Housing NYC: Rents, Markets & Trends 2016

NYC Rent Guidelines Board

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Housing NYC: Rents, Markets & Trends 2016

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Chair's Acknowledgements

New York City continues to suffer from vacancy levels (3.45% city-wide for all rentals and 2.12% for rent stabilized units) that constitute a "housing emergency," requiring the Rent Guidelines Board (RGB), rather than the market, to set annual renewal lease adjustments for nearly one million rent stabilized apartments, lofts and hotel units. Our role is to determine lease adjustments that are responsive to the costs of operating rental housing, but also cognizant of the economic conditions faced by tenants.

In determining the renewal lease adjustment rates for 2016, we followed the long-established practice of prior Boards of relying upon the carefully gathered data provided by the RGB staff and outlined in the *2014 Housing and Vacancy Survey*. The reports contained in this edition of *Housing NYC: Rents, Markets and Trends 2016* set the foundation for the Board's deliberations and our decisions this year.

Every member of the Board is grateful to the RGB staff for their hard work, careful analysis, and clear presentation of data. This staff conducts impeccable research that is invaluable to the Board, as well as to the many people and organizations who participate in the public discussion. These reports provide a thorough analysis of the New York City housing market and the larger economy, including a broad array of data concerning the costs of operating residential buildings; owner income; housing availability; tenant income; and changes to the housing stock.

This book is critical not only for those who are concerned about the Board's decisions for a particular year, but is also part of a series of books produced by the RGB staff that provides a rich data set and analysis for use by housing professionals, government officials, housing advocates, academics, and all members of the public who care about the quality and affordability of NYC rental housing.

Our decision was rooted in the data compiled in this book, but the Board is also reliant upon the hundreds of people who testified at this year's public hearings for the human faces and individual stories they shared. We are grateful for the perspectives offered by elected officials, representatives of tenant and owner groups, public policy organizations, and the many members of the public for their insights into the challenges faced by both tenants and owners of rent stabilized units.

It is a great honor and privilege to be part of this Board. We are given a weighty task and each member of the Board has demonstrated exceptional dedication to the process and commitment to careful and thoughtful decision making. I thank each member of the Board for their participation in a critically important endeavor.

Kathleen A. Roberts
Chair of the Board

Executive Director's Acknowledgements

The Rent Guidelines Board (RGB) is responsible for setting annual renewal-lease adjustments for over one million rent stabilized housing units in New York City. In an effort to aid the Board in making these decisions, each year the RGB staff produces a series of reports that contain data that reflects the most current conditions and trends of NYC rental housing. Over the years these reports have not only helped the members of the Board in their deliberations, but have become important resources for the public at large. As a result, the Rent Guidelines Board publishes its primary research reports in a publication entitled *Housing NYC: Rents, Markets and Trends*. The 2016 edition not only represents efforts by the RGB staff, but contributions by many other housing professionals and government agencies. It is our hope that you find the data contained in this compendium a valuable resource in your understanding of the complex issues surrounding the NYC rental housing market.

The primary purpose of the RGB staff is to ensure that the members of the Board receive accurate and comprehensive data regarding rent stabilized housing. This could not be accomplished without the expertise of our conscientious and dedicated research staff. Research Director Brian Hoberman authored the *2016 Income and Expense Study*, *2016 Mortgage Survey Report*, and *Changes to the Rent Stabilized Housing Stock in New York City in 2015*. In addition to his commendable work on these reports, Brian continues to use his talents maintain and contribute content to the Board's website, nycrgb.org, and head's the Board's IT department. Senior Research Associate Danielle Burger used her exceptional research skills to author both the *2016 Income and Affordability Study* and the *2016 Housing Supply Report* and was an integral contributor to the 2016 Price Index of Operating Costs. She is also responsible for producing this annual compendium of research. The RGB is fortunate to have such experienced professionals and it is my pleasure to work with both of them.

The RGB's primary research project is the *Price Index of Operating Costs (PIOC)*, which measures changes in operating and maintenance costs in rent stabilized buildings. Each member of the staff contributes their time and energy to this report, collecting and analyzing data throughout the year. In addition to the permanent staff, the RGB hires temporary survey workers who collect prices for insurance, non-union labor, contractors, building supplies, and replacement items. Our thanks go out to our veteran team of data collectors: Michael Taylor and Thomas O'Rourke. Their tireless effort, professionalism and hard work on this project were greatly appreciated and we were fortunate to have them back for another year. Finally, I would like to extend my gratitude to long-time *PIOC* consultant James Hudson for his meticulous review of the *PIOC*. His vast knowledge of the Price index, along with his statistical expertise, ensures that the data presented to the Board is accurate.

It is with great enthusiasm that we welcome back a former member of the RGB staff, Charmaine Superville. As our Office Manager/Public Information Officer, Ms. Superville's responsibilities include balancing the Board's books, paying our bills and setting up the Board's public meetings and hearings. She is also responsible for answering the myriad of calls we get each day regarding rent regulated housing in NYC. She is important member of the staff and we are grateful that she is back.

The members of this Board are charged with the seemingly impossible task of setting fair rent adjustments for one million rent stabilized housing units in NYC. I would like to recognize the effort and dedication each member brings to the table and thank them for their service. In particular, I would like to extend my gratitude to first-year Chair Kathleen Roberts for her unwavering support of the RGB staff. Her insightful take on the rent setting process is both refreshing and thoughtful. I truly enjoy working with her and I look forward to doing so in the coming year.

Although RGB reports are produced entirely "in-house," our research efforts would not be possible without assistance from many others. For both the information and expertise they provided, our gratitude goes out to: Bill Sears at the Department of City Planning, for data on new housing completions; Farid Heydarpour at the NYC Comptroller's Office, who provides labor force data; Floralba Paulino at the Bureau of City Marshals, for information on evictions and possessions; Eddy Valdez at the NYC Civil Court, for data on housing court proceedings; Michael

Atzlan, Esq. at the NYC Loft Board, for data concerning loft conversions to rent stabilization; Cindy Colter and Benjamin Charvat at the Department of Homeless Services, for help with homeless statistics; Emre Edev at the City Council's Finance Division for tax levy data; Diane Leonard of the Mayor's Office of Special Enforcement for illegal hotel violations data; and Geoffrey Propheter of the Independent Budget Office (IBO), for lending his expertise on real estate tax projections. At the Division of Housing and Community Renewal (DHCR), which is a division of New York State Homes and Community Renewal (HCR), we would like to thank Deputy Commissioner Woody Pascal, as well as Michael Berrios and Tracey Stock, for their assistance and expertise regarding owner registration data and Robert Damico for his assistance with Mitchell-Lama data. In addition, our thanks goes out to the following staff members of the NYC Department of Housing Preservation and Development (HPD): Elyzabeth Gaumer, Assistant Commissioner of Research and Evaluation, for facilitating the collection of additional City-sponsored housing construction and sales data; Elaine R. Toribio of the Tax Incentives Program, who provided data on tax benefit programs; and Julie Walpert, Assistant Commissioner, Office of Housing Operations, who provides information regarding Mitchell-Lama units. We would like to thank the staff of NYC Department of Finance, in particular, John Blaskovich and Andreen McDonald, for providing summary data from the Real Property Income and Expense (RPIE) filings; as well as Joseph Bilotta, for providing updated annualized building sales data.

Our appreciation is extended to the numerous agencies that provided useful data throughout the year. At the national level: the U.S. Census Bureau, Residential Construction branch; the Bureau of Labor Statistics; the Federal Deposit Insurance Corporation; U.S. Bankruptcy Court; and the Department of Housing and Urban Development. Agencies at the state level include: the Real Estate Financing Bureau of the Attorney General's Office; New York State Homes and Community Renewal, the Division of Housing and Community Renewal; the Bureau of Data Management and Analysis of the Office of Temporary and Disability Assistance; and the Department of Labor's Research and Statistics Division. Local level sources include: Civil Court of the City of New York; the Department of Finance; the Department of Buildings; the Department of City Planning; the Department of Homeless Services; the Human Resources Administration; the Comptroller's Office; the Bureau of City Marshals; the NYC Loft Board; the Office of the Mayor; and the Department of Housing Preservation and Development.

We would like to recognize the efforts of HPD in assisting us in the myriad administrative issues we have had over the past year. In particular, we would like to thank Commissioner Vicki Been, Elyzabeth Gaumer, and Sheree West for their efforts on behalf of the RGB. It is a pleasure to work with such a dedicated group.

Finally, we give special thanks to those who testified at RGB meetings this year: from HPD, Leila Bozorg, Chief of Staff, and Elyzabeth Gaumer, Assistant Commissioner of Research and Evaluation; and Stephanie Rosoff, Data Manager and Research Analyst from the NYU Furman Center.

Andrew McLaughlin
Executive Director

Income & Expense

2016 Price Index Of Operating Costs

What's New

- ✔ The Price Index of Operating Costs (PIOC) for Rent Stabilized Apartment Buildings decreased 1.2% this year.
- ✔ All costs in natural-gas heated buildings increased 0.5% and all costs in fuel-oil heated buildings declined 2.8%.
- ✔ The "core" PIOC, which excludes the changes in fuel oil prices, natural gas, and electricity costs, is useful for analyzing inflationary trends. The core rose by 4.2% this year.
- ✔ Fuel costs decreased 41.2%.
- ✔ Real estate taxes increased 7.5%, primarily due to a rise in assessments for Class Two properties.
- ✔ The Utilities component decreased by 0.3%, due to steep declines in electric and natural gas costs, but was offset by an increase in water and sewer rates.
- ✔ Insurance Costs increased by 8.2%.
- ✔ The Price Index of Operating Costs for Rent Stabilized Apartment Buildings is projected to increase 5.5% next year.

Introduction

The Price Index of Operating Costs (PIOC) measures the price change in a market basket of goods and services used in the operation and maintenance of rent stabilized apartment buildings in New York City. The goods and services that make up the market basket were originally selected on the basis of the findings of a study of 1969 expenditure patterns by owners of rent stabilized apartment buildings. Changes in the specification of some of these goods and services have been carried out over time to maintain the representativeness of the market basket. The relative importance of the various goods and services in the market basket was updated in 1983 by means of a study of expenditure patterns of owners of rent stabilized apartment buildings. In the most notable change to the PIOC, in 2015, expenditure weights were switched to those found in the annual *Income and Expense (I&E) Study*, which allows for the annual updating of expenditure patterns based on what owners report to the Department of Finance as their actual costs. In addition an annual survey, part of the Owner Survey sent to the owners of 5,100 randomly selected buildings each year, allows for an update of the individual items within the components.[1]

The Price Index measures changes in the cost of purchasing a specified set of goods and services, which must remain constant both in terms of quantity and quality from one year to the next. The need to exclude the effect of any alterations in the quality of services provided requires that very careful specifications of the goods and services priced must be developed and applied. The pricing specifications must permit the measurement of changes in prices paid for carefully defined pricing units with specific terms of sale, such as cash, volume or trade discounts. For certain items, such as real estate taxes, the price paid is determined administratively, through information collected from City records.

Changes in the overall PIOC result from changes in the prices of individual goods and services, each weighted by its relative importance as a percentage of total operating and maintenance (O&M) expenditures. Because the market basket is fixed in the sense that the quantities of goods and services of each kind remain constant, the relative importance of the various goods and services will change when their prices increase either more quickly or more slowly than average. Thus, the relative importance, or weight, attached to each good or service changes from year to year to reflect the different rates of price change among the various index items. As already noted, the expenditure weights used in the construction of the *2016 Price Index* are based upon expenditure patterns reported in the I&E study. In turn, those weights are based on an analysis of expenses as reported by owners

Terms and Definitions

Price Index - the measure of price change in a market basket of goods and services.

Component - categories of goods and services, such as Labor Costs or Taxes, that comprise the market basket of a price index.

Item - representative individual goods and services within a component, such as Pushbroom, Plumbing, Faucet or Roof Repair.

Price Relative - the ratio of current and prior year's prices.

Expenditure Weight - the relative importance of the change in costs of different goods and services.

Specification - defined pricing units with specific terms of sale, such as cash, volume or trade discounts.

Apartments

Change In Costs for Rent Stabilized Apartment Buildings, March 2015 to March 2016

Taxes	7.5%
Labor Costs	3.2%
Fuel	-41.2%
Utilities	-0.3%
Maintenance	2.8%
Administrative Costs	2.7%
Insurance Costs	8.2%
All Costs	**-1.2%**

in Real Property Income and Expense (RPIE) statements (as required by Local Law 63, enacted in 1986). These statements are submitted annually to the NYC Department of Finance and represent reported expenses by building owners with stabilized units, based on the most recent complete calendar year at the time of filing.[2] Note that only the Apartment PIOC is weighted with data from RPIE reports. The Hotel and Loft PIOC continue to use the pre-2015 methodology.

The importance of each index component is shown by its "expenditure weight" (see Appendix B.2). The measured 2015-16 price changes in each index component are also presented in Appendix B.2. The expenditure weights and the 2015-16 price changes are then combined to provide the overall change in the PIOC over the period from 2015-16.

The PIOC consists of seven cost components, each designed to measure changes in a category of costs such as fuel, insurance and utilities. The methodology for each component is described in the final section of this report. For a full description of the methodological changes to the weights used in the current PIOC, please refer to the *2015 Price Index of Operating Costs* report.

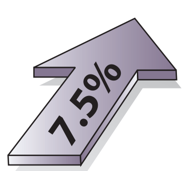
Overview

This year, the PIOC for all rent stabilized apartment buildings decreased by 1.2%. Increases occurred in all PIOC components except Fuel and Utilities, which declined by 41.2% and 0.3%, respectively. The largest increase in any component was seen in Insurance Costs (8.2%), followed by Taxes (7.5%). More moderate increases occurred in Labor Costs (3.2%), Maintenance (2.8%), and Administrative Costs (2.7%). The growth in the Consumer Price Index (CPI) during this same time period was higher than the PIOC, rising 0.3%.[3] See the adjacent table and Appendix B.2 for changes in costs and prices for all rent stabilized apartment buildings from 2015-16.

The "core" PIOC, which excludes changes in fuel oil, natural gas, and electricity costs used for heating buildings, is useful for analyzing long-term inflationary trends. The core PIOC rose by 4.2% this year and was higher than the overall PIOC due to the exclusion of the costs in the Fuel component, which declined 41.2%.

Price Index Components

Taxes



The Taxes component of the PIOC is based entirely on real estate taxes and accounts for over one-quarter of the overall price index. The change in tax cost is estimated by comparing aggregate taxes levied on rent stabilized apartment buildings in Fiscal Year (FY) 2015 and FY 2016.

Aggregate real estate taxes rose this year by 7.5%. The growth in taxes was due to a 8.0% rise in assessments and a slight rise in the Class 2 tax rate of 0.2%. The rise in assessments and tax rate was offset by a rise in the total value of exemptions, which had the effect of lowering the total rise in taxes by 0.8%.

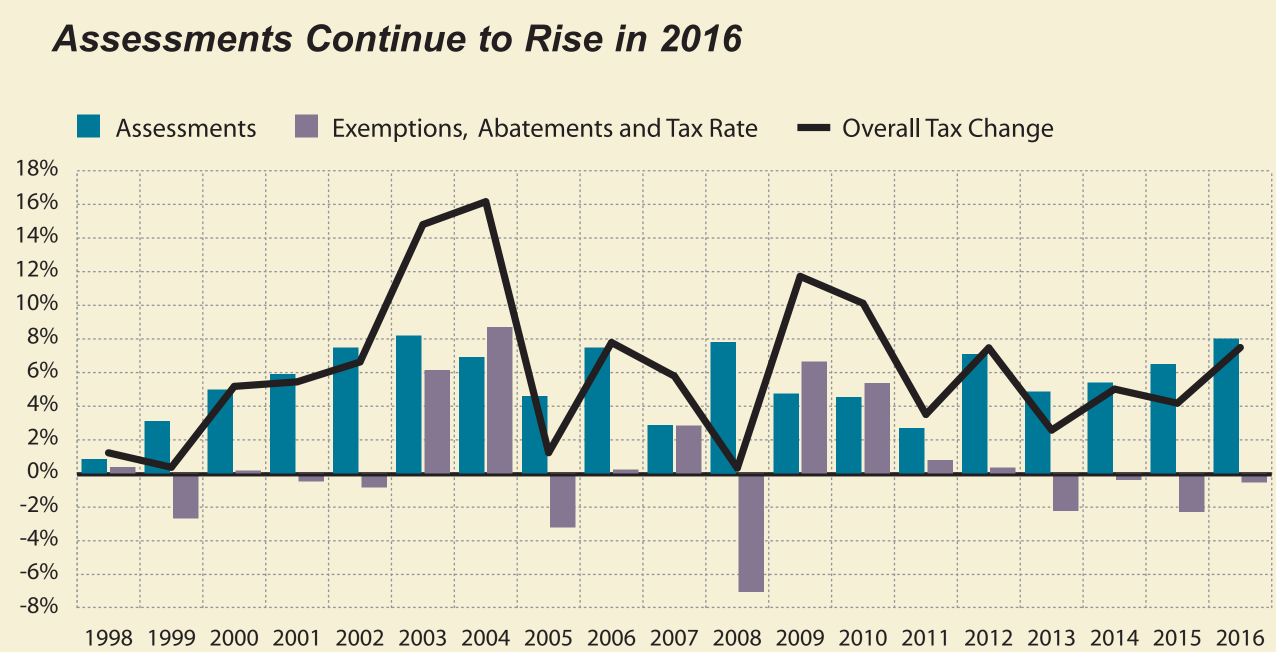
Tax Levy — The total tax levy for all properties in the City (commercial and residential) increased by 6.9% from FY 2015 to FY 2016. The total Class Two property levy rose at a faster pace than that of the City as a whole, at a rate of 8.0%. The distribution of the levy among property classes tends to shift from year to year. From FY 2015 to FY 2016, the levy share for Class Two properties increased by 0.3 percentage points, from 36.2% to 36.5% of the total tax burden, significantly higher than the 26.3% share that was established at the inception of the four-class tax system in 1983.

Tax Rate — The average annual FY 2015 Class Two tax rate of 12.855 increased by 0.2%, resulting in a new annualized rate of 12.883 for FY 2016. This is the first time in four years that the Class Two tax rate increased. For a historical perspective of changes in the tax rate, abatements, and exemptions, see the purple bars on the graph on this page.

Assessments — Assessed valuations of properties containing rent stabilized units rose by 8.0% citywide in FY 2016. Assessments rose in all five boroughs, with Brooklyn witnessing the highest growth at 10.3%, followed by Queens and the Bronx at 8.6%, Manhattan at 7.4% and Staten Island at 6.0%. Buildings in Manhattan generally drive much of the change in assessed value Citywide. This was true in FY 2016, with 63% of all valuations emanating from this borough. For a historical perspective of changes in tax assessments, see the blue bars on the graph on this page.

Abatements and Exemptions — This year, the number of rent stabilized buildings receiving tax abatements declined by nearly 50% from the previous fiscal year. However, the average benefit value of the typical tax abatement increased, by 21.7%, from FY 2015 to FY 2016. The net impact of the decrease in the number

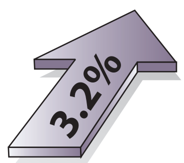
Percent Change in Taxes due to Assessments and Exemptions/Abatements/Tax Rate 1998-2016



Source: New York City Department of Finance of abatements and the increase in the average abatement value was a negligible increase in the tax liability for rent stabilized buildings of 0.03%.

In FY 2016, 0.3% more rent stabilized buildings benefited from tax exemptions. In addition, the value of the average tax exemption increased by 4.5%. This combination of an increase in the average value of tax exemptions and the number of buildings receiving exemptions resulted in owners' tax bills decreasing by 0.8%. (See Appendices B.5 and B.6.)

Labor Costs

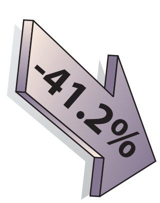


The Price Index measure of Labor Costs includes union and non-union salaries and benefits, in addition to Social Security and unemployment insurance. The cost of unionized labor makes up two-thirds of the Labor Costs component. The entire Labor Costs component comprises 16.2% of the overall Price Index.

Labor Costs rose 3.2%, compared to 3.8% in the previous year. The rise in Labor Costs was due to increases in union and non-union wages, as well as rises in healthcare and pension contributions.

Wages comprise three-quarters of the Labor Costs component. Non-union pay increased by 5.8%, 1.8 percentage points higher than the increase seen in the *2015 PIOC* (4.0%). Unionized wages also rose, rising by 3.0%, a 0.3 percentage point increase from last year. A moderate (0.7%) increase in health and welfare benefits, which comprises more than 21% of the component, kept the overall increase from being higher.

Fuel



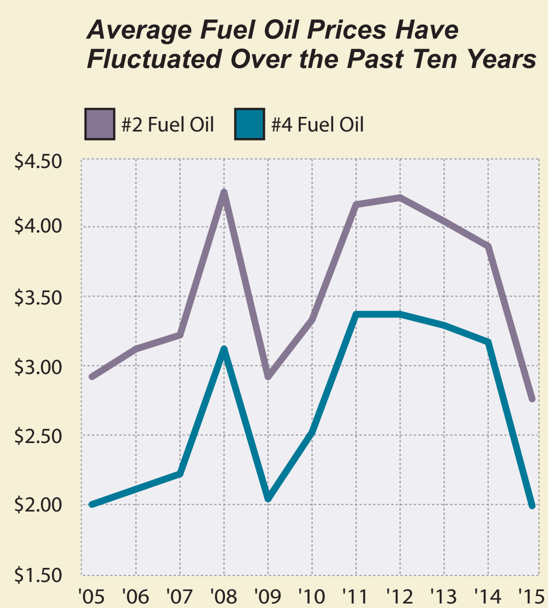
The Fuel component comprises 12.0% of this year's Price Index. The change in cost measured in this component considers both the change in weather and the change in prices for heating multifamily buildings by fuel oil, natural gas, steam, and electricity.[4]

This year the Fuel component declined 41.2%, following a 21.0% decrease in the prior year. The cost for heating buildings by fuel oil makes up over two-thirds of this component. Fuel oil costs declined 45.5%. Natural gas costs, which account for 29% of this component, also declined, falling 31.6%. Steam costs fell 31.2%, but these costs only account for roughly three percent of the Fuel component.

As stated above, the fuel oil cost items carry the most weight in the Fuel component. The PIOC measured fuel oil prices from April to March and then compared them to the same months from the previous year. Over the past 12 months, fuel oil prices, which do not take weather into account, decreased by 30.9%. The price for #2 oil, which comprises about half of this component, fell by 27.4%. Prices for #4 heating oil, comprising 22% of this component, also declined, falling 38.6%. The cost of #6 oil, which has been phased out in New York City, was not calculated (see Methodology for more information).

The graph on this page demonstrates that inflation-adjusted fuel prices have both risen and fallen

Average Inflation-Adjusted Fuel Oil Prices per Gallon, 2005-2015



Note: Prices are in constant 2015 dollars.
Source: NYC RGB Price Indices of Operating Costs, 2005-2016

Fuel Oil Cost Relatives vs. Change in Fuel Prices, 2007-2016

PIOC Year	*Fuel Oil Cost Relative**	*Change in Fuel Oil Price***
2016	-45.5%	-30.9%
2015	-23.4%	-22.5%
2014	7.8%	0.3%
2013	20.0%	2.9%
2012	1.6%	20.8%
2011	23.1%	20.3%
2010	0.5%	6.7%
2009	-10.1%	-16.9%
2008	37.4%	38.4%
2007	0.5%	-3.0%

* The Fuel Oil Cost Relative factors in the effect of weather on total fuel oil consumption. In months that are colder than the same month in the prior year, the weather factor will put upward pressure on the fuel oil relative. In months that are warmer than the same month in the prior year, downward pressure is placed on the Fuel Oil component.

** Weighted change in #2, #4 and #6 fuel oil prices. From 2016 forward, weighted change in #2 and #4 fuel only prices only.

Source: NYC RGB Price Indices of Operating Costs, 2007-2016

drastically over the past 10 years. Between calendar years 2014 and 2015, prices for #2 oil fell 28.5% in real terms, and prices for #4 oil fell 37.1%. The average price for all grades of fuel oil in calendar year 2015 was $2.57 a gallon, which is a pure price that does not factor in weather. Adjusted for inflation, the average price in 2005 was $2.75 a gallon. Prices for both #2 and #4 oil are at their lowest level in the past 10 years, with prices for all fuel grades 6.6% lower than 2005, and 36.2% lower than the 10-year high of $4.03 in 2008.

Along with measuring price, the PIOC also takes into account the effect of weather on the demand for fuel oil, especially during the heating season when the large majority of fuel is burned. Since the weather this year was much warmer than last year, the decline in fuel oil costs was pushed lower than the drop in fuel oil prices, with prices falling 30.9%, but costs falling 45.5%. In years where the weather does not vary much from the prior year, the change in the cost of fuel oil is roughly equal to that of the change in price, such as in 2015. See the table on this page for a comparison of the past ten years of fuel oil cost relatives to fuel oil prices.

Utilities

The Utilities component consists of non-heating natural gas and electricity costs, as well as water and sewer charges, and it comprises 11% of this year's Price Index. In the case of the gas and electricity items, changes in costs are measured using the PIOC specifications (e.g., the quantity of electricity and gas being purchased) and the changes in rate schedules. Water and sewer costs are based on rate adjustments set by the NYC Water Board and they account for over 70% of the Utilities component.

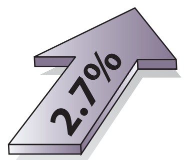
This year Utilities decreased 0.3%, compared to a 1.2% rise in the previous year. The decline in this component was driven by decreases in the cost of electricity and natural gas. Electricity costs, which account for more than 28% of the weight in this component, declined by 8.2%, while gas costs, which account for less than one percent of the Utilities component, fell 11.6%. But water and sewer charges, which account for more than 70% of the weight in the component, rose, by 3.0%.

Maintenance

The Maintenance component accounts for 16.7% of this year's Price Index. The Maintenance component rose 2.8%, slightly lower than last year's rise of 3.0%. Of the 39 expense items contained in this component, just three items account for more than half of its expenditure weight: Repainting, Plumbing (faucet), and Plumbing (stoppage). This year, painters' rates rose 3.4%. Combined plumbing rates increased at a slower pace, rising 1.6%. Painters and plumbers reported that increases in the cost of labor and materials were the primary factors that led to an increase in their rates.

Other price increases of note were boiler repairs (-0.3%), elevator contracts (6.7%) and roof repair (5.9%), which represent a total of six expense items and account for 23% of this component. See Appendix B.2 for the price relatives and expenditure weights for all Maintenance items.

Administrative Costs



Fees paid to management companies, accountants, and attorneys make up nearly this entire component. Following an expense survey in 2015, two new items, copy paper and post office boxes, were added to the component this year. This year, Administrative Costs rose 2.7%, lower than last year's rise of 3.9%. Administrative Costs comprise 12.7% of the PIOC.

A large portion of the growth in the Administrative Costs component can be attributed to a rise in management company fees (3.6%) that comprise just over half of this component (see Methodology for changes in the weighting of Administrative Costs items in 2016). Management fees are often tied to apartment rental income and are affected by changes in rents and vacancies. This year's growth is lower than last year's (4.2%), indicating that management companies decreased their fees and/or rents increased at a slower pace than last year. This smaller rise in management fees may also indicate that vacancies and/or collection losses in the buildings they manage increased compared to the previous year.

Accounting fees increased in this year's PIOC by 2.3%, lower than last year's rise of 3.1%. Attorney fees rose 2.4%, 1.6 percentage points lower than last year's growth of 4.0%.

Communications, which accounts for just over 6% of the Administrative Costs component, decreased 1.2%. The two new items, copy paper and P.O. boxes rose by 1.7% and 2.5%, respectively. (See Appendix B.2.)

Insurance Costs

For the fifth consecutive year there was an increase in the Insurance Costs component, rising 8.2%, compared to last year's increase of 7.2%. Insurance Costs account for 4.9% of the PIOC.

Changes in insurance costs for owners varied by the amount of the policy. Policies that cost more than $5,513, which represent half of all verified insurance quotes, saw an average increase in cost of 8.5% upon renewal. Meanwhile, buildings with policies of $5,513 or less saw an increase of 6.8%.

PIOC by Building Type

The 1983 Expenditure Study provided a basis for calculating separate sets of expenditure weights for different types of buildings that contain rent stabilized units. In addition to the price index for apartments, the PIOC includes separate indices for buildings constructed before 1947 (pre-1947) and for buildings constructed in 1947 or later (post-1946), as well as gas-heated and oil-heated buildings. Although the expenditure weights for all rent stabilized buildings and for each of the four subcategories of buildings differ, the price changes are the same for each of the five indices. (See Appendices B.2 and B.3.)

Typically, buildings constructed before 1947 incur a lower percentage of operating and maintenance costs for property taxes and labor costs than post-1946 buildings, which rose 7.5% and 3.2%, respectively. However, their fuel costs for heating, which decreased by 41.2%, represent a significantly higher percentage of total operating and maintenance costs. As a result, costs in Pre-1947 buildings fell, with a PIOC of -2.2%, while cost rose in Post-1946 buildings, by 0.2%.

Indices were also calculated for different types of heating systems. These heating system indices differ from the price index for apartments because the expenditure weight for the Fuel component differs from index to index. Buildings heated with fuel oil witnessed a decline in overall costs, resulting in an Oil-Heated PIOC of -2.8%, primarily because cost of fuel oil dropped 45.5%. Similarly, Gas-heated buildings witnessed a significant decrease in natural gas costs of 31.6%, but the Fuel component carries less weight in the Gas-Heated index (10.1%) than the Oil-Heated index (14.2%). As a result the price index for Gas-Heated buildings witnessed a moderate increase of 0.5%.

Rent Stabilized Hotels

The Hotel Price Index includes separate indices for each of three categories of rent stabilized hotels (due to their dissimilar operating cost profiles) and a general index for all stabilized Hotels. The three categories of hotels are: 1) "traditional" hotels — a multiple dwelling that has amenities such as a front desk, maid or linen services; 2) Rooming Houses — a multiple dwelling other than a hotel with thirty or fewer sleeping rooms; and 3) single room occupancy hotels (SROs) — a multiple dwelling in which one or two persons reside separately and independently of other occupants in a single room.

The Price Index for all stabilized Hotels declined 3.8% this year, a 3.6 percentage point drop from the 0.2% fall in 2015. It is important to note that the Hotel PIOC was not re-weighted using the RPIE data. However, in order to maintain symmetry between indices, the expense items were aligned to the seven components now used in the Apartments PIOC. The realignment of the hotel expenditure items had no impact on the change in the overall PIOC, and would have still been -3.8% if the old components were used.

This year, the Hotel Fuel component declined 39.1%, due to significant declines in the cost of fuel oil and natural gas costs used for heating hotel buildings in NYC. The Fuel component accounts for nearly 20% of the entire Hotel Index. Five of the remaining six components witnessed cost increases, with Insurance having the highest rise of 8.2%, followed by Taxes at 7.3%. More moderate increases were seen in Labor Costs (4.3%), Maintenance (0.9%), and Administrative Costs (2.2%). Costs fell in the Utilities component, by 2.0%. See the table on this page for changes in costs and prices for all rent stabilized hotels from 2015-2016.

Among the different categories of Hotels, the index for "traditional" hotels decreased 1.1%, Rooming Houses fell 4.7%, and SROs fell by the greatest proportion, 11.7%. (See Appendices B.4 and B.7.)

Hotels

Change In Costs for Rent Stabilized Hotel Buildings, March 2015 to March 2016

Taxes	7.3%
Labor Costs	4.3%
Fuel	-39.1%
Utilities	-2.0%
Maintenance	0.9%
Administrative Costs	2.2%
Insurance Costs	8.2%
All Costs	**-3.8%**

Rent Stabilized Lofts

Similar to the Hotel Index, the Loft PIOC expenditure component weights were not reweighted using the RPIE data. However, the Loft expenditure items were placed into the seven components used in the Apartment PIOC, except for the Attorney Fees expense item, which has traditionally been its own, separate expense component. Therefore, the Loft Index has eight components. Because these items were not reweighted, just moved, the overall change in the Loft PIOC can be compared historically to past indices.

The decrease in the Loft Index this year was 0.3%, 0.7 percentage points lower than the 0.4% increase in 2015. Increases in costs were seen in seven of the eight components that make up this index. Insurance Costs witnessed the highest rise, increasing 8.2%, followed by increases in Taxes

Lofts

Change In Costs for Rent Stabilized Loft Buildings, March 2015 to March 2016

Taxes	7.5%
Labor Costs	3.7%
Fuel	-46.3%
Utilities	1.6%
Maintenance	2.7%
Admin Costs-Legal	2.4%
Admin Costs-Other	3.3%
Insurance Costs	8.2%
All Costs	**-0.3%**

of 7.5%. More moderate increases were seen in Utilities (1.6%) and Maintenance (2.7%). Labor Costs increased by 3.7%, Administrative Costs-Legal by 2.4%, and Administrative Costs-Other by 3.3%. These increases were offset by a decline in the Fuel component of 46.3%. See the table on the previous page and Appendix B.8 for changes in costs and prices for all rent stabilized lofts from 2015-16.

The Core PIOC

The Core PIOC, which measures long-term local trends by factoring out shifts in fuel costs for heating rent stabilized buildings in NYC, rose 4.2% in 2016. The rise in the 2016 Core was 5.4 percentage points higher than the Apartment Index (-1.2%), and 0.6 percentage points higher than last year's core (3.6%). The Core PIOC rose at a higher pace than the overall PIOC because fuel costs, which were not used to calculate the Core, declined 41%.

PIOC Projections for 2017

Section 26-510 of the Rent Stabilization Law requires the Board to consider prevailing and projected operating and maintenance costs for buildings containing rent stabilized apartments. Projections for components of the PIOC are performed to provide the Rent Guidelines Board with an estimate of how much costs are expected to rise in the year following the current Price Index. The PIOC Projection is used in correlation with the old "traditional" commensurate rent adjustment formula only. Before the new commensurate formulas were devised, the projection was used to assist the Board in setting guidelines for tenants choosing two- or three-year leases.

It is important to note that changes in costs and prices after March 2016, the last month covered by this study, will be measured in next year's Price Index. The PIOC Projection is not used in the calculation of the 'Net Revenue' and 'CPI-Adjusted NOI' commensurate formulas (see the "Commensurate Rent Adjustments" section on the next page), which calculate one- and two-year guidelines that will compensate owners for the most recent change in costs measured by the Price Index. The PIOC Projection should not be considered in combination with these newer formulas in establishing guidelines.

2017 Projections

Projected Change In Costs for Rent Stabilized Apartment Buildings, March 2016 to March 2017

Taxes	6.1%
Labor Costs	2.5%
Fuel	16.2%
Utilities	2.1%
Maintenance	2.3%
Administrative Costs	4.9%
Insurance Costs	5.0%
All Projected Costs	**5.5%***

*See Endnote 5

Projecting changes in the PIOC has become more challenging in recent years. Energy prices — which represent about one-eighth of the market basket of operating costs measured in the index — have become increasingly volatile. Unpredictable geo-political events, recession and changing weather patterns are some of the forces behind large changes in fuel-related costs (heating fuel oil, electricity, gas and steam) that have in turn hindered the accuracy of the PIOC projections in recent studies. The tax component, which accounts for roughly a quarter of the entire Price Index, has also become harder to project due to changes in tax policy, such as tax rate reductions and changes to the City's tentative assessment roll, after the period covered in this Price Index.

This year, operating costs in rent stabilized apartment buildings decreased by 1.25%, versus last year's projected PIOC increase of 4.20%, a difference of 5.5 percentage points. The components that had the most impact in the disparity between actual changes in costs versus projected changes were Fuel and Utilities. Fuel prices were expected to be flat (0.0%), but actually fell 41.2% in 2016. Utilities, which were projected to rise by 2.6%, fell instead by 0.3%, a difference of 2.9 percentage points. The remaining 2016 projected components of the PIOC were all within 0.6 percentage points of the actual measured changes.

Overall, the PIOC is expected to grow by 5.5% from 2016 to 2017. Costs are predicted to rise in each component, with the largest growth, of 16.2%, projected to be in Fuel Costs. Taxes, which is the component that carries the most weight in the Index, is projected to increase 6.1%. Other projected increases include Insurance (5.0%), Labor Costs (2.5%), Maintenance (2.3%), Administrative Costs (4.9%) and Utilities (2.1%). The table on the previous page shows predicted changes in PIOC components for 2017. The core PIOC is projected to rise 4.0%, 1.5 percentage points lower than the overall projected Apartment PIOC.[5]

Commensurate Rent Adjustments

Throughout its history, the Rent Guidelines Board has used a formula, known as the commensurate rent adjustment, to help determine annual rent guidelines for rent stabilized apartments. In essence, the "commensurate" combines various data concerning operating costs, revenues, and inflation into a single measure indicating how much rents would have to change for net operating income (NOI) in stabilized buildings to remain constant. The different types of "commensurate" adjustments described below are primarily meant to provide a foundation for discussion concerning prospective guidelines.

In its simplest form, the commensurate rent adjustment is the amount of rent change needed to maintain owners' current dollar NOI at a constant level. In other words, the formula provides a set of one- and two-year renewal rent increases or guidelines that will compensate owners for the change in prices measured by the PIOC and keep net operating income "whole."

The first commensurate method is called the "Net Revenue" approach. While this formula takes into consideration the types of leases actually signed by tenants, it does not adjust owners' NOI for inflation. The "Net Revenue" formula is presented in two ways: First, adjusting for the mix of lease terms; and Second, adding an assumption for stabilized apartment turnover and the impact of revenue from vacancy increases. Under the "Net Revenue" formula, a guideline that would preserve NOI in the face of this year's 1.2% decrease in the PIOC is -1.9% for a one-year lease and 0% for a two-year lease. Using this formula, and adding assumptions for the impact of vacancy increases on revenues when apartments experience turnover, result in guidelines of -4.0% for one-year leases and -2.0% for two-year leases.

The second commensurate method considers the mix of lease terms while adjusting NOI upward to reflect general inflation, keeping both operating and maintenance (O&M) costs and NOI constant. This is commonly called the "CPI-Adjusted NOI" formula. A guideline that would preserve NOI in the face of the 0.3% increase in the Consumer Price Index (see Endnote 3) and the 1.2% decrease in the PIOC is -1.7% for a one-year lease and 0% for a two-year lease. Guidelines using this formula and adding the estimated impact of vacancy increases are -3.75% for one-year leases and -2.0% for two-year leases.[6]

The "traditional" commensurate adjustment is the formula that has been in use since the inception of the Rent Guidelines Board. The "traditional" commensurate yields -0.8% for a one-year lease and 1.0% for a two-year lease. This reflects the decrease in operating costs of 1.2% found in the 2016 PIOC and the projection of a 5.5% increase next year.[7]

As a means of compensating for cost changes, this "traditional" commensurate rent adjustment has two major flaws. First, although the formula is supposed to keep owners' current dollar income constant, the formula does not consider the mix of one- and two-year lease renewals. Since only about three-fifths of leases are renewed in any given year, with a preponderance of leases having a two-year duration, the formula does not necessarily accurately estimate the amount of income needed to compensate owners for O&M cost changes.

A second flaw of the "traditional" commensurate formula is that it does not consider the erosion of owners' income by inflation. By maintaining current dollar NOI at a constant level, adherence to the formula may cause profitability to decline over time. However, such degradation is not an inevitable consequence of using the "traditional" commensurate formula.[8]

All of these methods have their limitations. The "traditional" commensurate formula is artificial and

Commensurates

"Net Revenue" Commensurate Adjustment

1-Year Lease	2-Year Lease
-1.9%	0.0%

"Net Revenue" Commensurate Adjustment with Vacancy Increase

1-Year Lease	2-Year Lease
-4.0%	-2.0%

"CPI-Adjusted NOI" Commensurate Adjustment

1-Year Lease	2-Year Lease
-1.7%	0.0%

"CPI-Adjusted NOI" Commensurate Adjustment with Vacancy Increase

1-Year Lease	2-Year Lease
-3.75%	-2.0%

"Traditional" Commensurate Adjustment

1-Year Lease	2-Year Lease
-0.8%	1.0%

does not consider the impact of lease terms or inflation on owners' income. The "Net Revenue" formula does not attempt to adjust NOI based on changes in interest rates or deflation of owner profits. The "CPI-Adjusted NOI" formula inflates the debt service portion of NOI, even though interest rates have been generally falling, rather than rising, over recent years. Including a consideration of the amount of income owners receive on vacancy assumes that turnover rates are constant across the City.

Finally, it is important to note that only the "traditional" commensurate formula uses the PIOC projection and that this projection is not used in conjunction with or as part of the "Net Revenue" and "CPI-Adjusted NOI" formulas. As stated previously, all three formulas attempt to compensate owners for the adjustment in their operating and maintenance costs measured each year in the PIOC. The "Net Revenue" and the "CPI-Adjusted NOI" formulas attempt to compensate owners for the adjustment in O&M costs by using only the known PIOC change in costs (-1.2%). The traditional method differs from the other formulas in that it uses both the PIOC's actual change in costs as well as the projected change in costs (5.5%). If the change in projected costs, which may not be an accurate estimate of owner's costs, is added to the "Net Revenue" and "CPI-Adjusted NOI" formulas, the resulting guidelines will likely over- or under-compensate for the change in costs.

Each of these formulae may be best thought of as a starting point for deliberations. The other Rent Guidelines Board annual research reports (e.g., the *Income and Affordability Study* and the *Income and Expense Study*) and testimony to the Board can be used to modify the various estimates depending on these other considerations.

Methodology

Owner Survey

The Owner Survey gathers information on management fees, insurance, and non-union labor from building managers and owners. Survey questionnaires, accompanied by a letter describing the purpose of the PIOC, were mailed to the owners or managing agents of stabilized buildings. If the returned questionnaire was not complete, an interviewer contacted the owner/manager and gathered the missing information. Owners could complete the survey online. All of the price information given by the owner/managing agent was then confirmed by calling the relevant insurance and management companies and non-union employees.[9]

The sample frame for the Owner Survey included over 40,000 stabilized buildings registered with the New York State Division of Housing and Community Renewal (DHCR). A random sampling scheme was used to choose 5,100 addresses from this pool for the owner mailing. The number of buildings chosen in each borough was nearly proportional to the share of stabilized buildings in that borough. Three successive mailings were sent at timed intervals to the owner or managing agent of each property selected in the survey sample.

Roughly 10.4% of the questionnaires mailed out received a response, a higher rate than last year (8.9%). A total of 485 returned surveys contained usable information, from which quotes of owners' annual insurance costs (412), non-union labor quotes (147) and management fees (60) were validated. The number of verified prices in 2015 and 2016 for the Owner Survey is shown in Appendix B.1.

Taxes

The buildings used to compute the 2016 tax price relative was developed by providing a list of rent stabilized properties registered with DHCR to the NYC Department of Finance. Finance "matched" this list against its records to provide data on assessed value, tax exemptions, and tax abatements for almost 39,000 buildings in FY 2015 and FY 2016. This data was used to compute a tax bill for each stabilized building in each of these fiscal years. The change computed for the PIOC is simply the percentage difference in aggregate tax bills for these buildings from FY 2015 to FY 2016.

Labor Costs

Approximately two-thirds of the Labor Costs component consists of the cost of unionized labor. Rate increases for unionized labor, including wage increases and health benefits, come directly from the contracts of unions that represent workers in rent stabilized apartment buildings and hotels. The cost of Social Security and unemployment insurance is obtained from the NYS Department of Labor and the Internal Revenue Service (IRS). Wage increases for non-union labor are obtained from the Owner Survey (see methodology above).

Fuel

The Fuel component consists of all types of fuel used for heating buildings, including oil, natural gas, electricity and steam.

Over two-thirds of this component is the cost of fuel oil. Fuel oil price information is gathered on a monthly basis via a telephone survey. A monthly survey makes it possible to keep in touch with fuel oil vendors and to gather the data on a consistent basis (i.e., on the same day of the month for each vendor). Vendors are called each month to minimize the likelihood of misreporting and also to reduce the reporting burden for the companies that do not care to look up a year's worth of prices. The number of fuel oil quotes gathered this year for #2 and #4 oil is similar to last year and is contained in Appendix B.1. Legislation passed in 2010 (Local Law 43) required building owners to phase out their use of #6 oil in favor of the relatively cleaner #2 and #4 oil, or natural gas, by June 30, 2015. As such, prices for #6 oil, although collected, were not used by staff and the weight of this item was redistributed to the other heating items (including gas and steam). To calculate changes in fuel oil costs, monthly price data is weighted using a degree-day formula to account for changes in the weather. The number of Heating Degree Days (see Endnote 4) is a measure of heating requirements.

The Fuel component includes not only the cost of fuel oil, but also the cost to heat buildings with natural gas, electricity and steam. For these items, RGB staff calculates a hypothetical monthly bill for utilities based in part on supply rates, fuel adjustments, delivery charges, taxes, and other surcharges and fees. Bills are calculated based on typical usage in a multi-family building in New York City, an amount that remains constant from year to year. Because these items represent prices to heat buildings, monthly price data is adjusted to account for changes in weather. The price relatives for all items in the Fuel component were calculated by comparing the most recent 12-month period from April-March with the prior April-March period.

Utilities

The Utilities component consists of costs for non-heating electricity and natural gas, as well as water and sewer charges. RGB staff calculates a hypothetical monthly bill for electricity and natural gas based in part on supply rates, fuel adjustments, delivery charges, taxes, and other surcharges and fees. Bills are calculated based on typical usage in a multi-family building in New York City, an amount that remains constant from year to year. The price relatives for electricity and natural gas items in the Utilities component were calculated by comparing the most recent 12-month period from April-March with the prior April-March period.

Water and sewer price changes are based on annual rate adjustments set by the NYC Water Board.

Maintenance

All prices for items in this component are obtained via a vendor survey. This survey is used to gather price quotes for items such as painting and other services performed by contractors; hardware and cleaning items (e.g., mops and floor polish); and appliances that need periodic replacement (e.g., refrigerators and stoves). Each year the vendor database is updated by adding new vendors and by deleting those who no longer carry the products or perform the services outlined in the Vendor Survey item specifications. Vendor quotes were obtained over the telephone and for non-service based items from both the telephone and websites that carry items in the PIOC's market basket of goods. A total of 595 recorded price quotes were gathered. For a description of the items priced and the number of price quotations obtained for each item, refer to Appendix B.1.

Administrative Costs

Management fees are obtained directly from building owners and managers, via the Owner Survey (see methodology above). Other expense items, such as accountant and attorney fees, are obtained via the Vendor Survey (see "Maintenance" section, above). For communications costs, because there are so many variations in types of plans for internet and phone service, staff relied on the national Consumer Price Index to obtain price changes for these items. Monthly price changes were obtained from the Bureau of Labor Statistics website and were calculated by comparing the most recent 12-month period from March-February with the prior March-February period. For a list of all the expense items contained in the Administrative Costs component, see Appendix B.1.

In 2015, as part of the Owner Survey sent to owners and management companies, respondents were asked for detailed information on their administrative costs. Respondents noted how much they spent in 2014 for items such as management, accounting, and attorney fees, as well as office supplies, equipment costs, communication services, and advertising. Based on the results of this survey, individual items within the Administrative Costs component were reweighted, the item of "Leases" was removed from the component, and two new Administrative items, copy paper and P.O. Boxes were added. See Appendix B.2 for the 2016 weights for each of these items.

Insurance Costs

The Owner Survey (discussed above) asks owners to provide information about their current and prior year's insurance policies. Temporary workers call the relevant insurance agents/brokers to verify this information. Only verified insurance costs are included in the PIOC.

Price Index Projections

The PIOC Projections are estimated by using data from federal, state and local agencies; estimates from industry experts; and trend forecasting using three-year or long-term averages. This year projections are based on the time period from April 2016 to March 2017.

Taxes were projected by using data from the Department of Finance's tentative assessment roll for FY 2017 along with estimates of how the final PIOC tax index has compared to the change in the tentative assessment roll over the last decade. These estimates produce a projected tax cost for the owners of rental properties. Labor costs are projected by calculating the average wage increase of the most recent labor contracts for apartment workers union Local 32-BJ and a ten-year geometric average of all other Labor items. Fuel oil costs are projected by using data and information from the U.S. Energy Information Administration's (EIA) current "Short-Term Energy

Outlook" report, which includes assumptions about changes in usage according to a projected return to the average temperature over the last five years. Utility costs are projected by obtaining rate projections for the coming year from the New York City Water Board and EIA projections. Natural gas rate projections are combined with assumptions about usage as if the coming year's weather had the five-year average number of Heating Degree Days.[10]

The other components — Administrative Costs, Insurance Costs, and Maintenance — are projected by using three-year geometric averages of the component price relatives.

Acknowledgments

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Endnotes

1. The I&E data provide a more current estimate of changes in O&M costs for all stabilized units than the PIOC data, with the PIOC diverging more from the I&E data over time. Evidence suggests that a major cause is old baseline data on expenditures. For a complete analysis, see *Comparing the Price Index of Operating Costs (PIOC) and the RGB Income and Expense Study* by Dr. James F. Hudson, dated March 21, 2014 under Special Reports and Briefs at http://nycrgb.org/html/research/cresearch.html

2. As with any data collection effort, there are some concerns with data quality and accuracy. However, these reported expenses are close to the actual O&M costs for the reporting buildings, and are more representative of owner expenditure patterns than the pattern used in the previous PIOCs, which were based on a survey conducted in 1983. In general, the I&E data is representative of actual expense changes from 2014, at least for the buildings with 11 or more units which must submit full RPIE reports annually.

3. The average CPI for All Urban Consumers, New York-Northeastern New Jersey for the year from March 2014 to February 2015 (260.1) compared to the average for the year from March 2015 to February 2016 (260.9) rose by 0.3%. This is the latest available CPI data and is roughly analogous to the 'PIOC year', which for the majority of components compare the most recent point-to-point figures from April to March, monthly cost-weighted figures from April to March, or the two most recent fiscal year bills.

4. The cost-weight relatives are calculated on an April to March time period. The April 2015 to March 2016 time period was 22.1% warmer than the previous April to March period. "Normal" weather refers to the typical number of Heating Degree Days measured at Central Park, New York City, over the 30-year period from 1981-2010. A Heating Degree Day is defined as, for one day, the number of degrees that the average temperature for that day is below 65 degrees Fahrenheit.

5. The initial release of this report, on April 14, 2016, reported a 2017 PIOC Projection of 4.5%. This projection has since been updated, to 5.5%. The discrepancy was due to an incorrect projection of the tax component of the PIOC, which was originally projected to rise 2.6%, but is now projected to rise 6.1%. The initial calculation of this component did not include taxable assessed valuations from Class 2 buildings in Brooklyn, which resulted in an artificially low projection. The incorrect projection of the tax component, which carries a quarter of the weight on the entire PIOC, resulted in an overall projection of costs that was one percentage point lower than the revised projection. In addition, the projected Core PIOC for 2017 also increased from what was originally reported, rising from 2.9% to 4.0%. Please note that all other projected change in costs for the remaining six components are the same as reported in the original report.

6. The following assumptions were used in the computation of the commensurates: (1) the required change in owner revenue is 66.0% of the 2016 PIOC decrease of -1.2%, or -0.8%. The 66.0% figure is the most recent ratio of average operating costs to average income in stabilized buildings; (2) for the "CPI-Adjusted NOI" commensurate, the increase in revenue due to the impact of inflation on NOI is 34.0% times the latest 12-month increase in the CPI ending February 2015 (0.3%), or 0.1%; (3) these lease terms are only illustrative—other combinations of one- and two-year guidelines could produce the adjustment in revenue; (4) assumptions regarding lease renewals and turnover were derived from the 2014 Housing and Vacancy Survey; (5) for the commensurate formulae, including a vacancy assumption, the 10.0% median increase in vacancy leases found in the rent stabilized apartments that reported a vacancy lease in the 2015 apartment registration file from the Division of Housing and Community Renewal was used; and (6) the collectability of these commensurate adjustments are assumed.

7. The "traditional" commensurate adjustment for two-year lease renewals has been revised since the initial release of this report on April 14, 2016. In the initial report, the 2017 PIOC projection of 4.5%, which was used in calculating the "traditional" commensurate, was calculated incorrectly. The corrected projection is 5.5% and it is used to calculate the "traditional" commensurate in this report. This has resulted in raising the "traditional" commensurate two-year lease renewal from 0.7% to 1.0%. The one-year lease renewal for the "traditional" commensurate was not impacted by this revision because the PIOC projection is not used to calculate the one-year adjustment. It remains at -0.8%. The collectability of legally authorized adjustments is assumed.

8. Whether profits will actually decline depends on the level of inflation, the composition of NOI (i.e., how much is debt service and how much is profit), and changes in tax law and interest rates.

9. In an attempt to update the PIOC, this year an expenditure survey for Fuel Costs was in included in the Owner Survey. The results of this survey were not used to reweight the expense items in the Fuel Costs this year but should be incorporated in next year's PIOC. Each year staff will try to update a different PIOC expense component via the Owner Survey.

10. Source: "Short-Term Energy Outlook," March 2016. U.S. Energy Information Administration, Department of Energy.

2016 Income and Expense Study

What's New

From 2013 to 2014, Net Operating Income (revenue remaining after operating expenses are paid) grew **3.5%**. This is the **tenth** consecutive year that net operating income has increased.

On average, in stabilized buildings, from 2013-2014:

✔ Rental income increased by **4.8%**.

✔ Total income rose by **4.9%**.

✔ Operating costs increased by **5.6%**.

✔ Net operating income (NOI) grew by **3.5%.**

Introduction

As required by the Rent Stabilization Law, the Rent Guidelines Board (RGB) has analyzed the cost of operating and maintaining rental housing in New York City since 1969, as part of the process of establishing rent adjustments for stabilized apartments. Historically, the Board's primary instrument for measuring changes in prices and costs has been the Price Index of Operating Costs (PIOC), a survey of prices and costs for various goods and services required to operate and maintain rent stabilized apartment buildings.

In 1990, the RGB acquired a new data source that enabled researchers to compare PIOC-measured prices and costs with those reported by owners: Real Property Income and Expense (RPIE) statements from rent stabilized buildings collected by the NYC Department of Finance. These Income and Expense (I&E) statements, filed annually by property owners, provide detailed information on the revenues and costs of income-producing properties. The addition of I&E statements has greatly expanded the information base used in the rent setting process. I&E statements not only describe conditions in rent stabilized housing in a given year, but also depict changes in conditions over a two-year period. Most importantly, I&E data encompasses both revenue and expenses, allowing the Board to more accurately gauge the overall economic condition of New York City's rent stabilized housing stock.

These findings examine the conditions that existed in New York's rent stabilized housing market in 2014, the year for which the most recent data is available, and also the extent by which these conditions changed from 2013.

Local Law 63

The income and expense data for stabilized properties originates from Local Law 63, enacted in 1986. This statute requires owners of apartment buildings and other properties to file RPIE statements with the NYC Department of Finance annually. While certain types of properties are exempt from filing RPIE forms (cooperatives, condominiums, most residential-only buildings with fewer than 11 units or with an assessed value under $40,000), the mandate produces detailed financial records on thousands of rent stabilized buildings. Although information on individual properties is strictly confidential, the NYC Department of Finance is allowed to release summary statistics of the data to the RGB.

Since 1990, the RGB has received data on samples of rent stabilized properties that file RPIE forms. Samples in the first two studies (data for 1988 and 1989) were limited to 500 buildings, because RPIE files were not automated. Upon computerization of I&E filings in 1992 (for cross-sectional data from 1990 and longitudinal data from 1989-90), the size of the samples used in RGB I&E studies has grown and this year includes 15,525 properties containing 698,801 units.

