

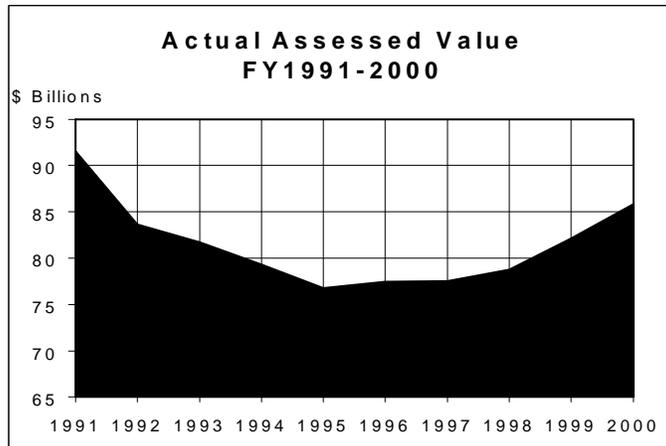
**ANNUAL REPORT
ON THE NYC
PROPERTY TAX**

Fiscal Year 2000

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HIGHLIGHTS

Over the past several years, the City's real estate market resurgence has been increasingly reflected on the City's tax rolls. As of FY 2000, the growth in the City's full market and taxable assessed values has expanded to all boroughs and nearly all property categories. While Wall Street's growth is a major reason for the commercial real estate market's revival, the emergence of New York City as a center for the "new media" should not be overlooked as a contributing factor. Additionally, the overall improvement in the City's quality of life has been reflected in the growth of market values in neighborhoods throughout the City. Consequently, today's total actual assessed value¹ is approaching a level not attained since the early 1990s.



The City's sustained economic growth and improved tax enforcement policies have resulted in lower tax delinquencies and the issuance of fewer refunds. As a whole, the City's tax delinquency rate has improved and, after receiving \$223 million in the initial tax lien sale in FY1995, the City has realized an average of \$95 million from subsequent sales. Consequently, City real estate tax revenues have increased without the imposition of overall tax rate increases.

The City, directly and indirectly, is providing tax relief to eligible homeowners. The City administers the State's school tax relief program (STAR) which was extended in FY 2000 to non-senior citizen homeowners, condo- and co-op owners. Additionally, the City extended its own co-op/condo abatement program for two years, targeted to reduce the difference in taxation between homeowners in Class One and co-op and condo owners in Class Two.

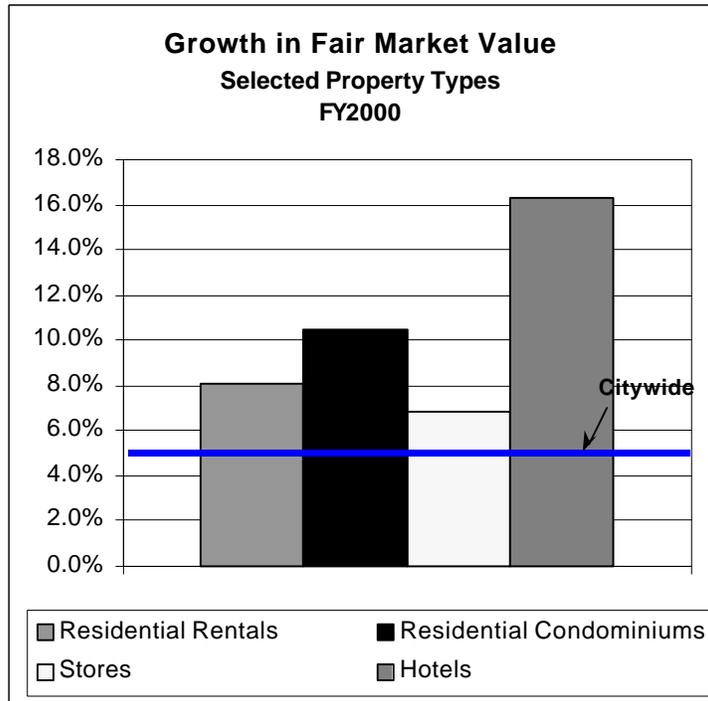
The pages that follow, as well as the statistical tables in the remainder of the report, provide more information concerning the issues introduced above.

¹ The actual assessed value is the assessment established for all tax classes based on a percentage of market value. The billable assessed value represents the assessed value based on State law that requires growth in actual assessed values to be phased-in over a five-year period for Class Two and Class Four properties.

As Values Continue To Rise, Billable Assessments Reach New High-Water Mark

With growth in each borough and nearly every sector of the market, the City's full market value of taxable real property increased by five percent to a total of \$327 billion in FY 2000. Although modest, it is by far the largest increase, in percentage and dollar terms, since market values began to move upward in FY 1996. Billable assessed values moved up more slowly, by 3.1 percent, restricted by assessment caps and phase-in requirements. Nevertheless, at \$80.1 billion in FY 2000, billable assessed value has now surpassed its previous peak of \$79.2 billion reached in FY 1993.

Multi-family residential properties (Class Two) generated a substantial portion of the growth, increasing by 6.5 percent and 4.7 percent in market and billable assessed values, respectively. Manhattan's residential markets were the primary engines of Class Two growth, accounting for more than \$7 out of every \$10 of billable assessment growth and 82 percent of market value increases. Although Queens Class Two properties had a significantly higher rate of market value growth (more than four percent) in FY 2000 than the other boroughs outside Manhattan, growth in billable assessments were not markedly different. In terms of property types, condominiums and rental buildings had the highest rates of market value growth in FY 2000, increasing by 10 percent and 8 percent, respectively.



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Increases in the values of hotel and retail properties contributed more than 22 percent of the City's assessment growth. After two successive years of substantial growth, hotel properties gained an additional 16.4 percent in market values and 14 percent in billable assessed value in FY 2000. Store buildings also had greater than average growth, with market values increasing by seven percent and billable assessments by five percent. In contrast, Class Four growth as a whole has increased only 4.3 percent in market values and 2.5 percent in billable assessments.

Manhattan office buildings, which constitute almost half the value of Class Four, have increased modestly over the past two fiscal years. Despite current market statistics that indicate strong demand for Manhattan office space, it takes several years before old leases turn over and new rents significantly effect a building's bottom line and value for tax purposes. As a result, Manhattan's offices increased by 4.2 percent in market value. Manhattan billable assessments, further restricted by phase-in requirements, increased only 1.9 percent.

One bright spot has been the office market in Midtown West, which has shown the fastest assessment and market value growth of all the sub-markets over the past fiscal year. Market values have grown by \$1.3 billion or 22 percent while total assessed values have grown by more than 23 percent or \$564 million. The \$564 million increase in assessments is attributable to both public and private investment in the area. Billable assessments increased by \$350 million (or 15 percent) while the remaining increase of \$214 million was added to fully exempt buildings.

Processing of STAR Exemptions Grows Four-Fold

In FY 2000, the State-funded school tax relief (STAR) program began providing tax relief to non-senior homeowners. Last year, the program only applied to qualifying senior citizens that received an enhanced real estate tax exemption. As a result, the Department processed 99,000 tax exemptions. This year, non-senior citizens were able to participate, increasing the number of exemptions to 433,000, including 113,000 enhanced exemptions for qualifying seniors.

