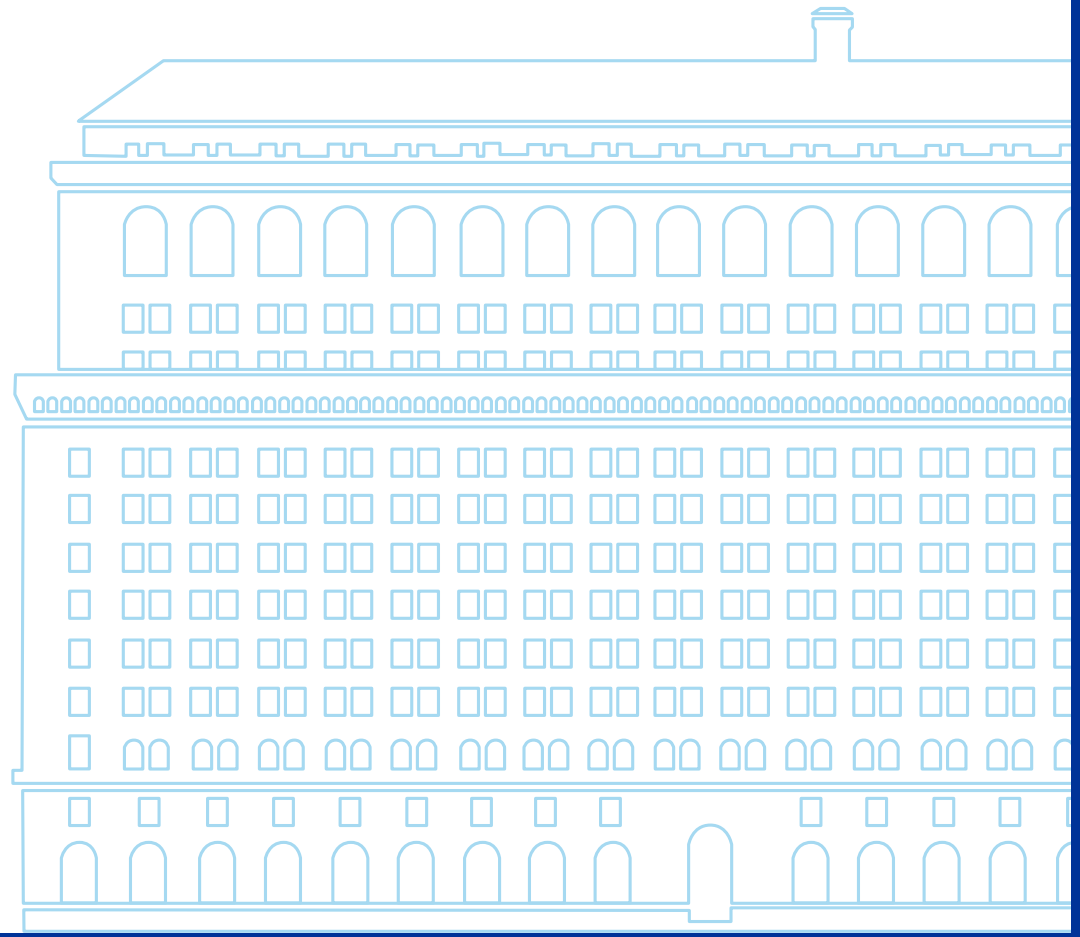


Source: New York Fed Consumer Credit Panel / Equifax.