Cross-Sectional Study

Rents and Income[1]

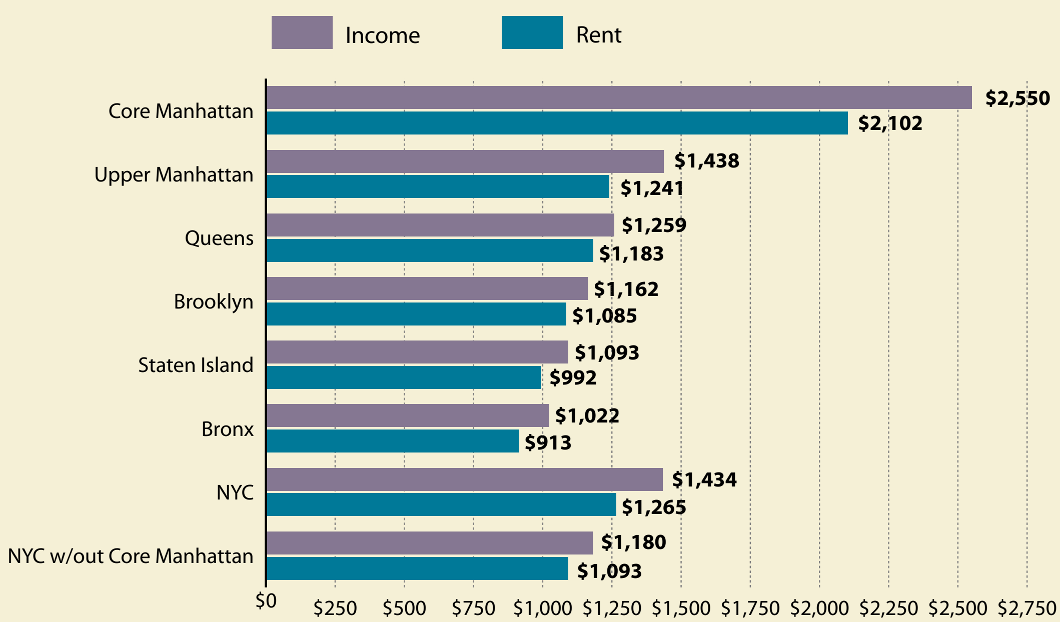
In 2014, rent stabilized property owners collected monthly rent averaging $1,265 per unit. Similar to prior years, units in pre-war buildings rented for less on average ($1,186 per month) than those in post-war buildings ($1,474 per month).[2] At the borough level, the average monthly rents in stabilized buildings were $1,758 in Manhattan ($2,102 in Core Manhattan and $1,241 in Upper Manhattan); $1,183 in Queens; $1,085 in Brooklyn; $992 in Staten Island; and $913 in the Bronx. Average monthly rent per unit in the City, excluding Core Manhattan, was $1,093.

Looking at *median* figures, the median rent Citywide was $1,090. At the borough level, median monthly rent was $1,492 in Manhattan; $1,143 in Queens; $1,014 in Brooklyn; $958 in Staten Island; and $899 in the Bronx.

Many owners of stabilized buildings augment income from their apartment rents by selling services to their tenants as well as by renting commercial space. Current RPIE filings show an average monthly gross income of $1,434 per unit in 2014, with pre-war buildings earning $1,347 per unit and those in post-war properties earning $1,663 per unit. Gross income was highest in Core Manhattan, at $2,550 per unit per month, and lowest in the Bronx, at $1,022. Monthly income per unit in the City, excluding Core Manhattan, was $1,180. These gross income figures encompass rent from stabilized apartments as well as the sale of services (e.g., laundry, parking) and commercial income (e.g., retail, cell towers, billboards). Such proceeds accounted for an 11.8% share of the total income earned by building owners in 2014, up from 11.6% the prior year. By borough, income earned from the sale of services was 16.5% in Manhattan (17.6% in Core Manhattan and 13.7% in Upper Manhattan); 10.7% in the Bronx; 9.2% in Staten Island; 6.7% in

Average Monthly Collected Rent/Income per Dwelling Unit by Borough*

Rent and Income Were Highest in Manhattan in 2014



* See endnote 1
Note: Core Manhattan represents the area south of W 110th and E 96th Streets.
Upper Manhattan is the remainder of the borough.
Source: NYC Department of Finance, 2014 RPIE Data

Brooklyn; and 6.1% in Queens. The graph on the previous page shows the average rent and income collected in 2014 by borough, and for the City as a whole.

Median Citywide income for owners in 2014 was $1,186. At the borough level, Manhattan had the highest median income, at $1,733; followed by Queens at $1,179; Staten Island at $1,058; Brooklyn at $1,063; and the Bronx at $983. (For rent and income averages and medians by borough and building age and size, see Appendices C.3 and C.4.)

Comparing Rent Measurements

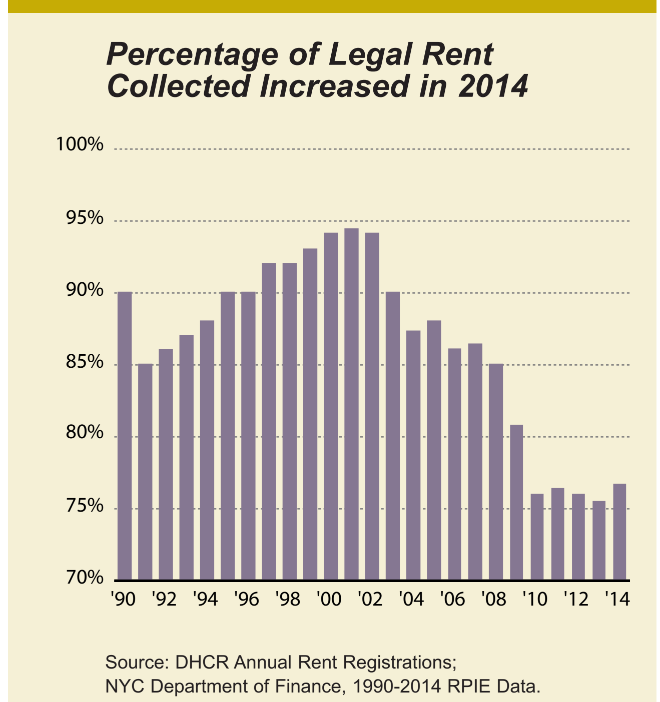
Two independent data sources, the triennial NYC Housing and Vacancy Survey (HVS) and the NYS Division of Housing and Community Renewal (DHCR) annual registration data, provide important comparative rent data to the collected rents stated in NYC Department of Finance (RPIE) filings. A comparison of the collected RPIE rents to the HVS and DHCR rents is a good indicator of the overall rental market and reflects both how well owners are able to collect the rent roll and the prevalence of vacancies.

Rents included in RPIE filings are different than HVS and DHCR figures primarily because of differences in how average rents are computed. RPIE data reflects actual rent collections that account for vacancies or non-payment of rent. HVS data consists of contract rent (the amounts stated on leases, which includes both legal and preferential rents) while DHCR data consists of legal rents registered annually with the agency. Because HVS and DHCR rent data do not include vacancy and collection losses, in most years these rents are generally higher than RPIE rent collections data. Furthermore, RPIE information reflects rents collected over a 12-month period; DHCR data reflects rents registered on April 1, 2014; and 2014 HVS figures are contract rents in effect during the first four months of 2014. Because 2014 was the most recent year in which the HVS was conducted, it is possible to compare rent data from all three sources. In sum, despite the anomalies between the three rent indicators, the difference between RPIE rents and HVS or DHCR rents is a good estimate of vacancy and collection losses incurred by building owners, and the relative change in the gap is one way of estimating the change in such losses from year to year.

The latest RPIE and HVS data (2014) shows that the HVS average contract rent of $1,317 for all rent stabilized apartments was 4.1% greater than the RPIE average collected rent of $1,265 among buildings containing rent stabilized buildings.[3] In most years where the HVS and RPIE average rent figures could be compared, the HVS figure has generally exceeded the RPIE average. For instance, in 2011, the HVS average for all rent stabilized apartments was 6% greater than the RPIE average; in 2005, also 6%; in 1999, 2%; in 1996, 9%; in 1993, 6%; and in 1991, 4%. The only years when the average rent computed by the HVS did not exceed the RPIE average collected rent was in 2008, where they were virtually equal, and in 2002, when the RPIE rent exceeded the HVS rent by 5%.

HVS and RPIE data can also be analyzed by the age of the building. The 2014 HVS average contract rent in older, pre-war apartments was $1,246, which was 5.1% higher than the RPIE average collected rent

Average Monthly Citywide Collected Rents as a Share of Average Monthly DHCR Legal Registered Rents, 1990-2014



of $1,186. And the HVS average rent for units built after 1946, $1,522, was 3.3% higher than the 2014 RPIE average rent of $1,474.

In comparing annual RPIE and DHCR average rents from 1991 to 2001, the gap between the two contracted steadily during that time period. In fact, from 1991- 2001, the difference between RPIE and DHCR rents decreased by almost two-thirds, from a difference of 15% between the two in 1991 to a difference of 5.6% in 2001. By contrast, from 2002 until 2013, the gap grew almost every year. However, in 2014, the gap declined from 24.5% in 2013 to the current 23.3%, as indicated by the average I&E rent of $1,265 and DHCR's average stabilized rent of $1,648.[3] The decrease in the gap between collected and legal rent indicates that building owners are collecting a higher proportion of their legal rent rolls in 2014 (see graph on the previous page).

At the borough level, the gap between collected and legal rent varies widely. In 2014, Manhattan property owners collected an average rent ($1,758) that was 22.9% below DHCR's average legal rent for the borough ($2,281), while owners in the other boroughs collected average rents that were 22.1% lower than legal rents in Queens; 23.7% lower in Brooklyn; 26.1% lower in the Bronx; and 31.9% lower in Staten Island. At least part of this differential in the boroughs is due to preferential rents, usually offered when the legal stabilized rent exceeds the market rate for the area.[4]

Another benchmark that can help place RPIE rent data in context is the RGB Rent Index, which measures the overall effect of the Board's annual rent increases on contract rents each year. As the table on this page shows, average RPIE rent growth was higher than the renewal lease increases allowed by the RGB's guidelines for a fourth consecutive year. RPIE rent growth, up 4.8%, was greater than the increase in the RGB rent index, which was up 4.1%, between 2013 and 2014 (adjusted to a calendar year).[5] There are a number of ways in which rents may be raised beyond the RGB's guidelines, including the deregulation of apartment units; raising preferential rents; and through individual apartment and building-wide improvements.

An extended view of the three indices illustrates that overall, DHCR legal rents have grown faster than both collected rents and RGB rent guidelines from 1990 to 2014. During that period, DHCR adjusted legal rents increased 191.8%; RPIE collected rents increased 170.3%; and the RGB Rent Index increased 161.9% (these figures are not adjusted for inflation).[6]

Rent Comparisons, 1990-2014

2013-14 DHCR Legal Rents Grew Faster Than RPIE Collected Rents and RGB Rent Index

	RPIE Rent Growth	DHCR Rent Growth (Adjusted)§	RGB Rent Index (Adjusted)Ø
90-91	3.4%	4.1%	4.1%
91-92	3.5%	3.0%	3.7%
92-93	3.8%	3.0%	3.1%
93-94	4.5%	2.4%	2.9%
94-95	4.3%	3.1%	3.1%
95-96	4.1%	4.1%	4.5%
96-97	5.4%	4.6%	5.2%
97-98	5.5%	3.3%	3.7%
98-99	5.5%	3.7%	3.8%
99-00	6.2%	4.4%	4.2%
00-01	4.9%	5.3%	5.0%
01-02	4.0%	4.4%	4.5%
02-03	3.6%	6.9%	4.1%
03-04‡	-	1.6%	5.5%
04-05	4.6%	5.8%	4.6%
05-06	5.6%	7.2%	4.3%
06-07	6.5%	6.0%	4.2%
07-08	5.8%	5.9%	4.7%
08-09	1.2%	5.4%	7.5%
09-10	0.7%	5.4%	5.2%
10-11	4.4%	5.7%	3.7%
11-12	5.0%	5.8%	4.4%
12-13	4.5%	5.4%	4.1%
13-14	4.8%	5.1%	4.1%
1990 to 2014*‡	170.3%	191.8%	161.9%

* Not adjusted for inflation
§ See endnote 3 Ø See endnote 5
‡ See endnote 6
Sources: NYS DHCR Annual Rent Registrations; NYC Department of Finance, 1990-2014 RPIE Data

Operating Costs

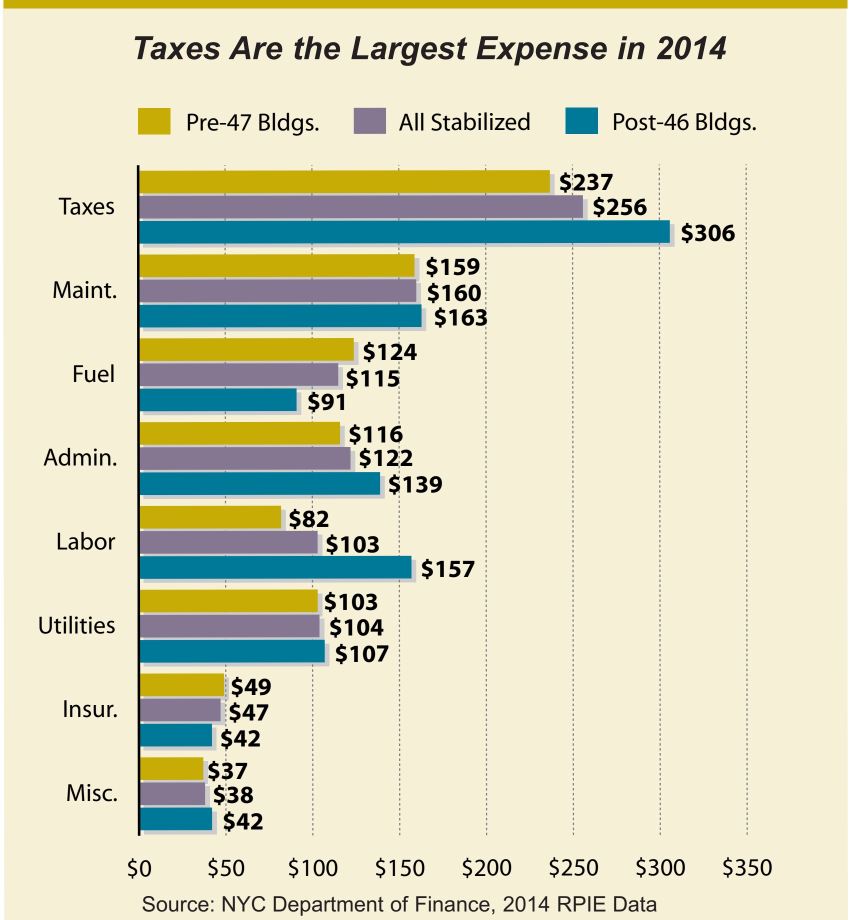
Rent stabilized apartment buildings regularly incur several types of expenses. RPIE filings include data on eight categories of operating and maintenance (O&M)

costs: taxes; labor; utilities; fuel; insurance; maintenance; administrative; and miscellaneous costs. Costs do not include debt service. However, in contrast to revenues, this data does not distinguish between expenses for commercial space and those for apartments, making the calculation of "pure" residential operating and maintenance costs impossible, except in a smaller sample of residential-only buildings. Thus, the operating costs reported are comparatively high because they include maintenance costs for commercial space.

The average monthly operating cost for units in stabilized buildings was $946 in 2014. Costs were lower in units in pre-war structures ($907), and higher among post-war buildings ($1,047). Geographically, average costs were lowest in Staten Island ($749); Bronx ($753); Brooklyn ($756); and Queens ($829); and highest in Manhattan ($1,333). Looking more closely at Manhattan buildings, costs for units located in Core Manhattan averaged $1,545 a month, while the costs in Upper Manhattan were $1,013. The average monthly operating costs for stabilized building owners in New York City, excluding Core Manhattan, reduces the City average to $794. The graph on this page details average monthly expenses by cost category and building age for 2014. As the graph illustrates, taxes make up the largest share of expenses, averaging 27.1% of all costs.

Median Citywide expenses in 2014 were $826. By borough, Manhattan had the highest median costs, at $1,108; followed by Queens at $773; the Bronx at $732; Brooklyn at $699; and Staten Island at $681. (Appendices C.1, C.2 and C.3 break down average costs by borough and building age; Appendix C.4 details *median* costs; and Appendix C.6 details distribution of costs.)

Average Monthly Expense per Dwelling Unit per Month



Source: NYC Department of Finance, 2014 RPIE Data

In 1992, the NYC Department of Finance and RGB staff tested RPIE expense data for accuracy. Initial examinations found that most "miscellaneous" costs were actually administrative or maintenance costs, while 15% were not valid business expenses. Further audits on the revenues and expenses of 46 rent stabilized properties discovered that O&M costs stated in RPIE filings were generally inflated by about 8%. Costs tended to be less accurate in small (11-19 units) properties and more precise for large (100+ units) buildings. However, these results are somewhat inconclusive since several owners of large stabilized properties refused to cooperate with the NYC Dept. of Finance's assessors. Adjustment of the 2014 RPIE O&M cost ($946) by the results of the 1992 audit results in an average monthly O&M cost of $869 Citywide.

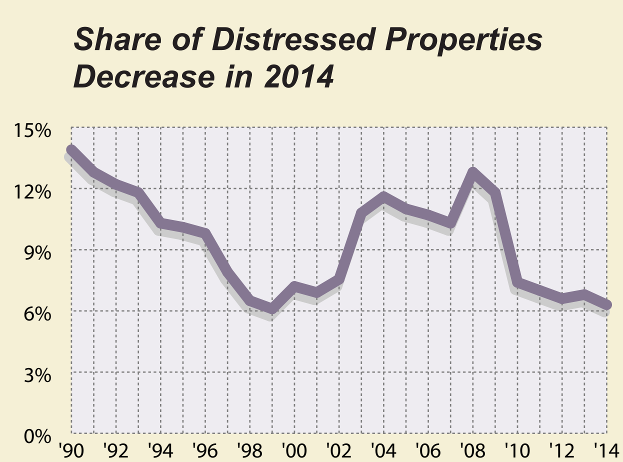
Just as buildings without commercial space typically generate less revenue than stabilized properties with commercial space, operating expenses in these buildings tend to be lower on average than in buildings with a mixture of uses. In 2014, unaudited average O&M costs for "residential-only" buildings were $869 per month and average audited O&M costs for these buildings were $798 per month.

"Distressed" Buildings

For the purposes of this study, buildings that have operating and maintenance costs greater than gross income are considered distressed. Among the properties that filed RPIEs for 2014, 982 buildings, or 6.3% of the cross-sectional sample, had O&M costs in excess of gross income, a half percentage point decline from the prior year's 6.8%. Since 1990, when 13.9% of the sample of stabilized properties were considered distressed, the proportion of distressed buildings declined each year until 1999, reaching a low of 6.1%. From 1999 until 2004, the proportion generally increased, but has declined for eight of the last ten years, and this year reached its lowest level in 15 years (see graph on this page).

Most distressed stabilized properties (61%) are mid-sized buildings, containing 20 to 99 units. In addition, the vast majority (93%) are pre-war buildings.

Percent of Distressed Properties in Cross-Sectional Samples 1990-2014



Source: NYC Department of Finance, 1990-2014 RPIE Data

Geographically, almost half (49%) of the buildings are located in Manhattan; while virtually all the remaining are in the Bronx (25%); Brooklyn (18%) and Queens (7%). (See Appendix C.7 for a complete breakdown of distressed buildings by borough, building size and building age.)

Net Operating Income

Revenues exceed operating costs in most stabilized buildings, yielding funds that can be used for mortgage payments, improvements and/or pre-tax profit. The amount of income remaining after operating and maintenance (O&M) expenses are paid is typically referred to as Net Operating Income (NOI). While financing costs, income taxes and appreciation determine the ultimate value of a property, NOI is a good indicator of its basic financial condition. Moreover, changes in NOI are easier to track on an aggregated basis than changes in profitability, which require an individualized examination of return on capital placed at risk.

On average, apartments in rent stabilized buildings generated $488 of net income per month in 2014, with units in post-war buildings earning more ($616 per month) than those in pre-war buildings ($440 per month). Average monthly NOI tended to be greater for stabilized properties in Manhattan ($774) than for those in the other boroughs: $430 in Queens; $406 in Brooklyn; $344 in Staten Island; and $269 per unit per month in the Bronx. There was a sizable difference when looking at NOI on a sub-borough level in Manhattan. Core Manhattan properties earned on average $1,005 per unit per month in NOI, while properties in Upper Manhattan yielded an NOI of $424. The monthly NOI average calculated Citywide, excluding Core Manhattan, was $386. Looking at the NOI using audited expense figures, the Citywide NOI in 2014 was $565.

Average monthly unaudited NOI in "residential-only" properties Citywide was $437 per unit in 2014, 10.4% lower than the average for all stabilized buildings.

NOI reflects the revenue available after payment of operating costs; that is, the amount of money owners have for financing their buildings; making improvements; and for pre-income tax profits. While NOI should not be the only criteria to determine the ultimate profitability of a particular property, it is a useful exercise to calculate the annual NOI for a hypothetical "average stabilized building" with 11 units or more. Multiplying the average unaudited monthly NOI of $488 per unit by the typical size of buildings in this year's cross-sectional sample (an average of 45.0 units) yields an estimated average annual NOI of about $264,000 in 2014. By contrast, examining the City, *excluding Core Manhattan,* the monthly NOI of $386 per unit multiplied by the typical size of buildings in this year's cross-sectional sample (an average of 45.4 units for this group) yields an estimated average annual Net Operating Income of about $210,000.

Operating Cost Ratios

Another way to evaluate the profitability of New York City's rent stabilized housing is by measuring the ratio of expenses to revenues. Traditionally, the RGB has used O&M Cost-to-Income and O&M Cost-to-Rent ratios to assess the overall health of the stabilized housing stock, presuming that buildings are better off by spending a lower percentage of revenue on expenses. The graph on this page shows how over the period from 1990 to 2014, the proportion of total income and rent collections spent on audited operating costs has fluctuated. The audited Cost-to-Income ratio in 2014 was 60.6%, down 0.1 percentage point from the prior year's 60.7%. This means that on average, owners of rent stabilized properties spent roughly 60.6 cents out of every dollar of revenue on operating and maintenance costs in 2014. Looking at unaudited expenses, the cost-to-income ratio in 2014 was 65.9%. The unaudited *median* cost-to-income ratio was 67% in 2014.

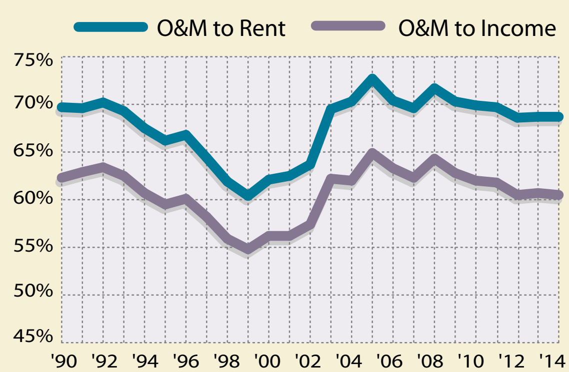
Examining the ratio of costs to rent collections, audited operating costs in 2014 were 68.7% of revenues from rent, unchanged from the prior year. Using unaudited expenses, the cost-to-rent ratio in 2014 was 74.8%. Looking at the unaudited *median* cost-to-rent ratio, it was 74% in 2014.

Rents, income, and costs per unit were on average highest in Core Manhattan in 2014 (see map and graphs on next page). When looking at the City with Core Manhattan excluded, the average revenue and costs figures are generally lower, resulting in expense to revenue ratios that are different. The audited Cost-to-Income Ratio for the rest of the City was 61.8%, higher than the Cost-to-Income Ratio for stabilized buildings in Manhattan's Core (55.6%). These figures indicate that on average, owners of stabilized properties outside of Core Manhattan spend roughly six cents more of every dollar of revenue on expenses, as compared to their counterparts in Core Manhattan.

In an analysis of the distribution of operating costs in relation to total income in buildings by decile, it may be useful to examine the percentage of buildings with cost-to-income ratios at or below certain levels. The Department of Finance calculated decile levels, revealing that half of all rent stabilized buildings Citywide have unaudited cost-to-income ratios of 0.67 or less. This means that half the building owners spent no more than 67 cents out of every dollar of revenue on operating and maintenance costs in 2014. Looking at the 70% decile level Citywide, 70% of buildings pay no more than 76 cents of every dollar of revenue on operating and maintenance costs, and 30% pay more. The complete table of all ten decile levels Citywide and by borough can be found in Appendix C.8.

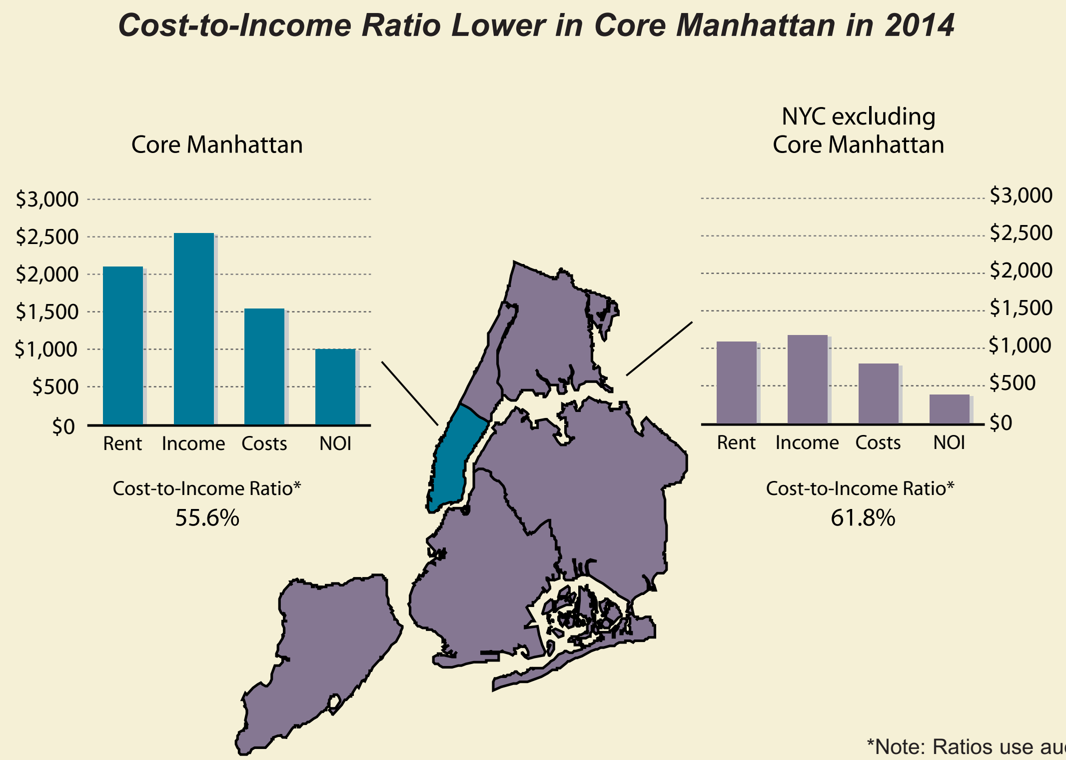
Ratios of Citywide Average Monthly Audited O&M Costs to Average Monthly Gross Income and Rent 1990-2014

Cost-to-Income and Cost-to-Rent Ratios Increase in 2014



Source: NYC Dept. of Finance, 1990-2014 RPIE Data

Average Monthly Rent, Income, Operating Costs and Net Operating Income per Dwelling Unit and Cost-to-Income Ratios, Core Manhattan and the Rest of the City, 2014



*Note: Ratios use audited costs.
Source: NYC Department of Finance, 2014 RPIE Data

Net Operating Income After Inflation

The amount of net operating income is a function of the level of expense and the level of revenue in a given year (revenues minus operating expenses equals net operating income). Adjusting NOI as well as rent, income and costs figures for inflation (in constant 2014 dollars) and comparing different base years to the latest data available is a useful way to assess the health of the stabilized housing stock and how well revenues have been meeting or exceeding expenses without erosion by inflation.

Point-to-point comparisons of average figures show that, from 1990 to 2014, *after* adjusting for inflation, NOI (the surrogate measure for profit) has increased 42.8% (see graph on next page). This indicates that revenues have outpaced expenses to the extent that average monthly NOI was worth 42.8% more in 2014 than it was in 1990, after adjusting for inflation. A different point-to-point comparison shows that between 2001 (NOI's second highest year since 1990) and 2014, NOI rose 4.4%, after adjusting for inflation.

Another way to look at how rent, income and costs, as well as NOI, have changed absent the effect of inflation is to graph inflation-adjusted monthly figures for each of the four components measured in the I&E studies. During the 1990 to 2014 period, inflation-adjusted rent increased a cumulative 33.6%, income by 35.3%, and costs by 31.8%, resulting in the aforementioned increase in NOI of 42.8%.

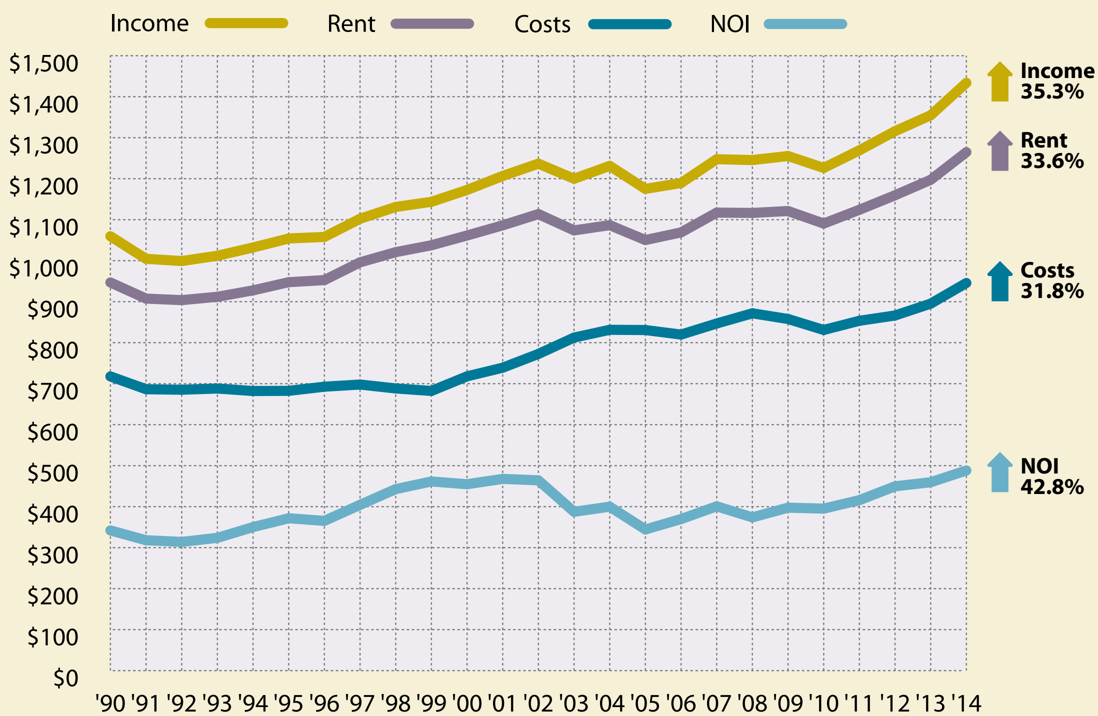
Examining the ratio of NOI to income, since 1990, the ratio has varied. From 1990-96, the ratio of NOI/income averaged 33%; from 1997-2002, 39%; from 2003-2008, 31%; and since 2009, the average ratio of NOI/income was about 33%. This means that on average, over the past six years, 33 cents of every dollar earned is net operating income for the owner.

While the Citywide graph of inflation-adjusted revenue, expense and NOI figures is useful for demonstrating the overall stabilized rental housing market, disaggregating the same figures by borough shows how the market can differ from area to area (see graphs on next page). Looking at each of the boroughs individually, from 1990 to 2014, all boroughs saw sizable increases in their net income, with Brooklyn seeing the most significant increase, up 86%; followed by Queens, up 57%; Manhattan, up 44%; and the Bronx, up 33%.

Citywide Income, Rent, Costs and NOI After Inflation, 1990-2014

Inflation-Adjusted Net Operating Income Up 42.8% Since 1990

(Average Monthly Income, Rent, Operating Costs and NOI per Dwelling Unit in Constant 2014 Dollars)

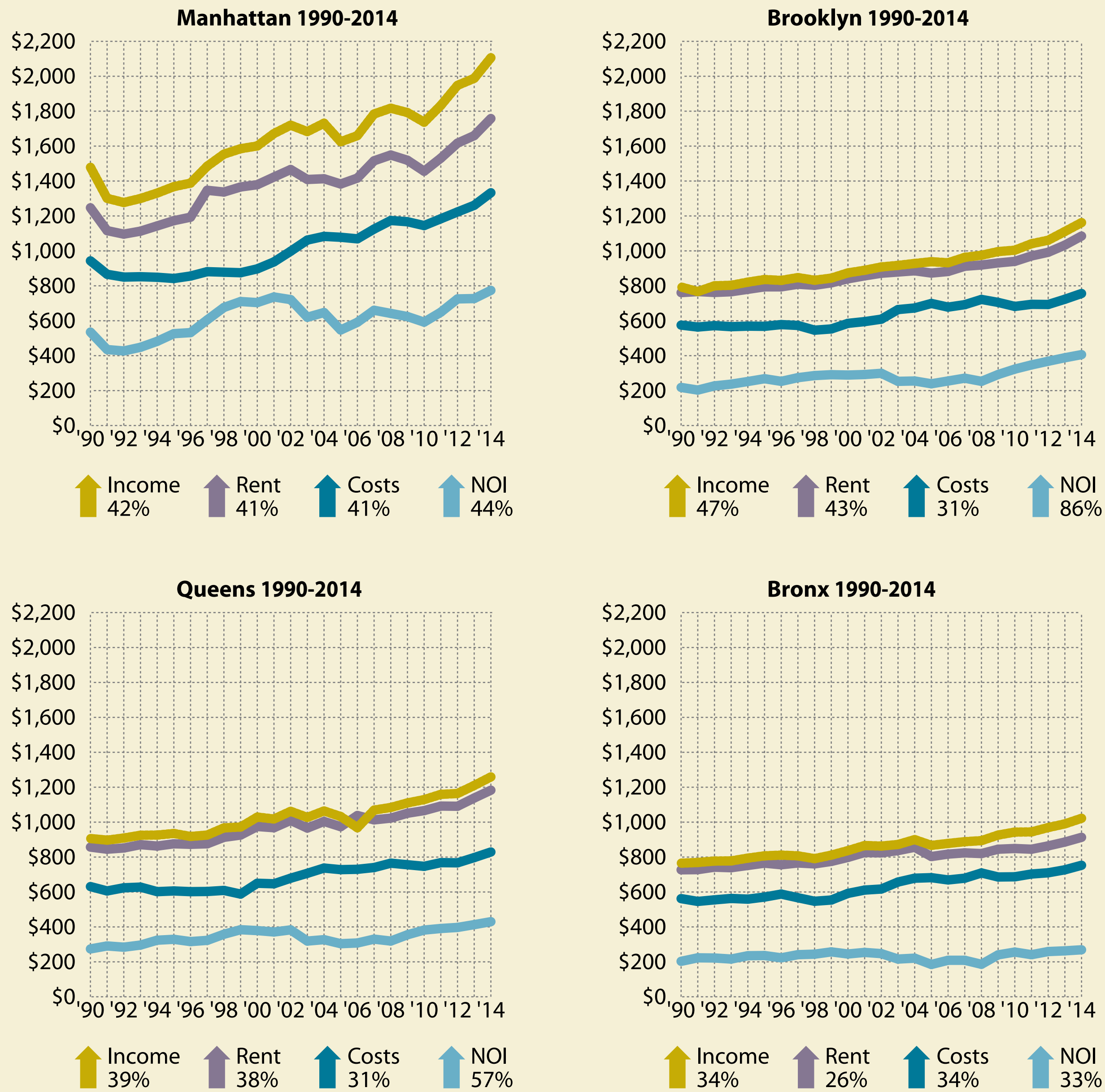


Note: Percent changes are point-to-point measurements and should not be considered cumulatively.
Sources: NYC Rent Guidelines Board *Income and Expense Studies*, 1992-2016.
NYC Department of Finance, 1990-2014 RPIE Data.

Income, Rent, Costs and NOI After Inflation per Borough, 1990-2014

Since 1990, Inflation-Adjusted NOI Rises Citywide and in Each Borough

(Average Monthly Income, Rent, Operating Costs and Net Operating Income per Dwelling Unit in Constant 2014 Dollars)



Note: Percent changes are point-to-point measurements and should not be considered cumulatively.
Staten Island is excluded due to insufficient data from prior years.
Sources: NYC Rent Guidelines Board *Income and Expense Studies*, 1992-2016.
NYC Department of Finance, 1990-2014 RPIE Data.

Longitudinal Study

The longitudinal section of this study measures changes in rent, income, costs, operating cost ratios, and net operating income that occurred in the same set of 12,973 buildings from 2013 to 2014.

Rents and Income

Rent collections increase for a number of reasons, including increases allowed under RGB renewal guidelines; vacancy allowances of at least 16-20% allowed under the Rent Regulation Reform Act of 1997; termination of preferential rents; individual apartments improvements; and building-wide improvements (MCIs).

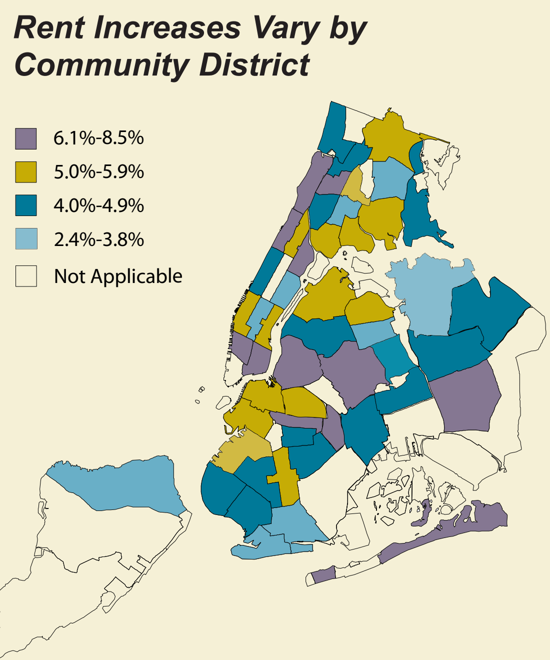
Average rent collections in stabilized buildings rose by 4.8% in 2014. Rent collections in pre-war buildings grew at a higher rate, up 5.0%, than in post-war buildings, which increased by 4.3%. Rent collections increased the greatest among smaller, 11-19 unit buildings, up 5.7%; while rents rose 5.0% among mid-sized, 20-99 unit buildings; and the least among large, 100+ unit buildings, up 3.9%. Examining rent collections by borough, Brooklyn saw the largest increase, up 5.2%; followed by the Bronx, up 4.8%; Manhattan, up 4.7%; Queens, up 4.3%; and Staten Island, up 1.6%. Within Manhattan, Upper Manhattan rents grew 4.9%, greater than the 4.6% increase in rents in Core Manhattan. Rent collections in the City, excluding Core Manhattan, rose 4.8%. The growth in *median* rent Citywide was 4.8%.

Looking at rent collections throughout New York City, every community district saw increases in average rent from 2013 to 2014.[7]

At the neighborhood level, the greatest rent growth was found in the Rockaways, Queens, rising 8.5%; Jamaica, Queens and East Harlem, Manhattan, both up 7.4%; and Morningside Heights/Hamilton Heights, Manhattan up 7.2%. Also among the largest rent increases were two Brooklyn neighborhoods: North Crown Heights/Prospect Heights, up 7.1%, and Brownsville, Ocean Hill, up 6.9%. The Bronx neighborhood seeing the largest increase was University Heights/Fordham, up 6.1%. See map on this page and Appendix C.13 for a breakdown of rent increases by community district throughout NYC.

The average total income collected in rent stabilized buildings, comprising apartment rents, commercial rents and sales of services, increased by 4.9% from 2013 to 2014. Revenues rose faster in pre-war buildings, up 5.2%, than in post-war buildings, up 4.2%. Brooklyn saw the highest growth in income, rising 5.2%; followed by Manhattan, up 5.0%; the Bronx, up 4.6%; Queens, up 4.4%; and Staten Island, up 2.3%. Within Manhattan, Upper Manhattan income rose 6.0%; while Core Manhattan income rose 4.7%. Total income in the City, excluding Core Manhattan, rose 4.9%. The *median* growth in income Citywide was 5.0%.

Change in Rent by Community District, 2013-14



Source: NYC Department of Finance, 2013-14 RPIE Data

Operating Costs

Average expenses in stabilized buildings Citywide increased 5.6% from 2013 to 2014. However, the change in operating costs varied by building age and by borough. Pre-war buildings saw expenses increase 5.3%, while newer, post-war buildings saw expenses increase 6.1%. Breaking down the change in costs by borough, costs rose the most in Brooklyn, up 5.9%; while costs rose 5.7% in both Manhattan and Staten Island; 5.6% in Queens; and 4.9% in the Bronx. Within Manhattan, Upper Manhattan costs rose 5.9%; while Core Manhattan costs rose 5.7%. Operating costs in the City, excluding Core Manhattan, rose 5.5%. Citywide, *median* expenses rose 4.8%. For a detailed breakdown of the changes in rent, income and costs by building size, age and location, see Appendices C.10 and C.11.

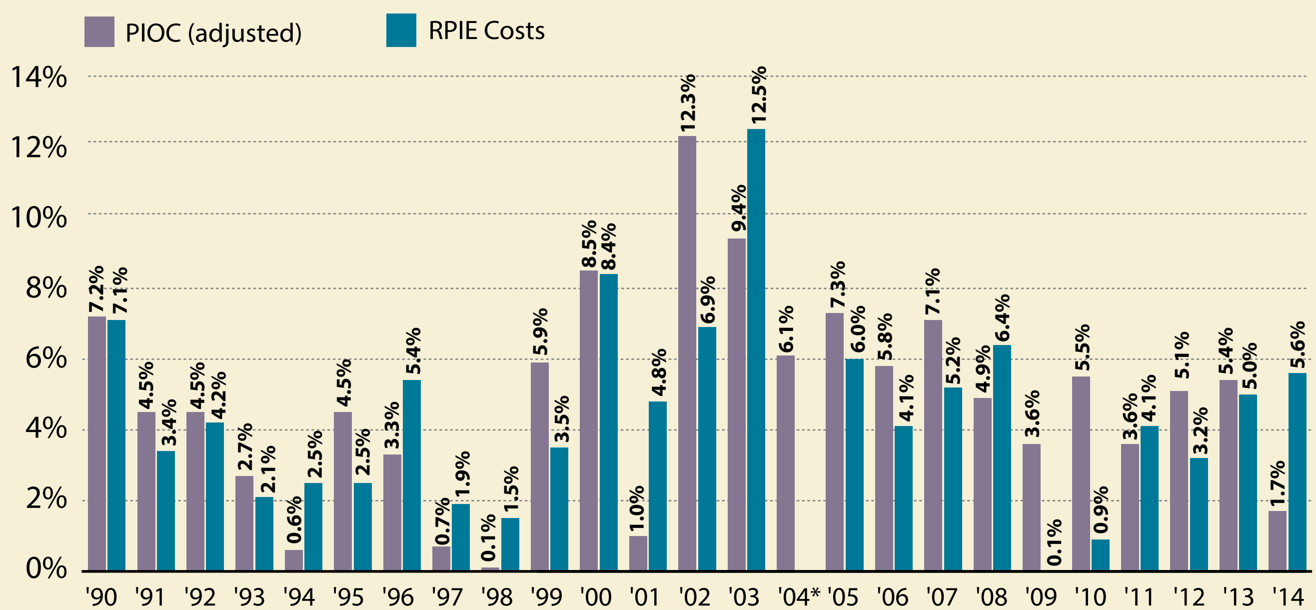
RPIE Expenses and the PIOC

Data from the RPIE and the RGB's long-running survey, the Price Index of Operating Costs (PIOC), each provide a form of independent verification for the expense findings in the other. However, comparison of I&E and PIOC data is somewhat distorted due to differences in the way each instrument defines costs and time periods. For example, there is a difference between when expenses are incurred and actually paid by owners as reported in the RPIE, versus the price quotes obtained from vendors for specific periods as surveyed in the PIOC. In addition, the PIOC primarily measures prices on a March to March basis, while most RPIE statements filed by landlords are based on the calendar year. (See endnote 3.) To compare the two, weighted averages of each must be calculated, which may cause a loss in accuracy. Finally, the PIOC measures a hybrid of costs, cost-weighted prices and pure prices, whereas the RPIE provides unaudited owner-reported costs. The PIOC rose 1.7% from 2013 to 2014, the same period as the 5.6% increase in I&E costs, a 3.9 percentage point difference. (See graph on this page.)

From 1990-91 to 2013-14, cumulative growth in owners' costs as measured by the two indices varied. Overall nominal costs measured in the PIOC increased at a greater rate, 184.6%, compared to RPIE data, which grew 164.6% over this period.[8]

Change in Operating & Maintenance Costs, RPIE and the PIOC, 1990 to 2014

In 2014, Owner-Reported RPIE Costs Increased at a Greater Rate than the PIOC



*Longitudinal RPIE data for 2003-04 is unavailable (see endnote 8).
Sources: NYC Department of Finance, 1990-2014 RPIE Data; NYC Rent Guidelines Board Price Index of Costs (PIOC) 1990-2014

Operating Cost Ratios

Between 2013 and 2014, the proportion of gross income spent on audited expenses (the O&M Cost-to-Income ratio) increased, rising by 0.4 percentage points. The proportion of rental income used for audited expenses (the O&M Cost-to-Rent ratio) similarly rose, increasing by 0.5 percentage points.

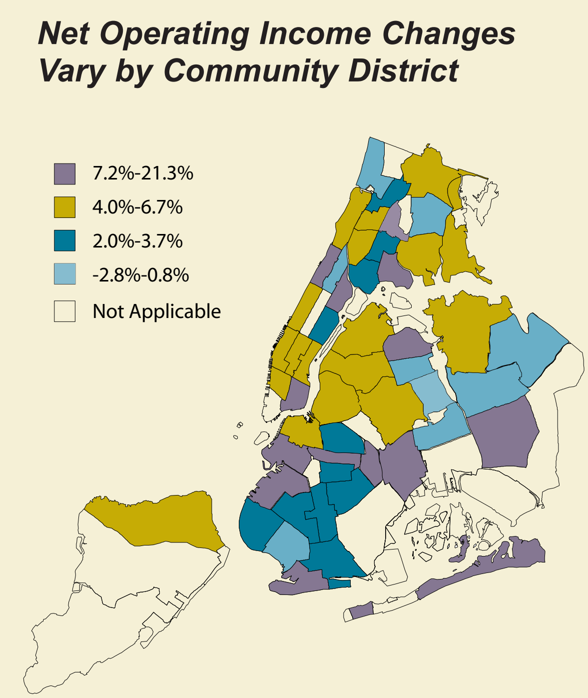
Net Operating Income

Net Operating Income (NOI) refers to the earnings that remain after operating and maintenance (O&M) expenses are paid, but before payments of income tax and debt service. Since average actual collected income grew more than operating costs, Citywide net operating income in rent stabilized buildings increased by 3.5% in 2014, the tenth consecutive year that NOI has increased.

The average change in NOI from 2013 to 2014 differed throughout the City. Every borough except Staten Island saw NOI increase, with Manhattan seeing the largest increase, up 3.9%; while NOI rose 3.8% in Brooklyn; 3.6% in the Bronx; and 2.1% in Queens. By contrast, NOI declined 4.3% in Staten Island. Within Manhattan, Upper Manhattan NOI increased 6.2%, while it rose 3.3% in Core Manhattan. Monthly NOI in the City excluding Core Manhattan rose 3.7%. See Appendix C.12 for a breakdown of NOI by borough, building age and building size.

At the Community District level, change in NOI varied widely, with 90% of neighborhoods experiencing increases in NOI. Hunts Point/Longwood in the Bronx saw the largest growth in NOI, rising 21.3%; followed by Jamaica, Queens, up 17.2%; East Harlem, Manhattan, up 13.6%; the Rockaways, Queens, up 13.4%; and Sunset Park, Brooklyn, up 11.8%. By contrast, five neighborhoods saw NOI decline from 2013 to 2014. The largest decline was in Bayside/Little Neck, Queens, down 2.8%. The map on this page and Appendix C.13 shows how change in NOI varied in each neighborhood. (See endnote 7.)

Change in NOI by Community District, 2013-14



Source: NYC Department of Finance, 2013-14 RPIE Data

Summary

RPIE filings, from over 15,500 rent stabilized buildings containing about 698,800 units in the cross-sectional sample and from almost 13,000 buildings containing about 595,600 units in the longitudinal sample, were analyzed in this year's *Income and Expense Study*. Citywide, average rent rose 4.8%, revenue collections rose 4.9%; and expenses rose by 5.6%. Despite the greater rate of increase in expenses, Net Operating Income (NOI) Citywide increased by 3.5%, the tenth consecutive year that NOI has increased. In addition, the proportion of distressed properties Citywide declined 0.5 percentage points, and the audited cost-to-income ratio was 60.6%, down 0.1 percentage point from the prior year.

Methodology

The information in this report was generated by analyzing data derived from RPIE forms filed with the NYC Department of Finance in 2015 by owners of apartment buildings with primarily eleven or more dwelling units. The data in these forms, which reflects financial conditions in stabilized buildings for the year 2014, was made available to NYC Rent Guidelines Board research staff in December, 2015 for analysis. Unit averages contained in this analysis were computed by the NYC Department of Finance. The averages were then weighted by the RGB using data from the *2014 NYC Housing and Vacancy Survey*, the most recent comprehensive data available, to calculate averages that are representative of the population of residential buildings in New York City. In addition, medians were calculated and included in this report. The medians derived from the sample were also

Changes in Average Monthly Rents, Income, Operating Costs and Net Operating Income per Dwelling Unit, 1990-2014

Net Operating Income (NOI) Increased from 2013 to 2014, 10th Consecutive Yearly Increase in NOI

	Avg. Rent Growth	Avg. Income Growth	Avg. Cost Growth	Avg. NOI Growth
90-91	3.4%	3.2%	3.4%	2.8%
91-92	3.5%	3.1%	4.2%	1.2%
92-93	3.8%	3.4%	2.1%	6.3%
93-94	4.5%	4.7%	2.5%	9.3%
94-95	4.3%	4.4%	2.5%	8.0%
95-96	4.1%	4.3%	5.4%	2.3%
96-97	5.4%	5.2%	1.9%	11.4%
97-98	5.5%	5.3%	1.5%	11.8%
98-99	5.5%	5.5%	3.5%	8.7%
99-00	6.2%	6.5%	8.4%	3.5%
00-01	4.9%	5.2%	4.8%	5.9%
01-02	4.0%	4.1%	6.9%	-0.1%
02-03	3.6%	4.5%	12.5%	-8.7%
03-04	-	-	-	-
04-05	4.6%	4.7%	6.0%	1.6%
05-06	5.6%	5.5%	4.1%	8.8%
06-07	6.5%	6.5%	5.2%	9.3%
07-08	5.8%	6.2%	6.4%	5.8%
08-09	1.4%	1.8%	0.1%	5.8%
09-10	0.7%	1.2%	0.9%	1.8%
10-11	4.4%	4.5%	4.1%	5.6%
11-12	5.0%	5.3%	3.2%	9.6%
12-13	4.5%	4.5%	5.0%	3.4%
13-14	**4.8%**	**4.9%**	**5.6%**	**3.5%**

Source: NYC Department of Finance, 1990-2014 RPIE Data
Note: Longitudinal data from 2003-04 is unavailable.

produced by the NYC Department of Finance and are unweighted.

Two types of summarized data, cross-sectional and longitudinal, were obtained for stabilized buildings. Cross-sectional data, which provides a "snapshot" or "moment-in-time" view, comes from properties that filed RPIE forms in 2015, or alternatively, TCIE (Tax Commission Income & Expense) forms.[9] Data from the forms was used to compute average and median rents, operating costs, etc., that were typical of the year 2014. Longitudinal data, which provides a direct comparison of identical elements over time, encompasses properties that filed RPIE/TCIE forms for the years 2013 and 2014. The longitudinal data describes changing conditions in average rents, operating costs, etc., by comparing forms from the same buildings over two years. Thus, cross-sectional data in this report measures conditions in effect throughout 2014, while longitudinal data measures changes in conditions that occurred from 2013 to 2014.

This year, 15,525 buildings containing rent stabilized units were analyzed in the cross-sectional study and 12,973 buildings were examined in the longitudinal study. The sample of buildings was created by matching a list of properties registered with DHCR against building data found in 2015 RPIE or TCIE statements (or 2014 and 2015 statements for the longitudinal sample). A building is considered rent stabilized if it contains at least one rent stabilized unit.[10]

Once the two samples were drawn, properties that met the following criteria were not included:

- Buildings containing fewer than 11 units. Owners of buildings with fewer than 11 apartments (without commercial units) are not required to file RPIE forms;
- Owners who did not file an RPIE or TCIE form in 2015 for the cross-sectional study, or an RPIE or TCIE form in both 2014 and 2015 for the longitudinal study;
- No unit count could be found in RPIE/TCIE records; and
- No apartment rent or income figures were recorded on the RPIE or TCIE forms. In these cases, forms were improperly completed or the building was vacant.

Three additional methods were used to screen the samples so properties with inaccurate building information could be removed to protect the integrity of the samples:

- In early I&E studies, the NYC Department of Finance used the total number of units from their Real Property Assessment Data (RPAD) files to classify buildings by size and location. RGB researchers found that sometimes the unit counts on RPIE forms were different than those on the RPAD file, and consequently deemed the residential counts from the RPIE form more reliable;
- Average monthly rents for each building were compared to rent intervals for each borough to improve data quality. Properties with average rents outside of the borough rent ranges were removed from all samples. Such screening for outliers is critical since such deviations may reflect data entry errors and thus could skew the analysis; and
- Buildings in which operating costs exceeded income by more than 300% as well as buildings above the 99th percentile or below the 1st percentile were excluded from both samples.

As in prior studies, after compiling both samples, the NYC Department of Finance categorized sample data reflecting particular types of buildings throughout the five boroughs (e.g., structures with 20-99 units). ❐

Endnotes

1. RPIE rent figures include money collected for apartments, owner-occupied or related space and government subsidies. Income encompasses all revenue from rents, sales of services, such as laundry, parking, and vending, and all other operating income.
2. Pre-war buildings refer to those built before 1947; post-war buildings refer to those built after 1946.
3. According to the NYC Department of Finance, over 90% of owners filing RPIE's report income and expense data by calendar year. In earlier reports, adjusted DHCR data was calculated on a July-to-June fiscal year. Beginning with the 2008 *Income and Expense Study*, adjustment of DHCR Citywide data was calculated on the January-to-December calendar year, so figures may differ from data reported in prior years.

4. Preferential rents refer to actual rent paid, which is lower than the "legal rent," or the maximum amount the owner is entitled to charge. Owners can offer preferential rents when the current market cannot bear the legal rent. According to DHCR, 28% of all 2014 apartment registrations filed indicate a preferential rent.

5. Since the 2008 *Income and Expense Study*, adjustment of the RGB Rent Index has been calculated on a January-to-December calendar year. Also see Endnote 3.

6. RPIE longitudinal data from 2003-04 is excluded from this study because no longitudinal sample was available for 2003-04. Therefore, the growth in RPIE collected rents, 164.6%, is understated. To make a more valid comparison between the three indices, cumulative increases in both the RGB Rent Index and DHCR contract rent calculations exclude 2003-04 data as well.