Total benefits provided by STAR increased from \$32 million in FY 1999 to \$60 million in the current fiscal year. The average "enhanced" benefit in FY 2000 equaled \$338 per recipient. In comparison, the average basic benefit for non-seniors was only \$68. As planned, the full amount of the basic benefit will continue to be phased in over the next two fiscal years to ultimately equal 60 percent of the enhanced exemption.

Co-op/Condo Abatement Extended For Two Years

Late in the Legislature's session, the City's cooperative and condominium abatement program, begun in FY 1997, was extended for an additional two years. The program remains unchanged: a 25 percent abatement for developments in which the average assessment per unit is no greater than \$15,000; and a 17.5 percent abatement for developments in which the average assessment per unit is greater than \$15,000. Eligibility requirements remained the same. Since the extension was passed after the tax roll was finalized, most, but not all, eligible co-ops and condos will receive reductions reflected on their revised FY 2000 tax bills. A small minority, including newly eligible developments, will receive reductions later in the fiscal year.

Based upon revised tax bills, nearly 288,000 cooperative and condominium apartments were approved to receive abatements of almost \$158 million. Only 31 percent of the units receive an abatement of 25 percent, averaging \$261. Sixty-nine

percent of all units, and nearly 90 percent of Manhattan units, receive an abatement of 17.5 percent, averaging \$794 in Manhattan and \$338 in the rest of the City.

The cooperative and condominium abatement program was designed as a first step to reduce the difference in tax burden between cooperative and condominium apartments in Class Two and Class One properties. Along with an extension of the program, the 1999 statutory amendment requires that the City report on its efforts to develop a long term plan to address this disparity in taxation between homeowners in the two tax classes.

“Average” Rate Remains Unchanged but Class Burdens Shift, Benefiting Class Four

For the seventh year in a row, the “average” tax rate (for year-to-year comparative purposes only) has remained at \$10.366 per \$100 assessed value. Consequently, the growth in the City’s tax levy and revenue over the past three fiscal years has come from growth in the tax base rather than an increase in the “average” tax rate. However, due to statutory requirements that mandate annual adjustments in the distribution of the tax levy among the four tax classes, class tax rates have varied from year to year. In recent years, the tax levy has shifted from commercial and industrial properties to primarily residential properties.

After reaching a peak of more than 53 percent of the tax levy in FY 1993, equaling a class levy of \$4.5 billion, Class Four’s share of the levy has steadily declined. While the FY 2000 total tax levy is nearly the same as in FY 1993, Class Four’s share is only 45.2 percent for a levy of \$3.9 billion, a decline of 15 percent. As a result, the Class Four tax rate has fallen to \$9.989 per \$100 of assessed value, the first time since FY 1991 that it has been below \$10.

Classes One and Two have absorbed nearly all of Class Four’s declining share of the tax levy. Combined, their share of the tax levy has climbed from 40 percent to 47 percent; in dollar terms, their combined levies have increased by more than 17 percent or \$584 million. As a result, the tax rate is now \$11.167 for Class One and \$10.851 for Class Two.

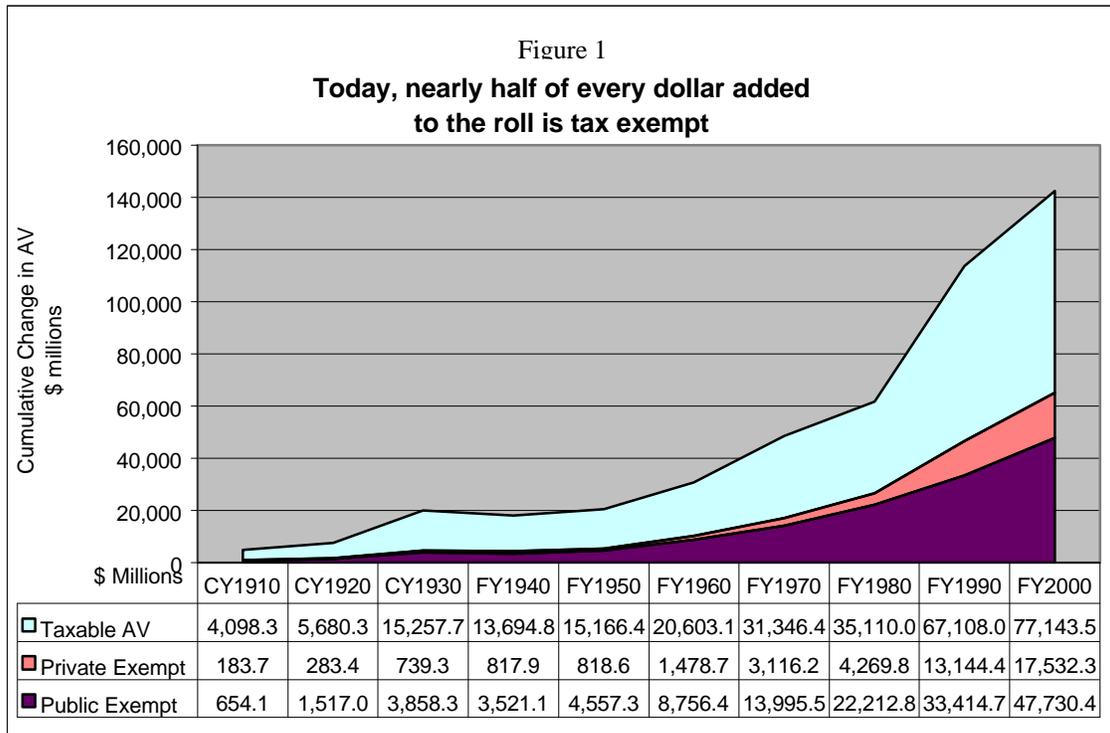
Class Three (utility property) has had the greatest fluctuations in tax levy and rate. When the classification system was initially implemented, Class Three’s share of the levy was 18 percent with a class levy of \$722 million. As a result of class share adjustments, including a reclassification of a substantial portion of its properties to Class Four, Class Three today represents 7.4 percent of the tax levy with a class levy of \$622 million. Comparing the Class Three tax rate of FY 1983 (\$9.109) with today (\$9.398) might suggest a relatively stable rate over the course of 18 years. However, Class Three is the one class where the tax rate has fluctuated the most, having had both the highest (\$15.20 in FY 1991) and the lowest (\$7.404 in FY 1994) class tax rates since tax classification was instituted.

A WALK THROUGH THE TWENTIETH CENTURY

No other local tax base but the real estate tax can provide the same broad overview of the City during the past century. As imperfect as the numbers may be, the City's assessment rolls – both taxable and exempt values – reflect the twentieth century's good and bad times, including war-time economies, depression and near bankruptcy. They also reflect fundamental economic, social and policy changes.

Government's Increasing Role in Development Generates Exemption Growth

From the 1900 (calendar year) tax roll to the 2000 (fiscal year) roll, the single outstanding trend has been the ever-increasing proportion of the tax roll that is fully or partially tax exempt. In 1900, 85 percent of the City's total assessed value of \$4.1 billion was taxable. One hundred years and \$142.4 billion later, the City's taxable assessed value is equal to only 54.9 percent of total assessed value or \$80.1 billion. During the first fifty years of this century, nearly \$3 out of every \$4 of total assessment change was taxable. Since FY 1950, however, for each \$100 added to the total assessment roll, \$51 has been taxable while \$49 has been exempt.