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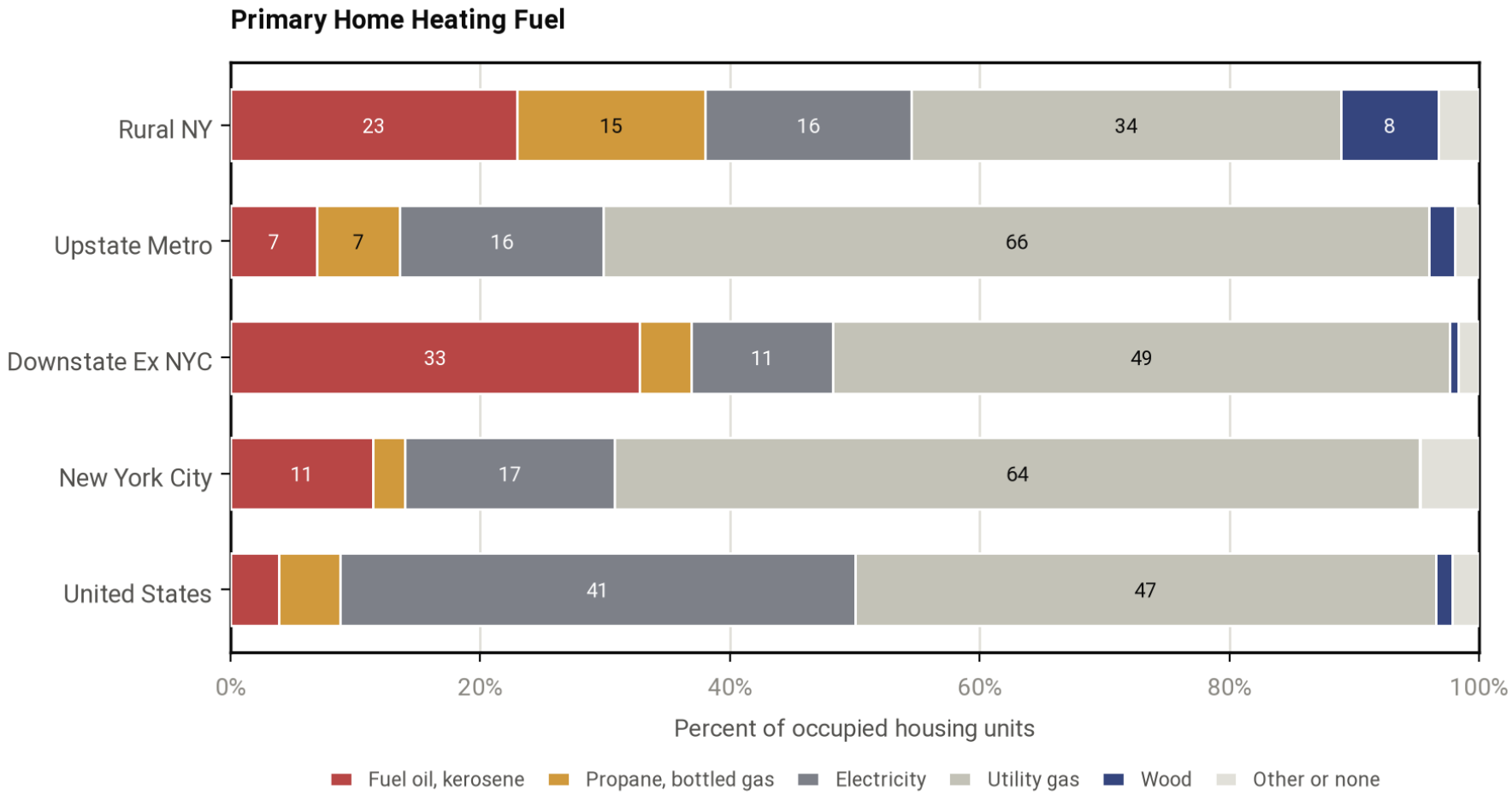
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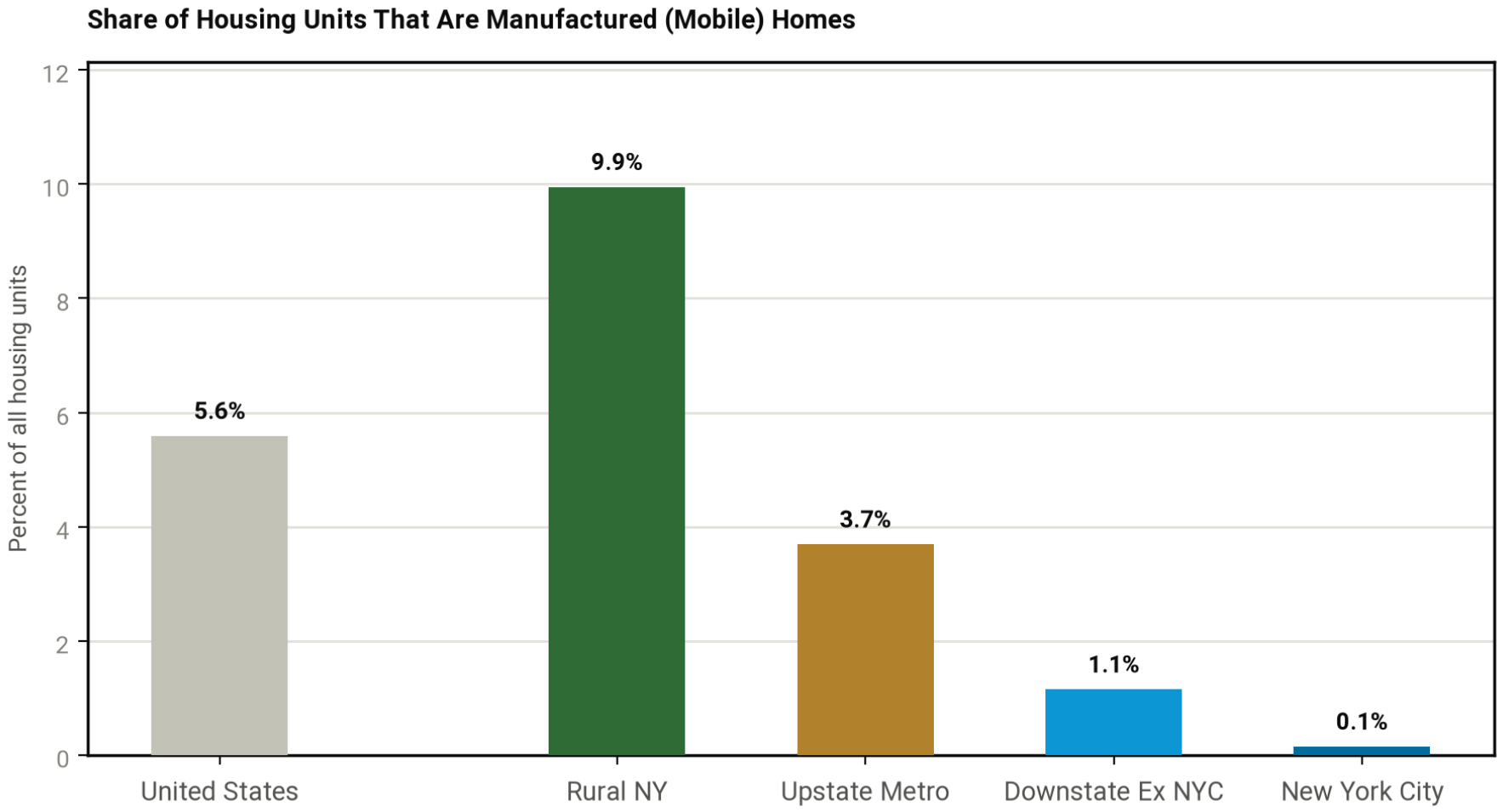
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Rural and Downstate Suburbs Rely Most on Oil and Propane



Source: U.S. Census Bureau, American Community Survey 5-year estimates, 2020–2024, table B25040 (House Heating Fuel). Fuel used most to heat the home, as a share of occupied housing units. Rural NY = nonmetro counties (USDA ERS Rural-Urban Continuum Codes, 2023).

1 in 10 Rural Homes Is a Manufactured Home



Source: U.S. Census Bureau, American Community Survey 5-year estimates, 2020–2024, table B25024 (Units in Structure). Mobile homes, including manufactured homes, as a share of all housing units. Rural NY = nonmetro counties (USDA ERS Rural-Urban Continuum Codes, 2023).