7. Seven Community Districts were excluded from this analysis because they contained too few buildings for the data to be reliable. Unlike Citywide and borough level rent and expense data, average CD rents and expenses are unweighted and do not necessarily represent the population of buildings in these Community Districts. All averages were computed by the NYC Department of Finance.

8. Due to the unavailability of RPIE longitudinal data for 2003-04, PIOC data from 2003-04 is also excluded from this comparison.

9. TCIE (Tax Commission Income & Expense) forms are used by the NYC Department of Finance when RPIE forms are not filed by owners.

10. Beginning with the 2014 RPIE, filers with buildings of an assessed value of $250,000 or less had an option to complete a simpler Short Form. Just one building that contains rent stabilized units, registered with DHCR, and was required to file an RPIE in 2015, utilized the Short Form option.

2016 Mortgage Survey Report

What's New

- ✔ Average interest rates for new multifamily mortgages fell 0.30 percentage points to 3.97%, the lowest level in this survey's history.
- ✔ Vacancy and collection losses declined 0.11 percentage points, to 3.14% this year, the lowest level recorded by this survey.
- ✔ Average service fees for new loans fell 0.28 points, to 0.42 points, the survey's record low.
- ✔ Average maximum loan-to-value ratios remained unchanged at 74.0%
- ✔ In 2015, 1,361 buildings containing rent stabilized units were sold Citywide, virtually unchanged from the prior year.

Introduction

Section 26-510 (b)(iii) of the Rent Stabilization Law requires the NYC Rent Guidelines Board to consider the "costs and availability of financing (including effective rates of interest)" in its deliberations. To assist the Board in meeting this obligation, each winter the RGB research staff surveys lending institutions that underwrite mortgages for multifamily rent stabilized properties in New York City. (See Appendix E.6 for a reproduction of the survey.) The survey provides details about New York City's multifamily lending market during the 2015 calendar year as well as the first few months of 2016.

The survey is organized into three sections: financing availability and terms for rent stabilized buildings; underwriting criteria; and additional mortgage questions, including vacancy and collection losses, operating and maintenance expenses, and portfolio performance information. In addition to the survey analysis, rent stabilized building sales data, obtained from the NYC Department of Finance, is also examined.

Overview

This year's Mortgage Survey finds a decrease in both interest rates and service fees, to the lowest levels recorded in this survey's 36-year history. Vacancy and collection losses declined to their lowest levels as well; maximum loan-to-value ratios remained unchanged; and underwriting criteria remain similar. Furthermore, our analysis of rent stabilized building sales data found that sales volume remained virtually unchanged Citywide between 2014 to 2015, though volume did vary within the boroughs and among different sized buildings.

This report will more fully detail these issues by beginning with a discussion of the characteristics of the survey respondents, followed by both a cross-sectional and longitudinal analysis. Further, it will examine rent stabilized building sales data by volume and price.

Survey Respondents

Twelve financial institutions responded to this year's survey, two more than last year. The survey sample is regularly updated to include only those institutions offering loans to multiple dwelling, rent stabilized properties in New York City. This year's respondents include a variety of traditional lending institutions, such as savings and commercial banks, as well as non-traditional lenders. The twelve responding lenders who make up the cross-sectional group will be discussed first, while the nine lenders who completed the survey both this year and last, who make up the longitudinal group, will be discussed later in this report.

Institutions holding deposits insured by the Federal Deposit Insurance Corporation (FDIC) supply details about their holdings on a quarterly basis, including their multifamily real estate holdings, and they vary considerably among the respondents. Nine surveyed lenders report their multifamily real estate holdings to the FDIC, with values ranging between $20 million and $24 billion.[1] Five of this year's institutions reported multifamily holdings of over two billion dollars, while another two institutions had holdings of less than $25 million. The average multifamily real estate portfolio of our survey respondents rose 128% from last year's survey, up to an average of $5 billion.[2]

Cross-Sectional Analysis

Financing Availability and Terms

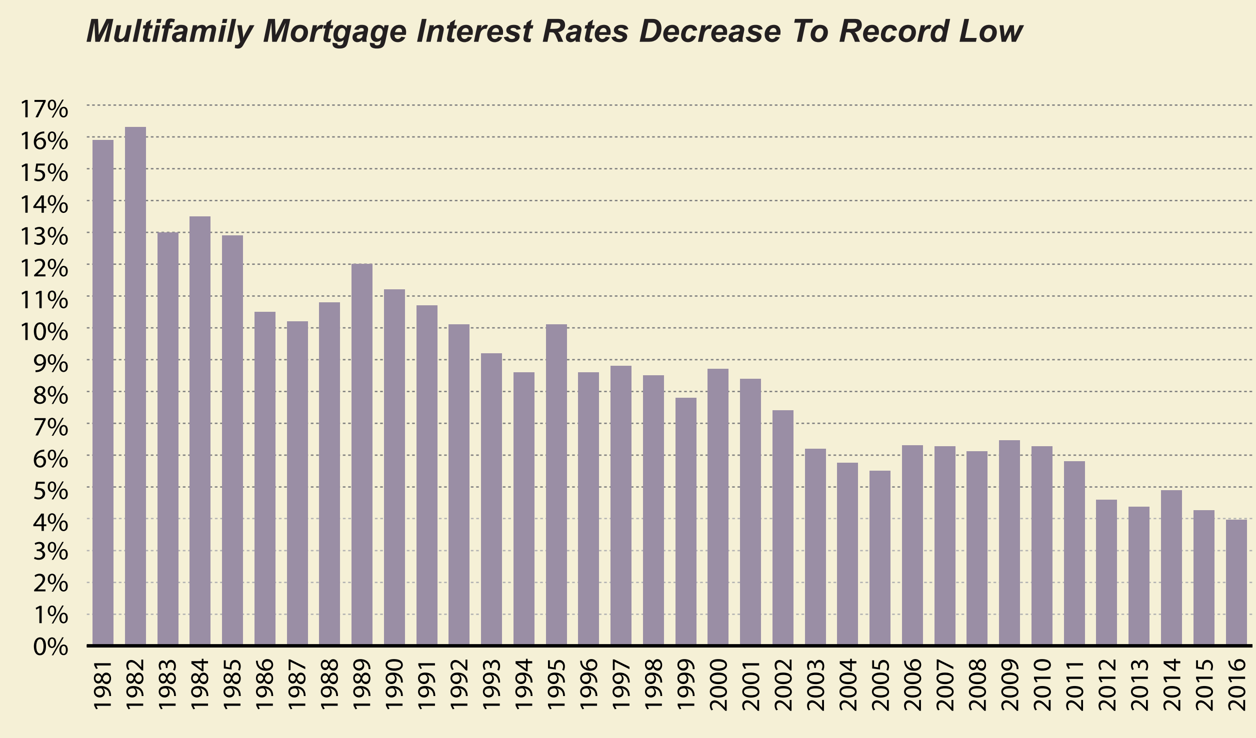
In February 2016, the average interest rate for new multifamily mortgages was 3.97%, a 0.30 percentage point (or 7%) decrease from the previous February (see graph on this page and Appendix E.1), representing the lowest rate in the history of our survey.

Likewise, the average interest rate reported by lenders for the 2015 calendar year was 4.27%, a 0.24 percentage points (or 5%) decrease from 2014.

Average interest rates decreased during the year among the institutions surveyed, despite the fact that the Fed raised interest rates in December, 2015. The Discount Rate — the interest rate at which depository institutions borrow from the Federal Reserve Bank of New York — rose 0.25 basis points, the first adjustment since February, 2010, and the Federal Funds Rate — the interest rate at which depository institutions lend balances at the Federal Reserve to other depository institutions — similarly rose 0.25 basis points, its first adjustment since December, 2008.[3] The Fed is expected to gradually continue to increase interest rates in the coming years, but only if U.S. economic growth is sustained.[4]

Points (up-front service fees) charged for new loans

Average Interest Rates for New Loans to Rent Stabilized Buildings, 1981-2016



Source: NYC Rent Guidelines Board, annual Mortgage Surveys.

fell to a record low this year. Among survey respondents, they ranged between zero and one point, with five surveyed lenders charging no points on new loans.

The average service fee charged on new loans by lenders was 0.42 points, down from last year's average of 0.70, and, like interest rates, at its lowest level in the history of this survey. Average fees reported in the survey have remained around or below one point since the late 1990s (see graph on next page).

Surveyed lenders, for the most part, remained flexible in the loan maturity terms they offered their borrowers. Since survey respondents typically offer a wide range of terms rather than a single number, it is difficult to provide a precise average for the range of terms offered by institutions, but they remained similar to those offered in recent years. Mortgage terms reported by respondents fell within a wide 5- to 30-year range. Three lenders offered terms as long as 30 years, while one offered a maximum of seven years. This continued mortgage term flexibility over recent years is in great contrast to terms reported in the surveys of the early- to mid-1990s, when close to half of respondents offered maximum loan maturities of just five years.

The average volume of both new and refinanced mortgage originations rose this year, primarily due to the addition of large lenders to the survey this year. An average of 104 new loans per institution were financed this past year, a 113% increase from the average of 49 the previous year (See endnote 2). Similarly, the average number of refinanced loans more than doubled, rising 110% to 96 this year. Overall loan volume remains below the year 2004, when our survey reported a peak in loan volume, averaging 160 new loans per institution. While new loan volume among all lenders on average increased, the change in volume among each lender varied greatly. Among surveyed institutions, 45% said they saw no change in loan volume; another 45% reported an increase in volume; and 9% reported a decrease from the prior year.

Underwriting Criteria

The survey asked lenders for their typical underwriting standards when approving new and refinanced mortgages to rent stabilized building owners. Lenders this year, on average, reported lending standards similar to last year. For all institutions, the typical maximum LTV ratio — the maximum dollar amount respondents were willing to lend based on a building's value — ranged from 65% to 83%. The average remained unchanged from last year, at 74% (see graph on page 47).

Another important lending criterion is the debt service ratio — an investment's ability to cover mortgage payments using its net operating income (NOI). The higher the debt service coverage requirements, the less money a lender is willing to loan given constant net income. The

Terms and Definitions

Actual LTV - the typical loan-to-value ratio of buildings in lenders' portfolios

Debt Service - the repayment of loan principal and interest

Debt Service Ratio - net operating income divided by the debt service; measures the risk associated with a loan; the higher the ratio, the less money an institution is willing to lend

Loan-to-Value Ratio (LTV) - the dollar amount institutions are willing to lend based on a building's value; the lower the LTV, the lower the risk to the lender

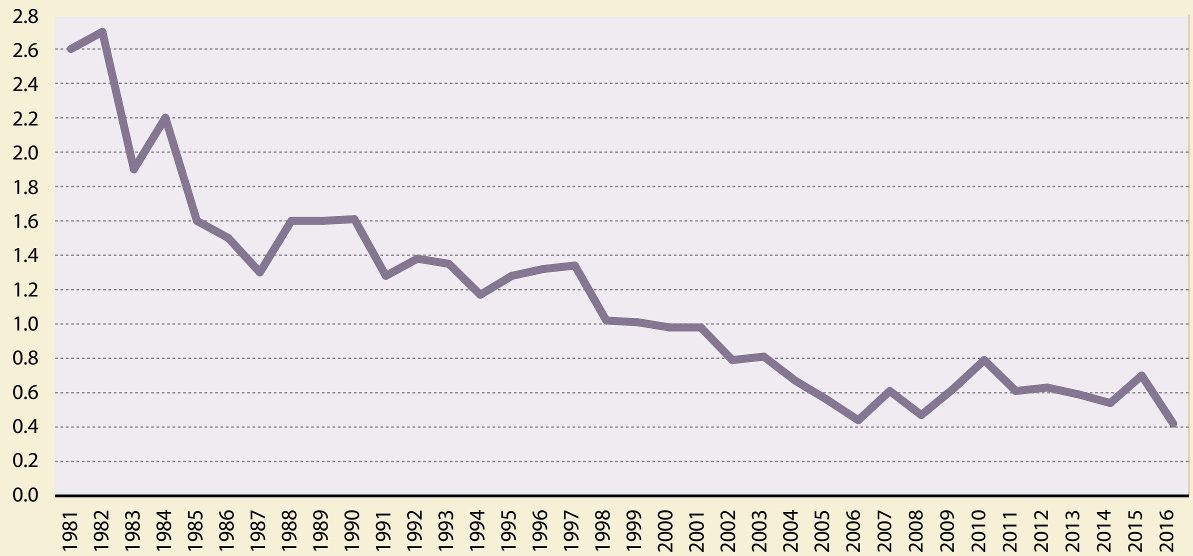
Maximum LTV - the loan-to-value ratio set by the lenders as part of their underwriting criteria

Points - up-front service fees charged by lenders as a direct cost to the borrowers

Terms - the amount of time the borrower has to repay the loan; generally, the term should not exceed the remaining economic life of the building

Service Fees for New Loans to Rent Stabilized Buildings, 1981-2016

Service Fees Decrease To Record Low



Source: NYC Rent Guidelines Board, annual Mortgage Surveys.

debt service ratio (or NOI divided by the debt service) remained virtually unchanged, with an average debt service requirement of 1.21, versus 1.22 last year. Because the average debt service ratio remained about the same, lenders have maintained the amount of money they are willing to lend in relation to the net operating income of buildings (see Appendix E.2). Overall, debt service coverage at all institutions ranged between 1.15 and 1.25, and all but two surveyed lenders reported making no changes in their underwriting standards over the past year.

Lenders also noted additional standards they use when evaluating loan applications. The most commonly cited standard is good building maintenance, with half of lenders indicating that this is an important component when considering a loan application. Another standard important to 42% of surveyed lenders include the number of units in the building.

Our survey asked lenders whether their lending standards differ for rent stabilized buildings and non-stabilized multifamily properties. Respondents were asked whether their new financing rates; refinancing rates; loan-to-value ratios; and debt service coverage requirements for rent stabilized properties were higher, lower, or the same as for other properties. All but two lenders reported that standards were no different for rent stabilized buildings than for non-stabilized properties.[5]

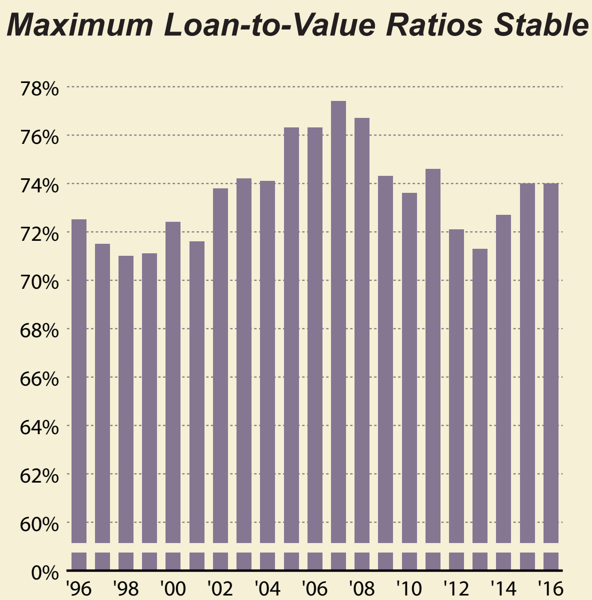
Non-Performing Loans & Foreclosures

More lenders reported that they had non-performing loans this year, though they represented a smaller portion of their portfolios. Three lenders reported having non-performing loans, up from one the prior year. These loans made up 0.2% of their portfolios this year, compared to 5% for the one lender last year. In addition, not a single lender reported foreclosures this year, the same as last year.

Characteristics of Rent Stabilized Buildings

The typical size of buildings in surveyed lenders' portfolios varies widely. The most commonly reported

1996-2016 Cross-Sectional Average Loan-to-Value Standards



Source: NYC Rent Guidelines Board, annual Mortgage Surveys.

building size is either 11-19 units or 100+ units, with 25% of lenders reporting either. The remaining lenders reported an average of either 1-10 units; 20-49 units; or 50-99 units (17% each).

Average vacancy and collection (V&C) losses decreased for the fifth time in the last six years, down from 3.25% last year to 3.14% this year, the lowest level in the history of the *Mortgage Survey Report* (see graph on next page). Similarly, a lower proportion of lenders reported average losses of 5% or more this year, down from 20% last year to 18% this year.

Average operating and maintenance (O&M) expenses and average rents among buildings in lenders' portfolios went in opposite directions among surveyed lenders since last year. Expenses rose 9%, to $650 per unit, while average rents fell 19%, to an average of $1,191 per unit per month (see Appendix E.2). Because average costs rose and rents fell, the average O&M cost-to-rent ratio increased to 54.5%, from 40.5% last year.

The NYC Rent Guidelines Board, in our annual *Income and Expense (I&E) Study*, examines the average O&M cost-to-rent ratio as well.[6] However, its findings should not be compared to the cost-to-rent ratio reported in the *Mortgage Survey Report* because both the sources and sample sizes are very different and the data studied in each report are from different time periods. In the *2016 I&E Study*, which reported on data from calendar year 2014, the average O&M cost-to-rent ratio was 74.8%.[7]

The survey asks lenders whether they retain their mortgages or sell them to secondary markets. Among the lenders, all but three lenders reported retaining all their mortgages, about the same proportion as last year.

Lenders are asked whether the rent stabilized buildings that are offered mortgage financing contain commercial space. This information is useful to help understand the extent to which owners earn income from sources other than residential tenants. All but one surveyed lender this year reported that buildings in their portfolio contain commercial space, though the average number varies depending on the lender. On average, lenders report that 28% of their portfolios contain commercial space, down slightly from 30% reported last year.

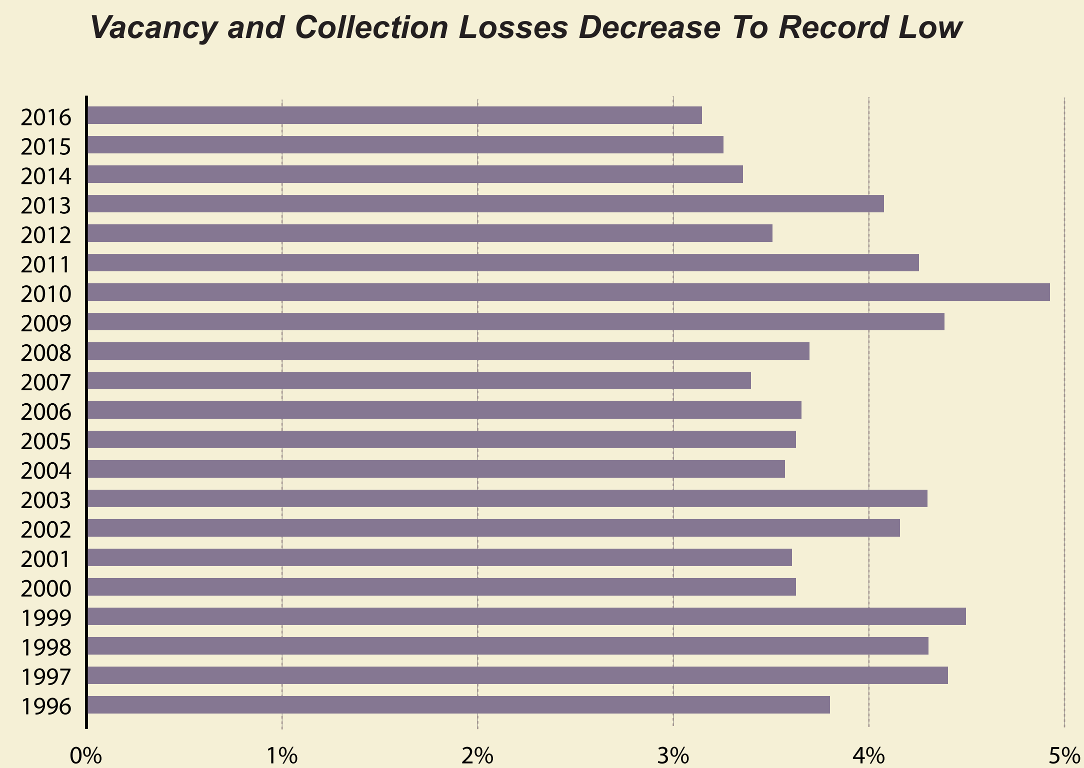
Loan Expectations

The survey asks lenders about the performance of their portfolios performance, compared with expectations at the time of initial loan origination, with regard to net operating income (NOI); debt service coverage; and O&M expenses. Lenders reported an overall improvement from last year, with the vast majority of lenders indicating that their expectations had been met or exceeded in all three areas among their rent stabilized portfolio. Specifically, at least 82% said this year that their expectations were equaled or exceeded among all three aforementioned categories, up from two-thirds last year.

Longitudinal Analysis

Information regarding rent stabilized buildings can be examined longitudinally to more accurately assess changes in the lending market, since many respondents reply to the Mortgage Survey in at least two successive years. This longitudinal comparison

Average Vacancy and Collection Losses, 1996-2016



Source: NYC Rent Guidelines Board, annual Mortgage Surveys.

helps to clarify whether changes highlighted in the cross-sectional analysis reflect actual variations in the lending market or simply the presence of a different group of lenders from year to year. Among the twelve respondents that completed the survey this year, all but three also responded last year. The nine lenders that make up the longitudinal group, and their responses from both this year and last are compared in this section to illustrate changes between the two years.

Financing Availability and Terms

This year's longitudinal analysis reveals data that varies from this year's cross-sectional sample. The average interest rate among the longitudinal group for new loans, as of February 2016, was 4.21%, virtually unchanged from a year earlier, when the average interest rate was 4.20% for new financing (see Appendix E.3).

Among the longitudinal group, average points offered by lenders were also about the same, at 0.50 this year, compared to 0.51 last year.

Underwriting Criteria and Loan Performance

The average maximum loan-to-value (LTV) ratio fell this year, decreasing to 73.6% among the longitudinal group, compared to 74.7% last year. The average debt service ratio remained virtually unchanged, at 1.21 this year versus 1.22 last year (see Appendix E.4). Unlike the cross-sectional analysis, vacancy and collection (V&C) losses among the longitudinal group rose slightly, to 3.22% this year, from 3.06% last year.

Looking at the rate of delinquencies among the longitudinal group, two lenders reported non-performing loans this year, compared to one last year. Examining foreclosures, as was discussed in the cross-sectional sample analysis, no lenders reported

Selected 2016 Cross-Sectional Data Compared to 2016 Longitudinal Data

Average Interest Rates, Loan Volume, Points, Loan-to-Value Ratios, Debt Service Coverage, and Vacancy & Collection Losses

(Averages)	NF Interest Rate	NF Loan Volume	RF Loan Volume	NF Points	Max LTV Ratio	Debt Service Ratio	V&C Losses
2016 Cross-Sectional Data	3.97%	104	96	0.42	74.0%	1.21	3.14%
2016 Longitudinal Data	4.21%	51	36	0.50	73.6%	1.21	3.22%

NF= New Financing RF= Refinancing LTV=Loan-to-Value V&C=Vacancy and Collection

Source: NYC Rent Guidelines Board, Annual Mortgage Surveys

foreclosures. For additional comparisons between the cross-sectional and longitudinal groups, see table on top of this page.

Sales Data Analysis

For several years, the NYC Department of Finance has offered online public property sales information. As in prior years, we examined sales data from 2015 and compared it with 2014 data. This year's sales data analysis include buildings listed as sold in 2015 in the Department of Finance database. These are matched to buildings that have filed 2014 NYS Division of Housing and Community Renewal (DHCR) building registrations; have not converted to co-op/condo; and have sold for at least $1,000.

Building Sales Volume

In 2015, 1,361 buildings containing rent stabilized units were sold in New York City, essentially unchanged from the 1,356 sold in the prior year. While sales Citywide remained about the same, sales volume change varied by borough. In Manhattan, sales rose 11%; while in the Bronx, sales declined 13%. In between were Brooklyn, with sales up 1%; and Queens, with sales down 3%. As in prior years, Staten Island was not included in this analysis because there were too few rent stabilized building sales to meaningfully measure change from year to year.[8] (See the table on this page for a numerical breakdown in the change in the number of buildings sold in each borough and Citywide.)

Among the smallest rent stabilized buildings sold in 2015 (6-10 units), sales volume was down 3% Citywide, but not every borough experienced a decline. In fact, sales among 6-10 unit buildings rose 13% in Manhattan and 4% in Queens, but declined 11% in Brooklyn and 2% in the Bronx.

However, sales volume among 11-19 unit buildings rose 14% Citywide. By borough, sales

Comparison of Building Sales in 2014 vs. 2015

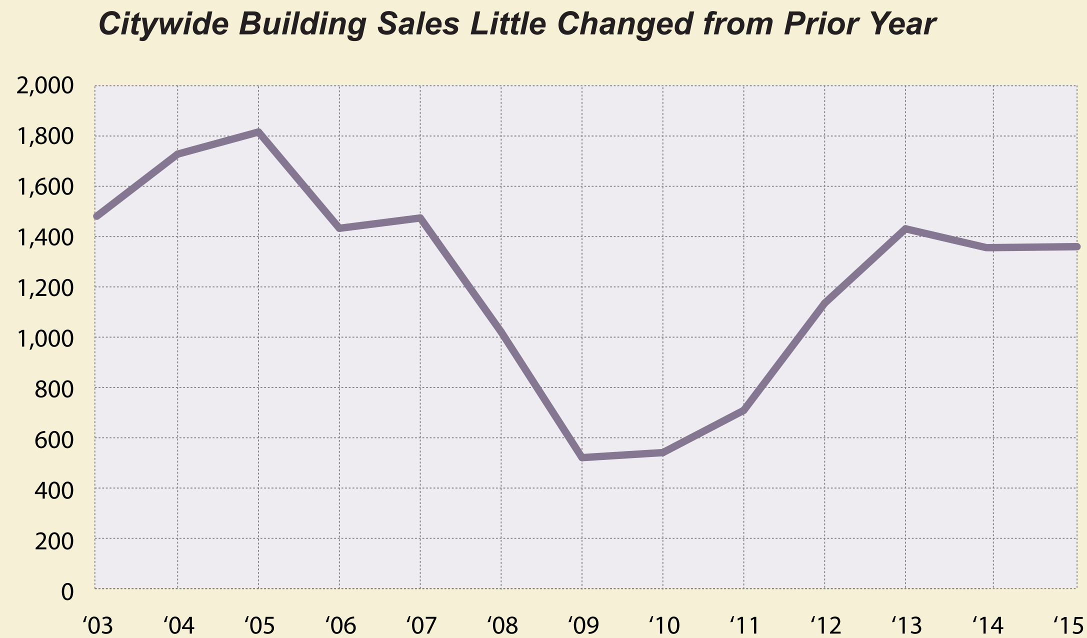
Sales Volume Change Varied by Borough from the Prior Year

	2014	2015	Change
Bronx	302	262	-13%
Brooklyn	494	499	1%
Manhattan	393	438	11%
Queens	167	162	-3%
Citywide	**1,356**	**1,361**	**0.4%**

Note: Citywide figures exclude Staten Island

Source: NYC Department of Finance

Rent Stabilized Building Sales, 2003-2015



Source: NYC Department of Finance
Note: Figures exclude Staten Island

among 11-19 unit buildings rose the most in Manhattan, up 23%, and in Brooklyn, it went up 18%. However, sales among 11-19 unit buildings declined in the Bronx and Queens, both falling 6%.

Among 20-99 unit buildings, sales volume was little changed, declining 1% Citywide. However, the change in volume varied significantly by borough. Sales among 20-99 unit buildings in Brooklyn saw sales volume increase of 25%, and sales rose 8% in Manhattan. By contrast, sales among these 20-99 unit buildings fell 23% in Queens and 18% in the Bronx.

Among the largest buildings, which contain 100 or more units, sales volume Citywide increased 6%. Unfortunately, we are unable to analyze sales data by borough because of the small number of buildings sold. However, these buildings sales are included in the totals by borough and Citywide.[9]

Looking back over multiple years, building sales data show that for the period from 2003 to the present, sales volume reached its peak in 2005, but by 2009, sales Citywide were at their lowest level of the thirteen year period for which we have data. Since then, sales volume Citywide has increased every year but one. See the graph on this page and Appendix E.7 for annual sales volume Citywide.

Building Sales Prices

We also examine 2015 sales prices Citywide and by borough. We are not able to take into consideration the condition of the building being sold or the specific neighborhood within each borough, important factors that cannot be accurately studied using this data set.

Examining rent stabilized building sales prices for all building sizes, the median Citywide sales price was $3,800,000 in 2015. The highest median sales price was in Manhattan ($7,170,000); followed by the Bronx ($3,253,000); Brooklyn ($2,500,000); and Queens ($1,642,500).

Examining the smallest buildings (6-10 residential units), the median sales price Citywide was $1,600,000. By borough, prices were highest in Manhattan, at $5,675,261; followed by Brooklyn, at $1,542,500; Queens, at $1,387,500 and the Bronx, at $920,000.

Among 11-19 unit buildings, the median Citywide price was $3,511,235. By borough, sales prices were also highest in Manhattan, at $6,500,000; followed by Brooklyn, at $2,840,700; Queens, at $2,735,000; and the Bronx, at $1,830,000.

Buildings with 20-99 units sold Citywide at a median price of $7,075,000. By borough, these buildings sold for the most in Manhattan, at a median price of $9,075,000; followed by Brooklyn, at $9,000,000; Queens, at $8,400,000 and the Bronx, at $4,907,500.

Among the largest buildings, which contain 100 or more units, buildings Citywide sold for a median price of $32,650,562. However, as was discussed earlier, there were too few sales among buildings containing 100 or more residential units to accurately report borough building prices in more detail. See Appendix E.8 for a breakdown of median sales prices in each borough among different sized buildings.

Summary

Summing up, both interest rates and service fees fell to their lowest rate in the history of this survey, as did vacancy and collection losses. Further, lending terms remained favorable to borrowers. In addition, the number of rent stabilized building sold this past year remained stable. ❒

Endnotes

1. Federal Deposit Insurance Corporation (FDIC) website: https://fdic.gov

2. Two participants with multifamily real estate portfolios exceeding a billion dollars did not participate in last year's survey, resulting in substantial increase in average portfolios and loan volume in this year's survey.

3. Federal Reserve Board website: http://www.federalreserve.gov/monetarypolicy/openmarket.htm and https://www.frbdiscountwindow.org

4. "Fed Raises Rates Closing Chapter of U.S. Recovery," by Binyamin Appelbaum, *New York Times*. December 17, 2015.

5. Of the two lenders with different lending or underwriting standards for rent stabilized buildings as opposed to non-stabilized multifamily properties, one lender reports higher financing and refinancing rates for stabilized buildings, and a lower LTV ratio; and a different lender reports lower new financing rates and debt service coverage, and a higher LTV ratio for stabilized buildings.

6. The per unit, per month O&M expense and rent figures reported in the Mortgage Survey reflect a very small, non-random sample of the City's regulated stock and are included for informational purposes only. The rent and expense figures in the NYC Rent Guidelines Board's *Income and Expense Study* are derived from a substantially larger sample of stabilized buildings and can be viewed as more authoritative.

7. The O&M cost-to-rent ratio from the *2016 Mortgage Survey* reflects estimates by lenders of expenses and rents for rent stabilized buildings as of approximately February 2016. The average ratio is calculated from just seven respondents. By comparison, the latest available O&M cost-to-rent ratio from the *Income and Expense (I&E) Study*, in which average rent was $1,265 and average unaudited cost was $946, reflects rents and expenses reported by owners for calendar year 2014. Average monthly costs per unit in the Mortgage Survey this year are lower than those reported in the I&E. This is due to differences in the two data sources: Lenders' estimated average of buildings in an institution's portfolio vs. a weighted average of a large sample of owner-reported data; the large variance between the two sample sizes; and the difference between the buildings studied in each analysis. (Buildings required to file Real Property Income and Expense (RPIE) forms must generally have an assessed value greater than $40,000 and eleven or more units, while the Mortgage Survey does not exclude these buildings).

8. The data reflect sales for buildings that are registered with the New York State Division of Housing and Community Renewal (DHCR) as containing rent stabilized units. It excludes those buildings where the sales price was listed as less than $1,000. It also excludes those buildings listed as co-ops/condos. Furthermore, all of Staten Island is excluded from all analyses due to the small number of buildings sold.

9. All 100+ unit building borough categories are excluded due to the small number of buildings sold. However, while these categories are not discussed, these buildings are included in the overall statistics and analyses.

Income and Affordability

2016 Income and Affordability Study

What's New

- ✔ Results from the *2014 American Community Survey* show that median renter income is $41,210, median gross rent is $1,276, and the median gross rent-to-income ratio is 32.7%.
- ✔ New York City's economy grew by 3.4% in 2015, compared to a 2.1% increase during 2014.
- ✔ The City gained 119,000 jobs in 2015, resulting in a 2.9% increase from 2014 in total employment levels.
- ✔ The unemployment rate fell in 2015, to an average of 5.7%, down from 7.2% in 2014.
- ✔ In 2015, an average of 57,158 people were staying in Dept. of Homeless Services shelters each night, up 5.6% from 2014.
- ✔ The number of non-payment filings decreased 2.4% in 2015, while those actually heard in Housing Court decreased 12.5%, and the number of evictions fell 18.1%.
- ✔ Cash assistance caseloads increased 5.7% during 2015, while SNAP caseloads fell 3.2%, Medicaid enrollees fell by 15.5%, and job placements among cash assistance recipients fell 2.1%.

Introduction

Section 26-510(b) of the Rent Stabilization Law requires the Rent Guidelines Board (RGB) to consider "relevant data from the current and projected cost of living indices" and permits consideration of other measures of housing affordability in its deliberations. To assist the Board in meeting this obligation, the RGB research staff produces an annual *Income and Affordability Study*, which reports on housing affordability and tenant income in New York City's rental market. The study highlights year-to-year changes in many of the major economic factors affecting New York City's tenant population and takes into consideration a broad range of market forces and public policies affecting housing affordability. Such factors include New York City's overall economic condition — unemployment rate, wages, Consumer Price Index and Gross City Product — as well as the number of eviction proceedings and the impact of welfare reform and federal housing policies on rents and incomes.

Overview

Looking at New York City's economy during 2015, it showed many strengths as compared with the preceding year. Positive indicators include growing employment levels, which rose for the sixth consecutive year, increasing 2.9% in 2015. The unemployment rate also fell, declining by 1.5 percentage points, to 5.7%. Gross City Product (GCP) also increased for the sixth consecutive year, rising in real terms by 3.4% in 2015. In addition, inflation-adjusted wages rose by 1.6% during the most recent 12-month period (the fourth quarter of 2014 through the third quarter of 2015), and inflation slowed to just 0.1%. The number of non-payment filings in Housing Court fell by 2.4%, "calendared" cases fell 12.5%, and evictions fell by 18.1%. In addition, Supplemental Nutrition Assistance Program (SNAP) caseloads fell for second consecutive year, by 3.2%

Negative indicators include the seventh consecutive year of increase in homeless levels, which rose to an average of more than 57,000 persons a night, an increase of 5.6% over 2014 levels. Public assistance caseloads also rose, by 5.7% over 2014 levels.

The most recent numbers, from the fourth quarter of 2015 (as compared to the fourth quarter of 2014), show that homeless levels were up 2.1%, cash assistance levels were up 5.7%, and the number of filings in housing court were up 7.1%.[1]

However, most fourth quarter indicators were positive, with employment levels up 2.2%, the unemployment rate down 1.3 percentage points, the number of calendared cases in Housing Court down 17.1%, and SNAP recipients down 2.8%. Fourth quarter GCP also rose, by 2.1% in real terms, and inflation was lower than that of the last quarter of 2014, rising by 0.6%, as compared to 0.8% in the fourth quarter of 2014.

Economic Conditions

Economic Output and Consumer Prices

New York City's economy expanded during 2015, rising for the sixth consecutive year. New York City's Gross City Product (GCP), which measures the total value of goods and services produced, increased by 3.4% during 2015, following an increase of 2.1% in 2014.[2] There has been positive economic growth in all but one quarter since the first of 2009. During 2015, the greatest growth was during the first quarter, a 4.3% rise. For comparison, GCP increased by an annualized average of 1.6% per year between 2000 and 2009 and 4.2% in the 1990s. The analogous national number, United States Gross Domestic Product (GDP), increased 2.4% during 2015, equal to the increase during 2014.[3]

The Consumer Price Index (CPI), which measures the change in the cost of typical household goods, increased 0.1% in the NYC metropolitan area during 2015, a lower rate of inflation than seen in the previous year, when prices rose on average 1.3%.[4] Inflation was equal to that for urban consumers in the U.S. as a whole, with rates also rising 0.1%, following an increase of 1.6% during 2014.

Unemployment Statistics

Following a 1.6 percentage point decrease in 2014, NYC's unemployment rate fell again in 2015, declining 1.5 percentage points, to 5.7%.[5] This is the lowest

NYC and U.S. Unemployment Rates, 2001-2015

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
NYC	5.9%	8.0%	8.3%	7.1%	5.8%	5.0%	5.0%	5.6%	9.3%	9.5%	9.1%	9.3%	8.8%	7.2%	5.7%
US	4.7%	5.8%	6.0%	5.5%	5.1%	4.6%	4.6%	5.8%	9.3%	9.6%	8.9%	8.1%	7.4%	6.2%	5.3%

Source: U.S. Bureau of Labor Statistics and NYS Dept. of Labor; Data is updated annually and may differ from that in prior reports.

unemployment rate since 2008, when it was 5.6%. The U.S. unemployment rate declined by a smaller proportion, falling from 6.2% in 2014 to 5.3% in 2015, a 0.9 percentage point drop.[6] (See graph on previous page and Appendix F.1.)

In both January and February of 2016, the most recently available data, the unemployment rate for New York City was 5.9%. These rates are 1.0 percentage points lower than the previous January and 0.8 percentage points lower than the previous February. The analogous national figure was 5.3% in January of 2016 and 5.2% in February, 0.8 percentage points lower than January of 2015 and 0.6 percentage points lower than the previous February.

For all of 2015, Manhattan had the lowest unemployment rate of the boroughs, 4.8%, with Queens' rate at 5.0%, Staten Island's at 5.8%, Brooklyn at 5.9%, and the Bronx, consistently the borough with the highest unemployment rate, averaging 7.7%. Unemployment rates fell in every borough during 2015, from between 1.3 percentage points in Manhattan and Queens, to as much as 2.0 percentage points in the Bronx, the borough with the highest unemployment rate.

Employment Statistics

For the sixth consecutive year, the number of people employed in New York City increased, following gains in all but one year since 2003 (see graph on next page). Overall, among both city residents as well as those commuting into the city, New York City gained 119,000 jobs in 2015, a 2.9% increase from 2014.[7]

Employment levels rose in every industry, rising by the greatest proportion in the Construction sector, which grew by 7.0% (9,100 jobs) during 2015. The Professional and Business Services sector also grew, rising by 4.7% (31,300 jobs) during 2015, and the Leisure and Hospitality sector grew by 4.2% (17,200 jobs). In the Manufacturing sector, which has declined in all but five years since 1990 (the first year for which data is available), employment grew by 1.8% (1,400 jobs, but is still down more than 70% as compared with 1990). All other sectors rose from between 0.8% and 3.4%. (See Appendix F.2 for more detailed employment information.)

During the first two months of 2016, total employment levels were up as compared to the same months of 2015, with levels 2.7% higher in January 2016 and 2.6% higher in February, as compared with the same months of the prior year. Employment levels in both January and February were up in every sector.

Two other employment indices are tracked in the *I&A Study*. The New York City labor force participation rate measures the proportion of all non-institutionalized people, age 16 and older, who are employed or actively looking for work. This ratio increased slightly in 2015, to 61.1%, up from 60.8% in 2014.[8] This remained lower than the U.S. rate, which decreased to 62.7% from 62.9% in 2014.[9] A related statistic, the New York City employment/population ratio, measures the proportion of those who are actually employed as a ratio of all non-institutionalized people age 16 or older. After remaining virtually unchanged between 2009 and 2012, the rate rose for the fourth consecutive year, up 1.3 percentage points in 2015, from 56.4% in 2014 to 57.7% in 2015. The U.S. employment/population ratio also rose in 2015, rising 0.3 percentage points from 2014 to reach 59.3%.

Wage Data

This report also examines wage data of employees working in New York City (regardless of where they live), though the analysis is limited by the fact that there is a significant lag time in the reporting of income data. Based on data derived from the Quarterly Census of Employment and Wages (QCEW), the most recent annual numbers cover the 2014 calendar year. The data for this time period, which is still preliminary, shows an increase in both nominal wages and "real" wages (wages adjusted for inflation). Real wages increased by 3.9% in 2014, following a decrease of 1.8% in the prior year. Real wages rose from $81,523 (in 2014 dollars) to $84,742, with wages rising in all but one sector.[10] Nominal wages (wages in current dollars) increased by 5.3% over the same time period, following a 0.1% decrease in the prior year.

Due to the six-month lag time in reporting of wage data, in order to present the most recent statistics possible, staff has formulated a "year" that comprises the

Average Annual Payroll Employment, NYC, 2000-2015

Source: NYS Dept. of Labor

most recent 12-month period (in this case, the fourth quarter of 2014 through the third quarter of 2015). This "year" was then compared with the equivalent period of the preceding "year," which in this most recent time period showed that overall wages increased by 1.6% in real terms and by 1.8% in nominal terms (note that data is preliminary). This compares to increases in the preceding 12-month period of 2.1% in real terms and 3.6% in nominal terms. (See Appendices F.3 and F.4, and graph on next page.)

Real wages in the Finance and Insurance sector, which accounts for more than a quarter of all wages in New York City (and therefore carries more weight than any other single sector), rose by a real 0.1% during the most recent 12-month time period, the smallest proportional rise of any sector (of those that rose). This compares to a rise of 5.6% and 6.4% in the prior two 12-month periods. The sector with the second greatest weight, Administrative, Waste, Educational, and Health Services (accounting for almost 16% of all wages), rose by a real 2.4% during this time period. Professional and Technical Services (accounting for 13% of all wages) rose by a real 2.9%. The Government sector, with 10% of all wages, also rose, by 3.1% in real terms. Three sectors, all with relatively low weight, saw decreases in real wages during 2015, including Management of Companies, which fell 0.7%.

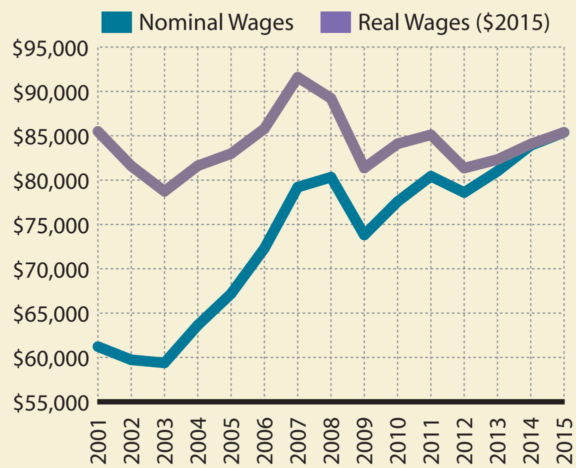
Looking at 2015 wage data on a quarterly basis, real wages fell by 0.9% in the first quarter as compared to the same quarter of 2014, and rose 2.8% in the second quarter, and 2.2% in the third quarter. "Yearly" wage growth was bolstered by the impact of the fourth quarter of 2014, when wages rose 3.0% in real terms.

The "annual" rise in wages was impacted most by the relatively weak growth of the Finance and Insurance sector, which helped pull overall wages lower than they would have grown otherwise. If the Finance and Insurance sector were left out of the analysis, wages would have grown by 2.4% in real terms, compared to the already noted growth of 1.6% overall.

The U.S. Bureau of Labor Statistics also tracks wage data, as part of their Current Employment Statistics

Real and Nominal Wages, 2001-2015

Both Real and Nominal Wages Increase in 2015



Source: NYS Dept. of Labor

Note: Each "year" consists of the first three quarters of that year, and the fourth quarter of the preceding year.

(CES) survey.[11] Unlike the QCEW, this data cannot be analyzed for specific industries, and while more current than that of the QCEW, is based on a much smaller sample size. In addition, this data does not include certain monetary compensations that are included in the QCEW, such as bonuses and sums received when exercising stock options, so is therefore less variable on a month-to-month basis than data from the QCEW. Per this survey, weekly wages rose by a nominal 3.1% in New York City during calendar year 2015, higher than the rate of growth during 2014 (1.4%), and also higher than that of the nation as a whole (2.3%). In real dollars, weekly wages rose by 3.0% in NYC and 2.2% for the nation as a whole between 2014 and 2015. On a quarterly basis, the CES data shows that NYC weekly wages (in real terms) rose in each quarter of 2015, by the most in the first quarter (4.6%) and by the least in the fourth quarter (1.3%).

Bankruptcy Statistics

Staff also examined bankruptcy filings for New York City residents from 2000-2015. Between 20,000 and 30,000 persons filed for personal bankruptcy annually between 2000 and 2004, before surging to 42,852 in 2005 as bankruptcy laws were set to change. In the following year, with new laws in place making it more difficult to file for bankruptcy, only 7,961 persons filed for personal bankruptcy, an 81.4% decline. Filings then increased every year through 2010, reaching a high of 17,685. For the fifth consecutive year, rates dropped in 2015 for both New York City as well as the nation as a whole, by 8.0% (to 8,676) and 9.9%, respectively.[12]

Poverty Statistics

The most recently available data from the Census Bureau reports that the New York City poverty rate for all individuals was 20.9% in 2014, equal to the rate in 2013. This compares to 15.5% for the nation as a whole, a decline from 15.8% in 2013.[13] Poverty rates vary widely depending on borough. Rates range from a low of 14.5% in Staten Island, to 15.2% in Queens, 17.6% in Manhattan, 23.4% in Brooklyn, and 31.6% in the Bronx, consistently the highest rate of the boroughs. As compared to the prior year, rates rose in both the Bronx and Staten Island and declined or remained relatively constant in the other boroughs. (See Appendix F.8.)

Also reported are poverty rates by age. The poverty rate for persons under the age of 18 in New York City was 29.6% in 2014. The rate was 18.4% for individuals 18 to 64 and 19.3% for persons 65 years and over. Furthermore, 17.6% of all families were living under the poverty line in 2014. For families containing related children under the age of 18, the figure is higher than that of all families, 25.0%. For married-couple families, the overall poverty rate was 10.7% in 2014, while for female- and male-headed families (i.e., no spouse present) it was 31.6% and 16.2%, respectively. None of these statistics fell by a significant amount as compared to 2013, but rates for female-headed households, individuals 65 years and over, and families with related children all rose from between 0.4 and 1.0 percentage points as compared to the prior year.

For comparison, overall rates were as high as 26.4% in the mid-nineties.[14] The Census Bureau has also begun work on a "Supplemental Poverty

Measure," an additional measure of poverty that will include more factors in estimating income resources.[15] Using a similar methodology, the NYC Center for Economic Opportunity (CEO) calculated household poverty rates for New York City residents from 2005-2013 and found poverty rates higher than those officially released by the Census Bureau.[16] For instance, the official household poverty rate in 2013 was 19.9% and the CEO estimate was 21.5%. The gap between official and CEO estimates has been as high as 3.0 percentage points over the nine years studied by this City agency.

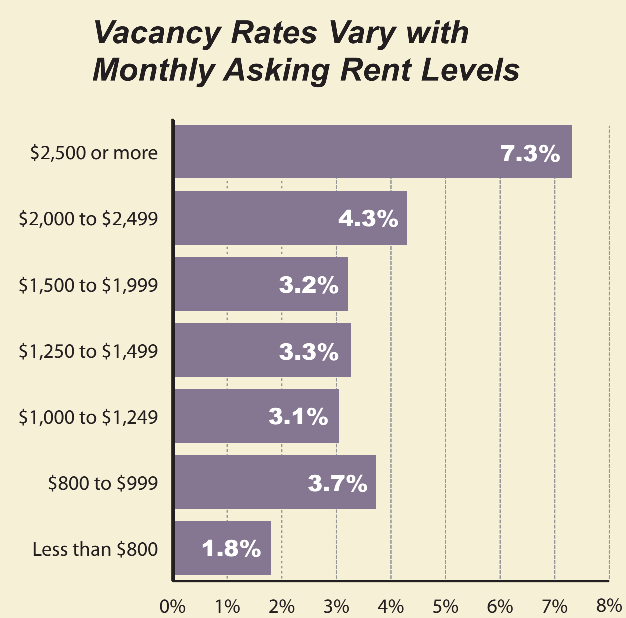
2014 Housing & Vacancy Survey

Vacancy Rates

Results from the *2014 Housing and Vacancy Survey* (*HVS*) were first reported in the *2015 Income & Affordability Study*, and they revealed the continuation of a very tight New York City housing market.[17] This triennial survey of the housing and demographic characteristics of the City's residents found that the Citywide vacancy rate was 3.45% in 2014, well below the 5% threshold required for rent regulation to continue under State law, but higher than that found during the last *HVS*, 3.12%.[18] Queens had the lowest vacancy rate in the city, at 2.69%, translating into the availability of just 12,070 rentals in a borough with 449,274 rental apartments. Manhattan, by contrast, had the highest vacancy rate in 2014, at 4.07%. Of the remaining boroughs, the Bronx had a vacancy rate of 3.77%, Brooklyn was at 3.06%, and the small sample size in Staten Island made the rate too inaccurate to report.

The *HVS* found vacancy rates varying significantly among different asking rents. As might be expected, apartments renting for the least had the lowest vacancy rates, while those apartments renting at the high end had substantially higher vacancy rates. Apartments with an asking rent of less than $800 had a vacancy rate of just 1.8%, while those renting for at least $2,500 had a vacancy rate of 7.3%. (See graph on this page for a further breakdown.)

Vacancy Rate by Monthly Asking Rent Level, 2014



Source: 2014 NYC Housing and Vacancy Survey

Income

According to the *2014 HVS*, which reflects household income for 2013, the median income for rental households was $41,500, an inflation-adjusted ("real") increase of 1.1% from 2010.[19] Owner households earned substantially higher income, which in 2013 was a median of $80,000, almost double the income of renters.

The *2014 HVS* found different income levels among those living in units that were rent controlled, rent stabilized, unregulated, or part of some other regulation program (such as public housing or Mitchell-Lama). The lowest median income was found among those tenants in "other" regulated units, which at $18,296 was a real decrease of 3.1% from 2010. Those in rent control units had a median household income of $29,000 in 2013, a real decrease of 3.6%. Tenants living in stabilized buildings built prior to 1947 ("pre-war") had a median income of $40,000, and post-46 ("post-war") tenants earned a median income level of $46,000, real increases of 2.3% and 0.3%, respectively. Stabilized tenants on the whole had a median income of $40,600 (a real decrease of 0.3%), while those tenants in unregulated[20] apartments earned a median of $58,000 in 2013 (a real increase of 7.7%).

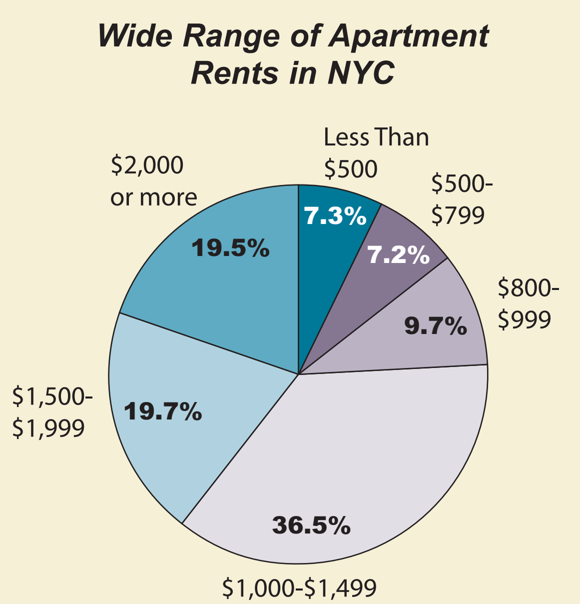
Rent

The HVS also examines rent levels, and it revealed that in 2014, the median monthly contract rent, which excludes any additional tenant payments for fuel and utilities, for all rental units was $1,200. Rent stabilized tenants on the whole paid this same amount ($1,200) in median contract rent, including $1,153 for pre-war rent stabilized apartments, and $1,300 for post-war rent stabilized apartments. These are inflation-adjusted increases from 2011 of 6.3% for rent stabilized units as a whole, and 4.4% and 9.2% for pre- and post-war units, respectively. Among the other categories of rental units, rent controlled tenants paid a median of $900 (a 6.6% real increase), tenants living in private, nonregulated rentals paid a median of $1,500 (a real increase of 5.3%), and tenants living in "other" regulated units (such as public housing and Mitchell-Lama) paid the least in median contract rent, $583 (a real decrease of 6.4%).

Median gross rent, which includes fuel and utility payments, was $1,325 for all renters, a real increase of 4.3%. Rent stabilized tenants on the whole paid a median gross rent of $1,300 in 2014, including $1,266 for pre-war rent stabilized apartments, and $1,413 for post-war rent stabilized apartments. Adjusting for inflation, that is an increase from 2011 of 5.3% for all rent stabilized units over the three-year period, and increases of 3.9% and 9.4%, respectively, for pre- and post-war rent stabilized units. Rent controlled tenants paid less than the average rent stabilized tenant, with a median gross rent of $1,020 in 2014 (a real increase of 8.1%), while those in unregulated units paid the most, a median of $1,625 (a real increase of 2.7%), and those in "other" regulated units paid the least, a median of $595 in gross rent (a real decrease of 6.0%).

The *HVS* also breaks down the distribution of renter occupied housing by gross rent level. Of the more than two million rental units in New York City that report cash rent, 7.3% rent for less than $500, and 16.9% rent for between $500-$999. More than three-quarters of rental units (75.7%) rent for over $1,000, including 19.5% that rent for more than $2,000.[21] (See graph on this page for a further breakdown.)

Gross Rent Levels of Apartments, 2014



Source: 2014 NYC Housing and Vacancy Survey

Affordability of Rental Housing

Examining affordability of rental housing, the *2014 HVS* reported that the median gross rent-to-income ratio for all renters was 33.8%, meaning that half of all households residing in rental housing pay more than 33.8% of their income in gross rent, and half pay less. While equal to the highest ratio in the history of the *HVS*, it is unchanged from 2011, when the ratio was also found to be 33.8%. Furthermore, a third (33.5%) of rental households pay more than 50% of their household income in gross rent (up from 33.1% in 2011). Generally, housing is considered affordable when a household pays no more than 30% of their income in rent.[22] The contract rent-to-income ratio was 31.2% for all renters in 2014, up 0.3 percentage points from 2011, and the highest ratio ever reported by the *HVS*.

Rent stabilized tenants are the tenants facing the highest financial burden, with a median gross rent-to-income ratio of 36.4%, meaning a majority of rent stabilized tenants are not able to afford their apartments, based on the HUD benchmark for housing affordability. Looking at these figures more closely, rent stabilized tenants in pre-war apartments are facing a median rent burden of 37.0%, while tenants in post-war units had a median ratio of 34.7% in 2014. All of these figures increased from 2011, including increases of 1.6 percentage points for all rent stabilized tenants, 1.5 percentage points for tenants in pre-war units, and 0.9 percentage points in post-war units.

It is important to note that an analysis done by RGB staff of the last four triennial *HVS* surveys found that officially reported rent-to-income ratios were somewhat high due to an anomaly in the way rents for tenants receiving Section 8 are recorded by the *HVS*. While generally paying no more than 30% of their income towards rent, tens of thousands of rent stabilized tenants receiving Section 8 are recorded with gross rent-to-income ratios in excess of 100%. The RGB analysis of *2014 HVS* data found that the gross rent-to-income ratio for rent stabilized tenants not receiving Section 8 was 33.5%, a difference of 2.9 percentage points from overall rent stabilized rates. Similarly, rates were lower by 1.5 percentage points in 2005, 1.1 percentage points in 2008, and 2.5 percentage points in 2011. The estimated "out of pocket" rent-to-income ratio for rent stabilized tenants in 2014 was 33.2%.