A recent trend has been a shift in exempt assessed values from the public to the private sector. In 1900, privately owned properties, primarily used for religious, charitable and other not-for-profit purposes, equaled 26.6 percent of the total exempt assessed value. Over the next several decades, nearly all of the growth in exempt values reflected government expenditures in the City's infrastructure. Later, significant public

investments were made through public authorities in housing (for example, the New York City Housing Authority) and economic development (the Urban Development Corporation and the Industrial Development Agency are just two examples). Consequently, over the first 80 years of the twentieth century, 84 percent of each additional \$100 of exempt value was attributable to publicly owned properties. By FY 1960, the proportion of exempt assessed value in privately owned properties had fallen to 15 percent and remained fairly constant over the next two decades. In the past twenty years, however, public policy has increasingly shifted to public support of private investment through full or partial real estate tax exemptions for specified periods of time. These programs include the Industrial and Commercial Incentive Program and Section 421a (Real Property Tax Law) Program for construction of new multi-family housing. Since FY 1980, therefore, \$1 out of every \$3 of new exempt value is attributable to privately owned properties and, as a result, privately owned properties once again constitute more than one-quarter of the total exempt value in the City.

Taxable Assessments Reflect Changing Economic and Social Trends

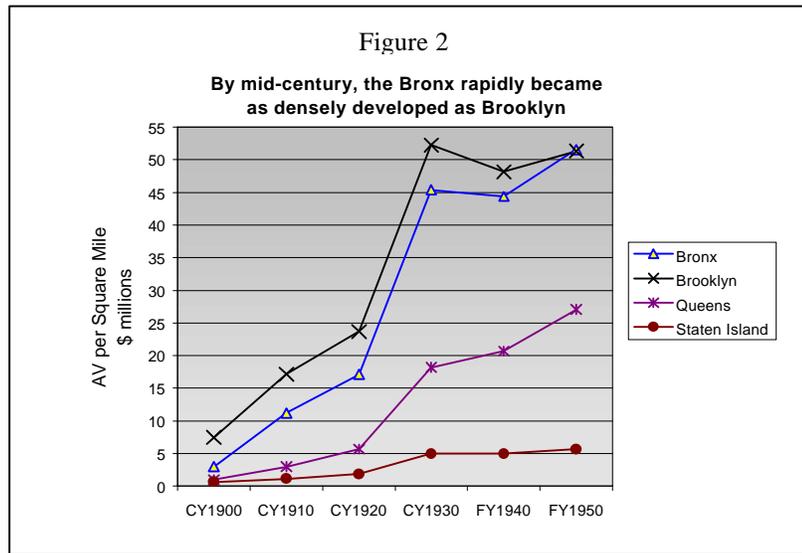
Overall, the ebb and flow in the growth of the City’s taxable assessed values has generally reflected historically significant periods. Soon after the City’s consolidation, the 1900 taxable assessment roll of \$2.9 billion showed that Manhattan’s assessments constituted almost \$7 out of every \$10 of assessed value (nearly \$2.1 billion). Brooklyn, as developed as any other city in its day, was a distant second, with an assessed value of \$612 million while the combined assessed values of the City’s “hinterlands” – the Bronx, Queens and Staten Island – did not even add up to 10 percent of the City’s taxable assessed value. Development over the next several decades would alter this pattern, particularly for the Bronx.

To develop an appreciation for the differences among the five boroughs and the magnitude of changes that occurred in the early years of this century, we developed a statistic to measure and compare each borough – taxable assessed value per square mile. In 1900, the two most developed boroughs, Manhattan and Brooklyn, had an assessed value per square mile of nearly \$86.7 million and \$7.5 million, respectively. In comparison, the Bronx had an assessed value of \$3 million per square mile while Queens, the largest borough, and Staten Island each had assessed values of less than \$1 million per square mile (see Table 1 and Figure 2 below).

Table 1
Assessed Value per Square Mile
\$ millions

	CY1900	CY1910	CY1920	CY1930	FY1940	FY1950	FY1960	FY1970	FY1980	FY1990	FY2000
Citywide	9.2	21.9	26.8	56.6	51.7	56.3	73.2	106.6	118.3	217.7	248.9
Manhattan	86.7	200.2	218.9	404.8	343.0	348.7	415.7	630.3	770.5	1,809.6	1,984.4
Bronx	3.0	11.2	17.1	45.4	44.4	51.6	61.6	85.6	72.5	90.3	113.8
Brooklyn	7.5	17.2	23.7	52.2	48.2	51.4	63.2	81.1	80.3	110.3	136.5
Queens	1.0	3.0	5.7	18.2	20.7	27.1	47.0	69.5	74.5	103.0	125.2
Staten Island	0.7	1.1	1.9	5.0	5.0	5.6	9.1	19.3	27.9	43.6	47.3

While the Bronx and Queens had similar *rates* of growth over the next three decades, the Bronx became nearly as densely developed as Brooklyn. With construction following the newly-opened subway lines, the Bronx soon developed a high concentration of multi-family residential buildings, a pattern similar to northern Manhattan. By 1930, the assessed value per square mile in the Bronx was \$45.4 million, nearly as much as Brooklyn (\$52.2 million per square mile) but far ahead of Queens (\$18.2 million per square mile). The accelerated development that occurred in the Bronx in these early years has had implications for the post-World War II period.



Not surprisingly, Citywide assessments dropped for an extended period of time only once in this century – during the 1930s Depression era. Manhattan was the hardest hit,² with assessments declining by nearly \$1.5 billion or more than 15 percent. Despite the diversity of its economic base, or, perhaps because of it, the wartime economy of the 1940s did little to revive Manhattan’s assessment base. Manhattan assessments grew by only \$134.8 million between 1940 and 1950, or 1.7 percent; it was not until 1960 that assessments in Manhattan exceeded their pre-Depression level. In contrast, the other boroughs, oriented to residential development, especially private homes, experienced assessment growth averaging 15.7 percent. There was, however, a broad range of assessment growth, from as little as 6.7 percent in Brooklyn (\$262.7 million)³ to 31 percent in Queens (\$717.7 million).