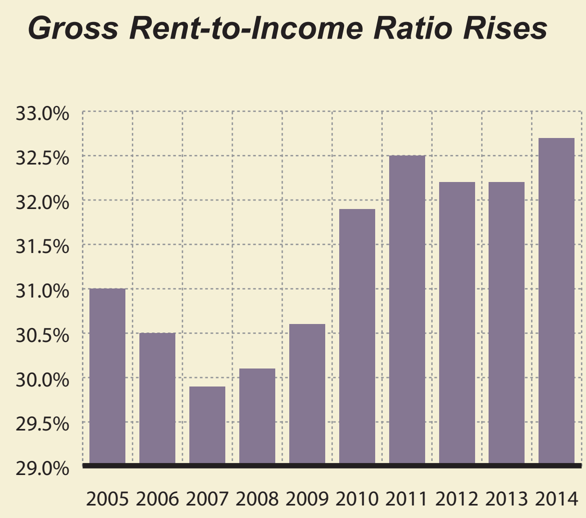
Rent controlled tenants had the second highest median gross rent-to-income ratio, 35.5% (a 3.8 percentage point rise), unregulated tenants paid a median of 33.0% in 2014 (a decrease of 0.7 percentage points), and tenants in "other" regulated units paid a median of 30.3% (a decrease of 0.6 percentage points).

Other Measures of Affordability

American Community Survey

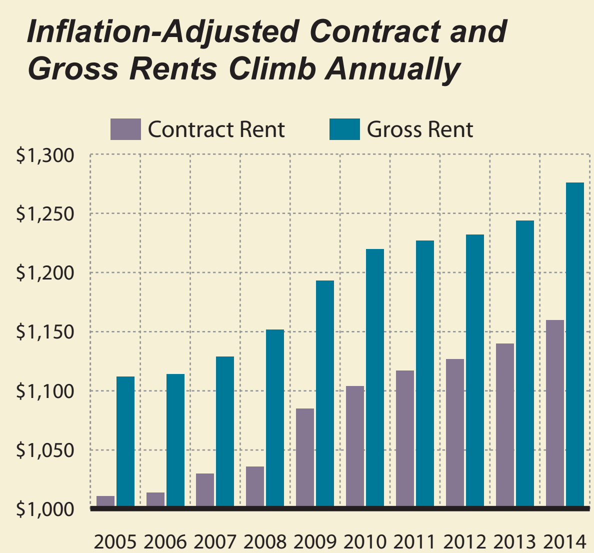
Per data from the Census Bureau's annual nationwide *2014 American Community Survey (ACS)*, despite ongoing efforts by a number of government agencies and non-profit groups, housing affordability remains an issue in a city ranked 27th highest among 81 big cities (those with populations with of at least 250,000) of gross rent-to-income ratios.[23] At 32.7%, the median gross rent-to-income ratio in New York City rose half a percentage point from 2013 levels (see graph on this page). By borough, rates ranged from a low of 28.4% in Manhattan, to 33.8% in Brooklyn, 34.4% in Queens, 34.7% in Staten Island, and 36.3% in the Bronx. The only borough to fall as compared to the prior year was Manhattan, which declined by 0.3 percentage points. Rates rose by 1.7 percentage points in Staten Island, the greatest increase among the boroughs.

Gross Rent-to-Income Ratio, 2005-2014



Source: American Community Survey, 2005-2014

Rent in Constant 2014 Dollars, 2005-2014



Source: American Community Survey, 2005-2014

The proportion of households Citywide paying 50% or more of their income towards gross rent rose as compared to 2013, increasing from 29.6% to 30.2%. At the borough level, rates ranged from a low of 22.0% paying at least 50% of their income towards gross rent in Manhattan, to a high of 36.0% in Staten Island.

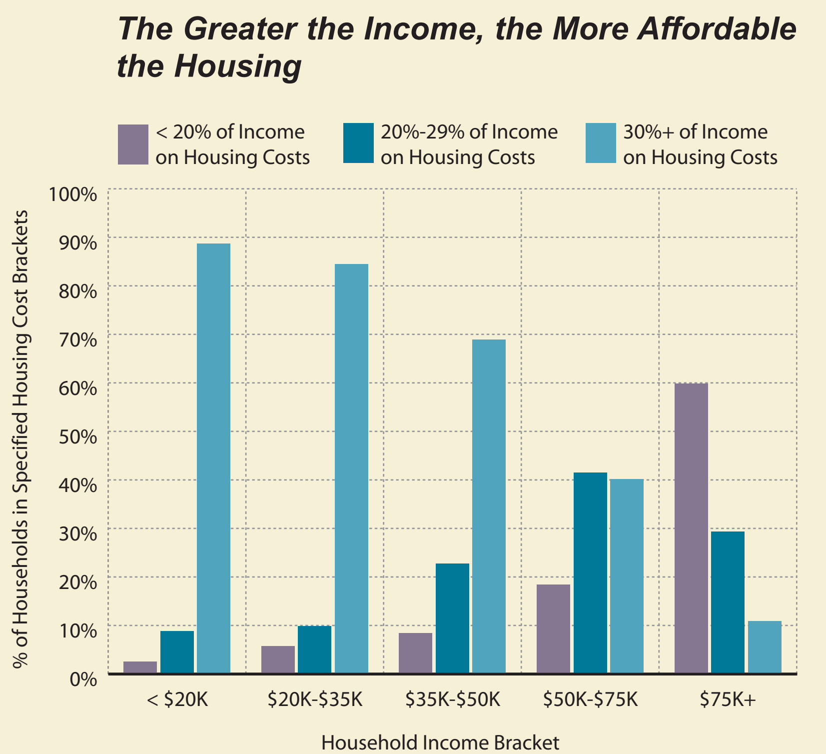
This survey also reports that the median contract rent in New York City was $1,160 in 2014, and the median gross rent was $1,276 (see graph on previous page). Between 2013 and 2014, median monthly contract rents for all apartments in New York City increased an inflation-adjusted ("real") 1.8% and median gross rents increased by 2.6%. In nominal terms the increases were 3.1% and 3.9%, respectively. Inflation-adjusted gross rents rose by 0.7% in the Bronx, 1.4% in Manhattan, 2.6% in Queens, and 3.2% in Brooklyn. They fell 2.3% in Staten Island.

During 2014, median household income rose both nominally and in real terms, by 1.5% and 0.2% respectively, to $52,996. However, median household income for renters, while rising a nominal 0.7%, fell in real terms, by 0.6%. Owner income rose for the second consecutive year, by 1.8% in nominal terms and 0.5% in real terms. Since the inception of this survey in 2005, renter income has fluctuated in real 2014 dollars from a low of $39,805 in 2011 to a high of $43,509 in 2008. It was $41,210 in 2014.

The survey also provides mean household income for cities in quintiles. In New York City the top quintile (i.e., the top 20%) in mean household income makes 27.02 times more than the lowest quintile (i.e., the lowest 20%), the sixth highest ratio among big cities, and an increase from 26.28 in 2013. While New York's income disparity ratio does rank near the top nationwide, it lags behind New Orleans, with a ratio of 35.64, the highest disparity among big cities. Other major cities, such as Los Angeles (22.11), Chicago (22.78), Houston (19.92), and Philadelphia (22.11), all have smaller differentials between income levels than New York City. Among the cities ranking higher than New York City are Boston (34.42) and Washington, DC (30.23). The smallest disparity among big cities is in Santa Ana, California, with a ratio of 9.28. While the ratio between the upper and lower quintiles was 27.02 for all of New York City, it was 42.96 in Manhattan, where the top quintile makes an average of more than $407,000 more annually than the lowest quintile.

Also reported is the percentage of income spent on monthly housing costs for different household income categories. Approximately 95% of all renters both pay rent and report an income, and among those renters, 26% make less than $20,000 a year. For this lowest household income category, 88.7% spend at least 30% of their household income on housing costs and 2.5% spend less than 20%. As income levels increase, the proportion of renters who spend at least 30% of their

Renter Housing Costs as a Percentage of Household Income, 2014



Source: American Community Survey, 2014

household income on housing costs decreases, while the proportion paying less than 20% increases (see graph on the previous page). At the highest income category provided by the *ACS*, those households earning $75,000 or more (29% of all renters), 10.9% spend at least 30% of their income on housing costs, while 59.8% spend less than 20%.

Consumer Price Index

One of the many prices tracked in the federal Consumer Price Index (CPI) is the cost of rental housing. While not specific to New York City (the local CPI area extends into the suburbs of New York City), the CPI can provide a useful comparison of the rise of housing costs to those of other components of the price index.[24] For the 47-year period since the inception of rent stabilization (from 1968 to 2015) the cost of rental housing in the New York area rose 750% and overall prices rose more slowly, at 622%. This is the converse of nationwide averages, where the cost of rental housing rose at a slower pace than overall costs (561% and 581%, respectively).

Between 2014 and 2015, rental costs rose 3.1% in the NYC area, versus an overall increase in prices of 0.1%. This is slightly higher than the 2014 rent increase of 3.0%. While the rate of inflation of rents did increase during 2015, it was still lower than many other recent years, including rates of 4.5% in 2007, 5.1% in 2008, and 3.9% in 2009.

In the U.S. as a whole, rental costs rose at a faster pace than the New York City area, rising by 3.6% in 2015. Rental costs in the NYC metropolitan area rose more slowly than five of the seven cities selected for comparison, including the metropolitan areas of Boston, Chicago, Los Angeles, San Francisco, and Atlanta, which rose at rates of between 3.2% to 6.1% in 2015. But rental rates in the NYC metropolitan area did rise faster than those in Philadelphia, which saw rents rise 2.7%, and was equal to that of Washington, DC, which also rose by 3.1%.

Section 8 Housing Availability

Following increased funding in 2007 to the Section 8 housing voucher program (which allows recipients to live in privately owned housing, paying 30% of their income towards rent), the New York City Housing Authority (NYCHA) opened the waiting list for the first time since 1994.[25] These expanded funding levels led to significant increases in the number of Section 8 occupied units funded by NYCHA (which increased from 82,801 in FY 2007 to a recent high of 100,570 in FY 2010, a 21.5% increase), as well as significant increases in the number of people placed through Section 8 vouchers during those years. The number of Section 8 apartments has since fallen, to 86,402 units.[26] NYCHA also tracks the number of applicants newly placed through the Section 8 program. After falling sharply between FY 2013 and FY 2014, placements rose from 384 to 892 between FY 2014 and FY 2015. And placements rose again in the first four months of FY 2016 as compared to the first four months of FY 2015, from 147 to 501. There are approximately 120,000 persons currently on the NYCHA Section 8 waiting list, 3,000 persons less than last year.

The NYC Dept. of Housing Preservation and Development (HPD) also maintains a Section 8 program, although as opposed to NYCHA, applicants must fall within specific HPD preference categories or special admission programs, and applications are not accepted from the general public.[27] As of February of 2016, HPD was funding 38,822 Section 8 vouchers, approximately the same number as the previous year. Notably, 45% of HPD's Section 8 vouchers are utilized by tenants with disabilities. And among all HPD Section 8 rentals, the average tenant share of rent is $405, with an average income level of $16,080.[28]

Non-Government Sources of Affordability Data

Staff also calculated electricity costs for a typical rental household. Assuming usage of 300 kWh and supply via Con Edison, the average renter's bill would have decreased by 8.2% during 2015, following a 6.0% increase during 2014. During the most recent 12-month period (April of 2015 through March of 2016), due to double-digit price decreases in six of the 12 months of the year, costs fell 9.2% as compared to the prior "year." For comparison, during the previous 12-

month period, costs decreased 2.1%.[29] In addition, New Yorkers pay some of the highest electricity bills in the nation, with the average cost per kWh in 2014 2.3 times that of the nation as a whole.[30] Con Edison has proposed a residential rate hike as of January 2017 that would raise rates an average of 5.2% a month, the first rate increase for delivery services since April of 2012. Tenants who use gas for cooking would see an average increase of 14.4% in the gas portion of their ConEd bill.[31]

Another measure of affordability is the Council for Community and Economic Research's Cost of Living Index (COLI), which tracks the cost of living in almost 300 urban areas, including Manhattan and Brooklyn (the Bronx, Queens, and Staten Island were not included in this survey). Based on 60 different items, the survey collects more than 90,000 prices for housing, utilities, groceries, transportation, health care, and miscellaneous goods and services. In each of the first three quarters of 2015, Manhattan and Brooklyn ranked as numbers one and three/four respectively on the list of most expensive urban areas.[32] The study calculated that Manhattan was approximately 2.2 times as expensive to live in as the national average, while Brooklyn was approximately 1.7 times more expensive.

This same study found that someone moving from Boston who makes $56,902 a year (the 2014 median household income in Boston) would need to make $90,101 to achieve the same standard of living in Manhattan, while paying 18% more for groceries, 17% more for transportation, and 140% more for housing (including 79% more for renters).[33] Moving to Brooklyn would be somewhat more economical, requiring a salary of $69,192 to achieve the same standard of living. As with Manhattan, the most inflated component in Brooklyn is housing, which is approximately 54% more expensive than in Boston (with rental apartments 4% more expensive).

While the study found that significantly more income is required to live in New York City with the same standard of living as in Boston (see prior paragraph), actual incomes fell short of what the study determined was required in Manhattan and Brooklyn. Actual 2014 median household incomes were $76,089 in Manhattan and $47,966 in Brooklyn, a difference of 15.6% and 30.7%, respectively.[34]

Per this survey, overall housing costs rose in Boston, Manhattan, and Brooklyn during 2015, by 9.6%, 4.7%, and 1.0%, respectively. And the subcategory of apartment rents also rose in all three areas, by 14.3% in Boston, 3.0% in Manhattan, and 4.2% in Brooklyn.

Another quarterly index, the Housing Opportunity Index (HOI), showed that during the fourth quarter of 2015 the New York metropolitan area was the ninth least affordable area to buy a home. This follows eighteen straight quarters between 2008 and 2012 when the New York area ranked as least affordable. The survey found that 22.0% of owner-occupied housing in the metropolitan area was affordable to households earning the median income. Although it was one of the least affordable buyer's markets, substantially more homes were affordable than in recent years, such as in the fourth quarter of 2006, when only 5.1% of homes were considered affordable, and is comparable to the same quarter of the previous year, when 24.7% of homes were considered affordable.[35]

Every year the National Low Income Housing Coalition (NLIHC) issues a study to determine whether rents are affordable to the lowest wage earners. The 2016 study has not been released as of the publication of this report, but per their methodology,[36] in order to afford a two-bedroom apartment at the City's Fair Market Rent, ($1,571 a month, as determined by the U.S. Department of Housing and Urban Development[37]) a full-time worker must earn $30.21 per hour, or $62,840 a year. Alternately, those who earn minimum wage would have to work 134 hours a week (or two persons would each have to work 67 hours a week) to be able to afford a two-bedroom unit priced at Fair Market Rent. Because the Fair Market Rent rose by $90, but the minimum wage increased by $0.25 an hour in 2016, the amount of annual wages necessary to afford this apartment went up by 6.1%, but the number of hours working at minimum wage in order to afford this apartment went up by a smaller amount, 3.1%.

The New York Times and Siena College conducted a poll of New Yorkers in early November, 2015.[38] When asked how they were managing financially, 20% of respondents Citywide said they were "living comfortably," 29% said they were "doing alright," 33% said they were "just getting by," 12% said they were "finding it difficult," and 6% said they were "finding it very difficult." When asked if there have been times in the past 12 months that the respondent did not have enough money for food, 21% replied "yes." When asked if there have been times in the last 12 months that the respondent did not have enough money to provide adequate shelter for themselves or their family, 17% said "yes."

The Community Service Society's "The Unheard Third 2015" interviewed 1,052 low-income residents (those making under 200% of the federal poverty level) and 653 moderate- and higher-income residents (those making 200% or more of the federal poverty level) in the summer of 2015.[39] Among their findings, they found that 24% of low-income residents had fallen behind on their rent or mortgage in the past year, and 10% had been threatened with foreclosure or eviction. This compares to 11% of the higher income residents who had fallen behind on their rent or mortgage, and 5% who had been threatened with eviction or foreclosure.

In addition, 20% of the lower-income residents reported losing their job, 16% reported having their hours, wages, or tips reduced, 14% moved in with other people due to financial problems, and 14% had a utility turned off. This compares to 11% of higher-income residents who reported losing their job, 12% who reported having their hours, wages, or tips reduced, 6% who reported moving in with others due to financial reasons, and 4% who had a utility turned off.

Real Property Tax Credit

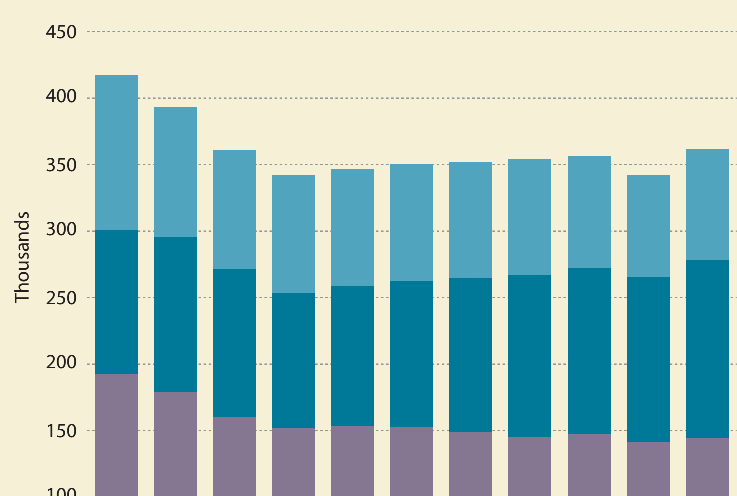
For the second consecutive year, a tax credit for New York City renters, the "Enhanced Real Property Tax Credit for Homeowners and Renters," offers a maximum rebate of $500 to New York City residents with household incomes of less than $200,000 a year.[40] The amount of this credit depends on both your income level and the amount of rent that you pay. For instance, a tenant with a household income of $50,000 a year, who pays $1,250 in rent (30% of their income), would receive a tax credit of $16.31. But a tenant making $50,000 a year and paying $2,083 in rent (50% of their income), would receive a credit of $87.19. A higher income household, earning $100,000 a year, would need a rent in excess of $2,646 (31.7% of their income) before they could receive any tax credit.[41]

Cash Assistance Programs

Following declines in 2014 (the first since 2008), the average number of cash assistance cases in New York City increased in 2015, rising by 5.7%.[42] This follows a decrease of 3.9% in the prior year (see graph on this page). Also reported by the Human Resources

Cash Assistance Programs, 2005-2015, in Thousands

Cash Assistance Caseloads Rise Almost 6%



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
FAP	192.2	179.2	160.2	151.7	153.3	152.8	148.9	145.2	147.0	141.3	144.2
SNA	108.7	116.7	111.5	101.4	105.5	109.9	116.1	121.9	125.5	124.0	134.2
FAP-SNA	116.1	97.3	89.4	88.6	88.1	87.7	86.7	86.9	83.6	77.0	83.5

Source: NYC Human Resources Administration
Note: FAP-SNA refers to welfare recipients who were converted from the Family Assistance Program (FAP) to the Safety Net Assistance Program (SNA)

Administration is the total, unduplicated, number of recipients of cash assistance during 2015. While the average monthly caseload in 2015 was 361,913 persons, a total of 597,347 persons received a cash assistance payment over course of the year. This was an increase of 1.1% over 2014 levels, a slower growth rate than the rise in average caseloads. This may indicate that the increase in average caseloads is more related to receiving aid for longer time periods, rather than more people applying for, and receiving, aid.[43] And despite generally increasing in the past few years, over the last 20 years the number of cash assistance recipients has dropped significantly, falling 68.1% since March 1995, when the City's welfare reform initiative began and 1,161,000 recipients were on the rolls.

While the number of cash assistance cases rose in 2015, the number of applications for cash assistance fell, decreasing 16.2% over 2014 levels, including a decrease of 21.2% in denied applications, and 12.6% in approved applications.[44] At the same time, the number of reported job placements among cash assistance recipients decreased during 2015, falling by 2.1%, or 990 jobs.[45]

The number of Supplemental Nutrition Assistance Program (SNAP, formerly known as food stamps) recipients decreased for the second consecutive year. After falling for the first time in twelve years in 2014, the number of recipients decreased again, by 3.2% in 2015, to an average of 1.70 million. Despite this drop, SNAP levels have more than doubled in recent years, rising from an average of just over 800,000 in the early 2000s, to just over 1.7 million today.[46] The number of Medicaid enrollees also fell, decreasing 15.5% during 2015, to 2.4 million recipients.[47]

Housing Policy

New York City receives funding for a variety of housing programs from the U.S. Department of Housing and Urban Development (HUD). Data on funding levels for these programs from Fiscal Year 2015 is delayed, and is expected to be available in mid-May 2016. Data from FY 2014 is reported below. New York City received $750.0 million from federally funded programs in FY 2014.[48] These programs included $218.5 million in a Community Development Block Grant (CDBG) which funds housing and community development programs; $58.7 million for the HOME Investment Partnership Program, which helps preserve existing housing stock; $12.6 million for the Emergency Shelter Grant (ESG) program, which is used for homeless programs; and $48.5 million for Housing Opportunities for Persons with AIDS (HOPWA). NYCHA also received $296.2 million for its capital modernization program.

As compared to Fiscal Year 2013, federal funding in 2014 increased by 4.2% in nominal terms and 3.7% in inflation-adjusted terms. While there was an overall increase in funding, three programs had their funding cut in FY 2014, including the CDBG program, which fell by 1.7% in real terms, and HOPWA, which fell by 5.7% in real terms. The smallest funding source, HUD Fair Housing and Housing Counseling, was defunded in FY 2014, while the ESG rose by the greatest proportion, 15.3% in real terms. The largest program, the NYCHA Capital Fund (accounting for 40% of federal funding), which funds rehabilitation at public housing developments, also rose substantially, by 13.9% in real terms.

Homelessness & Evictions

Homelessness

Homelessness in the City, based on data from the Dept. of Homeless Services (DHS), increased for the seventh consecutive year during 2015, rising by 5.6%.[49] Each night, an average of 57,158 persons stayed in DHS shelters during 2015, up 3,036 persons from a year earlier, and up considerably from the average of 20,000-25,000 found in the 1990s (see graph on next page and Appendix F.7). While levels rose on the whole, so did the subcategory of the number of families sheltered each day, by an average of 5.4%.[50] The figure for families includes the number of families with children sheltered each night, which rose 4.8% during 2015 (to reach an average of 11,883), and the number of adult families sheltered each night, which increased 8.8% over the year (to an average of 2,154). The number of single adults sheltered also rose during 2015, increasing 13.4%, to an average of 12,014 persons.

While overall homeless rates increased 5.6%

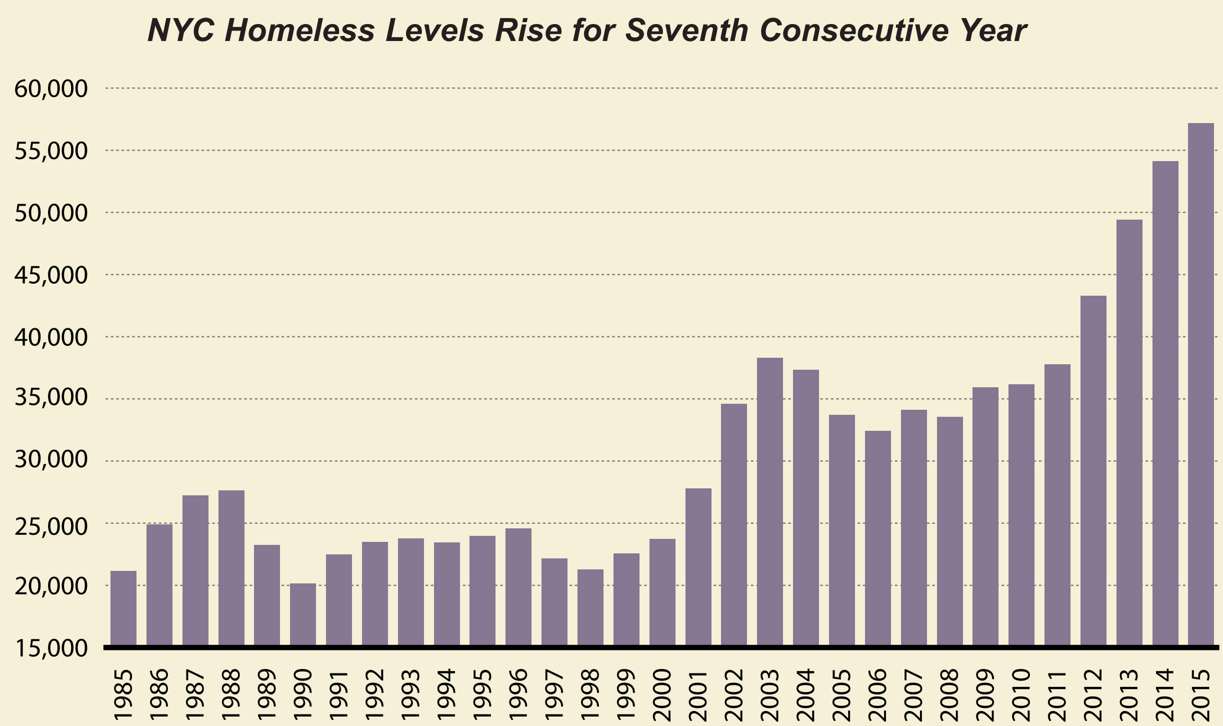
during 2015, looking at the data on a quarterly level shows that rates generally increased at a slower pace as the year went on. Rates rose by 11.4%, 6.7%, 2.7%, and 2.1% in the first, second, third and fourth quarters respectively, as compared to the same quarters of the previous year. On a monthly basis, the greatest increase was seen in January of 2015, when 7,058 more persons stayed in City shelters than the previous January, an increase of 13.7%.

While more people were staying in homeless shelters during 2015, more families were also being relocated to permanent housing during the year. Permanent housing placements for families with children and adult families rose over 2014 figures, while they dropped for single adults. For families with children, placements rose by 16.9%, to 8,352 placements. For adult families, rates rose by 1.5%, to 668 placements. But following double digit increases during 2013, single adults placements fell for the second consecutive year, by 9.8% during 2015, to 8,525 placements.

More than 21% of permanent housing placements for families with children in 2015 were via the relatively new LINC (Living in Communities) Program. LINC is subdivided into six sub-programs that focus on working families, families with multiple shelter stays, and domestic violence survivors (among others), each with their own requirements for how much participants pay towards rent and how long the subsidy lasts. An equal number of placements were made in 2015 by reuniting shelter residents with family members already living in permanent housing, both in and outside of New York City. Other major sources of placements during 2015 were to NYCHA housing, Section 8, a return to independent living, and the CityFEPS program. For adult families, the greatest source of permanent housing placements were reunification with family members, LINC, independent living, and Section 8.

Other homeless indicators include the average amount of time spent in temporary housing, which increased among all categories for the fifth consecutive

Average Homeless Shelter Census, NYC, 1985-2015



Source: NYC Dept. of Homeless Services

year, rising by 3 days for families with children (to 435 days), by 24 days for adult families (to 551 days), and by 26 days for single adults (to 342 days). While homeless individuals were spending more time in temporary housing during 2015, those placed in permanent housing were returning to the system in stable or lower numbers, with 14.5% of families with children returning to DHS within one year (equal to the prior year), and 11.5% of adult families returning to DHS within one year (down from 14.7% in the prior year). In addition, the number of single adults and adult families who have never before utilized a City shelter increased during 2015, rising 3.7% and 5.2%, respectively. But the number of families with children who have never before utilized a City shelter decreased, by 7.3%. An average of 905 new single adult entrants, 115 adult families, and 1,010 families with children utilized DHS shelters for the first time in each month of 2015.

Data from the U.S. Department of Housing and Urban Development, which asks municipalities to submit homeless counts on a single day in January of each year, shows that New York City has the largest number of homeless people of any city in the nation. NYC reported a total of 75,323 sheltered and unsheltered persons in January of 2015 followed by Los Angeles, with 41,174 persons, and Seattle, with 10,122. In New York City, rates rose 11.1% between January 2014 and January 2015, and at the national level, homeless rates declined by 2.0%.[51]

In March, Mayor de Blasio's office announced that since January of 2014, 10,242 households were helped from the rental assistance programs LINC and CityFEPS; more than 100,000 households were given emergency rental assistance (of an average of $3,400 each); 10,000 households were provided with free legal services; and more than 100,000 people have been served by DHS' HomeBase program.[52]

The NYC Independent Budget Office (IBO) reports that funding for shelter beds is slated to be cut in the City's Preliminary FY 2017 budget. Despite an extra $170 million being spent in FY 2016 for unanticipated shelter costs, the preliminary budget calls for a cut of almost $200 million from actual FY 2016 levels. The savings are expected to be reaped from two Mayoral initiatives – the creation of 15,000 units of supportive housing over the next 10 years and additional cash assistance for HIV-positive New Yorkers. The administration estimates that this will reduce the shelter census by 1,400 households by 2020. The IBO estimates that an additional $131 million will be needed to fund City shelters in FY 2017, in part because of the slower-than-anticipated placements through the LINC rental assistance program, and the 10-year timeline for building supportive housing.[53]

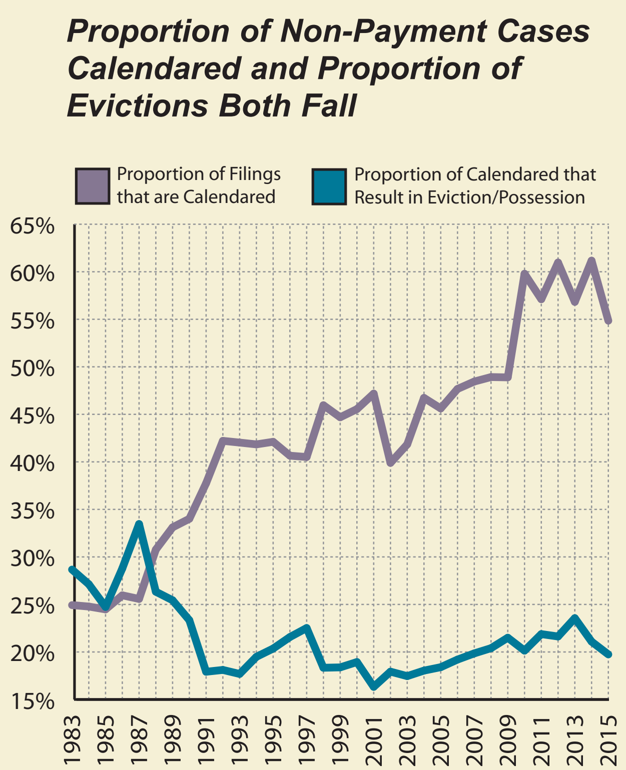
In November of 2014, the IBO released a study of DHS shelter data for fiscal years 2002-2012.[54] The reports focuses on families with children, asking them their reason for needing emergency shelter and then geocoding this data to find out which applicants were previously living in buildings containing rent stabilized units. Of the addresses that could be successfully geocoded, 43% were found to be in buildings containing rent regulated units (generally rent stabilized buildings, which may contain units that have been deregulated, as well as Mitchell-Lama buildings). Among those tenants coming from buildings containing rent regulated units, 32% cited eviction as the reason for eligibility, while 24% cited overcrowding, and 21% cited domestic violence. The remaining 23% cited other reasons, such as discord and unlivable conditions. These proportions were very similar to those from unregulated housing. For more information on the results of this study, please see the *2015 Income & Affordability Study*.

Housing Court

Another useful way to assess the impact of economic conditions on New York City's renters is to examine housing court data. Specifically, Housing Court actions are reviewed to determine the proportion of tenants who are unable to meet their rental payments. To measure the number of households experiencing the most severe affordability problems, evictions are also tracked.

For the fourth consecutive year, non-payment filings in Housing Court decreased, falling 2.4%, to 203,119.[55] At the same time, the number of cases resulting in an actual court appearance ("calendared") also declined, by 12.5%, so the proportion of cases which resulted in an appearance decreased by 6.3 percentage points. At

Housing Court Statistics, 1983-2015



Source: Civil Court of NYC and NYC Dept. of Investigations

54.8%, this proportion is the lowest level seen since 2009 (see graph on this page and Appendix F.6). During the mid-to-late 1980s, an average of 27.1% of non-payment filings were calendared.

More than 18% of non-payment filings are against tenants of public housing (NYCHA). If these cases were taken out of the analysis, filings would have gone down 2.5%, and calendared cases would have fallen by 10.7%. And the overall percentage of calendared cases to non-payment filings would have been higher, at 56.2%, 1.3 percentage points higher than the overall proportion.

Evictions also fell during 2015, by 18.1%.[56] The proportion of non-payment proceedings Citywide that resulted in an eviction/possession ruling in 2015 decreased by 1.4 percentage points, falling from 21.1% to 19.7%. This translates to 21,988 court decisions ruled for the tenant's eviction from a total of 111,409 non-payment proceedings calendared. The proportion of evictions to calendared cases is now at its lowest level since 2006 (see graph on this page).

The City now provides two free legal services for tenants. Anti-eviction legal services will serve 19,000 households a year when fully implemented, and anti-harassment tenant protection will serve 13,700 households when fully implemented.[57]

Conclusion

In 2015, economic indicators for New York City were almost entirely positive, including rising employment levels, declining unemployment, increased Gross City Product, a slowing of non-payment housing court filings and "calendared" cases, and rising wages. However, homelessness continues to increase, as do public assistance caseloads.

Looking forward, various City agencies have made predictions about the future health of the New York City economy. Among their predictions, they estimate that in 2016 the City will gain anywhere between 61,000 and 68,000 jobs, unemployment will fall to 5.2%, GCP growth will potentially grow anywhere from 1.4% to 2.6%, and wages will rise from 1.8% to 2.7%. They also see the economy as strong, but slowing, during the next few years, with slightly increasing unemployment rates (to as high as 5.6% in 2018-2020), more moderate job gains, and stable GCP growth, but rising wage rate growth.[58] ❒

Endnotes

1. This data is obtained from the Civil Court of the City of New York, which cannot provide exact "quarterly" data. The Court has 13 terms in a year, each a little less than a month long. This data is for terms 10-13, which is from approximately the middle of September through the end of the year. It is compared to the same period of the prior year.

2. Data from the NYC Comptroller's Office as of March, 2016. GCP figures are adjusted annually by the New York City Comptroller's Office. The figures in this report are the latest available estimate from that office, based on inflation adjusted 2009 chained dollars.

3. US Bureau of Economic Analysis. http://www.bea.gov/national/index.htm#gdp; Data accessed March, 2016.

4. US Bureau of Labor Statistics; http://www.bls.gov; Data accessed February, 2016.

5. NYS Dept. of Labor; http://www.labor.state.ny.us; Data accessed March 2016. Data is revised annually and may not match data reported in prior years.

6. US Bureau of Labor Statistics; http://www.bls.gov; Data accessed March, 2016.

7. New York State Dept. of Labor; http://www.labor.state.ny.us; Data accessed March 2016. Data is revised annually and may not match data reported in prior years.

8. The NYC labor force participation rate and employment/population ratio are derived from unpublished data from the U.S. Bureau of Labor Statistics, obtained from the NYC Comptroller's Office. Note that prior years' data are annually revised, and may differ from figures reported in prior years' *Income and Affordability Studies*.

9. Bureau of Labor Statistics; http://www.bls.gov; Data accessed March, 2016.

10. New York State Dept. of Labor; http://www.labor.state.ny.us; Data accessed March 2016.

11. Bureau of Labor Statistics; http://www.bls.gov; Data accessed March, 2016.

12. Data obtained from The Administrative Office of the U.S. Courts in March of 2016. http://www.uscourts.gov/Statistics/BankruptcyStatistics.aspx

13. Poverty statistics were researched on the US Census Bureau's Factfinder Site: http://factfinder2.census.gov in February of 2016.

14. Data is from prior reports of the Community Service Society of New York. which uses Census Data to compute their own poverty statistics. Studies average two consecutive years of census data in calculating poverty rates.

15. https://www.census.gov/hhes/povmeas/methodology/supplemental/overview.html

16. "The CEO Poverty Measure, 2005-2013." April, 2015. New York City Center for Economic Opportunity. Note that the CEO poverty rates are adjusted periodically and may not match figures found in prior reports.

17. The *New York City Housing and Vacancy Survey (HVS)* is sponsored by the NYC Department of Housing Preservation and Development (HPD) and conducted by the U.S. Census Bureau. All HVS data reported herein is from "Selected Initial Findings of the 2014 New York City Housing and Vacancy Survey," prepared by Elyzabeth Gaumer and Sheree West of HPD. Data from the *2011 HVS* presented in the "Selected Initial Findings" includes the reclassification of additional units as rent stabilized (data not available to the public), making a direct comparison of raw data from the *2011* and *2014 HVS* problematic.

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18. State law requires the City to formally extend rent stabilization every three years, after publication of vacancy rates from the triennial *Housing and Vacancy Survey*. Introductory Number 685 extends rent stabilization until April 1, 2018.

19. Total household income in the HVS includes wages, salaries, and tips; self-employment income; interest dividends; pensions; and other transfers and in-kind payments.

20. Private non-regulated units consist of units which were never rent controlled or rent stabilized, units which were decontrolled, and unregulated rentals in cooperatives or condominium buildings.

21. There were 53,391 units which did not report a cash rent because they were being occupied rent-free.

22. The HUD benchmark for housing affordability is a 30% rent-to-income ratio. Source: Basic Laws on Housing and Community Development, Subcommittee on Housing and Community Development of the Committee on Banking Finance and Urban Affairs, revised through December 31, 1994, Section 3.(a)(2).

23. 2014 American Community Survey, U.S. Census Bureau. http://factfinder2.census.gov

24. US Bureau of Labor Statistics; http://www.bls.gov; Data accessed February, 2016.

25 Press Release, Mayor's Office. "Mayor Bloomberg and NYCHA Chairman Hernandez Announce that Section 8 Voucher List Will Open For First Time in Twelve Years," January 29, 2007.

26. Preliminary FY 2016 Mayor's Management Report, NYC Housing Authority section.

27. Eligibility guidelines per the NYC Housing Preservation and Development website: http://www1.nyc.gov/site/hpd/section-8/applicants.page.

28. DTR Section 8 General Program Indicators, HPD website: http://www1.nyc.gov/assets/hpd/downloads/pdf/hpd-section-8-program-statistics.pdf (dated 2/18/2016).

29. A typical bill was calculated using rate schedules published on the Con Edison website at http://www.coned.com/rates. The rates used were for Service Classification #1, Residential and Religious, at a usage rate of 300kWh, per averages stated by a representative from ConEd.

30. U.S. Energy Information Administration: Electric Sales, Revenue, and Average Price (2014 Tables T6 and T5.a). http://www.eia.gov/electricity/sales_revenue_price/.

31. Con Edison Press Release. "Con Edison Files Electric & Gas Rate Proposals for 2017." January 29, 2016.

32. ACCRA Cost of Living Index Press Releases. First, Second, and Third Quarters of 2015. The Council for Community and Economic Research. http://www.coli.org/PressClippings.asp

33. ACCRA cost of living report. The Council for Community and Economic Research. https://www.coli.org/compare.asp

34. 2014 American Community Survey, U.S. Census Bureau. http://factfinder2.census.gov. American Community Service data does not specifically identify rent stabilized units.

35. National Association of Home Builders. Various tables on website: http://www.nahb.org/en/research/housing-economics/housing-indexes/housing-opportunity-index.aspx; Affordability defined as no more than 28% of gross income spent on housing costs. Data accessed March 2016.

36. The methodology that the National Low Income Housing Coalition uses is at: http://nlihc.org/sites/default/files/oor/OOR_2015_FULL.pdf

37. Fair Market Rents are published annually by the U.S. Dept. of Housing and Urban Development. http://www.huduser.org/datasets/fmr.html

38. *The New York Times* and Siena College poll, October 29-November 11, 2015. http://www.nytimes.com/interactive/2015/11/18/nyregion/new-yorkers-and-quality-of-life-poll.html

39. "Getting Ahead: An Upward Mobility Agenda for New Yorkers in 2016." The Unheard Third 2015. Community Service Society, January 2016.

40. New York State Dept. of Taxation and Finance Form NYC-208 (2015).

41. Calculations based on New York State Department of Taxation and Finance Form NYC-208 (2015).

42. New York City Human Resources Administration. HRA Charts (Cash Assistance Recipients): http://www1.nyc.gov/site/hra/about/facts.page#charts

43. New York City Human Resources Administration. HRA Monthly Fact Sheets (December 2015): http://www1.nyc.gov/site/hra/about/facts.page#caseloads

44. Data directly from the NYS Office of Temporary and Disability Assistance, February, 2016.

45. New York City Human Resources Administration. HRA Charts (Assisted Entries to Employment): http://www1.nyc.gov/site/hra/about/facts.page#charts

46. New York City Human Resources Administration. HRA Charts (SNAP Recipients): http://www1.nyc.gov/site/hra/about/facts.page#charts

47. New York City Human Resources Administration. HRA Charts (HRA Administered Medicaid Enrollees): http://www1.nyc.gov/site/hra/about/facts.page#charts

48. 2014 Consolidated Plan Annual Performance Report. NYC Dept. of City Planning. August 31, 2015.

49. Data from the Policy & Planning Office of the NYC Dept. of Homeless Services (DHS), DHS daily reports,and monthly Citywide Performance Reporting reports. Note that the NYC Department of Housing Preservation and Development, the NYC Department of Youth and Community Development, and the NYC Human Resources Administration also operate emergency shelters, which house approximately 5,000 persons per night.

50. The Dept. of Homeless Services (DHS) now splits families into two groups – families with children and adult families (generally spouses and domestic partners). Approximately 85% of "families" are families with children.

51. "The 2015 Annual Homeless Assessment Report (AHAR) to Congress: Part 1, Point-in-Time Estimates of Homelessness." U.S. Department of Housing and Urban Development, November 2015.

52. Press Release, Mayor's Office. "Mayor de Blasio Announces Over 30,000 New Yorkers Exited or Avoided Shelter and Moved to Permanent Housing Through City's Newly Created Rental Assistance Programs," March 8, 2016.

53. "Homeless Shelter Spending Increased to Record High This Year, Yet Next Year Remains Underfunded," New York City Independent Budget Office, March, 2016.

54. Fiscal Brief: "The Rising Number of Homeless Families in NYC, 2002-2012," New York City Independent Budget Office. November 2014.

55. Civil Court of the City of New York data.

56. Eviction data from the NYC Department of Investigation, Bureau of Auditors data.

57. Press Release, Mayor's Office. "De Blasio Administration to Help Prevent Homelessness by Adding Resources to Keep New Yorkers in Their Homes," September 28, 2015.

58. "Comments on New York City's Preliminary Budget for FY 2017 and Financial Plan for Fiscal Years 2016-2020." NYC Comptroller's Office, March 1, 2016.

Housing Supply

2016 Housing Supply Report

What's New

- ✔ Permits for 56,528 new dwelling units were issued in New York City in 2015, a 176.0% increase over the prior year and the sixth consecutive year of increase.
- ✔ There was a 106.2% increase in the number of co-op or condo units accepted in 2015, to 439 plans containing 19,742 units.
- ✔ The number of housing units newly receiving 421-a exemptions decreased 21.3% in 2015, to 5,468.
- ✔ The number of housing units newly receiving J-51 abatements and exemptions increased 8.5% in 2015, to 44,259.
- ✔ The number of new housing units completed in 2015 increased 21.0% over the prior year, to 14,357.
- ✔ Demolitions were up in 2015, increasing by 24.7%, to 1,887 buildings.
- ✔ City-sponsored residential construction spurred 20,327 new housing starts in FY 2015, 58% of which were rehabilitations.
- ✔ The City-owned *in rem* housing stock fell, declining 45.0% during FY 2015, to 419 units.

Overview

Between 2014 and 2015 there was a 176.0% increase in the number of permits issued for new dwelling units, rising to 56,528, the sixth consecutive year of increase. The number of units accepted by the Attorney General in co-op and condo plans also rose, by 106.2%, with the number of plans rising by 64.4%. But the number of units receiving 421-a benefits fell for the fourth consecutive year, decreasing 21.3% from 2014 levels, while rehabilitation of residential units under the J-51 tax abatement and exemption program rose during 2015, up 8.5%. The number of completed housing units rose during 2015, increasing 21.0% to 14,357 units, as did the number of demolitions, rising for the third consecutive year, by 24.7% during 2015. A tight housing market also remains in New York City, with a Citywide rental vacancy rate of 3.45% and 12.2% of all rental housing considered overcrowded as of 2014.

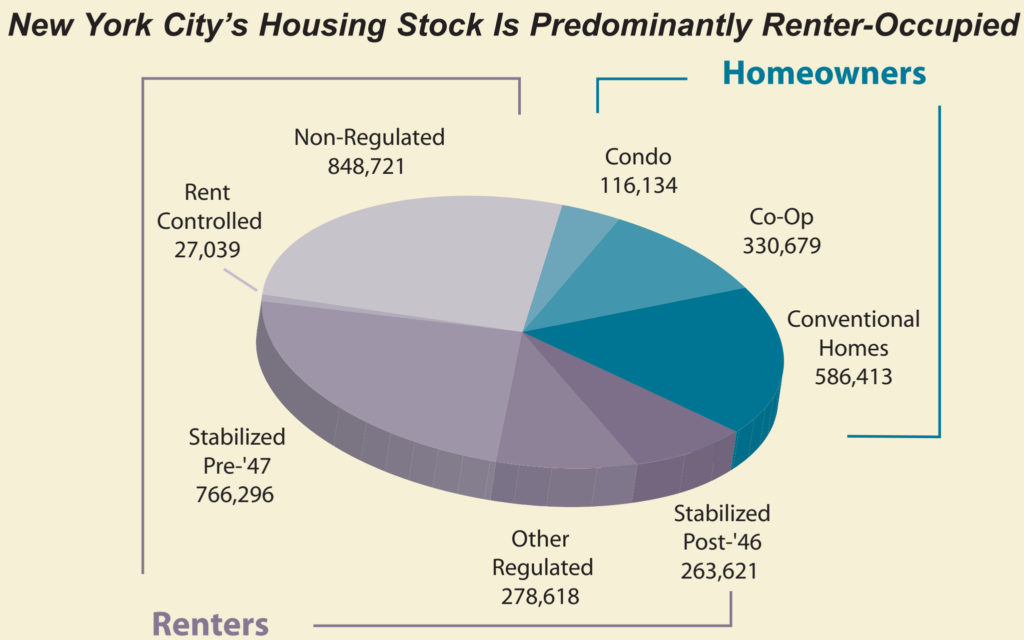
New York City's Housing Inventory

Most New Yorkers live in multi-family rental housing rather than owning homes. According to the *2014 Housing and Vacancy Survey (HVS)*,[1] rental units comprise 64.2% of New York City's available housing stock, 76% more than the proportion of rental units in the nation as a whole.[2] New York City in 2014 had a total of 3,400,093 housing units, the largest housing stock since the first *HVS* was conducted in 1965. New York City's housing is not only dominated by the size of its rental housing stock, but unlike most cities, the bulk of rental units are rent regulated. Of the 2,184,297 occupied and vacant rental units reported in the most recent *HVS*, 38.9% were unregulated, or "free market." The remaining units were rent regulated, including pre-war (pre-47) rent stabilized (35.1%), post-war (post-46) rent stabilized (12.1%), rent control (1.2%), or various other[3] types of regulation programs (12.8%). (See pie chart on the following page.)

The *HVS* also indicated that New York City's housing market remains tight, finding a Citywide vacancy rate of 3.45% in 2014, below the 5% threshold required for rent regulation to continue under State law. This translates into the availability of just 75,458 vacant units out of more than 2.1 million rental units Citywide. The vacancy rate ranged from a low of 2.69% in Queens to a high of 4.07% in Manhattan. Brooklyn's vacancy rate was 3.06%, the Bronx's rate was 3.77%, while the sample size in Staten Island is so small that an accurate rate cannot be reported.[4]

Vacancy rates also vary by rent regulation status. Post-war stabilized units had one of the lowest vacancy rates, at 1.63% in 2014. Pre-war stabilized units also maintained a low vacancy rate, at 2.29%, while private, non-regulated units were vacant at a 5.60% rate.

Number of Renter and Owner Units



Source: U.S. Bureau of the Census, *2014 New York City Housing and Vacancy Survey*
Note: Above figures exclude vacant units that are not available for sale or rent.

The frequency of crowding also varied by rent regulation status. Overall, 12.2% of all rental housing in New York City in 2014 was overcrowded (defined as more than one person per room, on average) and 4.7% was severely overcrowded (defined as an average of more than 1.5 persons per room). Pre-war stabilized housing was most crowded, with 15.0% of units overcrowded and 6.1% severely overcrowded, while 14.6% of post-war units were overcrowded, and 5.5% were severely overcrowded. Overall, 14.9% of rent stabilized housing was overcrowded and 6.0% was severely overcrowded. In non-regulated housing, 11.3% was overcrowded and 4.2% severely overcrowded.

Changes in the Housing Inventory

Housing Permits

Housing supply grows in a variety of ways: new construction, substantial rehabilitation of deteriorated buildings, and conversions from non-residential buildings into residential use. The number of permits authorized for new construction is a measure of how many new dwelling units will be completed and ready for occupancy, typically within three years, depending on the type of housing structure.

Following a dramatic decrease in 2009, the City has issued an increasing number of housing permits each year. In 2015, permits were issued for 56,528 units of new housing, an increase of 176.0% from the 20,483 units in 2014 (see graph on following page).[5]

Permits increased by triple digits in every borough but Staten Island, where they fell 24.0%. (See Appendix G.1 and the map on Page 78.) Brooklyn's permits increased by the greatest percentage, rising 244.7%, to 26,026 units. Newly issued permits also increased in Queens, by 158.5% (to 12,667 units); in the Bronx, by 148.4% (to 4,682 units); and by 132.1% in Manhattan (to 12,612 units).

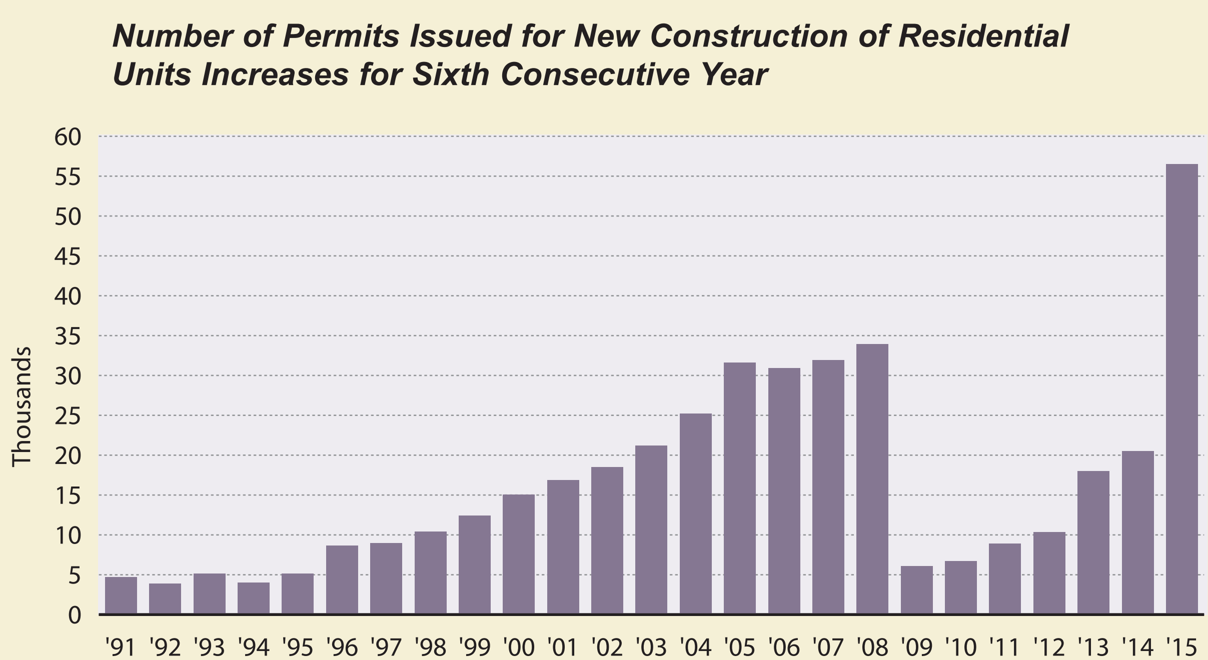
Permit levels are now higher Citywide than 2008 levels (the previous peak in permits), with permits as compared to 2008 up 104.2% in Brooklyn, 88.6% in the Bronx, 63.9% in Queens, 30.0% in Manhattan, and 66.7% Citywide. They are down 56.9% in Staten Island.

Almost two-thirds of permits issued during 2015 were during the second quarter, in the three months before the 421-a program was originally set to expire. Permits for new units issued in this quarter rose 638.1% over the same quarter of 2014, even as the number of buildings containing these units rose only 104.4%. The average building size rose in all boroughs but Staten Island, rising by the greatest proportion in Queens, where the average building size in this quarter rose from 11 to 49 units as compared to the same quarter of 2014. Average building size also rose substantially in Manhattan (rising from 52 units to 168 units) and Brooklyn (rising from 14 units to 40 units). Following an extension of the 421-a program through mid-January, 2016, permits issued during the fourth quarter of 2015 also rose substantially as compared to the same quarter of the previous year, rising 122.8%. For historical permit information by quarter, see Appendix G.3.

Permits issued Citywide in the first quarter of 2016 were down as compared to the same period of the prior year, with both increases and decreases at the borough level. The number of permits issued in New York City decreased from 6,183 in the first quarter of 2015 to 2,158 during the first quarter of 2016, a 65.1% decrease. Citywide figures were propelled downward by significant decreases in permits issued in Brooklyn, Manhattan, and Queens, with decreases of 86.5%, 74.3% and 52.9%, respectively. Permits issued rose in the Bronx, by 54.4% as compared to the first quarter of 2015, as well in Staten Island, rising 29.5%. Due to a 67.3% drop in the average building size Citywide, permits issued for new units decreased in this quarter, even as the number of buildings newly permitted rose by 6.9%. Notably, in Manhattan, where the number of buildings newly permitted in both the first quarter of 2015 and 2016 was 11, the average building size fell from 105 units to 27 units, and fell in Brooklyn from 38 units to eight units.

Permit data can also be analyzed more deeply by looking at the reported size of the buildings applying for permits. In 2015, a total of 1,998 buildings received permits (containing a total of 56,528 housing units). Citywide, 23.5% of these buildings were single-family, 19.2% were two-family, 10.0% were three- or four-family structures, and 47.3% were buildings with five-or-more units. This is by far the highest proportion of five-or-more unit buildings since at least 1996 (the first year data is available). Almost 97% of all permits

Units Issued New Housing Permits, 1991-2015, in Thousands

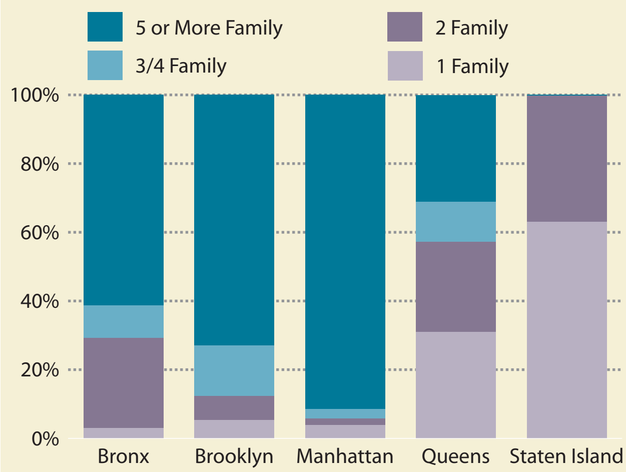


Source: U.S. Bureau of the Census, Manufacturing and Construction Division Building Permits Branch

Residential Building Permits, 2015

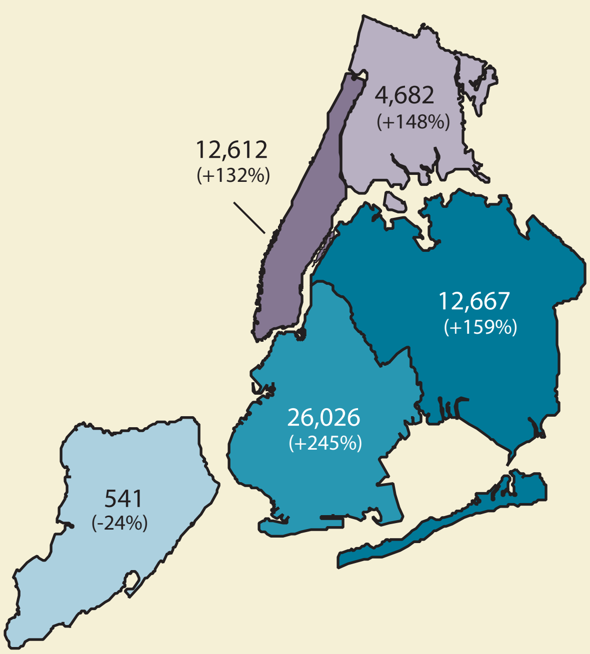
Permits by Building Size:

Most New Buildings in Manhattan are Five Family or More, in Staten Island One- and Two-Family Homes Predominate



Source: U.S. Bureau of the Census, Manufacturing and Construction Division - Building Permits Branch

Total Number of Permits Issued in 2015 and Percentage Change From 2014 by Borough



Source: U.S. Bureau of the Census, Manufacturing and Construction Division - Building Permits Branch

issued Citywide were for units in five-family or greater buildings, with the average five-family or greater building containing 58 units for the City as a whole, and 131 units in Manhattan (both large increases from the prior year). As the chart on this page illustrates, almost all building permits in Manhattan and Brooklyn were for the largest buildings, while in Staten Island virtually all permits were for either one- or two-family buildings. Building size was more evenly distributed in the Bronx and Queens. (See Appendix G.2.)

Housing Completions

This report also examines the number of units completed in the City each year, illustrating what housing actually enters the market in a particular year. In 2015, an estimated 14,357 new housing units were completed, a 21.0% increase from 2014.[6] At the local level, completions were up in all boroughs, rising by the greatest proportion in the Bronx, which rose 44.3% (to 2,396 units). Completions also rose in Manhattan, up 33.8% (to 2,986 units), Brooklyn, up 18.7% (to 5,324 units), Queens, up 5.0% (to 3,110 units), and Staten Island, up 2.1% (to 541 units). (See Appendix G.4 for a historical breakdown.[7])

City-Sponsored Construction

Housing is also created through publicly funded sources, including programs sponsored by the NYC Department of Housing Preservation and Development (HPD) and the New York City Housing Development Corporation (HDC). HPD's Office of Development operates a number of programs that develop affordable housing for low- and moderate-income New Yorkers. Programs include the Extremely Low and Low-Income Affordability Program, which is HPD's multi-family new construction housing initiative, financed through both public and private sources; the Affordable Neighborhood Cooperative Program, which provides very low interest loans for the rehabilitation of buildings into affordable cooperatives for low and moderate-income households; and the Multifamily Housing Rehabilitation Loan Program, which provides rehabilitation loans at a maximum 3% interest for the replacement of major building systems. HDC operates some of the same programs as HPD, in addition to programs such as the Mitchell-Lama Preservation Program, which offers loans to Mitchell-Lama owners in order to make needed capital improvements, and the Preservation Program, which provides tax-exempt bond financing to affordable housing developments with at least 50 units.

HPD- and HDC-sponsored programs spurred a total of 20,327 housing starts[8] in FY 2015, a 126.1% increase over the prior Fiscal Year.[9] Of these starts, 11,842 were preservation, and 8,485 were new construction. HPD and HDC collectively expect to start an additional 18,000 units of new construction and preservation in FY 2016. During the first eight months of FY 2016 there were 12,977 starts by HPD and HDC, an increase of 19.3% over the prior Fiscal Year.[10]

As part of Mayor de Blasio's ten-year, $41 billion plan to build and/or preserve 200,000 units of affordable housing, in March of this year the City Council modified the rules surrounding Mandatory Inclusionary Housing (MIH) to increase affordability requirements when rezoning allows additional residential density. The new MIH requirements will apply to any building with more than 10 units. The specific requirements will be decided at the discretion of the City Council, which has four affordability options to choose from. Per the new guidelines, buildings in rezoned areas must include between 20%-30% affordable units, targeted at households making anywhere from 40%-115% of Area Median Income. Buildings with between 11 and 25 units have the option to pay into a fund to develop affordable housing off-site. Neighborhoods that are currently under review for rezoning include East New York in Brooklyn; Inwood and East Harlem in Manhattan; Flushing West and Long Island City in Queens; the Jerome Avenue corridor in the Bronx; and Bay Street in Staten Island.[11]

In January of 2016, the Administration reported that they had financed 40,204 units of affordable housing since Mayor de Blasio took office, 65% preservation and 35% new construction. Just over 5,000 of these units were dedicated to special needs populations (the homeless and seniors) and 91% of the units were rentals. By borough, 35.7% of the starts were located in Manhattan, with 29.5% in Brooklyn, 27.4% in the Bronx, 4.2% in Queens, and 3.2% in Staten Island. By affordability level, 5.0% of the starts were aimed at extremely low-income households, 10.5% at very low-income households, 61.0% at low-income households, 6.0% at moderate-income households, and 17.0% at middle-income households.[12]

Tax Incentive Programs

The City offers various tax incentive programs to promote the development of new housing. The 421-a tax incentive program, now expired, was available for new renter- and owner-occupied multifamily properties containing three or more rental units. The program allowed for a reduction in the taxable assessed value of eligible properties. That is, owners were exempt from paying additional real estate taxes due to the increased value of the property resulting from the improvements made. Eligible projects were required to be new construction of multiple dwellings on lots that were vacant, predominantly vacant, or improved with a non-conforming use three or more years before the new construction commenced. Rental apartments built with 421-a tax exemptions were subject to the provisions of the Rent Stabilization Laws during the exemption period. Initial rents were required to be approved by HPD and were then subject to increases established by the NYC Rent Guidelines Board.

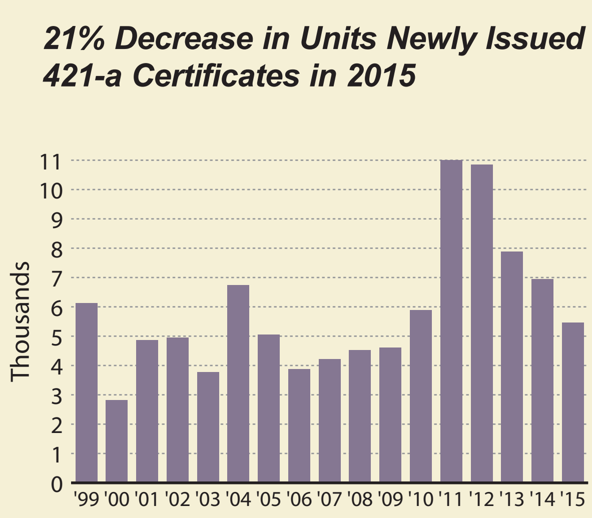
A variety of factors were used to establish the level and period of 421-a benefits, and properties were also subject to construction guidelines. Properties received an exemption for 10 to 25 years depending on location, the number of units reserved for low- and moderate-income tenants, and whether they were located in a neighborhood preservation area. Longer exemption periods applied in northern Manhattan and boroughs outside Manhattan, and to projects that received governmental assistance or contained not less than 20% low-income units.[13]

The *2007 Housing Supply Report* outlined major changes in the 421-a program which took effect in 2008, including a major expansion of the Geographic Exclusion area (the area which required 20% of units in any given building to be set aside for affordable housing), new limits on the amount of assessed value that was exempt from taxes, and on-site affordability requirements extended to a length of 35 years. The 421-a program expired in January of 2016, and as of the time of this publication has not yet been renewed by the NYS Legislature.

Despite the expiration of the program, 421-a units approved before the expiration continue to be newly certified as they reach completion. In 2015, the number of housing units newly certified decreased for the fourth consecutive year, down 21.3%, to 5,468 units (see graph below), including decreases in every borough but Staten Island.[14] Newly certified units did increase in Staten Island, rising from zero units to 11, while they fell in the Bronx, by 84.6%; in Manhattan, by 18.1%; in Queens, by 10.2%; and in Brooklyn, by 4.6%.

Citywide, the largest proportion of units newly certified in 2015 were in buildings located in Brooklyn and Manhattan, which contained 38.5% and 33.0% of the total units in the City, respectively. Queens had 25.5% of these units, the Bronx had 2.8%, and 0.2% were in Staten Island. Because buildings in Manhattan are so much larger than buildings in the outer boroughs, one-third of units were in Manhattan, despite having only 22 of the 180 buildings (12%) newly approved for 421-a benefits Citywide. Notably, while the number of units newly approved in 2015 fell by 21%, the number of buildings containing these units fell by a greater proportion (45%), indicating that the average building size in 2015 was larger than that in 2014. (See Appendices G.7 and G.8.)

Units Newly Receiving 421-a Certificates, 1999-2015, in Thousands



Source: NYC Department of Housing Preservation and Development

While the overall (both owner- and renter-occupied) number of newly certified 421-a units fell 21.3% between 2014 and 2015, the number of rental units in this program fell by a lesser amount, 9.5%. While the number of rental units rose in Brooklyn and Queens, by 20.3% and 22.3%, respectively, they fell by 83.4% in the Bronx and 9.6% in Manhattan. One rental building, containing 11 units, was newly approved in Staten Island, which saw neither a newly approved rental nor owner-occupied building in 2014.

In Fiscal Year 2016, the 421-a program will cost the City $1.2 billion in lost tax revenue for all housing types, including 88,000 rental units, 56,000 co-op and condo units, and 29,000 1-3 family and mixed-use structures.[15]

Another program that has offered affordable housing, the New York State Mitchell-Lama program, has suffered from a loss of housing since "buyouts" from the program began in 1985. Between 1955 and 1978, approximately 140,000 units of low- and middle-income housing were built in New York City through this tax-break and mortgage subsidy program. Since buyouts began in 1985, the City has lost approximately 45,000 units of Mitchell-Lama housing (including 4,000 units of hospital/university staff housing), although some has transitioned to rent stabilization. After averaging an annual loss of more than 5,000 units between 2004 and 2007, the pace has now slowed considerably, and only one development (in Manhattan, with 1,651 units) bought out in 2015.[16]

Conversions and Subdivisions

New housing units are also brought onto the market through subdivisions and conversions. Subdivisions involve the division of existing residential space into an increased number of units. Non-residential spaces, such as offices or other commercial spaces, can also be converted for residential use. As chronicled in prior

Housing Supply Reports, during the mid-2000s, with a tight housing market and high demand for luxury apartments, there were an increasing number of conversions in neighborhoods Citywide. Conversions occurred in facilities as diverse as hospitals, recording studios, power plants, office buildings, and churches.

One indicator of conversions is the number of non-residential buildings newly receiving J-51 benefits for conversion to residential use. In 2015, one formerly non-residential building, containing 39 units, received J-51 benefits for conversion to a co-op or condo. This is 84% less units than in 2014, when 243 units (all rental) in formerly non-residential buildings converted using J-51 benefits.[17]

Conversion of single room occupancy (SRO) buildings also continued over the past year. SRO owners may convert SRO housing to other uses after obtaining a "Certificate of No Harassment" (CONH) from HPD. Following a decrease in 2014, approved CONH applications rose, up 52.8%, from 108 in 2014 to 165 in 2015.[18]

Efforts are also underway to ensure that SROs are used for permanent housing rather than as transient hotels. As of May 1, 2011, laws were newly passed strengthening the City's ability to crack down on housing being used illegally for transient occupancy. Transient occupancy is now clearly defined as stays of less than 30 days, and between May of 2011 and April of 2012 1,820 violations (ranging from $800 to $2,000) were issued to illegal hotel operators (including private apartments, hostels, and SROs).[19] More than 5,800 violations have been issued since (including more than 1,300 between May, 2015 and April, 2016),[20] and in late 2012, the City Council strengthened this law even further, increasing fines to up to $25,000 for repeat offenders.[21]

As detailed in last year's *Housing Supply Report*, the NYS Attorney General, using data provided by Airbnb, released a report in October of 2014 that found that as many as 72% of the company's listings were illegal, and 6% of hosts (offering hundreds of units for rent) garnered 36% of all bookings and 37% of all revenue.[22] In the wake of that report, and facing pressure from regulators to release data about their business, in December of 2015 and February of 2016 Airbnb released limited data on its New York City rentals. Focused primarily on listings of "Entire Home" rentals, many of which are illegal in New York City, the data shows that as of February 15, 2016, of the 40,349 listings on Airbnb, 54% were offers of entire homes. Of the hosts who offer entire homes, approximately 40% of the revenue comes from hosts with multiple listings, including 10% from hosts with five or more listings. In a letter to State lawmakers that accompanied the February data, Airbnb reaffirmed their commitment to remove listings from their site that are controlled by commercial operators.[23] However, a news report from the end of February claims that of the more than 600 hosts who were removed from the site in November of 2015, 134 had relisted at least one unit on the site, with 44 adding at least two.[24]

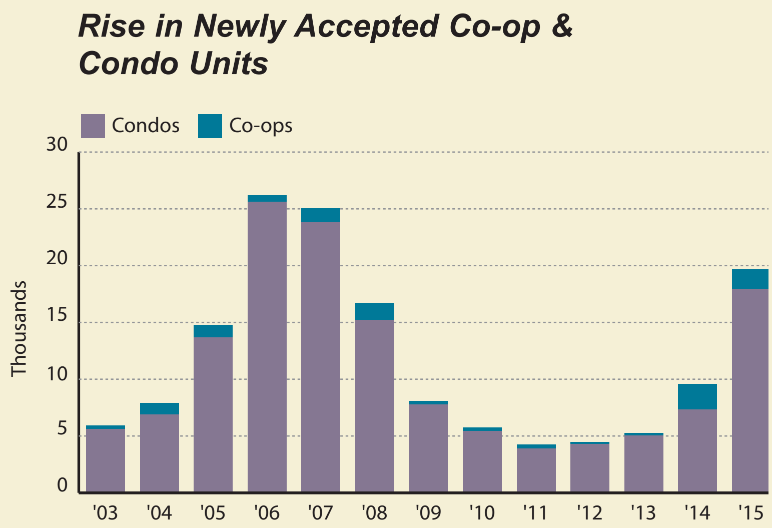
Cooperative and Condominium Activity

Developers planning to build new co-op or condo buildings, and owners wishing to convert their rental buildings to co-ops or condos, must file plans with, and receive acceptance from, the New York State Attorney General's Office.[25] In 2015, the Attorney General accepted 439 co-op and condo plans, a 64.4% increase from the number accepted in 2014. These 439 plans encompassed 19,742 housing units, 106.2% more than in 2014 and the fourth consecutive year of increase in units (see graph on the next page).

Almost half of all plans, 209, were accepted for buildings located in Brooklyn; 180 were located in Manhattan; 39 plans were accepted for Queens; nine plans were accepted in the Bronx; and two plans were in Staten Island. Because Manhattan buildings tend to be larger than the outer boroughs, more units were located in Manhattan (11,476), with Brooklyn (5,265) and Queens (2,567) trailing, and only 414 units in the Bronx and 20 in Staten Island. (See Appendices G.5 and G.6.)

The majority of the plans accepted Citywide in 2015 were for new construction, comprising 342 of 439 plans, and a total of 14,578 of 19,742 units. This is similar to the prior year, when new construction accounted for 210 of the 267 accepted plans. The second largest source of co-op and condo units were

New Co-op and Condo Units, 2003-2015



Source: NYS Attorney General's Office

units located in non-eviction conversions (with 37 plans and 4,106 units), and 59 plans, with 988 units, were rehabilitations. One plan, with 70 units, was a conversion eviction plan sponsored by HPD. Of all the newly accepted plans in 2015, 91.4% of the units were in condo plans, and 8.6% were in co-op plans (see graph on this page).

While the conversion of rental housing into co-op and condo units increases the housing inventory for sale, it simultaneously reduces the total number of housing units for rent. Conversions represented 21.2% of the total number of units in 2015 co-op and condo plans, a lesser share than the 41.3% share in 2014. Because most conversion plans are non-eviction plans (including all but one plan in 2015), only when the original rental tenant moves out, or opts to buy the apartment, does the apartment become owner-occupied and removed from the rental universe.

Rehabilitation

Another method for adding (or keeping) residential units to the City's housing stock is through rehabilitation of old buildings. As buildings age, they must undergo renovation and rehabilitation to remain in habitable condition. This is particularly relevant to NYC's housing stock, where more than 57% of units are in buildings constructed prior to 1947.[26] Through tax abatement and exemption subsidy programs offered by the City for rehabilitation, units are able to remain in, or be readmitted to, the City's housing stock. The J-51 tax abatement and exemption program is intended to encourage the periodic renovation of New York City's stock of both renter- and owner-occupied housing.

The J-51 tax relief program is similar to the 421-a program in that it requires that those rental units not already rent stabilized be subject to rent regulation for the duration of the benefits. Rehabilitation activities that are permitted under J-51 regulations are Major Capital Improvements (MCIs), moderate and gut rehabilitation of both government-assisted and privately-financed multiple dwellings (which requires significant improvement to at least one major building-wide system), as well as improvements to co-ops and condos (subject to certain assessment guidelines if the project does not include substantial governmental assistance). While prior incarnations of the J-51 program allowed for conversion of lofts and non-residential buildings into multiple dwellings, regulations effective January 1, 2012 allow only for conversions if there is substantial governmental assistance.[27]

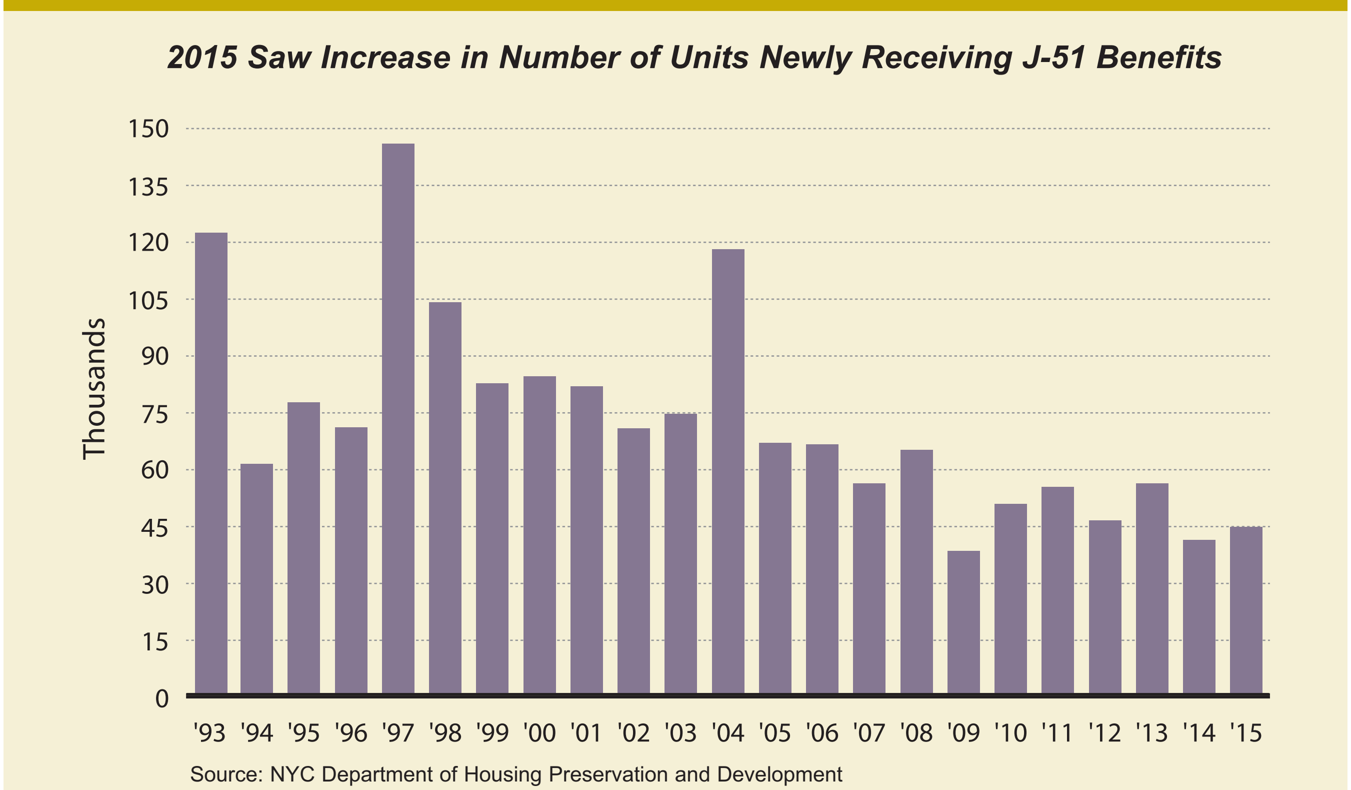
In 2015, 44,259 units newly received J-51 benefits, an increase of 8.5% from the previous year (see graph on the next page and Appendix G.8).[28] These units were contained in 2,175 buildings, an increase of 54.7% from 2014 levels. The location of the units newly receiving benefits ranged from 39.3% located in Queens; to 26.1% in the Bronx; 25.6% in Brooklyn; 6.4% in Manhattan; and 2.6% in Staten Island. Units newly receiving benefits fell by double digits in Manhattan and Brooklyn, by 22.9% and 20.6%, respectively. But units newly receiving J-51 benefits rose substantially in Queens, up 24.0%, as well as in the Bronx, up 35.4%, and in Staten Island, which rose 309.6%. (See Appendices G.7 and G.8.) While the number of units newly receiving J-51 benefits rose Citywide, the average size of the buildings receiving benefits dropped, from an average of 29 units in 2014, to 20 units in 2015.

In Fiscal Year 2016, the J-51 tax program will cost the City $266.2 million in lost tax revenue for all housing types, including approximately 300,000 rental units and 237,000 owner units.[29]

While J-51 is owner-initiated, a City-initiated program will also help rehabilitate NYC's housing stock. In January, 2011, HPD began their "Proactive Preservation Initiative (PPI)," which identifies those buildings in need of rehabilitation, regardless of whether there are complaints from tenants in the building. HPD works to identify distressed buildings that are actively declining and in danger of becoming blighted and those buildings that exhibit levels of distress that warrant further action are placed on the PPI list. HPD works with these buildings to reduce housing code violations, and once violations have been reduced by at least 80%, buildings are removed from the list.[30] Through June 30, 2015, a total of 1,078 buildings have been added to the PPI list, and 512 (47%) of these buildings subsequently released from the program due to improvements in the buildings. An additional 187 buildings (17%) were found to have a high enough level of violations that they qualified for transfer to the Alternative Enforcement Program (details below). Of the 379 buildings remaining on the PPI list (as of July, 2015), 73% have shown improvement in building conditions, and violations have dropped an average of 43%.[31]

HPD is also continuing rehabilitation work through its "Alternative Enforcement Program (AEP)," now in its ninth year of identifying the 200-250 "worst" buildings in the City, based on housing code violations. The most recent group of 250 buildings include 3,704 units of housing, with 6,492 non-hazardous A-class violations, 20,543 hazardous B-class violations, and 5,143 immediately hazardous C-class violations. If landlords in this program do not make repairs to their buildings, the City steps in to do so, and then charges the landlords. Through the first eight rounds of the program, the City has discharged 1,128 buildings that

Units Receiving Initial J-51 Benefits, 1993-2015, in Thousands



entered the program, with a combined total of 14,728 units of housing.[32]

Tax-Delinquent Property

In Rem Housing

For two decades, the City foreclosed on thousands of tax-delinquent residential properties, becoming the owner and manager of these buildings, known as *in rem* properties. By its peak in 1986, the City owned and managed 4,000 occupied buildings containing 40,000 units of housing and almost 6,000 vacant buildings containing 55,000 units of housing. Most of these were dilapidated multi-family buildings occupied by a predominantly low-income population. To counter this trend, HPD developed multiple disposition programs over time to manage, rehabilitate and sell many of these *in rem* buildings. HPD's Alternative Management Programs began in 1994 with the goal of returning City-owned properties to private owners and stimulating neighborhood development. HPD has successfully reduced the number of occupied and vacant *in rem* units in central management to 419 through June 2015, a 99.0% decline since FY 1994.[33]

Anti-Abandonment Strategies

The City has been able to significantly reduce its share of *in rem* buildings by identifying buildings at risk and helping owners. Key initiatives to prevent abandonment include the Third Party Transfer Program, which targets distressed and other buildings with tax arrears,[34] and housing education courses, which teach owners and superintendents basic management, maintenance, and finance skills to improve their properties.[35]

Since the mid-1990s, the City has not taken title (i.e., vesting) of properties that are tax delinquent. Instead, the City has developed a comprehensive anti-abandonment strategy. First, tax liens for properties that are not distressed are sold in bulk to private investors. After the lien is sold, the lien holder is entitled to collect the entire lien amount, plus other interest and charges, from the property owner. In addition, the property owner must continue to pay current taxes to the City. If the owner has not paid the lien or entered into a payment plan, the lien holder can file for foreclosure on the property.[36]

An additional facet of the City's anti-abandonment strategy is third party transfer. For buildings that are distressed and in tax arrears, the City can initiate an *in rem* tax foreclosure action against property owners. The policy, authorized under Local Law 37 of 1996, transfers the title of *in rem* properties directly to new owners (qualified third parties) without the City ever taking title itself. The properties are temporarily transferred to Neighborhood Restore, a nonprofit corporation, and upon the judgment of the court, are transferred to a qualified third party.[37] Since it began in 1996, the NYC Department of Finance has collected at least $536 million in revenue associated with properties in this program, and more than 500 buildings have been transferred to responsible for-profit and non-profit owners. No new properties were transferred during 2014 or 2015.[38]

Demolitions

While in the early 1990s relatively few residential buildings in New York City were demolished, this began to change in 1996, the same year that the number of building permits issued began to increase significantly. In fact, the number of buildings demolished between 2005 and 2007 alone was almost triple the number demolished in all the years from 1990 to 1999 combined. But after generally declining during the most recent recession, demolitions have increased for the third consecutive year. A total of 1,887 buildings were demolished in 2015, a 24.7% increase over the prior year, following an increase of 17.7% in 2014. Brooklyn accounted for 35.4% of all the buildings demolished in 2015, Queens had 32.4%, Staten Island had 14.1%, Manhattan had 11.9%, and the Bronx had the lowest proportion, 6.1%. Demolitions rose in every borough but the Bronx, where they fell 7.2%. Proportionally, demolitions rose at the greatest rate in Manhattan, rising 86.0%; followed by Brooklyn, with a 47.1% rise; Queens, with a 10.3% rise; and Staten Island, which rose by 3.1%.[39] (See Appendix G.9.)

Summary

In 2015, housing permits increased for the sixth consecutive year, rising by 176.0%, while the number of completed housing units increased by 21.0%. The number of units newly receiving 421-a tax benefits fell 21.3% in 2015, while units newly receiving J-51 tax abatements and exemptions increased by 8.5%. For the fourth consecutive year there was an increase in newly accepted co-op and condo units, with units rising 106.2% and plans rising by 64.4%. Rental housing availability remains tight, with a Citywide vacancy rate of just 3.45% in 2014, and overcrowding remains a problem. Mayor de Blasio's ten-year housing initiative calls for the development and preservation of 200,000 units of housing, 40,000 of which have already been started, to help reduce the affordable housing shortage. ❒

Endnotes

1. The New York City Housing and Vacancy Survey is conducted triennially, sponsored by the NYC Department of Housing Preservation and Development and conducted by the U.S. Census Bureau. Data is based on "Selected Initial Findings of the 2014 New York City Housing and Vacancy Survey," prepared by HPD.

2. The U.S. housing stock was comprised of 36.9% renter-occupied units, according to the 2014 American Community Survey, conducted by the U.S. Census Bureau. To calculate the ratio of renter-occupied units in New York City, staff did not include vacant units that are not for sale or for rent in the total number of housing units.

3. Other units include public housing, Mitchell-Lama, *In Rem*, HUD-regulated, Article 4 and Loft Board units.

4. Since the number of vacant units available for rent in Staten Island is small, and the HVS is a sample survey, the sampling error of the vacancy rate is likely to be large, and thus, the Census Bureau could not calculate an accurate vacancy rate.

5. U.S. Census Bureau web site. http://censtats.census.gov/bldg/bldgprmt.shtml

6. NYC Department of City Planning data. Note that the data is continually updated and is subject to change, including data from prior years.

7. Beginning with the *2006 Housing Supply Report,* the NYC Department of City Planning (DCP) defines a housing completion as any unit receiving either a final or a temporary Certificate of Occupancy in the stated year. DCP provided this information for the 2004 calendar year and beyond, and believes it is a more accurate representation of new housing in New York City than previous methodologies which only counted final Certificates of Occupancy.

8. Starts refer to the number of units beginning construction or rehabilitation in a given period.

9. Preliminary Fiscal 2016 Mayor's Management Report . <http://home2.nyc.gov/html/ops/html/data/mmr.shtml>

10. Citywide Performance Reporting website: <http://www.nyc.gov/html/ops/cpr/html/home/home.shtml>; Accessed May 2016.

11. http://www1.nyc.gov/assets/planning/download/pdf/plans-studies/mih/mih-summanry-adopted.pdf and http://labs.council.nyc/land-use/mih-zqa/mih/

12. "Breaking Records: Mayor de Blasio's Affordable Housing Plan has Financed 40,000 Apartments So Far, Enough for 100,000 New Yorkers." *HPD Press Release.* January 11, 2016. Extremely Low-Income is defined as 0-30% of Area Median Income (AMI); Very Low-Income: 31-50% of AMI; Low-Income: 51-80% of AMI; Moderate-Income: 81-120% of AMI; Middle-Income: 121-165% of AMI.

13. Program information available at: <http://www1.nyc.gov/site/hpd/developers/tax-incentives-421a.page>

14. NYC Department of Housing Preservation and Development, Tax Incentives Program data.

15. "Annual Report on Tax Expenditures," NYC Department of Finance publication, February, 2016.

16. The number of Mitchell-Lama buyouts were provided most recently through the NYC Department of Housing Preservation and Development and the NYS Division of Housing and Community Renewal, and in previous years through other sources, such as the report "Affordable No More: An Update" by the Office of the New York City Comptroller, Office of Policy Management on May 25, 2006.

17. NYC Department of Housing Preservation and Development, Tax Incentives Program data.

18. NYC Department of Housing Preservation and Development.

19. Mayor Bloomberg Announces Results of City's Efforts to Curb Dangerous Illegal Hotels in New York City After State Legislation Enhances Enforcement Abilities." *Mayor's Office Press Release 157-12.* April 27, 2012.

20. Office of the Criminal Justice Coordinator, Mayor's Office of Special Enforcement. Inclusive of data through April 8 2016.

21. "Illegal Hotel Fines Could Skyrocket," *The Real Deal*. September 12, 2012.

22. "Airbnb in the City," NYC Attorney General, October 2014 and press release, "A.G. Schneiderman Releases Report Documenting Widespread Illegality Across Airbnb's NYC Listings; Site Dominated by Commercial Users," October 16, 2014.

23. Airbnb Action: Our Community Compact in New York City. https://www.airbnbaction.com/our-community-compact-in-new-york-city/

24. "Airbnb's Purged Listings Are Already Coming Back," *Bloomberg*, February 25, 2016. http://www.bloomberg.com/news/articles/2016-02-25/airbnb-s-purged-landlords-are-relisting-their-apartments

25. NYS Attorney General's Office, Real Estate Financing Bureau data and the NYC Department of Housing Preservation and Development, Sales Unit. Virtually all accepted units reported are from data provided by the NYS Attorney General. For the purposes of this report, "accepted" refers only to those co-op and condo plans that require offering plans. Those that do not, and receive a "no-action" letter from the NYS Attorney General's office, are not included in this data.

26. *2014 NYC Housing and Vacancy Survey*, U.S. Census Bureau.

27. Landlord Information/Tax Incentives: J-51, NYC Department of Housing Preservation and Development web site. <http://www1.nyc.gov/site/hpd/developers/tax-incentives-j51.page>.

28. NYC Department of Housing Preservation and Development, Tax Incentives Program data. Note that, similar to the 421–a program, J-51 provides tax abatements and incentives to both renter- and owner-occupied units.

29. "Annual Report on Tax Expenditures," NYC Department of Finance publication, February, 2016.

30. "HPD Commissioner Wambua, Council Speaker Quinn Celebrate Success of Proactive Preservation Initiative and Announce Publication of the Second At-Risk Building List." *HPD Press Release.* March 21, 2012.

31. At-Risk Buildings List as of June 30, 2015. <http://www1.nyc.gov/site/hpd/owners/PPI.page>

32. "HPD Publishes List of 250 Distressed Properties in the Latest Round of HPD's Alternative Enforcement Program." *HPD Press Release.* February 2, 2016.

33. NYC Department of Housing Preservation and Development.

34. NYC Department of Housing Preservation and Development website. <http://www1.nyc.gov/site/hpd/owners/compliance-property-tax-delinquency.page>

35. NYC Department of Housing Preservation and Development website. <http://www1.nyc.gov/site/hpd/renters/online-digital-library.page>

36. NYC Department of Finance, General Information on the City's Tax Lien Sale Process. <http://www1.nyc.gov/site/finance/taxes/property-lien-sales.page>

37. "New York City Case Study: Third Party Transfer Initiative: A Solution To Property Abandonment," by Lisa Mueller, Local Initiative Support Corporation report, January 14, 2003.

38. Most recent figures obtained from NYC Department of Housing Preservation and Development, May, 2016.

39. NYC Department of Buildings (DOB) data. Note that demolition statistics include both residential as well as commercial buildings, as the DOB does not specify the type of building in its data.

Changes to the Rent Stabilized Housing Stock in New York City in 2015

What's New

- ✔ The study finds a net estimated loss of 8,009 rent stabilized units in 2015.
- ✔ Most of the additions to the rent stabilized stock in 2015 were due to the 421-a tax incentive program, accounting for 90% of the additions.
- ✔ In 2015, High Rent/ Vacancy Deregulation made up the largest category of subtractions from the stabilized stock, accounting for 74% of the subtractions.
- ✔ Since 1994, New York City's rent stabilized housing stock has seen an approximate net loss of 151,222 units.

Overview

Rent regulation has been a fixture in New York City's housing market for over seven decades, although the laws that govern rent regulated housing have been substantially changed and/or modified over time. In addition to legislative changes, the existing laws allow for dynamic changes in the regulatory status of a significant portion of the rent regulated housing stock in any given year. Units enter, exit or change status within the regulatory system.

The figures in this study represent additions and subtractions of dwelling units to and from the rent stabilization system in 2015. These statistics are gathered from various City and State agencies.

This report is an update of previous studies done annually since 2003, when an analysis was done of the changes in New York City's rent stabilized housing stock from 1994 to 2002. The total number of additions and subtractions to the rent stabilized housing stock since 1994 is contained in the appendices of this report. These totals do not represent every unit that has been added or subtracted from the rent stabilized stock since 1994, but rather those that have been recorded or registered by various City and State agencies. They represent a 'floor,' or minimum count, of the actual number of newly regulated and deregulated units in these years.

Additions to the Rent Stabilized Housing Stock

Since newly constructed or substantially rehabilitated units are exempt from rent regulation, increases to the regulated housing stock are frequently a result of owners placing these new units under rent stabilization in exchange for tax benefits. These owners choose to place units under rent stabilization because of cost/benefit analyses concluding that short-term regulation with tax benefits is more profitable than free market rents without tax benefits. According to the New York State Division of Housing and Community Renewal (DHCR), the median legal rent of initially registered rent stabilized apartments as of the date of initial registration in 2015 Citywide was $2,167. (See Appendix H.3 for initially registered rents Citywide and by borough.) Events that lead to the addition of stabilized units include:

- Section 421-a Tax Exemption Program
- J-51 Property Tax Exemption and Abatement Program
- Mitchell-Lama buyouts
- Lofts converted to rent stabilized units
- Rent controlled apartments converting to rent stabilization
- Other Additions

Section 421-a and J-51 Programs

The NYC Department of Housing Preservation and Development (HPD) administers programs to increase the supply of rental housing. Two of these programs have a significant impact on the inventory of stabilized housing: the Section 421-a Program and the J-51 Program. Under the recently expired Section 421-a of the Real Property Tax Law, newly constructed dwellings in New York City could elect to receive real estate tax exemptions in exchange for placing units in rent stabilization for a specified time period (10-25 years).[1] In 2015, an estimated total of 2,515 units were added to the rent stabilized stock through the 421-a program, 19% fewer than the 3,110 units added in 2014. The largest number of units were in Brooklyn (888); followed by Queens (716); Manhattan (558); and the Bronx (353). (There were none on Staten Island.) According to DHCR, the median legal rent of currently registered rent stabilized apartments receiving 421-a tax abatements in 2015 is $3,435.

The J-51 Program provides real estate tax exemptions and abatements to existing residential buildings that are renovated or rehabilitated. This program also provides these benefits to residential buildings converted from commercial structures. In consideration of receiving these benefits, owners of these buildings agree to place under rent stabilization those apartments that otherwise would not be subject to regulation. The apartments remain stabilized, at a minimum, until the benefits expire. In 2015, no units were added to the rent stabilized stock because of the J-51 program , compared to 243 units in 2014. (See Appendices H.1 and H.2.)

Mitchell-Lama Buyouts

Mitchell-Lama developments were constructed under the provisions of Article 2 of the Private Housing Finance Law (PHFL). This program was primarily designed to increase the supply of housing affordable to middle-income households. Approximately 75,000 rental apartments and 50,000 cooperative units were constructed under the program from the 1950's through the 1970's. For these units to be affordable, the State or City provided low interest mortgages and real estate tax abatements, and the owners agreed to limit their return on equity.

While the State and City mortgages are generally for a term of 40 or 50 years, the PHFL allows owners to buy out of the program after 20 years. If an owner of a rental development buys out of the program and the development was occupied prior to January 1, 1974, the apartments become subject to rent stabilization.

In 2015, no Mitchell-Lama rental units became rent stabilized, compared to 318 in 2014. Since 1994, 10,444 rental units have left the Mitchell-Lama system and become a part of the rent stabilized housing stock. (See Appendices H.1 and H.2.)

Loft Units

The New York City Loft Board, under Article 7-C of the Multiple Dwelling Law, regulates rents in buildings originally intended as commercial loft space that have been converted to residential housing. When the units are brought up to code standard, they become stabilized. A total of 18 units entered the rent stabilization system in 2015, compared to 21 added in 2014. (See Appendices H.1 and H.2.)

Changes in Regulatory Status

Chapter 371 of the Laws of 1971 provided for the decontrol of rent controlled units that were voluntarily vacated on or after July 1, 1971. Since the enactment of Vacancy Decontrol, the number of rent controlled units has fallen from over one million to roughly 27,000.[2] When a rent controlled unit is vacated, it either becomes rent stabilized or leaves the regulatory system. A rent controlled unit becomes rent stabilized when it is contained in a rental building with six or more units and the incoming tenant pays a legal regulated rent less than the Deregulation Rent Threshold (DRT), currently $2,700 per month.[3] This process results in a diminution of the rent controlled stock and an increase in the rent stabilized stock. Otherwise, the apartment is subject to deregulation and leaves the rent regulatory system entirely.

According to rent registration filings with the NYS Division of Housing and Community Renewal

(DHCR), 270 units in 2015 were decontrolled and became rent stabilized, up 28% from the prior year. By borough, 49% of the units were in Manhattan; 24% were in Brooklyn; 18% were in Queens; 9% were in the Bronx; and fewer than 1% were on Staten Island. (See Appendices H.1 and H.2.)

Other Additions to the Stabilized Housing Stock

Additionally, several other events can increase the rent stabilized housing stock: tax incentive programs such as 420-c, "deconversion," returned losses, and the sub-division of large units into two or more smaller units.

Historically, the largest source of these additions reported by the RGB were 420-c units. Since 2003, the RGB estimated that almost 40,000 units were added to rent stabilization through this program. The 420-c program, a tax exemption program for low-income housing projects developed in conjunction with the Low-Income Housing Tax Credit Program, produces affordable housing with rents that are regulated, but not necessarily rent stabilized.[4]

The RGB, from 2003 through 2014, erroneously assumed that all rental units that were recipients of 420-c tax benefits were rent stabilized. Therefore, the RGB has removed stabilized unit additions that were attributed to the 420-c program, a total of 39,227 units, reported from 2003 through 2014, and will not be included in this, or future, reports.

Deconversion occurs when a building converted to cooperative status reverts to rental status because of financial difficulties. Returned losses include abandoned buildings that are returned to habitable status without being substantially rehabilitated, or City-owned *in rem* buildings being returned to private ownership. These latter events do not generally add a significant number of units to the rent stabilized stock and cannot be quantified for this study.

Subtractions from the Rent Regulated Housing Stock

Deregulation of rent controlled and stabilized units occurs because of statutory requirements or because of physical changes to the residential dwellings. Events that lead to the removal of stabilized units include the following:

- High-Rent High-Income Deregulation
- High-Rent Vacancy Deregulation
- Cooperative/Condominium Conversions
- Expiration of 421-a Benefits
- Expiration of J-51 Benefits
- Substantial Rehabilitation
- Conversion to Commercial or Professional Status
- Other Losses to the Housing Stock – Demolitions, Condemnations, Mergers, etc.

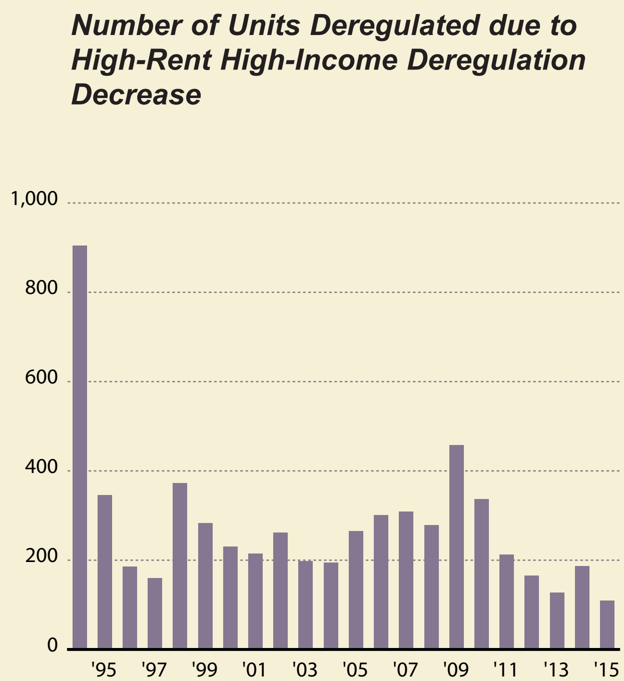
High-Rent High-Income Deregulation

Since enactment of the Rent Regulation Reform Act (RRRA) of 1993, occupied apartments may be deregulated under certain circumstances. Beginning with the RRRA of 1993, apartments renting for $2,000 or more in which the tenants in occupancy had a combined household income in excess of $250,000 in each of the immediately two preceding calendar years could be deregulated. In 1997, that year's RRRA reduced the income threshold to $175,000. Four years later, with passage of the Rent Act of 2011, the rent threshold was raised to $2,500 and the income requirement increased to $200,000.

Most recently, the Rent Act of 2015, effective June 15, 2015, maintained the same income requirement but modified the Deregulation Rent Threshold for High-Rent High-Income Deregulation. The DRT was increased to $2,700 and will be increased each January 1st thereafter by the one year renewal lease guideline percentage issued the prior year by the Rent Guidelines Board.

Deregulation occurs upon application by the owner and upon the expiration of the rent stabilized lease. This income-based deregulation process, which is administered by DHCR, relies upon data furnished to the NYS Department of Taxation and Finance as part of the verification process. Note that both the rent level and household income criteria have to be met for deregulation to take place. For

High-Rent High-Income Deregulation, 1994-2015



Source: NYS Division of Housing and Community Renewal annual registration data.

example, currently, if a household earning at least $200,000 paid less than $2,700 per month, rent regulation would remain in effect. Also note that the owner must apply to DHCR in order to deregulate the unit. If the owner did not submit a deregulation application, the occupying tenant would remain regulated regardless of rent level and household income. Because DHCR has to approve the orders of deregulation, an exact accounting exists of units leaving regulation as a result of High-Rent High-Income Deregulation.

Based on DHCR processing records, High-Rent High-Income Deregulation removed a total of 109 apartments from rent regulation in 2015, a 41% decrease from the prior year, and the fifth decrease in six years.[5] Of these units, 46% were located in Manhattan; 34% in Brooklyn; 12% in the Bronx; and 8% in Queens. None were on Staten Island.

Since 1994, a total of 6,093 units have been deregulated due to High-Rent High-Income Deregulation, of which 88% have been located in Manhattan. (See graph on this page and Appendix H.4.)

High-Rent Vacancy Deregulation

Similar to the provisions of High-Rent High-Income Deregulation, High-Rent Vacancy Deregulation has also changed several times since its inception. In 1993, the New York State legislature instituted High-Rent Vacancy Deregulation.[6] (See the *Changes to the Rent Stabilized Housing Stock in NYC in 2014* report for a detailed discussion of the numerous changes over the years.)

Currently, under the Rent Act of 2015, when a tenant moves into a vacant apartment and the rent has lawfully reached the Deregulation Rent Threshold (DRT), currently $2,700, the apartment qualifies for permanent High-Rent Vacancy Deregulation. The DRT will be increased each January 1st thereafter by the one year renewal lease guideline percentage issued the prior year by the NYC Rent Guidelines Board.

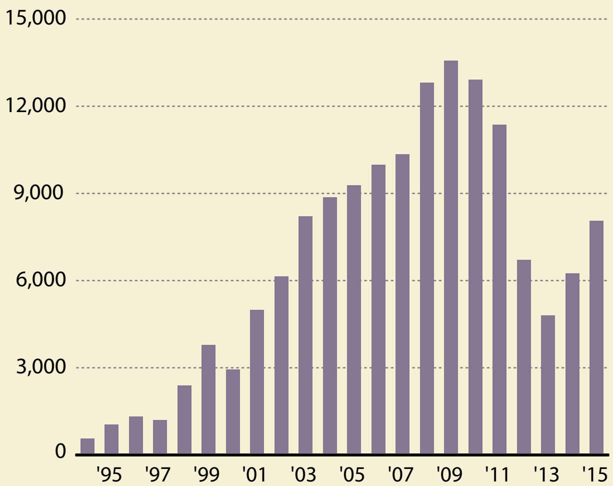
Furthermore, DHCR's Rent Code Amendments of 2014 require an owner to serve the first deregulated tenant with two documents. The first is a notice created by DHCR detailing the previous rent and how the new rent was calculated. The second is a DHCR annual apartment registration, indicating the apartment status as permanently exempt that should be filed on the April 1st following the deregulation. These documents notify the tenant of the right to file a formal complaint with DHCR challenging the rent and the deregulation status.

According to DHCR rent registration records, 8,049 units were deregulated in 2015 under the High-Rent Vacancy Deregulation provisions of the RRRA, up 29% from the number deregulated the prior year. Of these deregulated units, 53% were in Manhattan; 22% were in Brooklyn; 19% were in Queens; 5% were in the Bronx; and 1% were on Staten Island. Since 1994, at least 147,457 units were registered with the DHCR as being deregulated due to High-Rent Vacancy Deregulation, 71% of which have been located in Manhattan.[7]

Since 2001, the first year owners were asked, but not required, to file High-Rent Vacancy Deregulation registrations, the rate at which they have changed over the prior year has varied.[8] From 2001 to 2002,

High-Rent Vacancy Deregulation, 1994-2015

Increase in 2015 in Number of Units Deregulated due to High-Rent Vacancy



Note: Prior to 2014, registration of deregulated units with DHCR was voluntary and not required. These totals represent a 'floor' or minimum count of the actual number of deregulated units in these years.

Source: NYS Division of Housing and Community Renewal annual registration data.

High-Rent Vacancy Deregulation registrations increased by 23%, and from 2002 to 2003, they increased by 34%. From 2004 to 2009, the rate of increase was between 4% and 8% each year, with the exception of 2008, when the number of units registering as deregulated due to High-Rent Vacancy Deregulation increased 24% over the prior year. Between 2010 and 2013, the number of units subject to High-Rent Vacancy Deregulation declined each year. However, over the past two years, the number of units newly deregulated rose 30% in 2014 and another 29% in 2015. (See graph on this page and Appendices H.5 through H.7.)

Co-operative & Condominium Conversions

When rent regulated housing is converted through cooperative or condominium conversion to ownership status, apartments are immediately removed from rent regulation if the tenant chooses to purchase the unit.

For tenants who remain in their apartment and do not purchase their unit, the rent regulatory status depends on the type of conversion plan. In eviction conversion plans, non-purchasing tenants may continue in residence until the expiration of their lease. In non-eviction plans (which are the overwhelming majority of approved plans) the regulated tenants have the right to remain in occupancy until they voluntarily leave their apartments. When a tenant leaves a regulated unit, the apartment in most cases becomes deregulated, whether the incoming tenant purchases or rents.

In 2015, a total of 618 units located in co-ops or condos left the stabilized housing stock, 22% fewer than left the system the prior year. By borough, the largest proportion of units leaving rent stabilization and becoming co-op/condo was in Queens, with 35% of the units; followed by Brooklyn (30%); Manhattan (28%); the Bronx (7%); and Staten Island (less than 1%). An estimated total of 48,303 co-op or condo units have left the stabilized stock since 1994. (See Appendices H.6 and H.7.)

Expiration of Section 421-a and J-51 Benefits

As discussed earlier in this report, rental buildings receiving Section 421-a and J-51 benefits remain stabilized, at least until the benefits expire. Therefore, these units enter the stabilized system for a prescribed time period of the benefits and then exit the system.

In 2015, expiration of 421-a benefits resulted in the removal of a total of 1,079 units from the rent stabilization system, 7% more than the number removed the prior year. The expiration of J-51 benefits in 2015 resulted in the removal of 287 units, more than double the number in 2014. The vast majority of 421-a expirations were in Manhattan (98%), while the remainder were in Queens (2%); Brooklyn or Staten Island (each less than 1%). There were none in the Bronx.

Among J-51 expirations, a majority were in Manhattan, with 74%; followed by Brooklyn, with 25%; and Queens, with 1%. There were none in the Bronx nor on Staten Island. Since 1994 Citywide, 23,013

421-a units and 15,393 J-51 units have left the rent stabilization system. (See Appendices H.6 and H.7.)

Substantial Rehabilitation

The Emergency Tenant Protection Act (ETPA) of 1974 exempts apartments from rent regulation in buildings that have been substantially rehabilitated on or after January 1, 1974. DHCR processes applications by owners seeking exemption from rent regulation based on the substantial rehabilitation of their properties. Owners must replace at least 75% of building-wide and apartment systems (i.e., plumbing, heating, electrical wiring, windows, floors, kitchens, bathrooms, etc.). In general, buildings that have been substantially rehabilitated and vacated tend to have been stabilized properties. Therefore, when these buildings are substantially rehabilitated, the apartments are no longer subject to regulation and are considered new construction. This counts as a subtraction from the regulated stock. Notably, these properties do not receive J-51 tax incentives for rehabilitation.

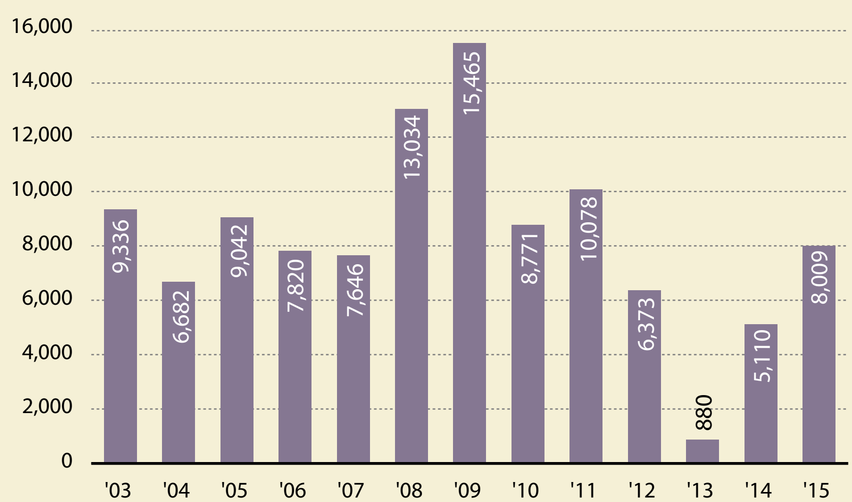
In 2015, 288 units were removed from stabilization through substantial rehabilitation, an increase of 27% from the prior year. By borough, the largest proportion of units leaving rent stabilization was in Brooklyn, with 63% of the units; followed by Manhattan (29%); and Queens (8%). There were none in the Bronx nor on Staten Island. A total of 9,051 units have been removed from the rent stabilization system through substantial rehabilitation since 1994. (See Appendix H.6.)

Conversion to Commercial or Professional Status

Space converted from residential use to commercial or professional use are no longer subject to rent regulation. In 2015, 13 units were converted to nonresidential use, the same as the prior year. Since 1994, 2,288 residential units have been converted to nonresidential use. (See Appendix H.6.)

Net Decline in Rent Stabilized Units, 2003-2015

Greater Decline of Units under Rent Stabilization in 2015



Note: Figures for 2003-2014 have been revised from those reported in prior reports, due to the removal of 420-c program units. See "Other Additions to the Stabilized Housing Stock" section on page 89 for more information.

Sources: NYC Department of Housing Preservation and Development (HPD), Tax Incentive Programs and Division of Housing Supervision (Mitchell-Lama Developments); NYS Division of Housing and Community Renewal (DHCR), Office of Rent Administration and Office of Housing Operations; and NYC Loft Board.

Other Losses to the Housing Stock

Owners may register units as permanently exempt when smaller units are merged into larger ones, or when the building is condemned, demolished or boarded-up/burnt-out. DHCR annual registration data shows that 369 units were removed from the stabilized housing stock in 2015 due to these reasons, down 11% from the prior year. By borough, the largest proportion of units leaving rent stabilization due to other losses was in Manhattan, with half of the units; followed by Brooklyn (33%); Queens (12%); and the Bronx (5%). There were none on Staten Island. Since 1994, 25,179 units have been removed from rent stabilization due to these other types of losses. (See Appendix H.6.)

Summary

In 2015, at least 10,812 housing units left rent stabilization and approximately 2,803 units initially entered the stabilization system.

The built-in fluidity of the system resulted in a net loss of at least 8,009 units in the rent stabilized housing stock in 2015, a greater loss than in the prior year, following a revised estimated net loss of 5,110 units in 2014.[8] (See graph on previous page and Summary Table on next page.)