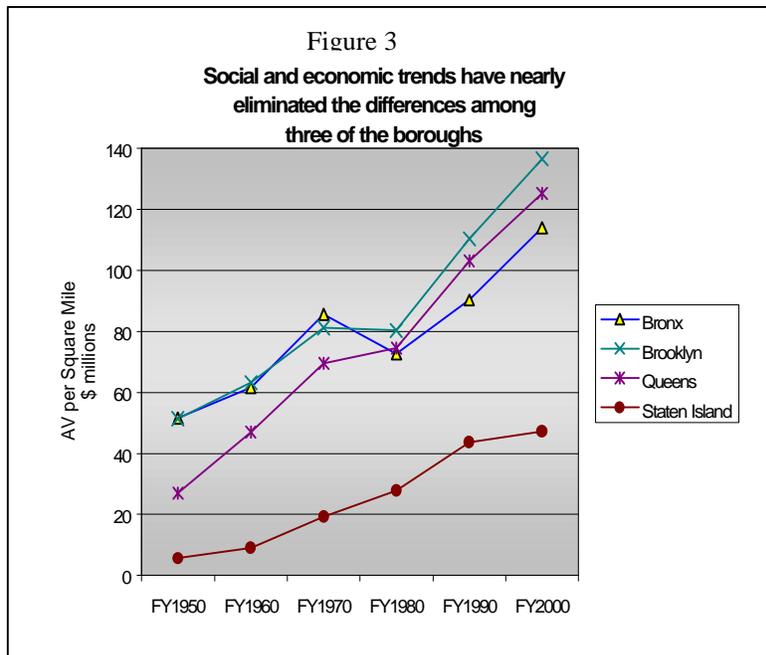
During the post-World War II period, each borough experienced two full decades of assessment growth. From \$18.1 billion in 1950, assessments increased by more than 30 percent (\$5.4 billion) by 1960 and then grew another 45 percent (\$10.7 billion) by 1970. In contrast, high inflation and unemployment levels, oil shortages and a fiscal crisis locally all contributed to significantly slower assessment growth in the 1970s. In fact, for the first time since the Depression, assessments declined significantly in the Bronx (by 15.2 percent or \$573 million) and, to a much lesser extent, in Brooklyn (1 percent or \$67 million). The extent of the Bronx’s early development appeared to be a disadvantage, leaving that borough with a large stock of aging pre-war apartment buildings, while “suburbanization,” homeownership and auto use became an established

² Although its assessment growth slowed considerably during the 1930s, Queens was the only borough that did not suffer a net assessment loss between 1930 and 1940.

³ With a substantial industrial and commercial base of its own, Brooklyn’s tax base may have suffered the same effects as Manhattan’s but to a lesser degree.

trend. As a result, development outside Manhattan shifted to Queens and Staten Island (see Figure 3).

Over the past 100 years, no decade compares with the period from 1980 to 1990 with regard to assessment growth. Citywide, taxable assessments increased by nearly \$32 billion, accounting for more than 41 percent of assessment growth over the past century. Manhattan



assessments increased by \$24.6 billion or 134.8 percent. Outside Manhattan, assessment growth ranged from 24.5 percent in the Bronx (more than offsetting the assessment declines of the previous decade) to 56.5 percent in Staten Island. A contributing factor was a more aggressive assessment policy established by the City based upon amendments to the State’s Real Property Tax Law. The change in the State law also contributed to the lag in assessment growth in the boroughs outside Manhattan – strict assessment caps were placed on all one, two and three family homes and later extended to small multi-family residential buildings of ten units or less. However, the extraordinary level of assessment growth would not have occurred without the right market conditions. These included low vacancy rates and high asking rents in the commercial market; conversion of underutilized loft and factory buildings to other uses; gentrification in previously run-down residential areas of the City, especially those neighborhoods closest to Manhattan; expansion of co-op and condo conversions; and, generally, a demand-driven rise in sales prices of all types of properties.

By the early 1990s, however, the real estate market went “south,” especially Manhattan office buildings, responding to the downturn in the national and local economy as well as changes in the Federal tax code. As discussed in other parts of this report, taxable assessed values are again moving upward, reaching a record high of \$80.1 billion in FY 2000.

DEFINITIONS

FY 2000

Types of Assessed Value	Definition	(\$ in Billions)
ACTUAL VALUE	The actual value is based on the market value multiplied by the assessment ratio for the tax class. For a Class Four property with a market value of \$100,000, the actual assessed value is 45 percent of market value or \$45,000.	\$85.9
TRANSITIONAL VALUE	Under State law, increases in actual assessed value of most Class Two and all Class Four properties must be phased-in over a five year period. The transitional value represents the interim value during the phase-in period. However, assessment increases reflecting physical changes or restoration of exemptions are not subject to phase-in.	
BILLABLE (TAXABLE) VALUE	Billable or taxable value is the amount on which tax liability is based. The billable value is the lower of the actual or transitional value.	\$80.1

Tax Class	Definition	Billable
CLASS 1	One, two, and three family homes; Condominiums: (a) with no more than three dwelling units, provided such property was previously classified as Class One; or (b) no more than three stories in height and built as condominiums; Mixed-use property with three units or less, provided 50 percent or more of the space is used for residential purposes; Vacant land, primarily residentially zoned, except in Manhattan below 110th Street.	\$9.4
CLASS 2	All other residential property not in Class One, except hotels and motels; Mixed-use property with four or more units, provided 50 percent or more of the space is used for residential purposes.	\$26.1
CLASS 3	Utility real property owned by utility corporations, except land and buildings.	\$6.6
CLASS 4	All other real property.	\$37.9

REAL PROPERTY BILLABLE ASSESSMENTS BY BOROUGH
FY 1980 - 2000
(\$ Millions)

Fiscal Year	Citywide	Manhattan	Bronx	Brooklyn	Queens	Staten Island
1980	38,055.9	18,260.4	3,191.2	6,569.7	8,355.9	1,678.7
1981	39,428.7	19,466.2	3,161.4	6,625.1	8,459.0	1,717.0
1982	42,545.3	21,913.8	3,278.9	6,885.3	8,700.3	1,767.0
1983	43,824.8	22,872.1	3,292.8	6,943.3	8,910.4	1,806.2
1984	45,795.1	24,476.8	3,274.1	7,051.3	9,096.8	1,896.1
1985	48,266.3	26,280.9	3,314.6	7,328.6	9,388.0	1,954.2
1986	52,469.9	29,408.1	3,456.0	7,688.4	9,826.4	2,091.0
1987	55,089.3	32,026.8	3,335.7	7,622.8	9,931.4	2,172.6
1988	59,111.5	35,182.5	3,444.0	7,892.2	10,309.9	2,282.9
1989	64,141.6	38,928.4	3,669.7	8,363.4	10,806.6	2,373.5
1990	70,053.9	42,888.6	3,972.7	9,022.7	11,543.3	2,626.6
1991	76,333.6	47,226.6	4,330.1	9,722.6	12,385.7	2,668.7
1992	78,467.6	48,754.9	4,516.4	9,896.0	12,665.6	2,634.7
1993	79,179.1	49,143.1	4,719.3	9,950.2	12,776.1	2,590.4
1994	78,177.5	46,891.5	4,982.7	10,440.0	13,185.2	2,678.1
1995	76,019.3	44,956.1	4,830.9	10,390.0	13,111.9	2,730.5
1996	75,851.6	44,747.6	4,788.6	10,423.1	13,172.8	2,719.5
1997	75,495.0	44,002.7	4,830.2	10,545.9	13,351.8	2,764.4
1998	76,020.7	44,061.8	4,821.6	10,893.0	13,473.5	2,770.8
1999	77,698.7	45,405.0	4,860.9	10,957.9	13,656.7	2,818.2
2000	80,089.4	47,029.9	5,008.5	11,168.2	14,037.3	2,845.5