By borough, Brooklyn saw the most additions (37%); followed by Queens (28%); Manhattan (22%); the Bronx (13%); and Staten Island (less than 1%). Units added to the stabilized stock in 2015 registered median legal rents of $2,167. The vast majority of additions were the result of the 421-a program, which equaled 90% of the additions. (See Appendices H.1 and H.2.)

Meanwhile, 56% of all units leaving rent stabilization were located in Manhattan, a total of 6,043 units. Second largest was Brooklyn, representing 22% (2,382 units) removed; followed by Queens, 17% (1,823 units); the Bronx, 5% (508 units); and Staten Island, representing 1% (56 units) of the total number of units removed from rent stabilization in 2015. High-Rent Vacancy Deregulation was the largest source of measured subtractions from the rent stabilized housing stock in 2015, accounting for 74% of the total number of subtractions. (See Appendix H.7.)

Since 1994, the first year for which we have data, a total of at least 125,555 units have been added to the rent stabilization system, while a minimum of 276,777 rent stabilized units have been deregulated, for an estimated net loss to the rent stabilization system of 151,222 units over the last 22 years. (See Endnote 8.) ❐

Endnotes

1. The 421-a tax exemption program expired in January, 2016 but is expected to be reenacted in some form in the future. The tax exemption will continue for those buildings that have already received benefits. “421-a Tax Break Expires as Deal Between Developers and Labor Falls Apart,” https://www.dnainfo.com/new-york/20160115/sunnyside/421-a-tax-break-expires-as-deal-between-developers-labor-falls-apart, accessed January 17, 2016.

2. The 2014 Housing and Vacancy Survey reported a total of 27,039 rent controlled units in New York City.

3. The Rent Act of 2015, effective June 15, 2015, raised the Deregulation Rent Threshold for deregulation upon vacancy from $2,500 to at least $2,700. See “High-Rent High-Income Deregulation” section on page 5 for more information.

4. The 420-c tax incentive program provides a complete exemption from real estate taxes for the term of the regulatory agreement (up to 30 years). Eligible projects are owned or controlled by a not-for-profit Housing Development Fund Company, subject to an HPD regulatory agreement which requires use as low-income housing and are financed in part with a loan from the City or State in conjunction with federal low-income housing tax credits. While the RGB is unable to quantify the number of units that became rent stabilized since 2003, the previously reported figure for the period 1994-2002, 5,500 rent stabilized units created through the 420-c program, is assumed to be correct. The figure is based upon units identified in rental projects with funding sources that require rent stabilization.

5. The final count for petitions for High-Rent High-Income Deregulation may be slightly reduced as they are subject to appeal or in some cases, to review by a court of competent jurisdiction.

6. Deregulation of certain high rent apartments was instituted in New York City twice before, in 1964 and in 1968.

7. An October 2009 court decision, Roberts v Tishman Speyer Props., L.P., found that about 4,000 apartments in the Stuyvesant Town and Peter Cooper Village complexes in Manhattan were improperly deregulated because the buildings were receiving J-51 tax benefits. This ruling affects other apartments deregulated elsewhere in the city but data on the precise number of units returned to rent stabilization status is unavailable.

8. Additions to the rent stabilized stock between 2003 and 2014 have been revised from those reported in prior reports due to the removal of 420-c program units. See “Other Additions to the Stabilized Housing Stock” section on page 5 for more information.

Summary Table of Additions and Subtractions to the Rent Stabilized Housing Stock in 2015

Program	Number of Units
ADDITIONS	
421-a	+ 2,515
J-51 conversions	+ 0
Mitchell-Lama buyouts	+ 0
Loft conversions	+ 18
420-c	+ 0
CHANGES	
Rent control to rent stabilization	+ 270
Subtotal Additions & Changes	**+ 2,803**
SUBTRACTIONS	
Co-op and Condo subtractions	- 618
High Rent/Vacancy Deregulation	- 8,049
High Rent/High Income Deregulation	- 109
421-a Expiration	- 1,079
J-51 Expiration	- 287
Substantial Rehabilitation	- 288
Commercial/Professional Conversion	- 13
Other Subtractions	- 369
Subtotal Subtractions	**- 10,812**
NET TOTAL	
Net Estimated Loss	***- 8,009***

Sources: NYC Department of Housing Preservation and Development (HPD), Tax Incentive Programs and Division of Housing Supervision (Mitchell-Lama Developments); NYS Division of Housing and Community Renewal (DHCR), Office of Rent Administration and Office of Housing Operations; and NYC Loft Board.

Appendices

Appendix A: Guidelines Adopted by the Board

A.1 Apartments & Lofts - Order #48

On June 27, 2016, the Rent Guidelines Board (RGB) set the following maximum rent increases for leases commencing or being renewed on or after October 1, 2016 and on or before September 30, 2017 for rent stabilized apartments:

One-Year Lease	Two-Year Lease
0.0%	2.0%

In the event of a sublease governed by subdivision (e) of section 2525.6 of the Rent Stabilization Code, the allowance authorized by such subdivision shall be 10%.

No vacancy allowance is permitted except as provided by the Rent Regulation Reform Act of 1997 and the Rent Act of 2015.

For Loft units that are covered under Article 7-C of the Multiple Dwelling Law, the Board established the following maximum rent increases for increase periods commencing on or after October 1, 2016 and on or before September 30, 2017:

One-Year Increase Period	Two-Year Increase Period
0.0%	2.0%

Leases for units subject to rent control on September 30, 2016, which subsequently become vacant and then enter the stabilization system, are not subject to the above adjustments. The rents for these newly stabilized units are subject to review by the New York State Division of Housing and Community Renewal (DHCR). In order to aid DHCR in this review, the RGB has set a special guideline. For rent controlled units which become vacant after September 30, 2016, the special guideline shall be 33% above the maximum base rent.

A.2 Hotel Units - Order #46

On June 27, 2016, the Rent Guidelines Board (RGB) set the following maximum rent increases for leases commencing or being renewed on or after October 1, 2016 and on or before September 30, 2017 for rent stabilized hotels:

Single Room Occupancy Buildings (SRO)	0%
Lodging Houses	0%
Class A Hotels	0%
Class B Hotels	0%
Rooming Houses	0%

B.1 PIOC Sample, Number of Price Quotes per Item, 2015 vs. 2016

Spec	Description	2015	2016
211	Apartment Value	87	110
212	Non-Union Super	82	93
216	Non-Union Janitor/Porter	39	54
	LABOR COSTS	208	257
301	Fuel Oil #2	31	31
302	Fuel Oil #4	10	10
303	Fuel Oil #6	9	N/A
	FUEL OIL	50	41
501	Repainting	123	121
502	Plumbing, Faucet	34	34
503	Plumbing, Stoppage	31	32
504	Elevator #1, 6 fl., 1 e.	11	10
505	Elevator #2, 13 fl., 2 e.	11	10
506	Elevator #3, 19 fl., 3 e.	11	10
507	Burner Repair	10	10
508	Boiler Repair, Tube	8	11
509	Boiler Repair, Weld	6	9
510	Refrigerator Repair	8	8
511	Range Repair	10	10
512	Roof Repair	24	22
513	Air Conditioner Repair	6	7
514	Floor Maint. #1, Studio	8	8
515	Floor Maint. #2, 1 Br.	8	8
516	Floor Maint. #3, 2 Br.	8	8
518	Linen/Laundry Service	5	6
801	Light Bulbs	7	6
802	Light Switch	6	7
803	Wet Mop	10	10
804	Floor Wax	7	10
805	Paint	11	11
806	Pushbroom	10	11
807	Detergent	7	8
808	Bucket	12	11
809	Washers	10	13

(CONTINUED, TOP RIGHT)

Spec	Description	2015	2016
810	Linens	11	11
811	Pine Disinfectant	9	10
812	Window/Glass Cleaner	8	10
813	Switch Plate	7	13
814	Duplex Receptacle	8	9
815	Toilet Seat	12	12
816	Deck Faucet	11	14
901	Refrigerator #1	9	13
902	Refrigerator #2	10	12
903	Air Conditioner #1	5	9
904	Air Conditioner #2	7	9
905	Floor Runner	10	6
906	Dishwasher	7	12
907	Range #1	10	12
908	Range #2	9	11
909	Carpet	8	10
910	Dresser	5	5
911	Mattress & Box Spring	5	6
	MAINTENANCE	553	595
601	Management Fees	71	60
602	Accountant Fees	25	25
603	Attorney Fees	21	21
604	Newspaper Ads	18	18
607	Bill Envelopes	10	12
608	P.O. Box	--	10
609	Copy Paper	--	12
	ADMINISTRATIVE COSTS	150	158
701	INSURANCE COSTS	328	412
	ALL ITEMS	**1,289**	**1,463**

NOTE: Specs 608 and 609 are newly added for 2016. Specs 303 (Fuel Oil #6) and 606 (Leases) were removed.

B.2 Expenditure Weights, Price Relatives, Percent Changes and Standard Errors, All Apartments, 2016

Spec #	Item Description	Expenditure Weights	Price Relative	% Change	Standard Error
101	TAXES	0.2665	1.0749	7.49%	0.0409
201	Payroll, Bronx, All (Union)	0.0954	1.0394	3.94%	0.0000
202	Payroll, Other, Union, Supts.	0.0996	1.0233	2.33%	0.0000
203	Payroll, Other, Union, Other	0.2482	1.0299	2.99%	0.0000
204	Payroll, Other, Non-Union, All	0.2913	1.0580	5.80%	0.0000
205	Social Security Insurance	0.0424	1.0337	3.37%	0.0000
206	Unemployment Insurance	0.0068	0.7728	-22.72%	0.0000
207	Private Health & Welfare	0.2164	1.0072	0.72%	0.0000
	LABOR COSTS	0.1621	1.0318	3.18%	0.0000
301	Fuel Oil #2	0.4707	0.5712	-42.88%	0.7680
302	Fuel Oil #4	0.2171	0.4876	-51.24%	1.1254
403	Electricity #3, 82,000 KWH	0.0000	0.6850	-31.50%	0.0000
405	Gas #2, 65,000 therms	0.0544	0.6904	-30.96%	0.0000
406	Gas #3, 214,000 therms	0.2324	0.6830	-31.70%	0.0000
407	Steam #1, 1.2m lbs	0.0193	0.6933	-30.67%	0.0000
408	Steam #2, 2.6m lbs	0.0060	0.6706	-32.94%	0.0000
	FUEL	0.1198	0.5885	-41.15%	0.4363
401	Electricity #1, 2,500 KWH	0.0243	0.8904	-10.96%	0.0000
402	Electricity #2, 15,000 KWH	0.2592	0.9208	-7.92%	0.0000
404	Gas #1, 12,000 therms	0.0076	0.8842	-11.58%	0.0000
410	Water & Sewer	0.7089	1.0297	2.97%	0.0000
	UTILITIES	0.1087	0.9970	-0.30%	0.0000
501	Repainting	0.3323	1.0339	3.39%	0.7321
502	Plumbing, Faucet	0.1180	1.0152	1.52%	0.6925
503	Plumbing, Stoppage	0.1044	1.0168	1.68%	0.7062
504	Elevator #1, 6 fl., 1 e.	0.0446	1.0821	8.21%	4.2661
505	Elevator #2, 13 fl., 2 e.	0.0284	1.0552	5.52%	2.6896
506	Elevator #3, 19 fl., 3 e.	0.0160	1.0460	4.60%	2.7769
507	Burner Repair	0.0334	1.0072	0.72%	0.7497
508	Boiler Repair, Tube	0.0424	0.9885	-1.15%	1.5324
509	Boiler Repair, Weld	0.0366	1.0079	0.79%	0.7564
510	Refrigerator Repair	0.0109	1.0305	3.05%	2.0303
511	Range Repair	0.0100	1.0169	1.69%	1.1437
512	Roof Repair	0.0650	1.0589	5.89%	1.9380
513	Air Conditioner Repair	0.0068	1.0025	0.25%	0.2471
514	Floor Maint. #1, Studio	0.0002	1.0000	0.00%	0.0000
515	Floor Maint. #2, 1 Br.	0.0004	1.0000	0.00%	0.0000
516	Floor Maint. #3, 2 Br.	0.0033	1.0000	0.00%	0.0000

(CONTINUED, TOP RIGHT)

Spec #	Item Description	Expenditure Weights	Price Relative	% Change	Standard Error
801	Light Bulbs	0.0038	0.9967	-0.33%	1.3089
802	Light Switch	0.0044	1.0965	9.65%	5.9324
803	Wet Mop	0.0036	1.0389	3.89%	3.1668
804	Floor Wax	0.0041	0.9681	-3.19%	1.6332
805	Paint	0.0266	1.0149	1.49%	0.9367
806	Pushbroom	0.0032	1.0551	5.51%	4.2417
807	Detergent	0.0034	1.0301	3.01%	4.4189
808	Bucket	0.0046	1.0693	6.93%	6.4439
809	Washers	0.0088	0.8674	-13.26%	12.7604
811	Pine Disinfectant	0.0059	1.2131	21.31%	9.1976
812	Window/Glass Cleaner	0.0054	0.9902	-0.98%	0.9584
813	Switch Plate	0.0048	1.0023	0.23%	1.0406
814	Duplex Receptacle	0.0031	0.9916	-0.84%	1.2358
815	Toilet Seat	0.0109	1.0042	0.42%	2.1406
816	Deck Faucet	0.0133	0.9880	-1.20%	1.1178
901	Refrigerator #1	0.0041	1.0044	0.44%	2.0567
902	Refrigerator #2	0.0192	1.0663	6.63%	3.4357
903	Air Conditioner #1	0.0007	1.0608	6.08%	2.6842
904	Air Conditioner #2	0.0009	1.0000	0.00%	0.0000
905	Floor Runner	0.0037	1.0197	1.97%	2.4283
906	Dishwasher	0.0021	1.0210	2.10%	1.5368
907	Range #1	0.0021	0.9929	-0.71%	1.0476
908	Range #2	0.0089	0.9975	-0.25%	0.8651
	MAINTENANCE	0.1667	1.0278	2.78%	0.3887
601	Management Fees	0.5209	1.0355	3.55%	0.9242
602	Accountant Fees	0.1254	1.0232	2.32%	0.8441
603	Attorney Fees	0.2154	1.0242	2.42%	1.6326
604	Newspaper Ads	0.0110	1.0142	1.42%	1.1865
607	Bill Envelopes	0.0224	0.9843	-1.57%	2.0842
608	P.O. Box	0.0224	1.0249	2.49%	0.7584
609	Copy Paper	0.0224	1.0166	1.66%	4.3845
409	Communications*	0.0603	0.9882	-1.18%	0.0000
	ADMINISTRATIVE COSTS	0.1272	1.0266	2.66%	0.6155
701	INSURANCE COSTS	0.0489	1.0822	8.22%	2.1017
	ALL ITEMS	1.0000	0.98754	-1.25%	0.1541

*Spec 409, “Communications,” was labeled as “Telephone” in PIOCs prior to 2015, and included only the cost of landline telephone service. It now includes the cost of internet, cell, and landline phone service.

NOTE: Specs 608 and 609 are newly added for 2016. Specs 303 (Fuel Oil #6) and 606 (Leases) were removed.

B.3 Price Relative by Building Type, Apartments, 2016

Item Description	Pre-1947	Post-1946	Gas Heated	Oil Heated
TAXES	7.6%	7.3%	7.5%	7.5%
LABOR COSTS	3.6%	2.7%	3.3%	3.2%
FUEL	-41.8%	-38.5%	-32.9%	-44.6%
UTILITIES	0.1%	-1.1%	-0.5%	-0.3%
MAINTENANCE	2.8%	2.9%	2.7%	2.8%
ADMINISTRATIVE COSTS	2.6%	2.8%	2.7%	2.7%
INSURANCE COSTS	8.2%	8.2%	8.2%	8.2%
ALL ITEMS	**-2.2%**	**0.2%**	**0.5%**	**-2.8%**

B.4 Price Relative by Hotel Type, 2016

Item Description	Hotel	Rooming House	SRO
TAXES	7.8%	6.6%	7.0%
LABOR COSTS	4.1%	4.2%	4.6%
FUEL	-38.6%	-42.9%	-38.3%
UTILITIES	0.5%	-5.5%	-1.7%
MAINTENANCE	0.6%	1.0%	1.1%
ADMINISTRATIVE COSTS	2.0%	2.7%	2.7%
INSURANCE COSTS	8.2%	8.2%	8.2%
ALL ITEMS	**-1.1%**	**-4.7%**	**-11.7%**

B.5 Percentage Change in Real Estate Tax Sample by Borough and Source of Change, Apartments and Hotels, 2016

	% Change Due to Assessments	% Change Due to Exemptions	% Change Due to Abatements	% Change Due to Tax Rates	% Change Due to Interactions	Total % Change
APARTMENTS						
Manhattan	7.39%	-0.57%	-0.01%	0.21%	0.01%	7.03%
Bronx	8.62%	-2.22%	-0.15%	0.23%	0.01%	6.50%
Brooklyn	10.33%	-1.33%	0.06%	0.22%	0.02%	9.30%
Queens	8.63%	-0.44%	0.04%	0.22%	0.02%	8.47%
SI	5.99%	-1.02%	-0.26%	0.22%	0.01%	4.94%
All Apartments	**8.01%**	**-0.78%**	**0.03%**	**0.21%**	**0.02%**	**7.49%**
HOTELS						
Hotel	9.36%	-1.45%	0.00%	-0.15%	-0.01%	7.75%
Rooming House	6.38%	-0.01%	0.00%	0.23%	0.00%	6.60%
SRO	7.15%	-0.42%	0.16%	0.06%	0.01%	6.96%
All Hotels	**8.21%**	**-0.90%**	**0.05%**	**-0.03%**	**0.00%**	**7.33%**

Note: Totals may not add due to rounding.

B.6 Tax Change by Borough and Community Board, Apartments, 2016

Borough	Community Board	Number of Buildings	Tax Relative
Manhattan		**12,365**	**7.03%**
	1	81	12.87%
	2	1,101	8.12%
	3	1,582	7.33%
	4	944	5.11%
	5	273	8.57%
	6	821	5.97%
	7	1,709	7.56%
	8	1,916	6.29%
	9	752	8.51%
	10	1,005	6.00%
	11	712	6.56%
	12	1,462	8.72%
Lower		**7,966**	**6.83%**
Upper		**4,399**	**8.26%**
Bronx		**5,878**	**6.50%**
	1	433	4.53%
	2	286	-5.15%
	3	395	1.36%
	4	757	6.90%
	5	724	6.83%
	6	575	7.99%
	7	979	6.94%
	8	348	6.78%
	9	325	4.92%
	10	215	6.05%
	11	325	8.32%
	12	491	7.87%
Brooklyn		**13,082**	**9.30%**
	1	1,631	8.00%
	2	623	10.42%
	3	1,021	7.35%
	4	1,368	3.39%
	5	429	3.82%
	6	921	8.75%
	7	893	9.44%
	8	999	7.47%
	9	569	11.36%
	10	792	7.87%
	11	700	9.55%
	12	614	8.48%
	13	168	8.80%
	14	888	10.55%
	15	370	8.61%
	16	374	11.71%
	17	623	11.43%
	18	88	11.62%
Queens		**6,909**	**8.47%**
	1	1,981	8.62%
	2	887	8.82%
	3	473	9.24%
	4	447	8.99%
	5	1,202	6.46%
	6	321	7.68%
	7	463	9.67%
	8	228	8.68%
	9	224	9.08%
	10	51	5.85%
	11	126	9.41%
	12	190	9.09%
	13	58	3.52%
	14	185	8.38%
Staten Island		**173**	**4.94%**
	1	121	2.05%
	2	25	11.76%
	3	23	14.04%
ALL		**38,407**	**7.49%**

Note: No Community Board (CB) could be assigned to the following number of buildings for each borough: Manhattan (7), Bronx (25), Brooklyn (11), Queens (73), Staten Island (4). The number of buildings in the category "ALL" for each borough includes the buildings that could not be assigned a Community Board. In addition, one building in Manhattan is a part of Community Board 8 in the Bronx. This building is not included in the total for CB 8 in the Bronx, but is represented in the Manhattan total and the total for "ALL" buildings. Core and Upper Manhattan building totals are defined by block count and cannot be calculated by using Community Board numbers alone.

B.7 Expenditure Weights, Price Relatives, Percent Changes and Standard Errors, All Hotels, 2016

Spec #	Item Description	Expenditure Weights	Price Relative	% Change	Standard Error
101	TAXES	0.3673	1.0733	7.33%	0.5251
205	Social Security Insurance	0.0496	1.0337	3.37%	0.0000
206	Unemployment Insurance	0.0141	0.7728	-22.72%	0.0000
208	Hotel Private Health/Welfare	0.0551	1.0560	5.60%	0.0000
209	Hotel Union Labor	0.3194	1.0400	4.00%	0.0000
210	SRO Union Labor	0.0125	1.0400	4.00%	0.0000
211	Apartment Value	0.1185	1.0282	2.82%	0.5009
212	Non-Union Superintendent	0.3045	1.0631	6.31%	1.2326
213	Non-Union Maid	0.0000	0.0000	NA	0.0000
214	Non-Union Desk Clerk	0.0000	0.0000	NA	0.0000
215	Non-Union Maintenance Worker	0.0000	0.0000	NA	0.0000
216	Non-Union Janitor/Porter	0.1264	1.0470	4.70%	0.0000
	LABOR COSTS	0.1403	1.0433	4.33%	0.3800
301	Fuel Oil #2	0.6433	0.5712	-42.88%	0.7680
302	Fuel Oil #4	0.0162	0.4876	-51.24%	1.1254
403	Electricity #3, 82,000 KWH	0.2080	0.6850	-31.50%	0.0000
405	Gas #2, 65,000 therms	0.0244	0.6904	-30.96%	0.0000
406	Gas #3, 214,000 therms	0.1077	0.6830	-31.70%	0.0000
407	Steam #1, 1.2m lbs	0.0003	0.6933	-30.67%	0.0000
	FUEL	0.1946	0.6085	-39.15%	0.4944
401	Electricity #1, 2,500 KWH	0.1615	0.8904	-10.96%	0.0000
402	Electricity #2, 15,000 KWH	0.1457	0.9208	-7.92%	0.0000
404	Gas #1, 12,000 therms	0.0780	0.8842	-11.58%	0.0000
410	Water & Sewer	0.6148	1.0297	2.97%	0.0000
	UTILITIES	0.0499	0.9800	-2.00%	0.0000
501	Repainting	0.1305	1.0339	3.39%	0.7321
502	Plumbing, Faucet	0.0526	1.0152	1.52%	0.6925
503	Plumbing, Stoppage	0.0493	1.0168	1.68%	0.7062
504	Elevator #1, 6 fl., 1 e.	0.0215	1.0821	8.21%	4.2661
505	Elevator #2, 13 fl., 2 e.	0.0189	1.0552	5.52%	2.6896
506	Elevator #3, 19 fl., 3 e.	0.0174	1.0460	4.60%	2.7769
507	Burner Repair	0.0172	1.0072	0.72%	0.7497
508	Boiler Repair, Tube	0.0197	0.9885	-1.15%	1.5324
509	Boiler Repair, Weld	0.0201	1.0079	0.79%	2.0303
511	Range Repair	0.0826	1.0169	1.69%	1.1437
512	Roof Repair	0.0207	1.0589	5.89%	1.9380
513	Air Conditioner Repair	0.0246	1.0025	0.25%	0.2471
514	Floor Maint. #1, Studio	0.0005	1.0000	0.00%	0.0000
515	Floor Maint. #2, 1 Br.	0.0010	1.0000	0.00%	0.0000
516	Floor Maint. #3, 2 Br.	0.0088	1.0000	0.00%	0.0000

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Spec #	Item Description	Expenditure Weights	Price Relative	% Change	Standard Error
518	Linen/Laundry Service	0.1172	1.0167	1.67%	1.7274
801	Light Bulbs	0.0047	1.0313	3.13%	3.1789
802	Light Switch	0.0050	0.9967	-0.33%	1.3089
803	Wet Mop	0.0128	1.0965	9.65%	5.9324
804	Floor Wax	0.0155	1.0389	3.89%	3.1668
805	Paint	0.0443	0.9681	-3.19%	1.6332
806	Pushbroom	0.0109	1.0149	1.49%	0.9367
807	Detergent	0.0138	1.0551	5.51%	4.2417
808	Bucket	0.0170	1.0301	3.01%	4.4189
809	Washers	0.0134	1.0693	6.93%	6.4439
810	Linens	0.0675	0.8674	-13.26%	12.7604
811	Pine Disinfectant	0.0070	1.1057	10.57%	7.3402
812	Window/Glass Cleaner	0.0064	1.2131	21.31%	9.1976
813	Switch Plate	0.0171	0.9902	-0.98%	0.9584
814	Duplex Receptacle	0.0114	1.0023	0.23%	1.0406
815	Toilet Seat	0.0164	0.9916	-0.84%	1.2358
816	Deck Faucet	0.0202	1.0042	0.42%	2.1406
901	Refrigerator #1	0.0025	0.9880	-1.20%	1.1178
902	Refrigerator #2	0.0119	1.0044	0.44%	2.0567
903	Air Conditioner #1	0.0069	1.0663	6.63%	3.4357
904	Air Conditioner #2	0.0085	1.0608	6.08%	2.6842
907	Range #1	0.0012	1.0210	2.10%	1.5368
908	Range #2	0.0050	0.9929	-0.71%	1.0476
909	Carpet	0.0402	0.9975	-0.25%	0.8651
910	Dresser	0.0191	1.0113	1.13%	2.9477
911	Mattress & Box Spring	0.0190	0.8648	-13.52%	7.4831
	MAINTENANCE	0.1157	1.0087	0.87%	0.1619
601	Management Fees	0.5434	1.0355	3.55%	0.9242
602	Accountant Fees	0.0602	1.0232	2.32%	0.8441
603	Attorney Fees	0.0859	1.0242	2.42%	1.6326
604	Newspaper Ads	0.0865	1.0142	1.42%	1.1865
607	Bill Envelopes	0.0057	0.9843	-1.57%	2.0842
608	P.O. Box	0.0057	1.0249	2.49%	0.7584
609	Copy Paper	0.0057	1.0166	1.66%	4.3845
409	Communications*	0.2069	0.9882	-1.18%	0.0000
	ADMINISTRATIVE COSTS	0.0916	1.0217	2.17%	0.5346
701	INSURANCE COSTS	0.0407	1.0822	8.22%	2.1017
	ALL ITEMS	1.0000	0.9622	-3.78%	0.2662

*Spec 409, “Communications,” was labeled as “Telephone” in PIOCs prior to 2015, and included only the cost of landline telephone service. It now includes the cost of internet, cell, and landline phone service.

NOTE: Specs 608 and 609 are newly added for 2016. Specs 303 (Fuel Oil #6) and 606 (Leases) were removed.

B.8 Expenditure Weights and Price Relatives, Lofts, 2016

Spec #	Item Description	Weights	Price Relative
101	TAXES	**0.2942**	**7.49%**
201	Payroll, Bronx, All	0.0000	3.94%
202	Payroll, Other, Union, Supts.	0.2394	2.33%
203	Payroll, Other, Union, Other	0.0000	2.99%
204	Payroll, Other, Non-Union, All	0.5332	5.80%
205	Social Security Insurance	0.0403	3.37%
206	Unemployment Insurance	0.0073	-22.72%
207	Private Health & Welfare	0.1798	0.72%
	LABOR COSTS	**0.0861**	**3.7%**
301	Fuel Oil #2	0.2980	-42.88%
302	Fuel Oil #4	0.5782	-51.24%
403	Electricity #3, 82,000 KWH	0.0000	-31.50%
405	Gas #2, 65,000 therms	0.0281	-30.96%
406	Gas #3, 214,000 therms	0.0765	-31.70%
407	Steam #1, 1.2m lbs	0.0146	-30.67%
408	Steam #2, 2.6m lbs	0.0045	-32.94%
	FUEL	**0.1120**	**-46.3%**
401	Electricity #1, 2,500 KWH	0.0102	-10.96%
402	Electricity #2, 15,000 KWH	0.1093	-7.92%
404	Gas #1, 12,000 therms	0.0032	-11.58%
410	Water & Sewer - Frontage	0.8773	2.97%
	UTILITIES	**0.0699**	**1.59%**
501	Repainting	0.2749	3.39%
502	Plumbing, Faucet	0.0977	1.52%
503	Plumbing, Stoppage	0.0864	1.68%
504	Elevator #1, 6 fl., 1 e.	0.0369	8.21%
505	Elevator #2, 13 fl., 2 e.	0.0235	5.52%
506	Elevator #3, 19 fl., 3 e.	0.0132	4.60%
507	Burner Repair	0.0276	0.72%
508	Boiler Repair, Tube	0.0350	-1.15%
509	Boiler Repair, Weld	0.0304	0.79%
510	Refrigerator Repair	0.0090	3.05%
511	Range Repair	0.0083	1.69%
512	Roof Repair	0.0537	5.89%
513	Air Conditioner Repair	0.0056	0.25%
514	Floor Maint. #1, Studio	0.0002	0.00%
515	Floor Maint. #2, 1 Br.	0.0003	0.00%
516	Floor Maint. #3, 2 Br.	0.0027	0.00%

(CONTINUED, TOP RIGHT)

Spec #	Item Description	Weights	Price Relative
801	Light Bulbs	0.0061	-0.33%
802	Light Switch	0.0070	9.65%
803	Wet Mop	0.0058	3.89%
804	Floor Wax	0.0066	-3.19%
805	Paint	0.0428	1.49%
806	Pushbroom	0.0051	5.51%
807	Detergent	0.0055	3.01%
808	Bucket	0.0074	6.93%
809	Washers	0.0142	-13.26%
811	Pine Disinfectant	0.0094	21.31%
812	Window/Glass Cleaner	0.0087	-0.98%
813	Switch Plate	0.0076	0.23%
814	Duplex Receptacle	0.0050	-0.84%
815	Toilet Seat	0.0174	0.42%
816	Deck Faucet	0.0214	-1.20%
901	Refrigerator #1	0.0121	0.44%
902	Refrigerator #2	0.0575	6.63%
903	Air Conditioner #1	0.0020	6.08%
904	Air Conditioner #2	0.0026	0.00%
905	Floor Runner	0.0111	1.97%
906	Dishwasher	0.0062	2.10%
907	Range #1	0.0063	-0.71%
908	Range #2	0.0267	-0.25%
	MAINTENANCE	**0.0929**	**2.72%**
	ADMINISTRATIVE COSTS - LEGAL	**0.0618**	**2.42%**
601	Management Fees	0.8315	3.55%
602	Accountant Fees	0.1321	2.32%
604	Newspaper Ads	0.0098	1.42%
607	Bill Envelopes	0.0065	-1.57%
608	P.O. Box	0.0065	2.49%
609	Copy Paper	0.0065	1.66%
409	Communications*	0.0070	-1.18%
	ADMINISTRATIVE COSTS - OTHER	**0.0913**	**3.28%**
701	INSURANCE COSTS	**0.1919**	**8.22%**
	ALL ITEMS	**1.0000**	**-0.27%**

*Spec 409, "Communications," was labeled as "Telephone" in PIOCs prior to 2015, and included only the cost of landline telephone service. It now includes the cost of internet, cell, and landline phone service.

NOTE: Specs 608 and 609 are newly added for 2016. Specs 303 (Fuel Oil #6) and 606 (Leases) were removed.

C.1 Cross-Sectional Income and Expense Study, Estimated Average Operating & Maintenance Cost (2014) per Apartment per Month by Building Size and Location, Structures Built Before 1947

	Taxes	Labor	Fuel	Water/Sewer	Light & Power	Maint.	Admin.	Insurance	Misc.	Total
Citywide	**$237**	**$82**	**$124**	**$75**	**$28**	**$159**	**$116**	**$49**	**$37**	**$907**
11-19 units	$293	$78	$127	$78	$32	$171	$129	$53	$45	$1,007
20-99 units	$209	$71	$126	$76	$26	$154	$111	$49	$35	$857
100+ units	$397	$194	$101	$65	$37	$180	$140	$43	$38	$1,194
Bronx	$121	$67	$146	$82	$27	$141	$96	$53	$22	$755
11-19 units	$120	$79	$153	$86	$36	$145	$103	$55	$27	$802
20-99 units	$121	$65	$146	$82	$27	$141	$96	$53	$22	$752
100+ units	$125	$87	$133	$78	$22	$153	$98	$48	$9	$753
Brooklyn	$167	$60	$92	$75	$23	$144	$94	$46	$33	$734
11-19 units	$191	$62	$101	$76	$24	$164	$101	$49	$33	$801
20-99 units	$161	$56	$92	$75	$23	$141	$92	$46	$33	$718
100+ units	$187	$94	$77	$68	$24	$137	$103	$41	$28	$759
Manhattan	$404	$118	$133	$73	$34	$193	$161	$51	$54	$1,220
11-19 units	$439	$96	$137	$81	$39	$196	$176	$59	$64	$1,288
20-99 units	$354	$92	$136	$73	$29	$187	$153	$50	$53	$1,127
100+ units	$630	$299	$105	$58	$52	$217	$185	$43	$43	$1,632
Queens	$212	$71	$116	$68	$24	$140	$87	$42	$35	$794
11-19 units	$198	$57	$129	$66	$21	$135	$67	$43	$26	$741
20-99 units	$211	$67	$116	$68	$24	$139	$91	$41	$33	$791
100+ units	$237	$117	$91	$69	$22	$152	$92	$41	$63	$886
Core Man	$556	$142	$112	$64	$37	$203	$182	$51	$51	$1,398
11-19 units	$540	$90	$127	$75	$38	$202	$185	$60	$52	$1,369
20-99 units	$514	$102	$110	$63	$31	$194	$176	$49	$56	$1,294
100+ units	$699	$325	$101	$55	$56	$228	$194	$43	$37	$1,738
Upper Man	$227	$90	$156	$82	$30	$180	$137	$51	$57	$1,009
11-19 units	$236	$107	$158	$92	$41	$183	$156	$57	$89	$1,119
20-99 units	$224	$83	$157	$81	$28	$181	$133	$50	$51	$989
100+ units	$272	$164	$126	$69	$32	$156	$138	$40	$71	$1,068
City w/o Core	$169	$69	$126	$78	$26	$149	$102	$48	$34	$801
11-19 units	$190	$73	$127	$79	$29	$158	$105	$50	$42	$853
20-99 units	$163	$66	$128	$78	$25	$148	$101	$49	$32	$791
100+ units	$198	$108	$99	$71	$24	$147	$103	$42	$39	$830

Notes: The sum of the lines may not equal the total due to rounding. Totals in this table may not match those in Appendix Table 3 due to rounding. Data in this table is NOT adjusted for the results of the 1992 NYC Dept. of Finance audit on I&E reported operating costs. The category "Utilities" used in the I&E Study is the sum of "Water & Sewer" and "Light & Power." The number of Pre-47 rent stabilized buildings in Staten Island was too small to calculate reliable statistics. Owners are not required to report tax expenses; therefore, tax figures used in this report were calculated by the NYC Dept. of Finance.

Source: NYC Department of Finance, RPIE Filings.

C.2 Cross-Sectional Income and Expense Study, Estimated Average Operating & Maintenance Cost (2014) per Apartment per Month by Building Size and Location, Structures Built After 1946

	Taxes	Labor	Fuel	Water/Sewer	Light & Power	Maint.	Admin.	Insurance	Misc.	Total
Citywide	**$306**	**$157**	**$91**	**$66**	**$42**	**$163**	**$139**	**$42**	**$42**	**$1,047**
11-19 units	$156	$94	$84	$75	$46	$167	$141	$46	$16	$825
20-99 units	$210	$94	$89	$68	$36	$151	$117	$43	$37	$844
100+ units	$407	$220	$93	$62	$46	$173	$158	$40	$50	$1,248
Bronx	$116	$87	$113	$76	$43	$131	$116	$43	$20	$745
11-19 units	-	-	-	-	-	-	-	-	-	-
20-99 units	$116	$77	$113	$75	$41	$128	$105	$46	$20	$722
100+ units	$115	$108	$111	$77	$47	$130	$136	$37	$19	$781
Brooklyn	$176	$105	$71	$68	$37	$158	$121	$45	$38	$818
11-19 units	-	-	-	-	-	-	-	-	-	-
20-99 units	$178	$88	$72	$69	$35	$162	$122	$46	$36	$809
100+ units	$182	$138	$68	$64	$38	$138	$105	$41	$48	$823
Manhattan	$669	$304	$103	$54	$58	$219	$217	$44	$55	$1,724
11-19 units	$295	$112	$107	$67	$66	$214	$191	$55	$6	$1,114
20-99 units	$453	$135	$95	$53	$44	$201	$171	$42	$68	$1,261
100+ units	$730	$353	$104	$54	$62	$224	$229	$44	$51	$1,852
Queens	$230	$120	$85	$68	$32	$137	$106	$36	$49	$864
11-19 units	$175	$90	$89	$80	$44	$137	$120	$41	$15	$790
20-99 units	$223	$98	$89	$68	$31	$136	$99	$38	$39	$821
100+ units	$243	$144	$82	$66	$31	$138	$110	$34	$62	$910
St. Island	$177	$118	$80	$51	$25	$163	$83	$36	$13	$745
11-19 units	-	-	-	-	-	-	-	-	-	-
20-99 units	$141	$63	$49	$51	$31	$155	$97	$43	$11	$641
100+ units	-	-	-	-	-	-	-	-	-	-
Core Man	$773	$333	$102	$53	$59	$229	$226	$46	$62	$1,883
11-19 units	$564	$110	$99	$77	$61	$277	$201	$59	$13	$1,460
20-99 units	$562	$146	$86	$48	$41	$215	$182	$43	$66	$1,388
100+ units	$822	$378	$105	$54	$63	$232	$236	$46	$61	$1,998
Upper Man	$234	$182	$105	$59	$54	$176	$174	$38	$25	$1,049
11-19 units	-	-	-	-	-	-	-	-	-	-
20-99 units	$185	$105	$113	$64	$49	$164	$140	$40	$73	$933
100+ units	-	-	-	-	-	-	-	-	-	-
City w/o Core	$189	$112	$88	$68	$37	$145	$116	$40	$37	$833
11-19 units	$151	$94	$84	$75	$46	$165	$140	$46	$16	$816
20-99 units	$178	$89	$89	$70	$36	$145	$111	$43	$34	$795
100+ units	$208	$144	$86	$66	$37	$143	$119	$36	$44	$882

Notes: The sum of the lines may not equal the total due to rounding. Totals in this table may not match those in Appendix Table 3 due to rounding. Data in this table is NOT adjusted for the results of the 1992 NYC Dept. of Finance audit on I&E reported operating costs. The category "Utilities" used in the I&E Study is the sum of "Water & Sewer" and "Light & Power." The number of Post-46 rent stabilized buildings with 11-19 units in the Bronx, Brooklyn, Staten Island and Upper Manhattan; as well as 100+ unit buildings on Staten Island and Upper Manhattan, was too small to calculate reliable statistics. Owners are not required to report tax expenses; therefore, tax figures used in this report were calculated by the NYC Dept. of Finance.

Source: NYC Department of Finance, RPIE Filings.

C.3 Cross-Sectional Income and Expense Study, Estimated Average Rent, Income and Costs (2014) per Apartment per Month by Building Size and Location

	Post-46			Pre-47			All		
	Rent	Income	Costs	Rent	Income	Costs	Rent	Income	Costs
Citywide	**$1,474**	**$1,663**	**$1,047**	**$1,186**	**$1,347**	**$907**	**$1,265**	**$1,434**	**$946**
11-19 units	$1,327	$1,473	$825	$1,265	$1,532	$1,007	$1,272	$1,526	$987
20-99 units	$1,201	$1,309	$844	$1,128	$1,259	$857	$1,141	$1,268	$855
100+ units	$1,732	$1,997	$1,248	$1,577	$1,843	$1,194	$1,683	$1,949	$1,231
Bronx	$1,000	$1,107	$745	$894	$1,004	$755	$913	$1,022	$753
11-19 units	-	-	-	$862	$1,014	$802	$868	$1,023	$804
20-99 units	$998	$1,068	$722	$892	$1,000	$752	$903	$1,007	$749
100+ units	$1,002	$1,170	$781	$991	$1,081	$753	$996	$1,124	$766
Brooklyn	$1,180	$1,287	$818	$1,051	$1,118	$734	$1,085	$1,162	$756
11-19 units	-	-	-	$1,092	$1,192	$801	$1,104	$1,204	$803
20-99 units	$1,150	$1,247	$809	$1,029	$1,089	$718	$1,041	$1,105	$727
100+ units	$1,163	$1,284	$823	$1,185	$1,261	$759	$1,172	$1,276	$798
Manhattan	$2,431	$2,876	$1,724	$1,564	$1,884	$1,220	$1,758	$2,106	$1,333
11-19 units	$1,534	$1,806	$1,114	$1,559	$2,038	$1,288	$1,558	$2,037	$1,286
20-99 units	$1,842	$2,136	$1,261	$1,479	$1,729	$1,127	$1,508	$1,762	$1,137
100+ units	$2,594	$3,081	$1,852	$2,037	$2,509	$1,632	$2,395	$2,876	$1,773
Queens	$1,221	$1,318	$864	$1,143	$1,200	$794	$1,183	$1,259	$829
11-19 units	$1,254	$1,392	$790	$1,049	$1,108	$741	$1,069	$1,136	$746
20-99 units	$1,169	$1,250	$821	$1,146	$1,198	$791	$1,152	$1,212	$799
100+ units	$1,261	$1,366	$910	$1,261	$1,338	$886	$1,261	$1,359	$903
St. Island	$993	$1,108	$745	-	-	-	$992	$1,093	$749
11-19 units	-	-	-	-	-	-	-	-	-
20-99 units	$966	$1,026	$641	-	-	-	$980	$1,037	$675
100+ units	-	-	-	-	-	-	-	-	-
Core Man	$2,650	$3,149	$1,883	$1,864	$2,291	$1,398	$2,102	$2,550	$1,545
11-19 units	$1,795	$2,271	$1,460	$1,688	$2,270	$1,369	$1,690	$2,270	$1,372
20-99 units	$2,047	$2,366	$1,388	$1,829	$2,161	$1,294	$1,843	$2,174	$1,301
100+ units	$2,792	$3,332	$1,998	$2,170	$2,694	$1,738	$2,539	$3,073	$1,893
Upper Man	$1,496	$1,715	$1,049	$1,210	$1,404	$1,009	$1,241	$1,438	$1,013
11-19 units	-	-	-	$1,290	$1,558	$1,119	$1,291	$1,554	$1,111
20-99 units	$1,312	$1,540	$933	$1,191	$1,374	$989	$1,195	$1,379	$987
100+ units	-	-	-	$1,332	$1,526	$1,068	$1,423	$1,625	$1,082
City w/o Core	$1,173	$1,282	$833	$1,063	$1,142	$779	$1,093	$1,180	$794
11-19 units	$1,320	$1,461	$816	$1,042	$1,128	$771	$1,083	$1,177	$777
20-99 units	$1,123	$1,212	$795	$1,039	$1,113	$761	$1,055	$1,132	$767
100+ units	$1,214	$1,345	$882	$1,197	$1,285	$842	$1,209	$1,328	$871

Notes: City, borough totals and building size categories are weighted. Cost figures in this table are NOT adjusted for the results of the 1992 NYC Dept. of Finance audit on I&E reported operating costs. The number of Post-46 rent stabilized buildings with 11-19 units in the Bronx, Brooklyn, Staten Island and Upper Manhattan; as well as 100+ unit buildings on Staten Island and Upper Manhattan, was too small to calculate reliable statistics. In addition, the number of Pre-47 rent stabilized buildings of all sizes in Staten Island was too small to calculate reliable statistics.

Source: NYC Department of Finance, RPIE Filings.

C.4 Cross-Sectional Income and Expense Study, Estimated Median Rent, Income and Costs (2014) per Apartment per Month by Building Size and Location

	Post-46			Pre-47			All		
	Rent	Income	Costs	Rent	Income	Costs	Rent	Income	Costs
Citywide	**$1,173**	**$1,269**	**$839**	**$1,076**	**$1,174**	**$824**	**$1,090**	**$1,186**	**$826**
11-19 units	$1,231	$1,378	$865	$1,187	$1,357	$941	$1,188	$1,360	$939
20-99 units	$1,112	$1,175	$782	$1,050	$1,130	$793	$1,056	$1,136	$792
100+ units	$1,299	$1,420	$998	$1,210	$1,318	$882	$1,279	$1,395	$958
Bronx	$987	$1,042	$688	$891	$976	$736	$899	$983	$732
11-19 units	-	-	-	$842	$960	$775	$851	$962	$774
20-99 units	$985	$1,025	$685	$892	$974	$732	$899	$980	$728
100+ units	$1,014	$1,115	$708	$982	$1,092	$751	$1,004	$1,107	$745
Brooklyn	$1,097	$1,187	$756	$1,003	$1,054	$694	$1,014	$1,063	$699
11-19 units	-	-	-	$1,024	$1,080	$732	$1,030	$1,085	$734
20-99 units	$1,082	$1,141	$734	$993	$1,044	$680	$999	$1,052	$683
100+ units	$1,135	$1,240	$798	$1,099	$1,182	$674	$1,129	$1,233	$760
Manhattan	$2,033	$2,400	$1,446	$1,463	$1,698	$1,090	$1,492	$1,733	$1,108
11-19 units	$1,616	$1,942	$1,186	$1,524	$1,893	$1,191	$1,527	$1,893	$1,190
20-99 units	$1,779	$1,965	$1,152	$1,414	$1,578	$1,030	$1,434	$1,598	$1,038
100+ units	$2,673	$3,095	$1,742	$1,871	$2,226	$1,450	$2,393	$2,812	$1,659
Queens	$1,190	$1,265	$830	$1,121	$1,153	$747	$1,143	$1,179	$773
11-19 units	$1,158	$1,326	$729	$1,052	$1,083	$699	$1,059	$1,088	$705
20-99 units	$1,169	$1,237	$806	$1,142	$1,171	$758	$1,147	$1,180	$771
100+ units	$1,243	$1,334	$898	$1,224	$1,286	$842	$1,243	$1,320	$885
St. Island	$956	$1,057	$649	-	-	-	$958	$1,058	$681
11-19 units	-	-	-	-	-	-	-	-	-
20-99 units	$961	$1,029	$612	-	-	-	$968	$1,031	$681
100+ units	-	-	-	-	-	-	-	-	-
Core Man	$2,328	$2,727	$1,589	$1,701	$2,007	$1,202	$1,732	$2,039	$1,229
11-19 units	$1,674	$2,058	$1,355	$1,631	$2,053	$1,255	$1,633	$2,053	$1,257
20-99 units	$1,942	$2,151	$1,250	$1,731	$1,938	$1,147	$1,745	$1,958	$1,153
100+ units	$2,837	$3,193	$1,823	$2,109	$2,654	$1,657	$2,590	$3,067	$1,777
Upper Man	$1,290	$1,424	$887	$1,102	$1,244	$907	$1,107	$1,254	$907
11-19 units	-	-	-	$1,133	$1,340	$987	$1,133	$1,343	$976
20-99 units	$1,200	$1,329	$860	$1,096	$1,227	$893	$1,098	$1,233	$893
100+ units	-	-	-	$1,175	$1,296	$925	$1,289	$1,424	$990
City w/o Core	$1,105	$1,178	$773	$991	$1,065	$749	$1,005	$1,079	$752
11-19 units	$1,107	$1,318	$734	$1,008	$1,091	$769	$1,011	$1,095	$765
20-99 units	$1,072	$1,136	$745	$983	$1,056	$745	$993	$1,062	$745
100+ units	$1,167	$1,265	$854	$1,112	$1,187	$776	$1,150	$1,235	$821

Notes: Cost figures in this table are NOT adjusted for the results of the 1992 NYC Dept. of Finance audit on I&E reported operating costs. The number of Post-46 rent stabilized buildings with 11-19 units in the Bronx, Brooklyn, Staten Island and Upper Manhattan; as well as 100+ unit buildings on Staten Island and Upper Manhattan, was too small to calculate reliable statistics. In addition, the number of Pre-47 rent stabilized buildings of all sizes in Staten Island was too small to calculate reliable statistics.

Source: NYC Department of Finance, RPIE Filings.

C.5 Cross-Sectional Income and Expense Study, Average Net Operating Income in 2014 per Apartment per Month by Building Size and Location

	Post-46	Pre-47	All
Citywide	**$616**	**$440**	**$488**
11-19 units	$647	$526	$539
20-99 units	$465	$401	$413
100+ units	$749	$649	$717
Bronx	$362	$249	$269
11-19 units	-	$212	$219
20-99 units	$346	$248	$258
100+ units	$389	$328	$358
Brooklyn	$468	$384	$406
11-19 units	-	$391	$401
20-99 units	$438	$371	$378
100+ units	$461	$502	$478
Manhattan	$1,152	$664	$774
11-19 units	$692	$751	$750
20-99 units	$875	$602	$624
100+ units	$1,229	$877	$1,103
Queens	$454	$406	$430
11-19 units	$602	$367	$390
20-99 units	$429	$407	$413
100+ units	$456	$452	$456
St. Island	$363	-	$344
11-19 units	-	-	-
20-99 units	$385	-	$362
100+ units	-	-	-

	Post-46	Pre-47	All
Core Man	$1,266	$892	$1,005
11-19 units	$811	$901	$898
20-99 units	$978	$867	$873
100+ units	$1,334	$956	$1,180
Upper Man	$666	$395	$424
11-19 units	-	$439	$443
20-99 units	$607	$385	$392
100+ units	-	$458	$543
City w/o Core	$450	$363	$386
11-19 units	$645	$357	$400
20-99 units	$418	$352	$365
100+ units	$463	$443	$457

Notes: City, borough totals and building size categories are weighted. Cost figures in this table are NOT adjusted for the results of the 1992 NYC Dept. of Finance audit on I&E reported operating costs. The number of Post-46 rent stabilized buildings with 11-19 units in the Bronx, Brooklyn, Staten Island and Upper Manhattan; as well as 100+ unit buildings on Staten Island and Upper Manhattan, was too small to calculate reliable statistics. In addition, the number of Pre-47 rent stabilized buildings of all sizes in Staten Island was too small to calculate reliable statistics.

Source: NYC Department of Finance, RPIE Filings.

C.6 Cross-Sectional Distribution of Operating Costs in 2014, by Building Size and Age

	Taxes	Maint.	Labor	Admin.	Utilities	Fuel	Misc.	Insurance	Total
Pre-47	26.1%	17.5%	9.1%	12.8%	11.4%	13.7%	4.1%	5.4%	100.0%
11-19 units	29.1%	17.0%	7.8%	12.8%	10.9%	12.6%	4.5%	5.3%	100.0%
20-99 units	24.4%	18.0%	8.3%	12.9%	11.9%	14.7%	4.1%	5.7%	100.0%
100+ units	33.2%	15.1%	16.3%	11.7%	8.5%	8.4%	3.2%	3.6%	100.0%
Post-46	29.2%	15.6%	15.0%	13.2%	10.3%	8.7%	4.0%	4.0%	100.0%
11-19 units	18.9%	20.2%	11.4%	17.1%	14.6%	10.2%	1.9%	5.6%	100.0%
20-99 units	24.8%	17.9%	11.1%	13.8%	12.3%	10.5%	4.4%	5.1%	100.0%
100+ units	32.6%	13.8%	17.7%	12.6%	8.7%	7.4%	4.0%	3.2%	100.0%
All Bldgs	27.1%	16.9%	10.9%	12.9%	11.0%	12.2%	4.1%	5.0%	100.0%
11-19 units	28.1%	17.3%	8.1%	13.2%	11.2%	12.4%	4.2%	5.3%	100.0%
20-99 units	24.5%	18.0%	8.8%	13.1%	12.0%	13.9%	4.2%	5.6%	100.0%
100+ units	32.8%	14.2%	17.2%	12.3%	8.6%	7.7%	3.7%	3.3%	100.0%

Source: NYC Department of Finance, RPIE Filings.

C.7 Cross-Sectional Number of "Distressed" Buildings, 2014 RPIE Data

	Citywide	Bronx	Brooklyn	Manhattan	Queens	St. Island	Core Man	Upper Man
Pre-47								
11-19 units	348	63	68	193	22	2	115	78
20-99 units	553	165	92	263	32	1	89	174
100+ units	12	1	0	11	0	0	7	4
All	**913**	**229**	**160**	**467**	**54**	**3**	**211**	**256**
Post-46								
11-19 units	4	2	0	2	0	0	2	0
20-99 units	49	12	13	9	15	0	6	3
100+ units	16	4	1	7	3	1	7	0
All	**69**	**18**	**14**	**18**	**18**	**1**	**15**	**3**
All Bldgs.								
11-19 units	352	65	68	195	22	2	117	78
20-99 units	602	177	105	272	47	1	95	177
100+ units	28	5	1	18	3	1	14	4
All	**982**	**247**	**174**	**485**	**72**	**4**	**226**	**259**

Source: NYC Department of Finance, RPIE Filings.

C.8 Operating Cost-to-Income Ratios by Decile, 2014 RPIE Data

	# of Bldgs	10%	20%	30%	40%	50%	60%	70%	80%	90%	100%
Citywide	**15,525**	**0.49**	**0.54**	**0.59**	**0.63**	**0.67**	**0.71**	**0.76**	**0.82**	**0.93**	**5.48**
Manhattan	6,488	0.47	0.52	0.56	0.59	0.64	0.68	0.74	0.81	0.95	5.48
Bronx	3,342	0.56	0.63	0.67	0.71	0.75	0.79	0.83	0.89	0.97	2.65
Brooklyn	3,588	0.50	0.55	0.59	0.63	0.66	0.69	0.73	0.79	0.89	2.47
Queens	2,024	0.50	0.55	0.59	0.62	0.65	0.69	0.74	0.79	0.87	2.27
St. Island	83	0.50	0.54	0.57	0.62	0.65	0.68	0.72	0.77	0.84	1.29

Source: NYC Department of Finance, RPIE Filings.

C.9 Cross-Sectional Sample, 2014 RPIE Data

	Post-46		Pre-47		All	
	Bldgs.	DU's	Bldgs.	DU's	Bldgs.	DU's
Citywide	**1,854**	**192,759**	**13,671**	**506,042**	**15,525**	**698,801**
11-19 units	144	2,135	3,652	55,255	3,796	57,390
20-99 units	1,130	64,445	9,634	381,376	10,764	445,821
100+ units	580	126,179	385	69,411	965	195,590
Bronx	373	29,729	2,969	127,189	3,342	156,918
11-19 units	15	229	353	5,387	368	5,616
20-99 units	288	16,761	2,542	111,634	2,830	128,395
100+ units	70	12,739	74	10,168	144	22,907
Brooklyn	371	34,707	3,217	116,021	3,588	150,728
11-19 units	23	351	887	13,318	910	13,669
20-99 units	250	15,280	2,269	95,310	2,519	110,590
100+ units	98	19,076	61	7,393	159	26,469
Manhattan	487	69,848	6,001	204,229	6,488	274,077
11-19 units	56	843	2,006	30,237	2,062	31,080
20-99 units	207	10,690	3,814	132,481	4,021	143,171
100+ units	224	58,315	181	41,511	405	99,826
Queens	565	54,219	1,459	57,345	2,024	111,564
11-19 units	43	613	396	6,157	439	6,770
20-99 units	349	20,300	998	41,495	1,347	61,795
100+ units	173	33,306	65	9,693	238	42,999
St. Island	58	4,256	25	1,258	83	5,514
11-19 units	7	99	10	156	17	255
20-99 units	36	1,414	11	456	47	1,870
100+ units	15	2,743	4	646	19	3,389
Core Man	387	59,376	3,759	123,238	4,146	182,614
11-19 units	42	637	1,516	22,865	1,558	23,502
20-99 units	147	7,500	2,108	65,693	2,255	73,193
100+ units	198	51,239	135	34,680	333	85,919
Upper Man	100	10,472	2,242	80,991	2,342	91,463
11-19 units	14	206	490	7,372	504	7,578
20-99 units	60	3,190	1,706	66,788	1,766	69,978
100+ units	26	7,076	46	6,831	72	13,907

Source: NYC Department of Finance, RPIE Filings.