**ACTUAL AND BILLABLE ASSESSED VALUE BY TAX CLASS
FY 1985 - 2000
(\$ Millions)**

Fiscal Year	ACTUAL ASSESSED VALUE				
	Class 1	Class 2	Class 3	Class 4	Total
1985	6,505.3	14,170.0	9,160.1	23,754.4	53,589.8
1986	6,776.9	15,411.4	10,058.0	26,326.6	58,572.9
1987	6,794.0	16,504.2	9,327.6	29,346.8	61,972.6
1988	7,204.5	18,333.4	8,829.7	33,132.3	67,499.9
1989	7,591.9	21,210.3	8,261.2	39,513.8	76,577.2
1990	7,995.1	24,381.1	7,366.6	46,103.8	85,846.6
1991	8,442.0	26,736.7	5,266.5	51,088.9	91,534.1
1992	8,676.8	25,354.4	4,965.5	44,614.3	83,611.0
1993	8,619.1	25,441.3	4,312.4	43,341.8	81,714.6
1994	8,521.3	24,447.9	6,309.8	40,017.5	79,296.5
1995	8,702.2	23,852.8	6,129.3	38,122.8	76,807.1
1996	8,871.5	24,308.9	6,140.2	38,102.9	77,423.6
1997	8,976.8	24,585.4	6,370.8	37,576.3	77,509.3
1998	9,164.4	25,351.0	6,548.9	37,706.0	78,770.3
1999	9,234.8	26,734.9	6,512.5	39,672.5	82,154.7
2000	9,424.7	28,524.5	6,619.5	41,299.3	85,868.0

Fiscal Year	BILLABLE ASSESSED VALUE				
	Class 1	Class 2	Class 3	Class 4	Total
1985	6,505.3	12,668.2	8,792.4	20,300.5	48,266.4
1986	6,776.9	13,548.7	9,798.2	22,346.1	52,469.9
1987	6,794.0	14,260.2	9,327.6	24,707.6	55,089.4
1988	7,204.5	15,542.9	8,829.7	27,534.4	59,111.5
1989	7,591.9	17,197.4	8,261.2	31,091.1	64,141.6
1990	7,995.1	19,169.2	7,366.6	35,523.0	70,053.9
1991	8,442.0	21,615.9	5,266.5	41,009.2	76,333.6
1992	8,676.8	23,557.2	4,965.5	41,268.1	78,467.6
1993	8,619.1	24,552.3	4,312.4	41,695.3	79,179.1
1994	8,521.3	24,079.9	6,309.8	39,266.5	78,177.5
1995	8,702.2	23,604.4	6,129.3	37,583.5	76,019.3
1996	8,871.5	23,751.2	6,140.2	37,088.7	75,851.6
1997	8,976.8	23,838.8	6,370.8	36,308.6	75,495.0
1998	9,164.4	24,228.8	6,548.9	36,078.6	76,020.7
1999	9,234.8	24,965.2	6,512.5	36,986.2	77,698.7
2000	9,424.7	26,126.4	6,619.5	37,918.8	80,089.4

NOTE: The classification system commenced with the tax levy for fiscal year 1983.

TAXABLE ASSESSMENT PROFILE
CITYWIDE
FY 2000

Property Type	Parcels		Assessed Value			
	Number	%ofTotal	Actual		Billable	
			\$ Millions	%ofTotal	\$ Millions	%ofTotal
CLASS 1	679,408	73.17%	9,424.7	10.98%	9,424.7	11.77%
1-Family	321,185	34.59%	4,487.9	5.23%	4,487.9	5.60%
2-Family	241,636	26.02%	3,611.0	4.21%	3,611.0	4.51%
3-Family	62,437	6.72%	1,071.2	1.25%	1,071.2	1.34%
Condominiums	17,652	1.90%	132.2	0.15%	132.2	0.17%
Vacant Land	32,616	3.51%	109.3	0.13%	109.3	0.14%
Other	3,882	0.42%	13.2	0.02%	13.2	0.02%
CLASS 2	169,869	18.29%	28,524.5	33.22%	26,126.4	32.62%
Rentals	24,130	2.60%	12,931.9	15.06%	11,598.7	14.48%
Cooperatives	4,918	0.53%	8,788.9	10.24%	8,034.5	10.03%
Condominiums	82,659	8.90%	2,816.5	3.28%	2,575.6	3.22%
Condops	202	0.02%	706.5	0.82%	636.8	0.80%
4-10 Fam. Rentals	53,967	5.81%	2,924.4	3.41%	2,924.4	3.65%
2-10 Fam. Co-ops	1,824	0.20%	271.8	0.32%	271.8	0.34%
2-10 Fam. Condos	2,122	0.23%	71.1	0.08%	71.1	0.09%
2-10 Fam. Condops	47	0.01%	13.5	0.02%	13.5	0.02%
CLASS 3	345	0.04%	6,619.5	7.71%	6,619.5	8.27%
Special Franchise*	63	0.01%	4,497.3	5.24%	4,497.3	5.62%
Locally Assessed	272	0.03%	2,122.0	2.47%	2,122.0	2.65%
Other	10	0.00%	0.2	0.00%	0.2	0.00%
CLASS 4	78,948	8.50%	41,299.3	48.10%	37,918.8	47.35%
Office Buildings	5,283	0.57%	20,129.9	23.44%	18,724.3	23.38%
Store Buildings	17,857	1.92%	5,404.8	6.29%	4,903.1	6.12%
Loft Buildings	2,152	0.23%	1,943.9	2.26%	1,782.1	2.23%
Utility Property	1,580	0.17%	1,312.8	1.53%	1,298.7	1.62%
Hotels	486	0.05%	2,924.3	3.41%	2,363.8	2.95%
Factories	6,524	0.70%	1,439.7	1.68%	1,370.3	1.71%
Comm'l condos	10,690	1.15%	2,976.5	3.47%	2,593.1	3.24%
Garages	12,153	1.31%	1,611.4	1.88%	1,509.8	1.89%
Warehouses	5,170	0.56%	1,254.0	1.46%	1,180.9	1.47%
Vacant land	11,547	1.24%	561.1	0.65%	525.4	0.66%
Health&Educatn'l	902	0.10%	766.1	0.89%	740.6	0.92%
Theaters	177	0.02%	203.7	0.24%	189.7	0.24%
Cultural&Rec	992	0.11%	268.1	0.31%	255.9	0.32%
Other	3,435	0.37%	502.9	0.59%	481.3	0.60%
TOTAL	928,570	100.00%	85,868.0	100.00%	80,089.4	100.00%

Note: Class 1 condominiums are in structures of three stories or less and built as condominiums or in buildings which contain no more than three residential units and were previously classified in Class One. Each condominium parcel represents one condominium unit.

* Special franchise is not assessed on a block and lot basis.
Assessed value totals may not add due to rounding.

MARKET VALUES BY TAX CLASS AND BY BOROUGH
FY 1993 - 2000
(\$ Millions)

Fiscal Year	Class 1	Class 2	Class 3	Class 4	Total
1993	137,937.2	70,226.1	13,926.0	100,836.4	322,925.7
1994	126,787.3	66,511.3	14,037.5	92,947.8	300,283.9
1995	127,179.0	63,731.1	13,642.3	88,456.3	293,008.6
1996	128,230.9	63,835.8	13,675.8	88,327.3	294,069.8
1997	129,215.6	63,668.0	14,190.8	87,305.0	294,379.3
1998	130,899.2	64,914.6	14,584.1	87,959.0	298,357.0
1999	136,194.5	68,070.3	14,498.9	92,604.9	311,368.7
2000	143,143.5	72,470.3	14,730.6	96,577.4	326,921.8

Fiscal Year	Manhattan	Bronx	Brookly	Queens	Staten Island
1993	126,158.0	23,395.8	66,354.1	83,988.4	23,029.4
1994	115,685.8	21,734.7	61,920.4	78,905.0	22,038.0
1995	109,710.8	21,460.4	61,336.0	78,334.2	22,167.5
1996	110,203.1	21,416.3	61,695.0	78,454.5	22,300.8
1997	109,326.3	21,220.0	62,211.6	79,098.9	22,522.5
1998	110,905.4	21,439.7	63,631.6	79,692.4	22,688.0
1999	117,047.3	22,389.6	65,838.5	82,592.7	23,500.6
2000	124,472.1	23,427.2	68,556.6	86,283.2	24,182.7

NOTE: Market values were published for the first time in FY 1993 and represent partially taxable
Market values may not add due to rounding.

MARKET VALUE PROFILE
Fully and Partially Taxable Properties
FY 2000

Property Type	CITYWIDE		MANHATTAN		BRONX	
	mil \$	% of Total	mil \$	% of Total	mil \$	% of Total
CLASS 1	143,143.5	43.79%	5,069.8	4.07%	11,992.4	51.19%
1-Family	67,586.7	20.67%	2,255.5	1.81%	4,454.3	19.01%
2-Family	54,438.3	16.65%	1,899.0	1.53%	5,363.6	22.89%
3-Family	16,416.7	5.02%	812.1	0.65%	1,772.2	7.56%
Condominiums	2,531.5	0.77%	67.0	0.05%	141.3	0.60%
Vacant Land	1,936.0	0.59%	36.1	0.03%	222.2	0.95%
Other	234.2	0.07%	0.2	0.00%	38.7	0.17%
CLASS 2	72,470.3	22.17%	44,573.8	35.81%	5,602.5	23.91%
Rentals	31,359.9	9.59%	19,170.9	15.40%	3,764.5	16.07%
Cooperatives	20,272.2	6.20%	13,733.3	11.03%	938.7	4.01%
Condominiums	7,177.0	2.20%	6,014.9	4.83%	211.5	0.90%
Condops	1,616.7	0.49%	1,466.5	1.18%	7.8	0.03%
4-10 Fam. Rentals	11,017.2	3.37%	3,463.6	2.78%	674.1	2.88%
2-10 Fam. Co-ops	758.4	0.23%	527.0	0.42%	5.1	0.02%
2-10 Fam. Condos	229.1	0.07%	161.8	0.13%	0.8	0.00%
2-10 Fam. Condops	39.7	0.01%	35.8	0.03%	0.0	0.00%
CLASS 3	14,730.6	4.51%	5,184.3	4.16%	1,598.8	6.82%
Special Franchise	9,994.0	3.06%	3,537.3	2.84%	1,309.5	5.59%
Locally Assessed	4,736.2	1.45%	1,647.0	1.32%	289.3	1.23%
Other	0.4	0.00%	0.0	0.00%	0.0	0.00%
CLASS 4	96,577.4	29.54%	69,644.3	55.95%	4,233.5	18.07%
Office Buildings	45,902.0	14.04%	42,970.3	34.52%	306.0	1.31%
Store Buildings	13,095.9	4.01%	3,825.5	3.07%	1,708.5	7.29%
Loft Buildings	4,372.6	1.34%	4,182.8	3.36%	9.0	0.04%
Utility Property	3,036.6	0.93%	1,348.6	1.08%	160.4	0.68%
Hotels	6,882.0	2.11%	6,470.9	5.20%	43.2	0.18%
Factories	3,326.2	1.02%	250.1	0.20%	319.8	1.36%
Comm'l condos	7,150.0	2.19%	6,850.5	5.50%	38.3	0.16%
Garages	3,665.3	1.12%	1,398.6	1.12%	403.8	1.72%
Warehouses	3,001.4	0.92%	528.2	0.42%	321.8	1.37%
Vacant land	1,249.7	0.38%	439.9	0.35%	100.2	0.43%
Health&Educatn'l	2,141.8	0.66%	427.9	0.34%	410.7	1.75%
Theaters	484.5	0.15%	345.2	0.28%	12.2	0.05%
Cultural&Rec	851.0	0.26%	319.0	0.26%	84.9	0.36%
Other	1,418.6	0.43%	286.7	0.23%	314.9	1.34%
TOTAL	326,921.8	100.00%	124,472.1	100.00%	23,427.2	100.00%

Market Values represent the full market value of properties which are either fully taxable or partially taxable; the only properties omitted from this analysis are fully exempt properties.

Note: Section 581 of the Real Property Tax Law requires the market value of cooperatives and condominiums to be based on the value of comparable rent-regulated rental properties.

Market Value totals may not add due to rounding.

MARKET VALUE PROFILE
Fully and Partially Taxable Properties
FY 2000

Property Type	BROOKLYN		QUEENS		STATEN ISLAND	
	mil \$	% of Total	mil \$	% of Total	mil \$	% of Total
CLASS 1	45,632.2	66.56%	60,114.9	69.67%	20,334.2	84.09%
1-Family	13,586.8	19.82%	34,015.7	39.42%	13,274.5	54.89%
2-Family	22,774.4	33.22%	19,087.3	22.12%	5,314.0	21.97%
3-Family	8,144.2	11.88%	5,520.6	6.40%	167.6	0.69%
Condominiums	642.5	0.94%	881.2	1.02%	799.5	3.31%
Vacant Land	428.1	0.62%	494.0	0.57%	755.7	3.12%
Other	56.3	0.08%	116.2	0.13%	22.9	0.09%
CLASS 2	11,209.1	16.35%	10,569.5	12.25%	515.4	2.13%
Rentals	4,356.4	6.35%	3,840.1	4.45%	228.0	0.94%
Cooperatives	1,889.4	2.76%	3,652.6	4.23%	58.2	0.24%
Condominiums	291.8	0.43%	582.6	0.68%	76.1	0.31%
Condops	23.1	0.03%	119.3	0.14%	0.0	0.00%
4-10 Fam. Rentals	4,374.2	6.38%	2,352.6	2.73%	152.7	0.63%
2-10 Fam. Co-ops	216.0	0.32%	9.9	0.01%	0.3	0.00%
2-10 Fam. Condos	54.2	0.08%	12.4	0.01%	0.0	0.00%
2-10 Fam. Condops	3.9	0.01%	0.0	0.00%	0.0	0.00%
CLASS 3	3,173.0	4.63%	3,754.9	4.35%	1,019.7	4.22%
Special Franchise	2,288.4	3.34%	2,296.0	2.66%	562.9	2.33%
Locally Assessed	884.4	1.29%	1,458.9	1.69%	456.8	1.89%
Other	0.3	0.00%	0.1	0.00%	0.0	0.00%
CLASS 4	8,542.3	12.46%	11,843.9	13.73%	2,313.5	9.57%
Office Buildings	939.4	1.37%	1,458.7	1.69%	227.6	0.94%
Store Buildings	2,590.6	3.78%	3,930.0	4.55%	1,041.3	4.31%
Loft Buildings	151.5	0.22%	25.9	0.03%	3.4	0.01%
Utility Property	469.4	0.68%	863.5	1.00%	194.8	0.81%
Hotels	69.3	0.10%	283.1	0.33%	15.5	0.06%
Factories	1,252.5	1.83%	1,395.2	1.62%	108.6	0.45%
Comm'l condos	66.7	0.10%	187.4	0.22%	7.1	0.03%
Garages	807.4	1.18%	936.4	1.09%	119.1	0.49%
Warehouses	793.5	1.16%	1,273.3	1.48%	84.6	0.35%
Vacant land	234.3	0.34%	236.1	0.27%	239.2	0.99%
Health&Educatn'l	638.9	0.93%	583.8	0.68%	80.5	0.33%
Theaters	59.3	0.09%	56.4	0.07%	11.3	0.05%
Cultural&Rec	134.6	0.20%	274.8	0.32%	37.7	0.16%
Other	334.9	0.49%	339.2	0.39%	142.8	0.59%
TOTAL	68,556.6	100.00%	86,283.2	100.00%	24,182.7	100.00%