DU = Dwelling Unit

C.10 Longitudinal Income and Expense Study, Estimated Average Rent, Income and Costs Changes (2013-2014) by Building Size and Location

	Post-46			Pre-47			All		
	Rent	Income	Costs	Rent	Income	Costs	Rent	Income	Costs
Citywide	**4.3%**	**4.2%**	**6.1%**	**5.0%**	**5.2%**	**5.3%**	**4.8%**	**4.9%**	**5.6%**
11-19 units	8.3%	8.4%	9.9%	5.3%	5.3%	5.0%	5.7%	5.6%	5.4%
20-99 units	4.4%	4.6%	6.9%	5.1%	5.3%	5.4%	5.0%	5.1%	5.6%
100+ units	4.0%	3.8%	5.5%	3.7%	4.5%	5.6%	3.9%	4.0%	5.5%
Bronx	4.4%	4.0%	6.1%	4.9%	4.7%	4.7%	4.8%	4.6%	4.9%
11-19 units	-	-	-	4.2%	4.3%	4.0%	5.9%	5.2%	4.9%
20-99 units	4.4%	3.8%	4.3%	5.1%	4.8%	4.7%	5.0%	4.7%	4.7%
100+ units	3.3%	3.9%	8.8%	3.0%	2.9%	4.3%	3.2%	3.5%	7.1%
Brooklyn	5.3%	5.3%	6.8%	5.2%	5.1%	5.6%	5.2%	5.2%	5.9%
11-19 units	-	-	-	5.3%	5.5%	5.0%	6.5%	6.7%	5.5%
20-99 units	4.8%	4.6%	8.2%	4.9%	4.8%	5.6%	4.8%	4.7%	6.2%
100+ units	4.6%	4.7%	3.4%	7.6%	7.2%	6.9%	5.9%	5.8%	4.8%
Manhattan	4.1%	4.0%	5.4%	5.0%	5.5%	5.9%	4.7%	5.0%	5.7%
11-19 units	14.9%	12.7%	4.9%	5.6%	5.4%	5.3%	5.7%	5.5%	5.3%
20-99 units	3.5%	4.7%	7.2%	5.3%	5.8%	6.1%	5.1%	5.7%	6.2%
100+ units	4.1%	3.8%	5.1%	3.1%	4.5%	5.6%	3.8%	4.0%	5.3%
Queens	3.9%	4.0%	6.8%	4.7%	4.7%	4.3%	4.3%	4.4%	5.6%
11-19 units	-	4.1%	11.5%	4.6%	4.8%	4.2%	4.1%	4.6%	6.2%
20-99 units	4.4%	4.9%	7.0%	5.3%	5.4%	4.2%	5.0%	5.2%	5.3%
100+ units	3.7%	3.4%	6.1%	1.6%	1.5%	4.6%	3.3%	3.0%	5.8%
Staten Island	1.8%	2.7%	7.0%	-	-	-	1.6%	2.3%	5.7%
11-19 units	-	-	-	-	-	-	-	-	-
20-99 units	-	-	-	-	-	-	2.6%	2.8%	0.5%
100+ units	-	-	-	-	-	-	-	-	-
Core Manhattan	4.4%	3.9%	6.0%	4.8%	5.2%	5.5%	4.6%	4.7%	5.7%
11-19 units	12.2%	11.1%	8.2%	5.9%	5.4%	4.8%	6.0%	5.5%	4.8%
20-99 units	4.3%	5.0%	7.4%	5.1%	5.3%	5.9%	5.0%	5.3%	6.1%
100+ units	4.4%	3.8%	5.7%	3.1%	4.6%	5.3%	4.0%	4.0%	5.6%
Upper Manhattan	1.9%	4.1%	1.3%	5.4%	6.2%	6.5%	4.9%	6.0%	5.9%
11-19 units	-	-	-	4.8%	5.5%	6.7%	5.0%	5.6%	6.6%
20-99 units	0.2%	3.2%	6.4%	5.6%	6.5%	6.3%	5.3%	6.4%	6.3%
100+ units	-	-	-	3.5%	3.8%	8.4%	2.7%	4.1%	2.4%
All City w/o Core	4.2%	4.4%	6.2%	5.1%	5.2%	5.3%	4.8%	4.9%	5.5%
11-19 units	8.2%	8.4%	10.0%	4.9%	5.2%	5.2%	5.5%	5.7%	5.8%
20-99 units	4.4%	4.5%	6.8%	5.1%	5.2%	5.2%	5.0%	5.1%	5.5%
100+ units	3.5%	3.8%	5.2%	4.4%	4.3%	6.0%	3.8%	3.9%	5.4%

Notes: City, borough totals and building size categories are weighted. Cost figures in this table are NOT adjusted for the results of the 1992 NYC Dept. of Finance audit on I&E reported operating costs. The number of Post-46 rent stabilized buildings with 11-19 units in the Bronx, Brooklyn, Staten Island, Queens and Upper Manhattan, as well as 20-99 and 100+ unit buildings on Staten Island and 100+ units buildings in Upper Manhattan was too small to calculate reliable statistics. In addition, the number of Pre-47 rent stabilized buildings in all categories in Staten Island was too small to calculate reliable statistics.

Source: NYC Department of Finance, RPIE Filings.

C.11 Longitudinal Income and Expense Study, Estimated Median Rent, Income and Costs Changes (2013-2014) by Building Size and Location

	Post-46			Pre-47			All		
	Rent	Income	Costs	Rent	Income	Costs	Rent	Income	Costs
Citywide	**4.2%**	**4.9%**	**6.4%**	**4.8%**	**5.1%**	**4.5%**	**4.8%**	**5.0%**	**4.8%**
11-19 units	4.8%	4.5%	14.2%	6.1%	5.3%	5.2%	6.0%	5.2%	5.4%
20-99 units	4.4%	4.3%	6.2%	5.0%	5.0%	4.3%	4.7%	4.8%	4.5%
100+ units	4.0%	4.0%	5.2%	3.0%	3.0%	6.2%	4.2%	4.1%	5.0%
Bronx	3.8%	2.9%	2.8%	4.3%	4.0%	4.4%	4.5%	3.8%	4.3%
11-19 units	-	-	-	3.2%	3.6%	4.9%	3.6%	3.1%	5.9%
20-99 units	3.4%	3.0%	2.4%	4.4%	3.9%	4.4%	4.6%	3.9%	3.9%
100+ units	4.7%	4.9%	0.7%	4.2%	3.9%	5.0%	3.5%	3.9%	6.9%
Brooklyn	5.0%	4.9%	4.9%	4.9%	4.5%	4.8%	5.1%	4.7%	4.8%
11-19 units	-	-	-	5.6%	4.9%	3.7%	5.3%	5.0%	3.7%
20-99 units	3.3%	2.9%	6.9%	4.8%	4.8%	5.1%	4.7%	4.4%	4.9%
100+ units	4.2%	3.4%	3.2%	4.8%	4.0%	-0.6%	5.6%	4.4%	5.3%
Manhattan	3.8%	4.6%	7.4%	5.9%	6.3%	5.6%	5.9%	6.0%	6.1%
11-19 units	6.4%	21.1%	2.0%	6.9%	6.8%	6.4%	6.9%	7.1%	6.3%
20-99 units	6.0%	3.1%	6.9%	6.2%	6.2%	6.8%	6.0%	6.6%	6.5%
100+ units	4.1%	2.9%	2.1%	1.2%	3.2%	4.8%	4.1%	2.5%	4.4%
Queens	4.0%	4.8%	7.8%	5.0%	4.9%	3.9%	4.7%	4.8%	5.2%
11-19 units	-	-	-	5.7%	4.4%	2.3%	5.4%	4.8%	2.8%
20-99 units	4.5%	6.7%	8.0%	4.9%	4.9%	4.4%	4.6%	4.7%	5.3%
100+ units	5.0%	5.1%	5.3%	1.5%	-1.3%	1.7%	4.9%	3.6%	5.5%
Staten Island	-0.8%	3.9%	3.6%	-	-	-	-0.2%	2.6%	7.9%
11-19 units	-	-	-	-	-	-	-	-	-
20-99 units	-	-	-	-	-	-	4.0%	6.4%	2.8%
100+ units	-	-	-	-	-	-	-	-	-
Core Manhattan	5.1%	5.6%	6.9%	5.8%	6.4%	6.0%	5.2%	5.1%	6.0%
11-19 units	7.1%	9.3%	7.8%	5.6%	6.0%	6.1%	5.6%	6.2%	6.3%
20-99 units	2.0%	3.6%	7.4%	5.3%	5.3%	4.9%	5.2%	5.4%	5.2%
100+ units	3.9%	2.6%	5.3%	0.5%	3.8%	4.7%	3.1%	4.0%	4.1%
Upper Manhattan	2.6%	3.9%	4.2%	6.0%	6.4%	6.0%	5.9%	6.5%	6.0%
11-19 units	-	-	-	7.1%	7.9%	3.9%	7.1%	7.8%	3.3%
20-99 units	1.7%	3.8%	8.6%	6.3%	6.4%	6.0%	6.0%	6.9%	6.0%
100+ units	-	-	-	4.3%	7.1%	4.0%	5.9%	8.1%	-0.6%
All City w/o Core	4.3%	4.0%	6.1%	4.5%	4.7%	4.7%	4.7%	4.6%	4.9%
11-19 units	8.7%	5.2%	8.6%	4.5%	4.8%	3.5%	4.4%	4.8%	3.6%
20-99 units	3.9%	4.5%	5.2%	5.0%	4.6%	4.9%	4.7%	4.6%	4.9%
100+ units	2.7%	4.8%	5.2%	4.0%	4.3%	7.0%	3.8%	3.8%	5.2%

Notes: Cost figures in this table are NOT adjusted for the results of the 1992 NYC Dept. of Finance audit on I&E reported operating costs. The number of Post-46 rent stabilized buildings with 11-19 units in the Bronx, Brooklyn, Staten Island, Queens and Upper Manhattan, as well as 20-99 and 100+ unit buildings on Staten Island and 100+ units buildings in Upper Manhattan was too small to calculate reliable statistics. In addition, the number of Pre-47 rent stabilized buildings in all categories in Staten Island was too small to calculate reliable statistics.

Source: NYC Department of Finance, RPIE Filings.

C.12 Longitudinal Income and Expense Study, Avg. Net Operating Income Changes (2013-2014) by Bldg. Size & Location

	Post-46	Pre-47	All
Citywide	**1.1%**	**4.8%**	**3.5%**
11-19 units	6.5%	5.9%	6.0%
20-99 units	0.6%	5.0%	4.1%
100+ units	1.0%	2.5%	1.4%
Bronx	0.0%	4.8%	3.6%
11-19 units	-	5.7%	6.2%
20-99 units	2.7%	5.1%	4.6%
100+ units	-4.6%	-0.3%	-3.3%
Brooklyn	2.9%	4.2%	3.8%
11-19 units	-	6.5%	9.1%
20-99 units	-1.6%	3.3%	2.0%
100+ units	7.2%	7.5%	7.4%
Manhattan	1.8%	4.9%	3.9%
11-19 units	29.7%	5.7%	5.8%
20-99 units	1.1%	5.3%	4.8%
100+ units	1.9%	2.6%	2.1%
Queens	-0.8%	5.7%	2.1%
11-19 units	-	6.0%	1.7%
20-99 units	1.2%	7.7%	5.0%
100+ units	-1.8%	-4.1%	-2.2%
St. Island	-5.0%	-	-4.3%
11-19 units	-	-	-
20-99 units	-	-	8.2%
100+ units	-	-	-

	Post-46	Pre-47	All
Core Manhattan	1.0%	4.6%	3.3%
11-19 units	16.7%	6.4%	6.5%
20-99 units	1.9%	4.4%	4.1%
100+ units	0.8%	3.4%	1.6%
Upper Manhattan	9.4%	5.6%	6.2%
11-19 units	-	2.4%	3.0%
20-99 units	-2.2%	7.0%	6.4%
100+ units	-	-5.2%	7.6%
All City w/o Core	1.2%	4.9%	3.7%
11-19 units	6.4%	5.3%	5.6%
20-99 units	0.3%	5.2%	4.1%
100+ units	1.2%	1.2%	1.2%

Notes: City, borough totals and building size categories are weighted. The number of Post-46 rent stabilized buildings with 11-19 units in the Bronx, Brooklyn, Staten Island, Queens and Upper Manhattan, as well as 20-99 and 100+ unit buildings on Staten Island and 100+ units buildings in Upper Manhattan was too small to calculate reliable statistics. In addition, the number of Pre-47 rent stabilized buildings in all categories in Staten Island was too small to calculate reliable statistics.

Source: NYC Department of Finance, RPIE Filings.

C.13 Longitudinal Income and Expense Study, Change in Rent and Net Operating Income by Community District (2013-2014)

CD	Neighborhood	Rent Change	NOI Change
Manhattan			
102	Greenwich Village	6.3%	4.1%
103	Lower East Side/Chinatown	6.8%	7.2%
104	Chelsea/Clinton	5.9%	5.2%
105	Midtown	2.4%	5.0%
106	Stuyvesant Town/Turtle Bay	5.6%	6.1%
107	Upper West Side	4.8%	6.3%
108	Upper East Side	3.7%	2.9%
109	Morningside Hts./Hamilton Hts.	7.2%	9.2%
110	Central Harlem	5.6%	-1.5%
111	East Harlem	7.4%	13.6%
112	Washington Hts./Inwood	4.0%	4.4%
Bronx			
201	Mott Haven/Port Morris	5.7%	2.0%
202	Hunts Point/Longwood	5.7%	21.3%
203	Morrisania/Melrose/Claremont	3.8%	2.4%
204	Highbridge/S. Concourse	4.8%	5.2%
205	University Heights/Fordham	6.1%	4.0%
206	E. Tremont/Belmont	5.2%	9.5%
207	Kingsbridge Hts./Mosholu/Norwood	4.4%	2.0%
208	Riverdale/Kingsbridge	4.1%	-0.6%
209	Soundview/Parkchester	5.5%	6.3%
210	Throgs Neck/Co-op City	4.0%	6.7%
211	Pelham Parkway	3.6%	0.8%
212	Williamsbridge/Baychester	5.6%	4.4%
Brooklyn			
301	Williamsburg/Greenpoint	6.2%	5.6%
302	Brooklyn Hts./Fort Greene	5.6%	4.2%
303	Bedford Stuyvesant	5.5%	3.7%
305	East New York/Starett City	4.9%	7.5%
306	Park Slope/Carroll Gardens	5.5%	7.8%
307	Sunset Park	5.6%	11.8%
308	North Crown Hts./Prospect Hts.	7.1%	8.9%
309	South Crown Hts.	4.5%	2.6%
310	Bay Ridge	4.3%	3.3%
311	Bensonhurst	4.5%	-0.3%
312	Borough Park	4.6%	3.4%
313	Coney Island	2.7%	8.7%
314	Flatbush	5.5%	2.3%
315	Sheepshead Bay/Gravesend	2.9%	3.7%
316	Brownsville/Ocean Hill	6.9%	8.9%
317	East Flatbush	4.3%	2.5%
Queens			
401	Astoria	5.0%	4.8%
402	Sunnyside/Woodside	4.3%	4.6%
403	Jackson Hts.	5.7%	8.9%
404	Elmhurst/Corona	3.2%	0.5%
405	Middle Village/Ridgewood	6.5%	6.3%
406	Forest Hills/Rego Park	4.0%	0.6%
407	Flushing/Whitestone	3.2%	4.0%
408	Hillcrest/Fresh Meadows	4.5%	-1.7%
409	Kew Gardens/Woodhaven	4.4%	0.3%
411	Bayside/Little Neck	4.1%	-2.8%
412	Jamaica	7.4%	17.2%
414	Rockaways	8.5%	13.4%
Staten Isl.			
501	North Shore	3.8%	4.5%

Note: Seven Community Districts (CDs) contained too few buildings to be included in the analysis.

Source: NYC Department of Finance, RPIE Filings.

C.14 Longitudinal Sample, 2013 & 2014 RPIE Data

	Post-46		Pre-47		All	
	Bldgs.	DU's	Bldgs.	DU's	Bldgs.	DU's
Citywide	**1,555**	**165,016**	**11,418**	**430,547**	**12,973**	**595,563**
11-19 units	113	1,658	2,943	44,625	3,056	46,283
20-99 units	944	54,625	8,138	323,981	9,082	378,606
100+ units	498	108,733	337	61,941	835	170,674
Bronx	315	25,547	2,468	106,381	2,783	131,928
11-19 units	12	178	288	4,370	300	4,548
20-99 units	242	14,278	2,116	93,147	2,358	107,425
100+ units	61	11,091	64	8,864	125	19,955
Brooklyn	297	29,529	2,626	96,888	2,923	126,417
11-19 units	15	227	693	10,420	708	10,647
20-99 units	195	12,237	1,882	80,303	2,077	92,540
100+ units	87	17,065	51	6,165	138	23,230
Manhattan	414	58,113	5,068	176,151	5,482	234,264
11-19 units	50	747	1,637	24,751	1,687	25,498
20-99 units	182	9,477	3,271	113,960	3,453	123,437
100+ units	182	47,889	160	37,440	342	85,329
Queens	487	48,172	1,237	50,063	1,724	98,235
11-19 units	32	454	319	4,990	351	5,444
20-99 units	301	17,609	859	36,140	1,160	53,749
100+ units	154	30,109	59	8,933	213	39,042
St. Island	42	3,655	19	1,064	61	4,719
11-19 units	4	52	6	94	10	146
20-99 units	24	1,024	10	431	34	1,455
100+ units	14	2,579	3	539	17	3,118
Core Manhattan	335	49,247	3,257	110,259	3,592	159,506
11-19 units	39	590	1,273	19,261	1,312	19,851
20-99 units	136	6,977	1,860	58,341	1,996	65,318
100+ units	160	41,680	124	32,657	284	74,337
Upper Manhattan	79	8,866	1,811	65,892	1,890	74,758
11-19 units	11	157	364	5,490	375	5,647
20-99 units	46	2,500	1,411	55,619	1,457	58,119
100+ units	22	6,209	36	4,783	58	10,992

Source: NYC Department of Finance, RPIE Filings.

DU = Dwelling Unit

D.1 Occupancy Status

	ALL UNITS	Owner Units	Renter Units	Stabilized
Total Number of Units (occupied, vacant available, and vacant not available)	3,400,093@			
Number of Units (occupied and vacant, available)	3,217,522	1,033,225	2,184,296	1,029,918
Occupied Units	3,124,138	1,015,299	2,108,838	1,008,096
Bronx	482,316	102,231	380,084	228,534
Brooklyn	932,191	270,647	661,544	295,557
Manhattan	761,269	189,100	572,169	283,907
Queens	784,771	347,567	437,204	189,343
Staten Island	163,590	105,754	57,837	10,756
Vacant Units	275,955			
Vacant, for rent or sale	93,384	17,926	75,458	21,822
Bronx	17,416	2,545	14,871	6,229
Brooklyn	24,862	3,966	20,895	5,064
Manhattan	29,087	4,833	24,254	6,787
Queens	17,486	5,416	12,070	3,147
Staten Island	4,535	1,167	3,368	594
Asking Rent				
<$800	-	-	6,659	1,264
$800-$999	-	-	10,387	4,110
$1,000-$1,249	-	-	14,155	6,197
$1,250-$1,499	-	-	9,326	3,895
$1,500-$1,749	-	-	8,218	2,074
$1,750-$1,999	-	-	3,424	1,661
$2,000-$2,499	-	-	5,600	1,579
$2,500+	-	-	17,689	1,042
Vacant, not for rent or sale	182,571	-	-	-
Bronx	18,409	-	-	-
Brooklyn	50,803	-	-	-
Manhattan	63,509	-	-	-
Queens	39,511	-	-	-
Staten Island	10,338	-	-	-
Dilapidated	3,503			
Rented-Not Yet Occupied	5,213	-	-	-
Sold-Not Yet Occupied	6,570	-	-	-
Undergoing Renovation	42,434	-	-	-
Awaiting Renovation	18,524	-	-	-
Non-Residential Use	2,819	-	-	-
Legal Dispute	10,860	-	-	-
Awaiting Conversion	610	-	-	-
Held for Occasional Use	54,764	-	-	-
Unable to Rent or Sell	18,079	-	-	-
Held Pending Sale of Building	7,940	-	-	-
Held for Planned Demolition	597	-	-	-
Held for Other Reasons	9,485	-	-	-
(Not Reported)	1,172	-	-	-

@ All housing units, including owner-occupied, renter-occupied, vacant for rent, vacant for sale, and vacant unavailable.

Rent Stabilized Units *Pre-1947*	Rent Stabilized Units *Post-1946*	Rent Controlled	Mitchell-Lama	Public Housing	Other Regulated*	Other Rentals**	
							Total Number of Units
766,296	263,622	27,039	47,953	187,714	42,952	848,721	Number of Units (occupied and vacant, available)
748,761	259,335	27,039	45,312	184,853	42,335	801,203	Occupied Units
188,233	40,301	1,146	6,660	51,054	11,734	80,956	Bronx
230,297	65,261	7,292	17,378	60,059	11,367	269,891	Brooklyn
225,620	58,287	14,845	14,585	53,530	13,822	191,480	Manhattan
101,668	87,674	3,756	5,148	15,857	3,000	220,100	Queens
2,944	7,812	0	1,540	4,353	2,412	38,776	Staten Island
							Vacant Units
17,535	4,287	0	2,641	2,861	617	47,518	Vacant, for rent or sale
4,700	1,529	0	1,440	903	370	5,929	Bronx
4,202	862	0	217	890	7	14,717	Brooklyn
6,192	595	0	793	874	240	15,560	Manhattan
2,233	914	0	191	195	0	8,537	Queens
208	386	0	0	0	0	2,774	Staten Island
							Asking Rent
1,072	192	0	405	2,176	261	2,553	<$800
3,378	731	0	759	0	7	5,511	$800-$999
5,665	532	0	173	477	341	6,968	$1,000-$1,249
3,090	805	0	602	0	5	4,824	$1,250-$1,499
1,479	596	0	212	208	0	5,723	$1,500-$1,749
1,661	0	0	163	0	5	1,596	$1,750-$1,999
1,191	388	0	326	0	0	3,695	$2,000-$2,499
0	1,042	0	0	0	0	16,647	$2,500+
-	-	-	-	-	-	-	Vacant, not for rent or sale
-	-	-	-	-	-	-	Bronx
-	-	-	-	-	-	-	Brooklyn
-	-	-	-	-	-	-	Manhattan
-	-	-	-	-	-	-	Queens
-	-	-	-	-	-	-	Staten Island
							Dilapidated
-	-	-	-	-	-	-	Rented-Not Yet Occupied
-	-	-	-	-	-	-	Sold-Not Yet Occupied
-	-	-	-	-	-	-	Undergoing Renovation
-	-	-	-	-	-	-	Awaiting Renovation
-	-	-	-	-	-	-	Non-Residential Use
-	-	-	-	-	-	-	Legal Dispute
-	-	-	-	-	-	-	Awaiting Conversion
-	-	-	-	-	-	-	Held for Occasional Use
-	-	-	-	-	-	-	Unable to Rent or Sell
-	-	-	-	-	-	-	Held Pending Sale of Building
-	-	-	-	-	-	-	Held for Planned Demolition
-	-	-	-	-	-	-	Held for Other Reasons
-	-	-	-	-	-	-	(Not Reported)

* Other Regulated Rentals encompasses In Rem units, as well as those regulated by HUD, Article 4 or 5, and the New York City Loft Board.

** Other Rentals encompasses dwellings which have never been regulated, units which have been deregulated (including those in buildings with fewer than 6 apartments) and unregulated rentals in cooperatives or condominiums.

D.1 Occupancy Status (continued)

	ALL UNITS	Owner Units	Renter Units	Stabilized
Total Number of Units (occupied, vacant available, and vacant not available)	3,400,093@			
Number of Units (occupied and vacant, available)	3,217,522	32.1%	67.9%	47.2%
Occupied Units	3,124,138	32.5%	67.5%	47.8%
Bronx	15.4%	10.1%	18.0%	22.7%
Brooklyn	29.8%	26.7%	31.4%	29.3%
Manhattan	24.4%	18.6%	27.1%	28.2%
Queens	25.1%	34.2%	20.7%	18.8%
Staten Island	5.2%	10.4%	2.7%	1.1%
Vacant Units	275,955			
Vacant, for rent or sale	93,384	19.2%	80.8%	28.9%
Bronx	18.6%	14.2%	19.7%	28.5%
Brooklyn	26.6%	22.1%	27.7%	23.2%
Manhattan	31.1%	27.0%	32.1%	31.1%
Queens	18.7%	30.2%	16.0%	14.4%
Staten Island	4.9%	6.5%	4.5%	2.7%
Asking Rent				
<$800	-	-	8.8%	5.8%
$800-$999	-	-	13.8%	18.8%
$1,000-$1,249	-	-	18.8%	28.4%
$1,250-$1,499	-	-	12.4%	17.8%
$1,500-$1,749	-	-	10.9%	9.5%
$1,750-$1,999	-	-	4.5%	7.6%
$2,000-$2,499	-	-	7.4%	7.2%
$2,500+	-	-	23.4%	4.8%
Vacant, not for rent or sale	182,571			
Bronx	10.1%	-	-	-
Brooklyn	27.8%	-	-	-
Manhattan	34.8%	-	-	-
Queens	21.6%	-	-	-
Staten Island	5.7%	-	-	-
Dilapidated	1.9%			
Rented-Not Yet Occupied	2.9%	-	-	-
Sold-Not Yet Occupied	3.6%	-	-	-
Undergoing Renovation	23.2%	-	-	-
Awaiting Renovation	10.1%	-	-	-
Non-Residential Use	1.5%	-	-	-
Legal Dispute	5.9%	-	-	-
Awaiting Conversion	0.3%	-	-	-
Held for Occasional Use	30.0%	-	-	-
Unable to Rent or Sell	9.9%	-	-	-
Held Pending Sale of Building	4.3%	-	-	-
Held for Planned Demolition	0.3%	-	-	-
Held for Other Reasons	5.2%	-	-	-
(Not Reported)	0.6%	-	-	-

@ All housing units, including owner-occupied, renter-occupied, vacant for rent, vacant for sale, and vacant unavailable.

Rent Stabilized Units		Rent	Mitchell-	Public	Other	Other	
Pre-1947	*Post-1946*	Controlled	Lama	Housing	Regulated*	Rentals**	
							Total Number of Units
74.4%	25.6%	1.2%	2.2%	8.6%	2.0%	38.9%	Number of Units (occupied and vacant, available)
74.3%	25.7%	1.3%	2.1%	8.8%	2.0%	38.0%	Occupied Units
25.1%	15.5%	4.2%	14.7%	27.6%	27.7%	10.1%	Bronx
30.8%	25.2%	27.0%	38.4%	32.5%	26.9%	33.7%	Brooklyn
30.1%	22.5%	54.9%	32.2%	29.0%	32.6%	23.9%	Manhattan
13.6%	33.8%	13.9%	11.4%	8.6%	7.1%	27.5%	Queens
0.4%	3.0%	0.0%	3.4%	2.4%	5.7%	4.8%	Staten Island
							Vacant Units
80.4%	19.6%	-	3.5%	3.8%	0.8%	63.0%	Vacant, for rent or sale
26.8%	35.7%	-	54.5%	31.6%	60.0%	12.5%	Bronx
24.0%	20.1%	-	8.2%	31.1%	1.1%	31.0%	Brooklyn
35.3%	13.9%	-	30.0%	30.5%	38.9%	32.7%	Manhattan
12.7%	21.3%	-	7.2%	6.8%	0.0%	18.0%	Queens
1.2%	9.0%	-	0.0%	0.0%	0.0%	5.8%	Staten Island
							Asking Rent
6.1%	4.5%	-	15.3%	76.1%	42.1%	5.4%	<$800
19.3%	17.1%	-	28.8%	0.0%	1.1%	11.6%	$800-$999
32.3%	12.4%	-	6.6%	16.7%	55.1%	14.7%	$1,000-$1,249
17.6%	18.8%	-	22.8%	0.0%	0.8%	10.2%	$1,250-$1,499
8.4%	13.9%	-	8.0%	7.3%	0.0%	12.0%	$1,500-$1,749
9.5%	0.0%	-	6.2%	0.0%	0.8%	3.4%	$1,750-$1,999
6.8%	9.1%	-	12.3%	0.0%	0.0%	7.8%	$2,000-$2,499
0.0%	24.3%	-	0.0%	0.0%	0.0%	35.0%	$2,500+
							Vacant, not for rent or sale
-	-	-	-	-	-	-	Bronx
-	-	-	-	-	-	-	Brooklyn
-	-	-	-	-	-	-	Manhattan
-	-	-	-	-	-	-	Queens
-	-	-	-	-	-	-	Staten Island
-	-	-	-	-	-	-	Dilapidated
							Rented-Not Yet Occupied
-	-	-	-	-	-	-	Sold-Not Yet Occupied
-	-	-	-	-	-	-	Undergoing Renovation
-	-	-	-	-	-	-	Awaiting Renovation
-	-	-	-	-	-	-	Non-Residential Use
-	-	-	-	-	-	-	Legal Dispute
-	-	-	-	-	-	-	Awaiting Conversion
-	-	-	-	-	-	-	Held for Occasional Use
-	-	-	-	-	-	-	Unable to Rent or Sell
-	-	-	-	-	-	-	Held Pending Sale of Building
-	-	-	-	-	-	-	Held for Planned Demolition
-	-	-	-	-	-	-	Held for Other Reasons
-	-	-	-	-	-	-	(Not Reported)

* Other Regulated Rentals encompasses In Rem units, as well as those regulated by HUD, Article 4 or 5, and the New York City Loft Board.

** Other Rentals encompasses dwellings which have never been regulated, units which have been deregulated (including those in buildings with fewer than 6 apartments) and unregulated rentals in cooperatives or condominiums.

D.2 Economic Characteristics

	All Households@	Owner Households	Renter Households	Stabilized
Monthly Contract Rent				
$1-$299	-	-	86,766	7,135
$300-$399	-	-	37,201	5,370
$400-$499	-	-	40,871	8,441
$500-$599	-	-	45,991	13,959
$600-$699	-	-	60,561	25,733
$700-$799	-	-	91,601	49,041
$800-$899	-	-	116,622	72,098
$900-$999	-	-	151,563	98,771
$1,000-$1,249	-	-	449,585	271,883
$1,250-$1,499	-	-	276,529	162,094
$1,500-$1,749	-	-	236,568	117,630
$1,750-$1,999	-	-	112,963	63,529
$2,000-$2,499	-	-	124,691	56,738
$2,500+	-	-	223,936	39,064
(No Cash Rent)	-	-	(53,391)	(16,611)
Mean	-	-	$1,446	$1,317
Mean/Room	-	-	$505	$499
Median	-	-	$1,200	$1,200
Median/Room	-	-	$360	$375
Monthly Cost of Gas/Electric (One Bill)				
Mean	$176	$162	$136	$123
Median	$120	$138	$110	$100
Monthly Cost of Electric (Paid Separately)				
Mean	$125	$162	$104	$97
Median	$100	$138	$90	$80
Monthly Cost of Utility Gas (Paid Separately)				
Mean	$107	$177	$54	$39
Median	$50	$150	$30	$30
Monthly Cost of Water/Sewer				
Mean	$98	$100	$67	-
Median	$83	$83	$58	-
Monthly Cost of Other Fuels				
Mean	$269	$279	$201	-
Median	$250	$250	$150	-
Monthly Mortgage Payments				
Mean	-	$2,174	-	-
Median	-	$1,834	-	-
Monthly Insurance Payments				
Mean	-	$119	-	-
Median	-	$83	-	-
Monthly Property Taxes				
Mean	-	$405	-	-
Median	-	$333	-	-

@ All households, including owners and renters.

Rent Stabilized Units *Pre-1947*	Rent Stabilized Units *Post-1946*	Rent Controlled	Mitchell-Lama	Public Housing	Other Regulated*	Other Rentals**	
							Monthly Contract Rent
5,445	1,691	3,587	786	55,944	11,150	8,162	$1-$299
5,165	205	1,645	558	22,461	2,884	4,283	$300-$399
7,087	1,353	1,359	851	22,322	1,184	6,715	$400-$499
11,553	2,407	1,563	0	20,730	869	8,870	$500-$599
22,053	3,680	1,632	2,390	17,588	1,616	11,602	$600-$699
36,320	12,721	1,550	2,598	15,218	2,653	20,541	$700-$799
59,233	12,865	741	3,036	7,491	2,855	30,399	$800-$899
77,431	21,340	3,016	4,167	6,077	1,523	38,009	$900-$999
214,011	57,871	4,495	13,842	10,016	4,826	144,522	$1,000-$1,249
113,104	48,990	1,526	6,955	4,645	3,688	97,621	$1,250-$1,499
81,987	35,642	2,632	3,234	1,637	1,603	109,833	$1,500-$1,749
48,044	15,485	1,090	1,159	0	1,442	45,743	$1,750-$,1999
42,054	14,684	813	1,744	0	2,464	62,933	$2,000-$2,499
13,222	25,842	1,181	3,774	0	2,729	177,189	$2,500+
(12,053)	(4,558)	(209)	(217)	(723)	(848)	(34,783)	(No Cash Rent)
$1,246	$1,522	$1,034	$1,343	$518	$974	$1,882	Mean
$472	$571	$287	$464	$150	$383	$615	Mean/Room
$1,153	$1,300	$900	$1,157	$448	$800	$1,500	Median
$367	$417	$233	$325	$120	$267	$389	Median/Room
							Monthly Cost of Gas/Electric (One Bill)
$122	$131	$116	$90	$138	$109	$162	Mean
$104	$100	$90	$66	$130	$85	$120	Median
							Monthly Cost of Electric (Paid Separately)
$96	$100	$98	$79	$94	$95	$113	Mean
$80	$80	$80	$75	$71	$75	$100	Median
							Monthly Cost of Utility Gas (Paid Separately)
$37	$51	$37	$83	$82	$51	$72	Mean
$27	$30	$25	$50	$70	$40	$40	Median
							Monthly Cost of Water/Sewer
-	-	-	-	-	-	-	Mean
-	-	-	-	-	-	-	Median
							Monthly Cost of Other Fuels
-	-	-	-	-	-	-	Mean
-	-	-	-	-	-	-	Median
							Monthly Mortgage Payments
-	-	-	-	-	-	-	Mean
-	-	-	-	-	-	-	Median
							Monthly Insurance Payments
-	-	-	-	-	-	-	Mean
-	-	-	-	-	-	-	Median
							Monthly Property Taxes
-	-	-	-	-	-	-	Mean
-	-	-	-	-	-	-	Median

* Other Regulated Rentals encompass In Rem units, as well as those regulated by HUD, Article 4 or 5, and the New York City Loft Board.

** Other Rentals encompass dwellings which have never been regulated, units which have been deregulated (including those in buildings with fewer than 6 apartments) and unregulated rentals in cooperatives or condominiums.

D.2 Economic Characteristics (Continued)

	All Households@	Owner Households	Renter Households	Stabilized
Monthly Contract Rent				
$1-$299	-	-	4.2%	0.7%
$300-$399	-	-	1.8%	0.5%
$400-$499	-	-	2.0%	0.9%
$500-$599	-	-	2.2%	1.4%
$600-$699	-	-	2.9%	2.6%
$700-$799	-	-	4.5%	4.9%
$800-$899	-	-	5.7%	7.3%
$900-$999	-	-	7.4%	10.0%
$1,000-$1,249	-	-	21.9%	27.4%
$1,250-$1,499	-	-	13.5%	16.3%
$1,500-$1,749	-	-	11.5%	11.9%
$1,750-$1,999	-	-	5.5%	6.4%
$2,000-$2,499	-	-	6.1%	5.7%
$2,500+	-	-	10.9%	3.9%
(No Cash Rent)	-	-	-	-
Mean	-	-	-	-
Mean/Room	-	-	-	-
Median	-	-	-	-
Median/Room	-	-	-	-
Monthly Cost of Gas/Electric (One Bill)				
Mean	-	-	-	-
Median	-	-	-	-
Monthly Cost of Electric (Paid Separately)				
Mean	-	-	-	-
Median	-	-	-	-
Monthly Cost of Utility Gas (Paid Separately)				
Mean	-	-	-	-
Median	-	-	-	-
Monthly Cost of Water/Sewer				
Mean	-	-	-	-
Median	-	-	-	-
Monthly Cost of Other Fuels				
Mean	-	-	-	-
Median	-	-	-	-
Monthly Mortgage Payments				
Mean	-	-	-	-
Median	-	-	-	-
Monthly Insurance Payments				
Mean	-	-	-	-
Median	-	-	-	-
Monthly Property Taxes				
Mean	-	-	-	-
Median	-	-	-	-

@ All households, including owners and renters.

Totals may not add to 100% due to rounding.

	Rent Stabilized Units		Rent	Mitchell-	Public	Other	Other
	Pre-1947	*Post-1946*	Controlled	Lama	Housing	Regulated*	Rentals**
Monthly Contract Rent							
$1-$299	0.7%	0.7%	13.4%	1.7%	30.4%	26.9%	1.1%
$300-$399	0.7%	0.1%	6.1%	1.2%	12.2%	7.0%	0.6%
$400-$499	1.0%	0.5%	5.1%	1.9%	12.1%	2.9%	0.9%
$500-$599	1.6%	0.9%	5.8%	0.0%	11.3%	2.1%	1.2%
$600-$699	3.0%	1.4%	6.1%	5.3%	9.6%	3.9%	1.5%
$700-$799	4.9%	5.0%	5.8%	5.8%	8.3%	6.4%	2.7%
$800-$899	8.0%	5.0%	2.8%	6.7%	4.1%	6.9%	4.0%
$900-$999	10.5%	8.4%	11.2%	9.2%	3.3%	3.7%	5.0%
$1,000-$1,249	29.0%	22.7%	16.8%	30.7%	5.4%	11.6%	18.9%
$1,250-$1,499	15.4%	19.2%	5.7%	15.4%	2.5%	8.9%	12.7%
$1,500-$1,749	11.1%	14.0%	9.8%	7.2%	0.9%	3.9%	14.3%
$1,750-$1,999	6.5%	6.1%	4.1%	2.6%	0.0%	3.5%	6.0%
$2,000-$2,499	5.7%	5.8%	3.0%	3.9%	0.0%	5.9%	8.2%
$2,500+	1.8%	10.1%	4.4%	8.4%	0.0%	6.6%	23.1%
(No Cash Rent)	-	-	-	-	-	-	-
Mean	-	-	-	-	-	-	-
Mean/Room	-	-	-	-	-	-	-
Median	-	-	-	-	-	-	-
Median/Room	-	-	-	-	-	-	-
Monthly Cost of Gas/Electric (One Bill)							
Mean	-	-	-	-	-	-	-
Median	-	-	-	-	-	-	-
Monthly Cost of Electric (Paid Separately)							
Mean	-	-	-	-	-	-	-
Median	-	-	-	-	-	-	-
Monthly Cost of Utility Gas (Paid Separately)							
Mean	-	-	-	-	-	-	-
Median	-	-	-	-	-	-	-
Monthly Cost of Water/Sewer							
Mean	-	-	-	-	-	-	-
Median	-	-	-	-	-	-	-
Monthly Cost of Other Fuels							
Mean	-	-	-	-	-	-	-
Median	-	-	-	-	-	-	-
Monthly Mortgage Payments							
Mean	-	-	-	-	-	-	-
Median	-	-	-	-	-	-	-
Monthly Insurance Payments							
Mean	-	-	-	-	-	-	-
Median	-	-	-	-	-	-	-
Monthly Property Taxes							
Mean	-	-	-	-	-	-	-
Median	-	-	-	-	-	-	-

* Other Regulated Rentals encompass In Rem units, as well as those regulated by HUD, Article 4 or 5, and the New York City Loft Board.

** Other Rentals encompass dwellings which have never been regulated, units which have been deregulated (including those in buildings with fewer than 6 apartments) and unregulated rentals in cooperatives or condominiums.

Totals may not add to 100% due to rounding.

D.2 Economic Characteristics (Continued)

	All Households@	Owner Households	Renter Households	Stabilized
2013 Total Household Income				
Loss, no income or<$5000	139,658	32,562	107,096	45,931
$5000-$9999	167,105	16,741	150,365	68,689
$10,000-$19,999	358,772	76,882	281,890	133,425
$20,000-$29,999	313,522	65,586	247,936	127,969
$30,000-$39,999	282,158	68,071	214,087	107,169
$40,000-$49,999	243,928	66,339	177,589	95,211
$50,000-$59,999	205,538	64,551	140,986	76,714
$60,000-$69,999	185,170	60,234	124,936	64,029
$70,000-$79,999	162,554	54,492	108,062	50,299
$80,000-$89,999	148,360	59,266	89,095	45,547
$90,000-$99,999	107,901	41,175	66,726	29,967
$100,000-$124,999	240,635	108,998	131,638	64,149
$125,000-$149,999	142,485	66,705	75,780	34,064
$150,000+	426,351	233,698	192,653	64,933
Mean	$86,586	$127,769	$66,759	$60,030
Median	$50,376	$80,000	$41,500	$40,600
Contract Rent to Income Ratio				
<10%	-	-	97,465	44,095
10%-19%	-	-	414,171	191,777
20%-29%	-	-	444,370	196,209
30%-39%	-	-	282,453	134,509
40%-49%	-	-	173,890	89,448
50%-59%	-	-	110,489	54,225
60%-69%	-	-	91,064	48,818
70%-79%	-	-	61,330	29,569
80%+			332,027	178,403
(Not Computed/No Rent)	-	-	101,579	41,043
Mean	-	-	42.0%	43.9%
Median	-	-	31.0%	33.0%
Households in Poverty				
Households Below 100% of Poverty Level	523,340	79,352	443,988	201,337
Households at or Above 100% of Poverty Level	2,600,797	935,947	1,664,850	806,759
Households Below 125% of Poverty Level	679,072	114,479	564,593	257,583
Households at or Above 125% of Poverty Level	2,445,065	900,821	1,544,245	750,514
Households Receiving Public Assistance¥	505,724	65,964	439,760	212,758
Households Not Receiving Public Assistance	2,306,597	831,524	1,475,074	697,584
(Do Not Know/Not Reported)	(311,816)	(117,812)	(194,004)	(97,755)
Households Receiving TANF/FAP§	85,695	5,733	79,961	41,510
Households Receiving Safety Net	21,606	2,036	19,570	11,133
Households Receiving SSI	227,247	35,983	191,264	90,759
Households Receiving Other Public Assistance	291,047	32,579	258,468	117,036
Households Receiving Rent Subsidy				
Households Receiving Section 8 Certif./Voucher	-	-	144,481	87,352
Households Receiving Shelter Allowance	-	-	47,138	27,199
Households Receiving SCRIE∞	-	-	26,874	19,299
Households Receiving Another Federal Housing Subsidy	-	-	17,864	7,939
Households Receiving Another State/City Housing Subsidy	-	-	53,415	25,306

§ Temporary Assistance for Needy Families/Family Assistance Program; ∞ Senior Citizens Rent Increase Exemption;
@ All households, including owners and renters

Rent Stabilized Units *Pre-1947*	Rent Stabilized Units *Post-1946*	Rent Controlled	Mitchell-Lama	Public Housing	Other Regulated*	Other Rentals**	
							2013 Total Household Income
33,540	12,391	1,757	2,531	15,531	3,948	37,397	Loss, no income or<$5000
54,405	14,284	2,131	5,052	35,183	10,310	29,000	$5000-$9999
104,945	28,480	6,858	8,115	51,023	12,774	69,696	$10,000-$19,999
98,098	29,871	3,338	6,987	29,589	4,391	75,662	$20,000-$29,999
80,024	27,147	2,080	4,959	19,724	2,600	77,555	$30,000-$39,999
70,296	24,915	2,074	3,832	12,892	604	62,976	$40,000-$49,999
59,402	17,312	1,076	2,975	6,338	912	52,972	$50,000-$59,999
45,811	18,217	1,394	1,533	6,066	808	51,106	$60,000-$69,999
38,361	11,938	983	1,707	3,650	975	50,448	$70,000-$79,999
32,883	12,663	408	1,554	2,216	73	39,297	$80,000-$89,999
22,268	7,700	214	1,697	398	726	33,725	$90,000-$99,999
43,903	20,246	1,679	1,151	1,070	708	62,881	$100,000-$124,999
23,851	10,213	1,660	596	781	520	38,159	$125,000-$149,999
40,975	23,958	1,389	2,623	392	2,987	120,328	$150,000+
$54,486	$76,035	$49,413	$46,675	$24,389	$38,903	$88,194	Mean
$40,000	$46,000	$28,800	$29,840	$18,000	$12,360	$58,000	Median
							Contract Rent to Income Ratio
33,148	10,947	3,493	2,065	12,088	2,461	33,263	<10%
139,751	52,027	6,140	4,957	39,219	6,835	165,243	10%-19%
144,884	51,326	2,919	7,989	52,177	9,056	176,020	20%-29%
99,642	34,866	3,023	5,618	30,941	3,557	104,806	30%-39%
66,392	23,056	2,540	3,057	12,204	2,665	63,976	40%-49%
40,751	13,475	1,766	2,606	6,051	1,540	44,302	50%-59%
38,667	10,151	758	2,665	4,231	1,471	33,121	60%-69%
22,772	6,796	631	1,726	3,909	1,041	24,454	70%-79%
132,385	46,018	4,895	13,620	18,571	11,154	105,384	80%+
30,369	10,673	874	1,008	5,462	2,556	50,635	(Not Computed/No Rent))
44.2%	43.3%	41.2%	53.7%	35.1%	49.2%	40.2%	Mean
33.3%	32.3%	30.7%	46.3%	28.1%	34.3%	30.0%	Median
							Households in Poverty
157,716	43,621	6,081	12,588	83,784	19,871	120,328	Households Below 100% of Poverty Level
591,045	215,713	20,958	32,724	101,069	22,465	680,876	Households at or Above 100% of Poverty Level
202,160	55,422	7,360	15,790	102,040	25,775	156,045	Households Below 125% of Poverty Level
546,601	203,913	19,679	29,521	82,813	16,560	645,158	Households at or Above 125% of Poverty Level
173,422	39,336	4,444	10,494	89,798	21,543	100,723	Households Receiving Public Assistance¥
506,470	191,114	19,806	31,284	87,901	18,981	619,518	Households Not Receiving Public Assistance
(68,870)	(28,885)	(2,789)	(3,533)	(7,153)	(1,811)	(80,962)	(Do Not Know/Not Reported)
37,356	4,154	0	1,301	16,245	2,304	18,601	Households Receiving TANF/FAP§
9,520	1,613	0	183	3,624	238	4,393	Households Receiving Safety Net
71,797	18,962	2,350	5,669	45,635	13,474	33,377	Households Receiving SSI
94,122	22,915	2,279	7,143	52,659	11,523	67,828	Households Receiving Other Public Assistance
							Households Receiving Rent Subsidy
68,906	18,446	568	9,772	4,534	11,556	30,698	Households Receiving Section 8 Certif./Voucher
24,782	2,417	222	537	8,236	396	10,548	Households Receiving Shelter Allowance
15,755	3,544	1,933	745	188	3,071	1,638	Households Receiving SCRIE∞
6,096	1,843	0	1,830	1,544	2,737	3,814	Households Receiving Another Federal Housing Subsidy
21,270	4,036	164	3,050	8,597	1,147	15,152	Households Receiving Another State/City Housing Subsidy

¥ Because households can receive more than one type of public assistance, the sum of the households receiving each category of assistance (TANF, Safety Net, etc.) exceed the total households receiving public assistance.

* Other Regulated Rentals encompass In Rem units, as well as those regulated by HUD, Article 4 or 5, and the New York City Loft Board.

** Other Rentals encompass dwellings which have never been regulated, units which have been deregulated (including those in buildings with fewer than 6 apartments) and unregulated rentals in cooperatives or condominiums.

D.2 Economic Characteristics (Continued)

	All Households@	Owner Households	Renter Households	Stabilized
2013 Total Household Income				
Loss, no income or<$5000	4.5%	3.2%	5.1%	4.6%
$5000-$9999	5.3%	1.6%	7.1%	6.8%
$10,000-$19,999	11.5%	7.6%	13.4%	13.2%
$20,000-$29,999	10.0%	6.5%	11.8%	12.7%
$30,000-$39,999	9.0%	6.7%	10.2%	10.6%
$40,000-$49,999	7.8%	6.5%	8.4%	9.4%
$50,000-$59,999	6.6%	6.4%	6.7%	7.6%
$60,000-$69,999	5.9%	5.9%	5.9%	6.4%
$70,000-$79,999	5.2%	5.4%	5.1%	5.0%
$80,000-$89,999	4.7%	5.8%	4.2%	4.5%
$90,000-$99,999	3.5%	4.1%	3.2%	3.0%
$100,000-$124,999	7.7%	10.7%	6.2%	6.4%
$125,000-$149,999	4.6%	6.6%	3.6%	3.4%
$150,000+	13.6%	23.0%	9.1%	6.4%
Mean	-	-	-	-
Median	-	-	-	-
Contract Rent to Income Ratio				
<10%	-	-	4.9%	4.6%
10%-19%	-	-	20.6%	19.8%
20%-29%	-	-	22.1%	20.3%
30%-39%	-	-	14.1%	13.9%
40%-49%	-	-	8.7%	9.2%
50%-59%	-	-	5.5%	5.6%
60%-69%	-	-	4.5%	5.0%
70%-79%	-	-	3.1%	3.1%
80%+			16.5%	18.4%
(Not Computed/No Rent)	-	-	-	-
Mean	-	-	-	-
Median	-	-	-	-
Households in Poverty				
Households Below 100% of Poverty Level	16.8%	7.8%	21.1%	20.0%
Households at or Above 100% of Poverty Level	83.2%	92.2%	78.9%	80.0%
Households Below 125% of Poverty Level	21.7%	11.3%	26.8%	25.6%
Households at or Above 125% of Poverty Level	78.3%	88.7%	73.2%	74.4%
Households Receiving Public Assistance¥	18.0%	7.3%	23.0%	23.4%
Households Not Receiving Public Assistance	82.0%	92.7%	77.0%	76.6%
(Not Reported)	-	-	-	-
Households Receiving TANF/FAP§	3.0%	0.6%	4.2%	4.6%
Households Receiving Safety Net	0.8%	0.2%	1.0%	1.2%
Households Receiving SSI	8.1%	4.0%	10.0%	10.0%
Households Receiving Other Public Assistance	10.4%	3.6%	13.6%	12.9%
Households Receiving Rent Subsidy				
Households Receiving Section 8 Certif./Voucher	-	-	7.2%	9.0%
Households Receiving Shelter Allowance	-	-	2.4%	2.8%
Households Receiving SCRIE∞	-	-	6.7%	9.8%
Households Receiving Another Federal Housing Subsidy	-	-	0.9%	0.8%
Households Receiving Another State/City Housing Subsidy	-	-	2.7%	2.6%

§ Temporary Assistance for Needy Families/Family Assistance Program; ∞ Senior Citizens Rent Increase Exemption;
@ All households, including owners and renters

Rent Stabilized Units		Rent	Mitchell-	Public	Other	Other	
Pre-1947	*Post-1946*	Controlled	Lama	Housing	Regulated*	Rentals**	
							2013 Total Household Income
4.5%	4.8%	6.5%	5.6%	8.4%	9.3%	4.7%	Loss, no income or<$5000
7.3%	5.5%	7.9%	11.1%	19.0%	24.4%	3.6%	$5000-$9999
14.0%	11.0%	25.4%	17.9%	27.6%	30.2%	8.7%	$10,000-$19,999
13.1%	11.5%	12.3%	15.4%	16.0%	10.4%	9.4%	$20,000-$29,999
10.7%	10.5%	7.7%	10.9%	10.7%	6.1%	9.7%	$30,000-$39,999
9.4%	9.6%	7.7%	8.5%	7.0%	1.4%	7.9%	$40,000-$49,999
7.9%	6.7%	4.0%	6.6%	3.4%	2.2%	6.6%	$50,000-$59,999
6.1%	7.0%	5.2%	3.4%	3.3%	1.9%	6.4%	$60,000-$69,999
5.1%	4.6%	3.6%	3.8%	2.0%	2.3%	6.3%	$70,000-$79,999
4.4%	4.9%	1.5%	3.4%	1.2%	0.2%	4.9%	$80,000-$89,999
3.0%	3.0%	0.8%	3.7%	0.2%	1.7%	4.2%	$90,000-$99,999
5.9%	7.8%	6.2%	2.5%	0.6%	1.7%	7.8%	$100,000-$124,999
3.2%	3.9%	6.1%	1.3%	0.4%	1.2%	4.8%	$125,000-$149,999
5.5%	9.2%	5.1%	5.8%	0.2%	7.1%	15.0%	$150,000+
-	-	-	-	-	-	-	Mean
-	-	-	-	-	-	-	Median
							Contract Rent to Income Ratio
4.6%	4.4%	13.3%	4.7%	6.7%	6.2%	4.4%	<10%
19.5%	20.9%	23.5%	11.2%	21.9%	17.2%	22.0%	10%-19%
20.2%	20.6%	11.2%	18.0%	29.1%	22.8%	23.5%	20%-29%
13.9%	14.0%	11.6%	12.7%	17.2%	8.9%	14.0%	30%-39%
9.2%	9.3%	9.7%	6.9%	6.8%	6.7%	8.5%	40%-49%
5.7%	5.4%	6.7%	5.9%	3.4%	3.9%	5.9%	50%-59%
5.4%	4.1%	2.9%	6.0%	2.4%	3.7%	4.4%	60%-69%
3.2%	2.7%	2.4%	3.9%	2.2%	2.6%	3.3%	70%-79%
18.4%	18.5%	18.7%	30.7%	10.4%	28.0%	14.0%	80%+
-	-	-	-	-	-	-	(Not Computed/No Rent)
-	-	-	-	-	-	-	Mean
-	-	-	-	-	-	-	Median
							Households in Poverty
21.1%	16.8%	22.5%	27.8%	45.3%	46.9%	15.0%	Households Below 100% of Poverty Level
78.9%	83.2%	77.5%	72.2%	54.7%	53.1%	85.0%	Households at or Above 100% of Poverty Level
27.0%	21.4%	27.2%	34.8%	55.2%	60.9%	19.5%	Households Below 125% of Poverty Level
73.0%	78.6%	72.8%	65.2%	44.8%	39.1%	80.5%	Households at or Above 125% of Poverty Level
25.5%	17.1%	18.3%	25.1%	50.5%	53.2%	14.0%	Households Receiving Public Assistance¥
74.5%	82.9%	81.7%	74.9%	49.5%	46.8%	86.0%	Households Not Receiving Public Assistance
-	-	-	-	-	-	-	(Not Reported)
5.5%	1.8%	0.0%	3.1%	9.2%	5.7%	2.6%	Households Receiving TANF/FAP§
1.4%	0.7%	0.0%	0.4%	2.1%	0.6%	0.6%	Households Receiving Safety Net
10.6%	8.2%	9.7%	13.5%	25.9%	33.4%	4.6%	Households Receiving SSI
13.9%	10.0%	9.5%	17.2%	30.0%	28.8%	9.4%	Households Receiving Other Public Assistance
							Households Receiving Rent Subsidy
9.6%	7.4%	2.2%	21.9%	2.5%	30.1%	4.1%	Households Receiving Section 8 Certif./Voucher
3.5%	1.0%	0.9%	1.2%	4.6%	1.0%	1.4%	Households Receiving Shelter Allowance
11.3%	6.1%	10.1%	4.7%	0.3%	14.5%	1.9%	Households Receiving SCRIE∞
0.9%	0.7%	0.0%	4.2%	0.9%	7.1%	0.5%	Households Receiving Another Federal Housing Subsidy
3.0%	1.6%	0.6%	7.0%	4.8%	3.0%	2.0%	Households Receiving Another State/City Housing Subsidy

¥ Because households can receive more than one type of public assistance, the sum of the households receiving each category of assistance (TANF, Safety Net, etc.) exceed the total households receiving public assistance.