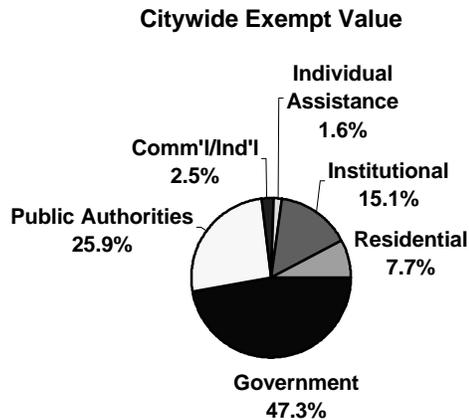
Market Values represent the full market value of properties which are either fully taxable or partially taxable; the only properties omitted from this analysis are fully exempt properties.

Note: Section 581 of the Real Property Tax Law requires the market value of cooperatives and condominiums to be based on the value of comparable rent-regulated rental properties.

Market Value totals may not add due to rounding.

**REAL PROPERTY TAX EXEMPTIONS
CITYWIDE
FY 2000**

TYPE	EXEMPTIONS		EXEMPT VALUE	
	Number	% of Total	Amount	% of Total
GOVERNMENT	10,715	2.07%	\$31,101,177,864	47.28%
Foreign Governments	273	0.05%	472,228,034	0.72%
New York City	9,021	1.74%	27,682,666,730	42.08%
New York State	1,128	0.22%	1,004,081,578	1.53%
U.S. Government	293	0.06%	1,942,201,522	2.95%
PUBLIC AUTHORITIES	9,044	1.74%	\$17,011,790,311	25.86%
Battery Park City Authority	2,336	0.45%	1,160,642,590	1.76%
Economic Development Corp.	230	0.04%	93,915,222	0.14%
Industrial Development Agency	631	0.12%	1,066,972,797	1.62%
Metropolitan Transportation Authority	3,489	0.67%	6,786,758,591	10.32%
Nat'l Passenger Rail Corp. - AMTRAK	423	0.08%	481,580,075	0.73%
NY Job Development Authority	2	0.00%	1,456,110	0.00%
NYC Educational Construction Fund	66	0.01%	544,050,191	0.83%
NYC Housing Authority	1,438	0.28%	2,484,531,063	3.78%
NYS Dormitory Authority	144	0.03%	908,447,210	1.38%
NYS Urban Development Corp.	108	0.02%	1,007,969,442	1.53%
Port Authority of NY & NJ	155	0.03%	1,974,913,786	3.00%
Port Authority Trans-Hudson Railroad	14	0.00%	30,418,886	0.05%
Power Authority of the State of NY	8	0.00%	470,134,348	0.71%
PUBLIC PROPERTY	19,759	3.8%	\$48,112,968,175	73.1%



**REAL PROPERTY TAX EXEMPTIONS
CITYWIDE
FY 2000**

TYPE	EXEMPTIONS		EXEMPT VALUE	
	Number	% of Total	Amount	% of Total
INSTITUTIONAL	13,792	2.66%	\$9,951,739,102	15.13%
Cemeteries	180	0.03%	379,465,446	0.58%
Charitable	1,423	0.27%	808,857,168	1.23%
Cultural Institutions	335	0.06%	469,133,363	0.71%
Educational Facilities	900	0.17%	1,868,736,022	2.84%
Medical Care	1,157	0.22%	2,983,254,734	4.53%
Religious	9,426	1.82%	3,218,973,442	4.89%
Special Interest	371	0.07%	223,318,927	0.34%
RESIDENTIAL	49,585	9.56%	\$5,047,524,775	7.67%
Fall Out Shelters	5	0.00%	2,700	0.00%
Housing Development Fund Companies	257	0.05%	355,310,748	0.54%
HPD Div. Of Alternative Management(DAMP)	730	0.14%	49,362,347	0.08%
J-51 Exemption	7,632	1.47%	515,707,500	0.78%
Limited Dividend Companies	12	0.00%	39,440,180	0.06%
Ltd Profit Housing Companies/Mitchell-Lama's	354	0.07%	2,101,292,819	3.19%
New Multiple Dwellings - 421a	20,972	4.04%	967,407,423	1.47%
New Multiple Dwellings - 421b	12,518	2.41%	93,689,389	0.14%
Redevelopment Companies	404	0.08%	507,799,082	0.77%
Residential Conv. Lower Manhattan	43	0.01%	119,045,288	0.18%
Special Initiative Programs	123	0.02%	31,865,877	0.05%
State Assisted Private Housing	78	0.02%	156,963,033	0.24%
Urban Development Action Area Projects	6,457	1.24%	109,638,389	0.17%
COMMERCIAL/INDUSTRIAL	4,113	0.79%	\$1,632,613,722	2.48%
Environmental Protection Exemption	7	0.00%	79,225	0.00%
Industrial and Commercial Incentive Board	221	0.04%	69,497,318	0.11%
Industrial and Commercial Incentive Program	3,743	0.72%	1,377,026,273	2.09%
Industrial Waste Facility	18	0.00%	9,804,518	0.01%
Jamaica Water Supply	121	0.02%	90,796,388	0.14%
Madison Square Garden	1	0.00%	85,050,000	0.13%
Mixed-Use Lower Manhattan	2	0.00%	360,000	0.00%
INDIVIDUAL ASSISTANCE	431,575	83.18%	\$1,039,079,443	1.58%
Crime Victims	1	0.00%	500	0.00%
Disabled Homeowners	44	0.01%	268,353	0.00%
School Tax Relief	325,715	62.78%	539,974,139	0.82%
Senior Citizen Homeowner	33,933	6.54%	230,231,958	0.35%
Veterans Exemption	71,882	13.85%	268,604,493	0.41%
PRIVATE PROPERTY	499,065	96.2%	\$17,670,957,042	26.9%
CITYWIDE TOTAL	518,824	100%	\$65,783,925,217	100%

NOTE: The exempt value presented in this table represents the portion of the billable AV that is not subject to taxation. However, veteran's exemptions, generally, are subject to tax for educational purposes. Furthermore, properties in other categories may be subject to payments in lieu of taxes (PILOTS).

REAL PROPERTY TAX LEVY AND REVENUE
FY 1980 - 2000
(\$ Millions)

Fiscal Year	Tax Levy	Revenue	Revenue as a Percent of Levy
1980	3,329.9	3,196.2	96.0%
1981	3,497.5	3,298.1	94.3%
1982	3,816.2	3,602.8	94.4%
1983	4,004.6	3,787.4	94.6%
1984	4,224.6	3,957.2	93.7%
1985	4,475.5	4,226.6	94.4%
1986	4,866.8	4,599.8	94.5%
1987	5,141.7	4,975.6	96.8%
1988	5,586.0	5,382.4	96.4%
1989	6,233.0	5,942.9	95.3%
1990	6,872.4	6,543.0	95.2%
1991	7,681.3	7,251.0	94.4%
1992	8,318.8	7,817.8	94.0%
1993	8,392.5	7,886.3	94.0%
1994	8,113.2	7,773.3	95.9%
1995	7,889.8	7,473.6	94.7%
1996	7,871.4	7,100.4	90.2%
1997	7,835.1	7,290.7	93.1%
1998	7,890.4	7,239.4	91.7%
1999	8,099.3	7,568.9	93.5%
2000	8,374.3	7,706.3	92.0%

Note: The revenue amount for fiscal year 2000 is a projected budget estimate.

COMPONENTS OF THE REAL PROPERTY TAX LEVY
FY 1980 - 2000
(\$ Millions)

Fiscal Year	Amount of Tax Levy For:					Unused Margin ¹
	Debt Service	Operating Expenses	Operating Limit	District BID Charges*		
1980	1,411.2	1,918.7	2,020.2		101.5	5.0%
1981	1,432.2	2,065.3	2,070.6		5.3	0.3%
1982	1,419.8	2,396.4	2,399.8		3.4	0.1%
1983	1,301.6	2,703.0	2,718.1		15.1	0.6%
1984	1,252.6	2,971.9	3,181.6		209.7	6.6%
1985	1,294.0	3,181.5	3,589.1		407.6	11.4%
1986	1,217.9	3,648.8	4,010.5		361.7	9.0%
1987	1,185.7	3,956.0	4,432.0		476.0	10.7%
1988	1,153.7	4,432.3	4,969.5		537.2	10.8%
1989	1,236.7	4,996.3	6,808.5		1,812.2	26.6%
1990	1,471.1	5,401.3	7,789.1		2,387.8	30.7%
1991	1,526.6	6,216.4	9,109.3		2,892.9	31.8%
1992	2,056.0	6,262.8	10,631.8		4,369.0	41.1%
1993	1,922.6	6,469.9	11,945.0		5,475.1	45.8%
1994	2,192.2	5,920.9	13,853.8		7,932.9	57.3%
1995	2,275.9	5,613.9	13,446.5		7,832.6	58.3%
1996	2,609.8	5,261.6	8,756.7	43.9	3,451.2	39.4%
1997	2,827.4	5,007.7	7,977.7	46.1	2,923.9	36.7%
1998	1,872.9	6,017.5	7,737.1	48.4	1,671.1	21.6%
1999	1,134.2	6,965.1	7,237.4	52.1	220.2	3.0%
2000	1,138.9	7,235.5	7,333.0	52.1	45.4	0.6%

¹ Unused margin is the operating limit less levy for operating expenses and BID charges.

* Business Improvement District (BID) charges are self-imposed assessments within each district and subject to the Constitutional 2.5 percent limit for operating purposes.

Note: The tax levies for debt service and operating expenses incorporate the reserve for uncollected taxes.

**TAX LEVY DISTRIBUTION BY CLASS
FY 1985 - 2000**

Fiscal Year	CLASS SHARES				
	Class 1	Class 2	Class 3	Class 4	Total
1985	13.41%	25.90%	17.78%	42.91%	100.00%
1986	12.87%	25.48%	18.22%	43.43%	100.00%
1987	12.52%	25.38%	16.64%	45.46%	100.00%
1988	12.19%	25.46%	15.72%	46.63%	100.00%
1989	11.66%	25.58%	14.96%	47.80%	100.00%
1990	11.12%	25.74%	13.83%	49.31%	100.00%
1991	10.92%	25.76%	10.34%	52.98%	100.00%
1992	11.46%	28.00%	7.80%	52.74%	100.00%
1993	11.28%	29.00%	6.57%	53.15%	100.00%
1994	11.56%	30.78%	5.76%	51.90%	100.00%
1995	11.92%	31.57%	5.98%	50.53%	100.00%
1996	12.19%	32.61%	6.18%	49.01%	100.00%
1997	12.47%	33.64%	6.37%	47.51%	100.00%
1998	12.73%	33.92%	6.87%	46.48%	100.00%
1999	13.28%	33.22%	7.25%	46.25%	100.00%
2000	13.26%	34.08%	7.43%	45.23%	100.00%

Fiscal Year	CLASS LEVIES				
	Class 1	Class 2	Class 3	Class 4	Total
1985	599.9	1,159.3	795.8	1,920.6	4,475.5
1986	626.1	1,239.9	886.8	2,113.9	4,866.8
1987	643.7	1,305.0	855.6	2,337.5	5,141.7
1988	681.1	1,422.3	877.8	2,604.8	5,586.0
1989	726.5	1,594.7	932.6	2,979.2	6,233.0
1990	764.1	1,769.2	950.5	3,388.6	6,872.4
1991	845.5	1,994.6	800.6	4,102.3	7,743.0
1992	953.0	2,328.9	649.6	4,387.3	8,318.8
1993	946.9	2,433.4	551.8	4,460.4	8,392.5
1994	938.1	2,497.0	467.2	4,210.9	8,113.2
1995	940.1	2,490.9	472.1	3,986.7	7,889.8
1996	959.9	2,567.0	486.4	3,858.1	7,871.4
1997	977.4	2,635.8	499.5	3,722.5	7,835.1
1998	1,004.4	2,676.5	542.4	3,667.2	7,890.4
1999	1,075.4	2,690.6	587.1	3,746.2	8,099.3
2000	1,110.2	2,854.1	622.1	3,787.8	8,374.3

Note: The classification system commenced with the tax levy for fiscal year 1983.

REAL PROPERTY TAX RATES
(Per \$100 of Assessed Value)
FY 1980 - 2000

Fiscal Year		Citywide	Class 1	Class 2	Class 3	Class 4
1980		8.750	-	-	-	-
1981	1st half	8.750	-	-	-	-
	2nd half	8.950	-	-	-	-
1982		8.950	-	-	-	-
1983		9.120	8.950	8.950	9.109	9.294
1984		9.206	9.100	9.057	9.237	9.323
1985		9.255	9.100	9.150	9.051	9.460
1986		9.256	9.100	9.150	9.051	9.460
1987		9.315	9.330	9.150	9.172	9.460
1988		9.434	9.330	9.150	9.942	9.460
1989		9.703	9.452	9.272	11.289	9.582
1990		9.797	9.452	9.229	12.903	9.539
1991		10.135	9.920	9.228	15.200	10.004
1992		10.591	10.888	9.885	13.083	10.631
1993		10.591	10.888	9.910	12.794	10.698
1994		10.366	10.900	10.369	7.404	10.724
1995		10.366	10.694	10.552	7.702	10.608
1996		10.366	10.725	10.807	7.922	10.402
1997		10.366	10.785	11.056	7.840	10.252
1998		10.366	10.849	11.046	8.282	10.164
1999		10.366	10.961	10.739	8.800	10.236
2000*		10.366	11.167	10.851	9.398	9.989

* adopted 9/29/99

Note: After 1982, Citywide tax rates are weighted averages shown for comparative purposes only.