* Other Regulated Rentals encompass In Rem units, as well as those regulated by HUD, Article 4 or 5, and the New York City Loft Board.

** Other Rentals encompass dwellings which have never been regulated, units which have been deregulated (including those in buildings with fewer than 6 apartments) and unregulated rentals in cooperatives or condominiums.

D.3 Demographic Characteristics

	All Households@	Owner Households	Renter Households	Stabilized
Year Moved Into Current Dwelling				
2011-2014	944,520	131,405	813,114	350,800
2008-2010	454,980	95,647	359,333	167,422
2005-2007	293,372	109,735	183,637	84,604
2002-2004	245,980	102,287	143,693	67,029
1999-2001	233,781	107,957	125,825	63,535
1996-1998	163,861	75,512	88,349	51,120
1993-1995	149,660	69,245	80,415	50,276
1990-1992	106,487	46,708	59,780	36,028
1987-1989	79,527	41,373	38,153	24,155
1984-1986	74,108	40,684	33,424	16,235
1981-1983	52,885	24,739	28,146	17,767
1971-1980	197,599	95,898	101,701	65,026
Prior to 1971	127,378	74,112	53,267	14,099
Household Composition				
Married Couples	1,182,265	546,149	636,116	284,713
w/o Other Household Members	433,937	203,813	230,124	104,977
With Children <18 Years of Age	371,821	141,252	230,568	98,909
w/o Children <18 Years of Age	205,282	121,262	84,021	41,495
With Other Household Members	171,225	79,822	91,403	39,332
Female Householder	1,216,918	307,391	909,527	440,118
w/o Other Household Members	581,270	176,793	404,477	206,001
With Children <18 Years of Age	153,823	17,617	136,206	58,091
w/o Children <18 Years of Age	325,723	83,795	241,927	117,828
With Other Household Members	156,103	29,186	126,917	58,198
Male Householder	724,954	161,759	563,195	283,265
w/o Other Household Members	426,399	93,427	332,972	175,881
With Children <18 Years of Age	14,361	3,792	10,569	4,137
w/o Children <18 Years of Age	244,010	54,143	189,867	86,789
With Other Household Members	40,184	10,398	29,786	16,458
Race of Householder				
White, non-Hispanic	1,291,978	540,656	751,322	359,262
Black, non-Hispanic	669,612	187,726	481,886	217,394
Puerto Rican	252,928	42,203	210,725	97,395
Other Spanish/Hispanic	487,190	79,544	407,646	225,310
Asian/Pacific Islander, non-Hispanic	387,835	156,169	231,666	98,030
American/Aleut/Eskimo, non-Hispanic	12,981	3,843	9,138	3,583
Two or more races, non-Hispanic	21,614	5,159	16,456	7,125
Age of Householder				
Under 25 years	109,220	6,744	102,477	44,104
25-34	588,055	72,111	515,944	248,596
35-44	638,419	171,955	466,465	209,265
45-54	603,221	223,461	379,760	184,230
55-61	383,356	170,098	213,258	110,977
62-64	135,651	63,683	71,968	38,252
65-74	374,292	168,188	206,104	103,370
75-84	200,349	93,357	106,991	48,498
85 or more years	91,575	45,702	45,872	20,803
Mean	50	56	47	47
Median	48	56	44	45

@ All households, including owners and renters.

Rent Stabilized Units *Pre-1947*	Rent Stabilized Units *Post-1946*	Rent Controlled	Mitchell-Lama	Public Housing	Other Regulated*	Other Rentals**	
							Year Moved Into Current Dwelling
261,227	89,572	2,324	11,751	30,545	10,552	407,143	2011-2014
116,965	50,457	181	7,631	24,937	6,944	152,219	2008-2010
61,057	23,547	159	3,210	18,328	5,903	71,434	2005-2007
50,215	16,815	166	4,809	15,951	4,513	51,225	2002-2004
50,091	13,444	578	3,373	16,575	4,283	37,482	1999-2001
42,016	9,104	357	2,704	12,258	3,014	18,896	1996-1998
37,392	12,883	279	2,937	10,677	1,744	14,503	1993-1995
28,985	7,044	0	1,379	9,178	1,434	11,760	1990-1992
18,252	5,904	0	769	6,931	537	5,761	1987-1989
11,671	4,564	207	1,372	5,380	1,339	8,890	1984-1986
14,432	3,335	370	1,090	4,480	1,347	3,093	1981-1983
47,501	17,525	1,734	3,644	17,512	521	13,266	1971-1980
8,958	5,141	20,685	643	12,101	205	5,532	Prior to 1971
							Household Composition
200,286	84,427	4,729	11,460	29,188	7,493	298,533	Married Couples
71,060	33,917	3,265	5,071	12,807	4,175	99,828	w/o Other Household Members
69,265	29,644	1,075	3,005	6,935	2,456	118,188	With Children <18 Years of Age
27,944	13,551	388	1,988	5,766	531	33,853	w/o Children <18 Years of Age
32,017	7,315	0	1,397	3,680	331	46,665	With Other Household Members
332,396	107,722	16,136	21,584	126,134	22,913	282,643	Female Householder
151,808	54,193	12,017	10,701	46,395	15,624	113,738	w/o Other Household Members
45,474	12,617	256	3,785	29,095	1,783	43,196	With Children <18 Years of Age
87,608	30,221	2,770	5,228	28,791	3,344	83,967	w/o Children <18 Years of Age
47,506	10,692	1,093	1,870	21,853	2,161	41,742	With Other Household Members
216,079	67,187	6,175	12,267	29,531	11,930	220,027	Male Householder
132,046	43,835	4,298	7,941	19,532	8,798	116,522	w/o Other Household Members
2,040	2,097	0	729	1,182	394	4,128	With Children <18 Years of Age
68,119	18,670	1,699	2,759	7,015	2,440	89,165	w/o Children <18 Years of Age
13,874	2,584	178	838	1,802	297	10,213	With Other Household Members
							Race of Householder
249,356	109,906	15,988	14,549	8,601	9,942	342,980	White, non-Hispanic
164,009	53,385	4,195	17,752	81,736	9,165	151,644	Black, non-Hispanic
81,166	16,228	1,950	4,398	47,486	9,279	50,217	Puerto Rican
185,688	39,622	3,333	3,803	36,871	8,791	129,539	Other Hispanic
59,605	38,424	1,385	4,633	8,193	4,790	114,634	Asian/Pacific Islander, non-Hisp
2,609	973	188	177	1,184	191	3,815	American/Aleut/Eskimo, non-Hisp
6,328	797	0	0	781	176	8,374	Two or more races, non-Hispanic
							Age of Householder
34,275	9,830	168	2,046	5,851	1,029	49,278	Under 25 years
187,521	61,076	1,066	4,996	22,156	3,424	235,706	25-34
159,029	50,236	1,814	7,024	33,778	4,492	210,092	35-44
140,020	44,210	2,491	8,349	34,737	6,973	142,979	45-54
81,256	29,721	1,348	6,157	24,757	3,610	66,408	55-61
31,059	7,193	650	3,147	9,630	1,065	19,224	62-64
71,911	31,459	8,976	8,053	28,714	8,377	48,614	65-74
31,336	17,162	5,810	3,912	20,150	9,533	19,088	75-84
12,355	8,448	4,717	1,628	5,079	3,832	9,814	85 or more years
46	49	69	54	54	62	43	Mean
44	46	72	55	53	65	40	Median

* Other Regulated Rentals encompass In Rem units, as well as those regulated by HUD, Article 4 or 5, and the New York City Loft Board.

** Other Rentals encompass dwellings which have never been regulated, units which have been deregulated (including those in buildings with fewer than 6 apartments) and unregulated rentals in cooperatives or condominiums.

D.3 Demographic Characteristics (Continued)

	All Households@	Owner Households	Renter Households	Stabilized
Year Moved Into Current Dwelling				
2011-2014	30.2%	12.9%	38.6%	34.8%
2008-2010	14.6%	9.4%	17.0%	16.6%
2005-2007	9.4%	10.8%	8.7%	8.4%
2002-2004	7.9%	10.1%	6.8%	6.6%
1999-2001	7.5%	10.6%	6.0%	6.3%
1996-1998	5.2%	7.4%	4.2%	5.1%
1993-1995	4.8%	6.8%	3.8%	5.0%
1990-1992	3.4%	4.6%	2.8%	3.6%
1987-1989	2.5%	4.1%	1.8%	2.4%
1984-1986	2.4%	4.0%	1.6%	1.6%
1981-1983	1.7%	2.4%	1.3%	1.8%
1971-1980	6.3%	9.4%	4.8%	6.5%
Prior to 1971	4.1%	7.3%	2.5%	1.4%
Household Composition				
Married Couples	37.8%	53.8%	30.2%	28.2%
w/o Other Household Members	13.9%	20.1%	10.9%	10.4%
With Children <18 Years of Age	11.9%	13.9%	10.9%	9.8%
w/o Children <18 Years of Age	6.6%	11.9%	4.0%	4.1%
With Other Household Members	5.5%	7.9%	4.3%	3.9%
Female Householder	39.0%	30.3%	43.1%	43.7%
w/o Other Household Members	18.6%	17.4%	19.2%	20.4%
With Children <18 Years of Age	4.9%	1.7%	6.5%	5.8%
w/o Children <18 Years of Age	10.4%	8.3%	11.5%	11.7%
With Other Household Members	5.0%	2.9%	6.0%	5.8%
Male Householder	23.2%	15.9%	26.7%	28.1%
w/o Other Household Members	13.6%	9.2%	15.8%	17.4%
With Children <18 Years of Age	0.5%	0.4%	0.5%	0.4%
w/o Children <18 Years of Age	7.8%	5.3%	9.0%	8.6%
With Other Household Members	1.3%	1.0%	1.4%	1.6%
Race of Householder				
White, non-Hispanic	41.4%	53.3%	35.6%	35.6%
Black, non-Hispanic	21.4%	18.5%	22.9%	21.6%
Puerto Rican	8.1%	4.2%	10.0%	9.7%
Other Spanish/Hispanic	15.6%	7.8%	19.3%	22.4%
Asian/Pacific Islander, non-Hispanic	12.4%	15.4%	11.0%	9.7%
American/Aleut/Eskimo, non-Hispanic	0.4%	0.4%	0.4%	0.4%
2 or more races, non-Hispanic	0.7%	0.5%	0.8%	0.7%
Age of Householder				
Under 25 years	3.5%	0.7%	4.9%	4.4%
25-34	18.8%	7.1%	24.5%	24.7%
35-44	20.4%	16.9%	22.1%	20.8%
45-54	19.3%	22.0%	18.0%	18.3%
55-61	12.3%	16.8%	10.1%	11.0%
62-64	4.3%	6.3%	3.4%	3.8%
65-74	12.0%	16.6%	9.8%	10.3%
75-84	6.4%	9.2%	5.1%	4.8%
85 or more years	2.9%	4.5%	2.2%	2.1%
Mean	-	-	-	-
Median	-	-	-	-

@ All households, including owners and renters. Totals may not add to 100% due to rounding.

Rent Stabilized Units *Pre-1947*	Rent Stabilized Units *Post-1946*	Rent Controlled	Mitchell-Lama	Public Housing	Other Regulated*	Other Rentals**	
							Year Moved Into Current Dwelling
34.9%	34.5%	8.6%	25.9%	16.5%	24.9%	50.8%	2011-2014
15.6%	19.5%	0.7%	16.8%	13.5%	16.4%	19.0%	2008-2010
8.2%	9.1%	0.6%	7.1%	9.9%	13.9%	8.9%	2005-2007
6.7%	6.5%	0.6%	10.6%	8.6%	10.7%	6.4%	2002-2004
6.7%	5.2%	2.1%	7.4%	9.0%	10.1%	4.7%	1999-2001
5.6%	3.5%	1.3%	6.0%	6.6%	7.1%	2.4%	1996-1998
5.0%	5.0%	1.0%	6.5%	5.8%	4.1%	1.8%	1993-1995
3.9%	2.7%	0.0%	3.0%	5.0%	3.4%	1.5%	1990-1992
2.4%	2.3%	0.0%	1.7%	3.7%	1.3%	0.7%	1987-1989
1.6%	1.8%	0.8%	3.0%	2.9%	3.2%	1.1%	1984-1986
1.9%	1.3%	1.4%	2.4%	2.4%	3.2%	0.4%	1981-1983
6.3%	6.8%	6.4%	8.0%	9.5%	1.2%	1.7%	1971-1980
1.2%	2.0%	76.5%	1.4%	6.5%	0.5%	0.7%	Prior to 1971
							Household Composition
26.7%	32.6%	17.5%	25.3%	15.8%	17.7%	37.3%	Married Couples
9.5%	13.1%	12.1%	11.2%	6.9%	9.9%	12.5%	w/o Other Household Members
9.3%	11.4%	4.0%	6.6%	3.8%	5.8%	14.8%	With Children <18 Years of Age
3.7%	5.2%	1.4%	4.4%	3.1%	1.3%	4.2%	w/o Children <18 Years of Age
4.3%	2.8%	0.0%	3.1%	2.0%	0.8%	5.8%	With Other Household Members
44.4%	41.5%	59.7%	47.6%	68.2%	54.1%	35.3%	Female Householder
20.3%	20.9%	44.4%	23.6%	25.1%	36.9%	14.2%	w/o Other Household Members
6.1%	4.9%	0.9%	8.4%	15.7%	4.2%	5.4%	With Children <18 Years of Age
11.7%	11.7%	10.2%	11.5%	15.6%	7.9%	10.5%	w/o Children <18 Years of Age
6.3%	4.1%	4.0%	4.1%	11.8%	5.1%	5.2%	With Other Household Members
28.9%	25.9%	22.8%	27.1%	16.0%	28.2%	27.5%	Male Householder
17.6%	16.9%	15.9%	17.5%	10.6%	20.8%	14.5%	w/o Other Household Members
0.3%	0.8%	0.0%	1.6%	0.6%	0.9%	0.5%	With Children <18 Years of Age
9.1%	7.2%	6.3%	6.1%	3.8%	5.8%	11.1%	w/o Children <18 Years of Age
1.9%	1.0%	0.7%	1.8%	1.0%	0.7%	1.3%	With Other Household Members
							Race of Householder
33.3%	42.4%	59.1%	32.1%	4.7%	23.5%	42.8%	White, non-Hispanic
21.9%	20.6%	15.5%	39.2%	44.2%	21.6%	18.9%	Black, non-Hispanic
10.8%	6.3%	7.2%	9.7%	25.7%	21.9%	6.3%	Puerto Rican
24.8%	15.3%	12.3%	8.4%	19.9%	20.8%	16.2%	Other Spanish/Hispanic
8.0%	14.8%	5.1%	10.2%	4.4%	11.3%	14.3%	Asian/Pacific Islander, non-Hisp
0.3%	0.4%	0.7%	0.4%	0.6%	0.5%	0.5%	American/Aleut/Eskimo, non-Hisp
0.8%	0.3%	0.0%	0.0%	0.4%	0.4%	1.0%	2 or more races, non-Hispanic
							Age of Householder
4.6%	3.8%	0.6%	4.5%	3.2%	2.4%	6.2%	Under 25 years
25.0%	23.6%	3.9%	11.0%	12.0%	8.1%	29.4%	25-34
21.2%	19.4%	6.7%	15.5%	18.3%	10.6%	26.2%	35-44
18.7%	17.0%	9.2%	18.4%	18.8%	16.5%	17.8%	45-54
10.9%	11.5%	5.0%	13.6%	13.4%	8.5%	8.3%	55-61
4.1%	2.8%	2.4%	6.9%	5.2%	2.5%	2.4%	62-64
9.6%	12.1%	33.2%	17.8%	15.5%	19.8%	6.1%	65-74
4.2%	6.6%	21.5%	8.6%	10.9%	22.5%	2.4%	75-84
1.7%	3.3%	17.4%	3.6%	2.7%	9.1%	1.2%	85 or more years
-	-	-	-	-	-	-	Mean
-	-	-	-	-	-	-	Median

* Other Regulated Rentals encompass In Rem units, as well as those regulated by HUD, Article 4 or 5, and the New York City Loft Board.
** Other Rentals encompass dwellings which have never been regulated, units which have been deregulated (including those in buildings with fewer than 6 apartments) and unregulated rentals in cooperatives or condominiums.

D.4 Housing / Neighborhood Quality Characteristics

	All Units@	Owner Units	Renter Units	Stabilized
Maintenance Quality				
(Units Experiencing:)				
Additional Heating Required	525,933	108,346	417,587	215,109
Additional Heating Not Required	2,279,741	791,277	1,488,464	693,284
(Not Reported)	(318,464)	(115,676)	(202,788)	(99,703)
Heating Breakdowns	382,284	66,692	315,592	176,643
No Breakdowns	2,417,396	828,360	1,589,036	730,351
(Not Reported)	(324,457)	(120,247)	(204,210)	(101,102)
Broken Plaster/Peeling Paint	415,573	60,149	355,424	191,499
No Broken Plaster/Peeling Paint	2,390,638	840,663	1,549,976	716,608
(Not Reported)	(317,926)	(114,488)	(203,438)	(99,990)
Cracked Interior Walls or Ceilings	339,750	42,250	297,500	167,497
No Cracked Interior Walls or Ceilings	2,475,897	861,055	1,614,842	743,977
(Not Reported)	(308,491)	(111,995)	(196,496)	(96,622)
Holes in Floor	139,462	10,527	128,934	79,586
No Holes in Floor	2,647,368	882,099	1,765,269	824,281
(Not Reported)	(337,308)	(122,673)	(214,635)	(104,229)
Rodent Infestation	521,490	83,330	438,159	256,579
No Infestation	2,293,226	818,865	1,474,360	655,287
(Not Reported)	(309,422)	(113,104)	(196,318)	(96,230)
Cockroach Infestation	643,658	87,576	556,082	295,883
No Infestation	2,135,637	806,623	1,329,014	604,413
(Don't Know/Not Reported)	(344,843)	(121,100)	(223,742)	(107,801)
Toilet Breakdown	307,160	78,850	228,311	118,600
No Toilet Breakdown/No Facilities	2,537,623	831,552	1,706,071	805,767
(Not Reported)	(279,355)	(104,898)	(174,457)	(83,730)
Water Leakage Inside Unit	474,888	95,388	379,499	218,684
No Water Leakage	2,340,244	807,806	1,532,438	692,661
(Not Reported)	(309,006)	(112,105)	(196,901)	(96,751)
Units in Buildings w. No Maintenance Defects	1,347,876	539,889	807,987	338,892
Units in Buildings w. 1 Maintenance Defect	648,273	208,783	439,489	203,085
Units in Buildings w. 2 Maintenance Defects	325,298	71,230	254,068	136,867
Units in Buildings w. 3 Maintenance Defects	185,407	25,969	159,438	91,838
Units in Buildings w. 4 Maintenance Defects	96,453	8,829	87,624	53,764
Units in Buildings w. 5+ Maintenance Defects	81,885	3,231	78,654	47,555
(Not Reported)	(438,945)	(157,367)	(281,578)	(136,094)
Condition of Neighboring Buildings				
Excellent	628,994	289,768	339,226	135,261
Good	1,531,201	499,697	1,031,504	502,562
Fair	537,704	101,117	436,587	222,596
Poor Quality	118,635	13,403	105,232	50,299
(Not Reported)	(307,604)	(111,316)	(196,288)	(97,378)
Boarded Up/Broken Windows in Neighborhood	164,558	45,284	119,274	52,465
No Boarded Up/Broken Windows in Neighborhood	2,862,965	942,176	1,920,789	918,548
(Not Reported)	(96,614)	(27,840)	(68,775)	(37,083)

@ All housing units, including owners and renters.

	Rent Stabilized Units *Pre-1947*	Rent Stabilized Units *Post-1946*	Rent Controlled	Mitchell-Lama	Public Housing	Other Regulated*	Other Rentals**
Maintenance Quality (Units Experiencing:)							
Additional Heating Required	169,054	46,055	4,704	7,757	53,025	8,797	128,194
Additional Heating Not Required	506,082	187,202	19,439	34,669	120,301	30,725	590,044
(Not Reported)	(73,625)	(26,078)	(2,896)	(2,885)	(11,526)	(2,812)	(82,965)
Heating Breakdowns	146,622	30,021	5,302	3,151	44,815	5,346	80,334
No Breakdowns	528,500	201,852	18,633	39,027	128,469	33,933	638,623
(Not Reported)	(73,639)	(27,462)	(3,103)	(3,134)	(11,568)	(3,056)	(82,246)
Broken Plaster/Peeling Paint	158,075	33,424	8,682	5,340	76,365	4,170	69,370
No Broken Plaster/Peeling Paint	517,120	199,488	15,245	37,092	96,572	35,342	649,117
(Not Reported)	(73,567)	(26,423)	(3,113)	(2,880)	(11,916)	(2,823)	(82,717)
Cracked Interior Walls or Ceilings	145,682	21,815	6,566	2,031	56,501	3,626	61,280
No Cracked Interior Walls or Ceilings	532,411	211,566	17,577	40,401	117,789	35,898	659,200
(Not Reported)	(70,668)	(25,954)	(2,896)	(2,880)	(10,562)	(2,812)	(80,724)
Holes in Floor	71,704	7,882	2,497	368	18,017	1,443	27,024
No Holes in Floor	600,152	224,129	21,646	41,456	154,933	37,894	685,059
(Not Reported)	(76,906)	(27,323)	(2,896)	(3,488)	(11,902)	(2,999)	(89,121)
Rodent Infestation	212,569	44,009	5,165	9,160	49,064	6,649	111,542
No Infestation	465,794	189,493	18,978	33,036	124,362	32,869	609,828
(Not Reported)	(70,398)	(25,832)	(2,896)	(3,115)	(11,426)	(2,817)	(79,834)
Cockroach Infestation	231,013	64,870	6,153	11,665	110,081	7,561	124,739
No Infestation	438,269	166,144	17,765	30,071	60,077	31,535	585,152
(Don't Know/Not Reported)	(79,480)	(28,320)	(3,122)	(3,576)	(14,695)	(3,238)	(91,311)
Toilet Breakdown	88,774	29,826	1,959	6,041	30,153	3,650	67,907
No Toilet Breakdown/No Facilities	601,400	204,367	21,866	36,030	144,953	36,217	661,238
(Not Reported)	(58,588)	(25,142)	(3,214)	(3,240)	(9,746)	(2,468)	(72,059)
Water Leakage Inside Unit	183,037	35,647	6,294	7,059	51,364	7,705	88,393
No Water Leakage	494,723	197,938	17,849	35,261	122,063	32,011	632,593
(Not Reported)	(71,002)	(25,749)	(2,896)	(2,992)	(11,426)	(2,619)	(80,217)
Units in Buildings w. No Maintenance Defects	228,016	110,876	8,659	17,696	39,389	17,604	385,748
Units in Buildings w. 1 Maintenance Defect	148,107	54,978	6,288	13,648	38,167	9,780	168,521
Units in Buildings w. 2 Maintenance Defects	107,864	29,003	2,754	6,088	29,231	6,911	72,216
Units in Buildings w. 3 Maintenance Defects	77,680	14,158	2,578	1,128	28,352	2,470	33,071
Units in Buildings w. 4 Maintenance Defects	47,530	6,233	966	374	16,542	994	14,984
Units in Buildings w. 5+ Maintenance Defects	41,089	6,467	1,822	899	13,748	463	14,167
(Not Reported)	(98,474)	(37,620)	(3,972)	(5,479)	(19,424)	(4,113)	(112,496)
Condition of Neighboring Buildings							
Excellent	90,502	44,759	5,936	7,859	7,381	6,151	176,639
Good	363,445	139,117	12,782	23,655	66,084	20,430	405,991
Fair	181,755	40,841	4,702	9,802	70,827	11,312	117,348
Poor Quality	41,665	8,634	551	1,116	29,649	1,226	22,391
(Not Reported)	(71,394)	(25,984)	(3,069)	(2,880)	(10,911)	(3,217)	(78,833)
Boarded Up/Broken Windows in Neighborhood	43,247	9,218	1,037	187	9,599	1,717	54,270
No Boarded Up/Broken Windows in Neighborhood	678,777	239,772	25,220	42,926	168,222	39,859	726,014
(Not Reported)	(26,738)	(10,345)	(783)	(2,199)	(7,031)	(759)	(20,919)

* Other Regulated Rentals encompass In Rem units, as well as those regulated by HUD, Article 4 or 5, and the New York City Loft Board.

** Other Rentals encompass dwellings which have never been regulated, units which have been deregulated (including those in buildings with fewer than 6 apartments) and unregulated rentals in cooperatives or condominiums.

D.4 Housing/Neighborhood Quality Characteristics (Continued)

	All Dwellings@	Owner Units	Rental Units	Stabilized
Maintenance Quality				
(Units Experiencing:)				
Additional Heating Required	18.7%	12.0%	21.9%	23.7%
Additional Heating Not Required	81.3%	88.0%	78.1%	76.3%
(Not Reported)	-	-	-	-
Heating Breakdowns	13.7%	7.5%	16.6%	19.5%
No Breakdowns	86.3%	92.5%	83.4%	80.5%
(Not Reported)	-	-	-	-
Broken Plaster/Peeling Paint	14.8%	6.7%	18.7%	21.1%
No Broken Plaster/Peeling Paint	85.2%	93.3%	81.3%	78.9%
(Not Reported)	-	-	-	-
Cracked Interior Walls or Ceilings	12.1%	4.7%	15.6%	18.4%
No Cracked Interior Walls or Ceilings	87.9%	95.3%	84.4%	81.6%
(Not Reported)	-	-	-	-
Holes in Floor	5.0%	1.2%	6.8%	8.8%
No Holes in Floor	95.0%	98.8%	93.2%	91.2%
(Not Reported)	-	-	-	-
Rodent Infestation	18.5%	9.2%	22.9%	28.1%
No Infestation	81.5%	90.8%	77.1%	71.9%
(Not Reported)	-	-	-	-
Cockroach Infestation	23.2%	9.8%	29.5%	32.9%
No Infestation	76.8%	90.2%	70.5%	67.1%
(Not Reported)	-	-	-	-
Toilet Breakdown	10.8%	8.7%	11.8%	12.8%
No Toilet Breakdown	89.2%	91.3%	88.2%	87.2%
(Not Reported)	-	-	-	-
Water Leakage Inside Unit	16.9%	10.6%	19.8%	24.0%
No Water Leakage	83.1%	89.4%	80.2%	76.0%
(Not Reported)	-	-	-	-
Units in Buildings w. No Maintenance Defects	50.2%	62.9%	44.2%	38.9%
Units in Buildings w. 1 Maintenance Defect	24.1%	24.3%	24.1%	23.3%
Units in Buildings w. 2 Maintenance Defects	12.1%	8.3%	13.9%	15.7%
Units in Buildings w. 3 Maintenance Defects	6.9%	3.0%	8.7%	10.5%
Units in Buildings w. 4 Maintenance Defects	3.6%	1.0%	4.8%	6.2%
Units in Buildings w. 5+ Maintenance Defects	3.0%	0.4%	4.3%	5.5%
(Not Reported)	-	-	-	-
Condition of Neighboring Buildings				
Excellent	22.3%	32.1%	17.7%	14.9%
Good	54.4%	55.3%	53.9%	55.2%
Fair	19.1%	11.2%	22.8%	24.4%
Poor Quality	4.2%	1.5%	5.5%	5.5%
(Not Reported)	-	-	-	-
Boarded Up/Broken Windows in Neighborhood	5.4%	4.6%	5.8%	5.4%
No Boarded Up/Broken Windows in Neighborhood	94.6%	95.4%	94.2%	94.6%
(Not Reported)	-	-	-	-

@ All housing units, including owners and renters.

Totals may not add to 100% due to rounding.

Rent Stabilized Units Pre-1947	Rent Stabilized Units Post-1946	Rent Controlled	Mitchell-Lama	Public Housing	Other Regulated*	Other Rentals**	
							Maintenance Quality
							(Units Experiencing:)
25.0%	19.7%	19.5%	18.3%	30.6%	22.3%	17.8%	Additional Heating Required
75.0%	80.3%	80.5%	81.7%	69.4%	77.7%	82.2%	Additional Heating Not Required
-	-	-	-	-	-	-	(Not Reported)
21.7%	12.9%	22.2%	7.5%	25.9%	13.6%	11.2%	Heating Breakdowns
78.3%	87.1%	77.8%	92.5%	74.1%	86.4%	88.8%	No Breakdowns
-	-	-	-	-	-	-	(Not Reported)
23.4%	14.4%	36.3%	12.6%	44.2%	10.6%	9.7%	Broken Plaster/Peeling Paint
76.6%	85.6%	63.7%	87.4%	55.8%	89.4%	90.3%	No Broken Plaster/Peeling Paint
-	-	-	-	-	-	-	(Not Reported)
21.5%	9.3%	27.2%	4.8%	32.4%	9.2%	8.5%	Cracked Interior Walls or Ceilings
78.5%	90.7%	72.8%	95.2%	67.6%	90.8%	91.5%	No Cracked Interior Walls or Ceilings
-	-	-	-	-	-	-	(Not Reported)
10.7%	3.4%	10.3%	0.9%	10.4%	3.7%	3.8%	Holes in Floor
89.3%	96.6%	89.7%	99.1%	89.6%	96.3%	96.2%	No Holes in Floor
-	-	-	-	-	-	-	(Not Reported)
31.3%	18.8%	21.4%	21.7%	28.3%	16.8%	15.5%	Rodent Infestation
68.7%	81.2%	78.6%	78.3%	71.7%	83.2%	84.5%	No Infestation
-	-	-	-	-	-	-	(Not Reported)
34.5%	28.1%	25.7%	27.9%	64.7%	19.3%	17.6%	Cockroach Infestation
65.5%	71.9%	74.3%	72.1%	35.3%	80.7%	82.4%	No Infestation
-	-	-	-	-	-	-	(Not Reported)
12.9%	12.7%	8.2%	14.4%	17.2%	9.2%	9.3%	Toilet Breakdown
87.1%	87.3%	91.8%	85.6%	82.8%	90.8%	90.7%	No Toilet Breakdown
-	-	-	-	-	-	-	(Not Reported)
27.0%	15.3%	26.1%	16.7%	29.6%	19.4%	12.3%	Water Leakage Inside Unit
73.0%	84.7%	73.9%	83.3%	70.4%	80.6%	87.7%	No Water Leakage
-	-	-	-	-	-	-	(Not Reported)
35.1%	50.0%	37.5%	44.4%	23.8%	46.1%	56.0%	Units in Buildings w. No Maintenance Defects
22.8%	24.8%	27.3%	34.3%	23.1%	25.6%	24.5%	Units in Buildings w. 1 Maintenance Defect
16.6%	13.1%	11.9%	15.3%	17.7%	18.1%	10.5%	Units in Buildings w. 2 Maintenance Defects
11.9%	6.4%	11.2%	2.8%	17.1%	6.5%	4.8%	Units in Buildings w. 3 Maintenance Defects
7.3%	2.8%	4.2%	0.9%	10.0%	2.6%	2.2%	Units in Buildings w. 4 Maintenance Defects
6.3%	2.9%	7.9%	2.3%	8.3%	1.2%	2.1%	Units in Buildings w. 5+ Maintenance Defects
-	-	-	-	-	-	-	(Not Reported)
							Condition of Neighboring Buildings
13.4%	19.2%	24.8%	18.5%	4.2%	15.7%	24.5%	Excellent
53.7%	59.6%	53.3%	55.7%	38.0%	52.2%	56.2%	Good
26.8%	17.5%	19.6%	23.1%	40.7%	28.9%	16.2%	Fair
6.2%	3.7%	2.3%	2.6%	17.0%	3.1%	3.1%	Poor Quality
-	-	-	-	-	-	-	(Not Reported)
6.0%	3.7%	3.9%	0.4%	5.4%	4.1%	7.0%	Boarded Up/Broken Windows in Neighborhood
94.0%	96.3%	96.1%	99.6%	94.6%	95.9%	93.0%	No Boarded Up/Broken Windows in Neighborhood
-	-	-	-	-	-	-	(Not Reported)

* Other Regulated Rentals encompass In Rem units, as well as those regulated by HUD, Article 4 or 5, and the New York City Loft Board.

** Other Rentals encompass dwellings which have never been regulated, units which have been deregulated (including those in buildings with fewer than 6 apartments) and unregulated rentals in cooperatives or condominiums.

Totals may not add to 100% due to rounding.

E.1 Mortgage Interest Rates and Terms, 2016

Lending Institution	Rate (%)	Points	Term (yrs)	Type	New Volume	Refin Volume
5	See below	0.50	0.5	NR	0	20
14	3.25%	0.00	See below	adj	158	132
17	3.50%	0.00	See below	fixed	116	10
28	4.50%	0.00	NR	fixed	25	25
30	4.00%	1.00	See below	both	NR	4
35	4.00%	0.00	See below	NR	39	5
37	5.50%	1.00	10 years	fixed	0	6
107	3.25%	0.50	5, 7 & 10 years	both	405	631
117	3.25%	0.00	5, 7 & 10 years	fixed	255	210
209	3.25%	1.00	See below	fixed	25	15
301	3.50%	0.25	NR	fixed	5	3
401	5.70%	0.75	30 yrs	fixed	NR	NR
AVERAGE	**3.97%**	**0.42**	**†**	**†**	**104**	**96**

§ Amortization **Adj** adjustable rate mortgage † No average computed **NR** no response to this question **BPS** Basis Points

Additional Rate Info: #5 = 1.5 to 2.0% over swap rates

Additional Term Info: #14 = Avg spread 1.60 Commitment fee 25 BPS #17 = 5 and 7 years over Libor Swap Rate #30 = 5, 7, 10 & 15 years fixed

#35 = 10 yr balloon based on 30 yr payout #209 = 5 yrs w/ one 5 yr renewal; 30 yr amort. Full recourse

Note: Averages for interest rates and points are calculated by using the midpoint when a range of values is given by the lending institution.
Source: 2016 NYC Rent Guidelines Board Mortgage Survey

E.2 Typical Characteristics of Rent Stabilized Buildings, 2016

Lending Institution	Maximum Loan-to-Value Standard	Debt Service Coverage	Vacancy & Collection Losses	Typical Building Size	Average Monthly O&M Cost/Unit	Average Monthly Rent/Unit
5	75%	8% DY	3%	100+	$600	$1,200
14	75%	1.20	0.5%	20-49	$1,500	$1,500
17	75%	1.20	5%	11-19	NR	NR
28	80%	1.25	1%	50-99	NR	NR
30	80%	1.20	5%	11-19	$460	$1,200
35	65%	1.15	4%	1-10	$450	$1,200
37	65%	1.20	3%	1-10	$388	$1,000
107	75%	1.20	NR	20-49	NR	NR
117	75%	1.25	4%	50-99	$500	$1,150
209	75%	1.25	3%	11-19	See below	$1,100
301	65%	8% DY	3%	100+	NR	NR
401	83%	1.15	3%	100+	$649	$1,179
AVERAGE	**74.0%**	**1.21**	**3.14%**	**†**	**$650**	**$1,191**

NR indicates no response to this question **DY** Debt Yield † No average computed.

Additional Cost Info: #209 = 35% of gross collections

Note: Average loan-to-value (LTV) and debt service coverage ratios are calculated using the midpoint when a range was given by the lending institution.

Source: 2016 NYC Rent Guidelines Board Mortgage Survey

E.3 Interest Rates and Terms for New Financing, Longitudinal Study, 2015-2016

	Interest Rates		Points		Term		Type	
Lending Inst.	2016	2015	2016	2015	2016	2015	2016	2015
5	See below	3.25%	0.50	0.5	0.0	5 yrs	both	fixed
28	4.50%	3.75%	0.0	NR	0.0	NR	fixed	adj
30	4.00%	4.63%	1.0	1.0	See below	See below	both	both
35	4.00%	4.00%	0.0	0.0	See below	See below	NR	fixed
37	5.50%	6.25%	1.00	1.00	10 years	10 yrs	fixed	fixed
117	3.25%	3.00%	0.0	0.00	5, 7 & 10 years	150 BPS	fixed	fixed
209	3.25%	3.75%	1.0	0.50	See below	5 over 5 year CMT	fixed	fixed
301	3.50%	3.50%	0.3	0.30	NR	135	fixed	fixed
401	5.70%	5.70%	0.75	0.75	30 yrs	30 yr	fixed	fixed
AVERAGE	**4.21%**	**4.20%**	**0.50**	**0.51**	**†**	**†**	**†**	**†**

NR indicates no response to this question **†** No average computed **§** Amortization * Balloon
Adj = adjustable rate mortgage **BPS** Basis Points **CMT** Constant Maturity Treasury

Additional Rate Info: #5 = 1.5 to 2.0% over swap rates

Additional Term Info for 2016: #30 = 5, 7, 10 & 15 years fixed #35 = 10 yr * based on 30 yr payout

#209 = 5 yrs w/ one 5 yr renewal; 30 yr §; Full recourse.

Additional Term Info for 2015: #30 = 320, 380, 410 over 10 yr t bill #35 = 10 yr * based on 30 yr payout

Note: Averages for interest rates and points are calculated by using the midpoint when a range of values is given by the lending institution.

Source: 2015 and 2016 NYC Rent Guidelines Board Mortgage Surveys

E.4 Lending Standards and Vacancy & Collection Losses, Longitudinal Study, 2015-2016

	Max Loan-to-Value		Debt Service Coverage		V&C Losses	
Lending Inst.	2016	2015	2016	2015	2016	2015
5	75%	75%	8% DY	8% DY	3%	3%
28	80%	80%	1.25	1.25	1%	1%
30	80%	80%	1.20	1.25	5%	5%
35	65%	70%	1.15	1.20	4%	3%
37	65%	65%	1.20	1.20	3%	3%
117	75%	75%	1.25	1.25	4%	4%
209	75%	75%	1.25	1.25	3%	3%
301	65%	70%	8% DY	7.5% DY	3%	3%
401	83%	83%	1.15	1.15	3%	3%
AVERAGE	**73.6%**	**74.7%**	**1.21**	**1.22**	**3.22%**	**3.06%**

NR indicates no response to this question **DY** Debt Yield

Note: Average loan-to-value and debt service coverage ratios are calculated using the midpoint when a range is given by the lending institution.

Source: 2015 and 2016 NYC Rent Guidelines Board Mortgage Surveys

E.5 Retrospective of New York City's Housing Market, 1982-2016

Year	Interest Rates for New Mortgages	Permits for New Housing Units in NYC and northern suburbs	Permits for New Housing Units in NYC only
1982	16.3%	11,598 **b**	7,649
1983	13.0%	17,249 **b**	11,795
1984	13.5%	15,961	11,566
1985	12.9%	25,504	20,332
1986	10.5%	15,298	9,782
1987	10.2%	18,659	13,764
1988	10.8%	13,486	9,897
1989	12.0%	13,896	11,546
1990	11.2%	9,076	6,858
1991	10.7%	6,406	4,699
1992	10.1%	5,694	3,882
1993	9.2%	7,314	5,173
1994	8.6%	6,553	4,010
1995	10.1%	7,296	5,135
1996	8.6%	11,457	8,652
1997	8.8%	11,619	8,987
1998	8.5%	13,532	10,387
1999	7.8%	15,326	12,421
2000	8.7%	18,077	15,050
2001	8.4%	19,636	16,856
2002	7.4%	21,423	18,500
2003	6.2%	23,778	21,218
2004	5.8%	27,695	25,208
2005	5.5%	33,606	31,599
2006	6.3%	32,609	30,927
2007	6.3%	34,514	31,902
2008	6.1%	34,715	33,911
2009	6.5%	6,665	6,057
2010	6.3%	7,406	6,727
2011	5.8%	10,326	8,936
2012	4.6%	11,170	10,334
2013	4.4%	18,963	17,995
2014	4.9%	21,580 ◆	20,428 ◆
2015	4.3%	57,865 Ø	56,528 Ø
2016	4.0%	*	*

b Prior to 1984, Bergen Co., NJ permit figures are included. **Ø** Figures are preliminary.

◆ This figure has been revised from the preliminary figure reported last year to reflect the final adjusted count.

*Permit data for 2016 will be available in next year's *Mortgage Survey Report*.

Notes: Interest rate data was collected in January-February and represents a 12-month average of the preceding year. Permit data is for the entire 12-month period of the shown year. The northern suburbs include Putnam, Rockland, and Westchester counties. Sources: NYC Rent Guidelines Board, Annual Mortgage Surveys; U.S. Bureau of the Census, Manufacturing & Construction Division, Residential Construction Branch.

E.6 2016 Survey of Mortgage Financing for Multifamily Properties

I. Financing Availability and Terms for Multifamily Buildings

1a. Do you currently offer **new permanent financing** (*i.e.,* loans secured by a property not previously mortgaged by your institution) for *rent stabilized buildings?*

❑ **Yes** *(Indicate typical terms and conditions at right.)*

❑ **No**

Interest rate : ___________ % (current) ___________ % (12 mo. average for 2015)

Points : ___________

Terms: Current 5, 7 and 10 yr spreads over swap rates and note commitment fee amount:

____

____

____

____

Type: Fixed / Adjustable *(circle one)*

Special conditions: ____________________________

____

1b. How many loans were made by your institution in 2015 for new permanent financing of *rent stabilized buildings?*

Number of loans: ____________________

2. How many loans did your institution **refinance** in 2015 for *rent stabilized buildings?*

Number of loans: ____________________

3a. In the past year, has the **total volume of new and refinanced loans** underwritten by your institution changed significantly (by at least 5%)?

❑ Yes, we have experienced a significant ___________ (increase / decrease) of about _______ %.

❑ No, it is about the same. *(Please skip Question 3b).*

3b. If **loan volume** has changed significantly, is the change attributable to:

(Please check and fill in all applicable choices.)

❑ A significant ________________ (increase / decrease) in the volume of loan **applications** of about _____ %.

❑ A significant ________________ (increase / decrease) in the rate of application **approvals** of about _____ %.

Are there any **trends** related to financing availability and terms on which you wish to comment?

____

____

____

____

2

II. Underwriting Criteria for Rent Stabilized Buildings

4a. What **standards** does your institution employ when assessing loan applications for *rent stabilized buildings?*

	N.A.
Maximum LTV: ________________	❑
Minimum DSCR or Debt Yield: ________________	❑

4b. Please provide any **other standards** your institution employ when assessing loan applications. If you do not employ the standard given, place an "X" in the "N.A." column.

*(Indicate an **average, minimum, or maximum** criteria.)*

	N.A.
Number of Units in Building: __________	❑
Building Age: ____________________	❑
Borrower Lives in Building: ___________	❑
Overall Building Maintenance: __________	❑
Co-op / Condo Conversion Potential: ___________	❑
Other *(Please Specify)*: ________________	❑

5. Did your institution change its **underwriting practices** for financing or refinancing *rent stabilized buildings* over the past year?

❑ Yes.

❑ No. *(If no, please skip to Question 7).*

6. Yes, we changed our **underwriting practices** for *rent stabilized buildings* to:

(Please check and fill in all applicable choices.)

❑ Use ________ (more / less) stringent approvals.

❑ Require _________ (higher / lower) fees (i.e., points or fees).

❑ ________________ (Increase / Decrease) loan-to-value ratio.

❑ ________________ (Increase / Decrease) monitoring requirements.

❑ ________________ (Discontinue / Reduce / Expand) lending to rent stabilized buildings.

❑ Other : ____________________________

III. Additional Mortgage Questions

7. How many **dwelling units** are contained in the average *rent stabilized building* financed by your institution?

(Please check only one.)

❑ 1 -10 ❑ 11 - 19 ❑ 20 - 49

❑ 50 - 99 ❑ 100 or more

8. Which of the following best describes the average **vacancy and collection loss** for *rent stabilized buildings* during the past year? *(Please check only one.)*

❑ < 1% ❑ 1% ❑ 2%

❑ 3% ❑ 4% ❑ 5%

❑ 6% ❑ 7% ❑ > 7%

9. Approximately what percentage of your loans to *rent stabilized buildings* are **currently non-performing**?

❑ None

❑ Approximately ________ %.

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10. Approximately what percentage of your loans to *rent stabilized buildings* are **currently in foreclosure**?

❑ None

❑ Approximately ________ %.

11a. Does your institution **retain the mortgages** you offer or do you sell any to secondary markets?

❑ We retain all the mortgages sold. *(If so, please skip to question 12.)*

❑ We sell all our mortgages to secondary markets.

❑ We sell ____% of our mortgages to secondary markets.

11b. To whom do you **sell your mortgages**?

(Please check and fill in all applicable choices.)

❑ Fannie Mae

❑ Freddie Mac

❑ Other: ____________________________

____

____

12. In your sector, who are your **major competitors** in multi-family lending?

____

____

13. Do the mortgages offered to *rent stabilized buildings* include any **commercial space**?

❑ No

❑ Yes. Approximately what percentage of buildings in your portfolio have commercial space? ________%

14. What is your best estimate of average **operating and maintenance costs** per unit per month in the *rent stabilized buildings* financed by your institution?

$ ________________ ***per unit per month***

(Include the following operating and maintenance costs in your estimate: Real Estate & Other Taxes, Labor, Fuel, Utilities, Contractor Services, Administration — including Legal, Management and other costs — Insurance, Parts & Supplies, and Replacement Costs.)

15. What is your best estimate of **average rent per unit per month** in the *rent stabilized buildings* financed by your institution?

$ ________________ ***per unit per month***

16. Do any of your **lending or underwriting standards differ** for *rent stabilized buildings* as opposed to non-stabilized multifamily properties?

(Please check all that apply)

New Financing Rates:	❑ Higher	❑ Lower	❑ Same
Refinancing Rates:	❑ Higher	❑ Lower	❑ Same
Loan-to-Value Ratio:	❑ Higher	❑ Lower	❑ Same
Debt Service Coverage:	❑ Higher	❑ Lower	❑ Same

17. On average, how does your portfolio of *rent stabilized buildings* **perform** as compared with expectations at the time of the initial loan originations?

(Please check all that apply)

Net Operating Income:	❑ Better	❑ Worse	❑ Same
Debt Service Coverage:	❑ Better	❑ Worse	❑ Same
O&M Expenses:	❑ Better	❑ Worse	❑ Same

4

18. Please estimate the **average mortgage loan payment per unit per month** for a typical building in your portfolio:

$ __________.

19. Are there any **additional trends** relating to underwriting criteria, non-performing loans & foreclosure, or the mortgage market in general on which you wish to comment?

____

____

____

____

____

Thank you for taking the time to complete the survey. If you have any questions, please contact RGB Research Director Brian Hoberman at (212) 669-7484 or bhoberman@nycrgb.org.

Findings will be published in the 2016 *Mortgage Survey Report*, which will be released by the end of April.

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E.7 Rent Stabilized Building Sales Volume, Citywide and by Borough, and Percent Change, 2006-2015

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Citywide*	**1,433**	**1,474**	**1,021**	**521**	**541**	**709**	**1,135**	**1,431**	**1,356**	**1,361**
% Change from Prior Yr	**-**	***2.9%***	***-30.7%***	***-49.0%***	***3.8%***	***31.1%***	***60.1%***	***26.1%***	***-5.2%***	***0.4%***
Bronx	224	319	171	100	131	130	204	245	302	262
% Change from Prior Yr	-	*42.4%*	*-46.4%*	*-41.5%*	*31.0%*	*-0.8%*	*56.9%*	*20.1%*	*23.3%*	*-13.2%*
Brooklyn	593	520	426	199	185	258	396	472	494	499
% Change from Prior Yr	-	*-12.3%*	*-18.1%*	*-53.3%*	*-7.0%*	*39.5%*	*53.5%*	*19.2%*	*4.7%*	*1.0%*
Manhattan	403	470	243	146	144	225	419	466	393	438
% Change from Prior Yr	-	*16.6%*	*-48.3%*	*-39.9%*	*-1.4%*	*56.3%*	*86.2%*	*11.2%*	*-15.7%*	*11.5%*
Queens	213	165	181	76	81	96	116	248	167	162
% Change from Prior Yr	-	*-22.5%*	*9.7%*	*-58.0%*	*6.6%*	*18.5%*	*20.8%*	*113.8%*	*-32.7%*	*-3.0%*

*Note: Staten Island buildings are excluded due to the small number of buildings sold.

Source: NYC Department of Finance

E.8 Rent Stabilized Building Median Sales Price and Sales Volume, by Borough and Building Size, and Percent Change in Sales, 2014-2015

	2014 Median Sale Price	2015 Median Sale Price	2014 # of Sales	2015 # of Sales	Change in Sales from 2014-15
Citywide					
All buildings*	$3,200,000	$3,800,000	1,356	1,361	0.4%
6-10 units	$1,200,000	$1,600,000	601	581	-3.3%
11-19 units	$3,500,000	$3,511,235	187	213	13.9%
20-99 units	$5,900,000	$7,075,000	535	532	-0.6%
100+ units	$22,500,000	$32,650,562	33	35	6.1%
Bronx					
All buildings*	$3,458,486	$3,253,000	302	262	-13.2%
6-10 units	$845,000	$920,000	61	60	-1.6%
11-19 units	$1,440,000	$1,830,000	33	31	-6.1%
20-99 units	$4,800,000	$4,907,500	201	164	-18.4%
Brooklyn					
All buildings*	$1,595,000	$2,500,000	494	499	1.0%
6-10 units	$1,200,000	$1,542,500	326	290	-11.0%
11-19 units	$2,400,000	$2,840,700	57	67	17.5%
20-99 units	$5,787,500	$9,000,000	104	130	25.0%
Manhattan					
All buildings*	$6,859,361	$7,170,000	393	438	11.5%
6-10 units	$3,775,000	$5,675,261	104	117	12.5%
11-19 units	$7,000,000	$6,500,000	81	100	23.5%
20-99 units	$7,800,000	$9,075,000	195	211	8.2%
Queens					
All buildings*	$1,310,000	$1,642,500	167	162	-3.0%
6-10 units	$1,075,000	$1,387,500	110	114	3.6%
11-19 units	$2,767,500	$2,735,000	16	15	-6.3%
20-99 units	$9,400,000	$8,400,000	35	27	-22.9%

Note: Staten Island buildings, as well as all 100+ unit buildings by borough, are excluded due to the small number of buildings sold.

* "All buildings" totals include buildings with 100 or more units. Therefore, these figures may not equal the sum of their subsets. In addition, Citywide figures do not contain Staten Island building sales.

Source: NYC Department of Finance

F.1 Average Annual Employment Statistics by Area, 2004-2015

Unemployment Rate	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Bronx	9.2%	7.6%	6.7%	6.8%	7.6%	12.0%	12.0%	11.9%	12.4%	11.7%	9.7%	7.7%
Brooklyn	7.6%	6.2%	5.4%	5.4%	6.0%	9.9%	9.9%	9.6%	9.8%	9.3%	7.6%	5.9%
Manhattan	6.2%	5.1%	4.3%	4.3%	4.9%	8.4%	8.6%	7.8%	8.0%	7.5%	6.1%	4.8%
Queens	6.3%	5.2%	4.5%	4.5%	5.0%	8.4%	8.6%	8.1%	8.3%	7.7%	6.3%	5.0%
Staten Island	6.4%	5.3%	4.5%	4.6%	5.1%	8.2%	9.4%	9.2%	9.4%	8.9%	7.4%	5.8%
NYC	**7.1%**	**5.8%**	**5.0%**	**5.0%**	**5.6%**	**9.3%**	**9.5%**	**9.1%**	**9.3%**	**8.8%**	**7.2%**	**5.7%**
U.S.	**5.5%**	**5.1%**	**4.6%**	**4.6%**	**5.8%**	**9.3%**	**9.6%**	**8.9%**	**8.1%**	**7.4%**	**6.2%**	**5.3%**
Labor Force Participation Rate												
NYC Δ	58.8%	59.2%	59.0%	59.1%	59.8%	59.9%	60.0%	59.7%	60.1%	60.4%	60.8%	61.1%
U.S.	66.0%	66.0%	66.2%	66.0%	66.0%	65.4%	64.7%	64.1%	63.7%	63.2%	62.9%	62.7%
Employment-Population Ratio												
NYC Δ	54.6%	55.8%	56.1%	56.1%	56.4%	54.3%	54.3%	54.3%	54.5%	55.1%	56.4%	57.7%
U.S.	62.3%	62.7%	63.1%	63.0%	62.2%	59.3%	58.5%	58.4%	58.6%	58.6%	59.0%	59.3%
Gross City Product (NYC)												
(billions, in 2009 $)	544.2	565.8	590.3	614.4	601.7	588.4	613.9	629.2	641.8	661.6	675.6	698.7
% Change	2.46%	3.98%	4.33%	4.08%	-2.07%	-2.21%	4.34%	2.49%	2.01%	3.08%	2.11%	3.42%
Gross Domestic Product (U.S.)												
(billions, in 2009 $)	13,773.5	14,234.2	14,613.8	14,873.7	14,830.4	14,418.7	14,783.8	15,020.6	15,354.6	15,583.3	15,961.7	16,345.0
% Change	3.79%	3.34%	2.67%	1.78%	-0.29%	-2.78%	2.53%	1.60%	2.22%	1.49%	2.43%	2.40%

Notes: The New York City Comptroller's Office revises the Gross City Product periodically. The GCP & GDP figures presented here may not be the same as those reported in prior years. Note that GCP and GDP figures are preliminary. The NYS Dept. of Labor also periodically revises unemployment rates, and rates reflected here might not match those figures reported in prior years.

Sources: U.S. Bureau of Labor Statistics; U.S. Bureau of Economic Analysis, U.S. Dept. of Commerce; NYS Dept. of Labor; NYC Comptroller's Office.

Δ Unpublished data from the Bureau of Labor Statistics. These figures are revised periodically.

F.2 Average Payroll Employment by Industry for NYC, 2006-2015 (in thousands)

Industry Employment	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2014-2015 Change
Manufacturing	106.1	101.0	95.6	81.6	76.3	75.7	76.3	76.4	76.6	78.0	1.8%
Construction, Natural Resources & Mining	118.5	127.3	132.7	120.8	112.5	112.3	116.1	122.2	129.2	138.3	7.0%
Trade, Transport & Utilities	559.0	570.6	574.6	552.7	559.7	575.6	590.5	605.0	620.6	629.0	1.4%
Leisure & Hospitality	284.9	297.8	310.2	308.5	322.2	342.2	365.7	385.4	408.5	425.7	4.2%
Financial Activities	458.3	467.6	465.0	434.2	428.6	439.5	439.1	437.9	449.6	459.7	2.2%
Information	164.9	166.9	169.5	165.3	166.0	170.9	175.8	179.6	185.6	189.1	1.9%
Professional & Business Svcs.	571.9	592.2	603.3	569.1	575.2	597.4	619.2	642.5	668.5	699.8	4.7%
Educational & Health Svcs.	691.6	702.0	716.1	731.8	750.2	766.8	782.3	806.6	840.6	869.4	3.4%
Other Services	154.3	157.7	160.8	160.3	160.6	165.2	170.4	174.9	180.2	184.8	2.6%
Total Private Sector	3,109.5	3,183.0	3,227.8	3,124.2	3,151.3	3,245.6	3,335.5	3,430.5	3,559.2	3,673.9	3.2%
Government ‡	555.2	559.0	564.1	567.0	558.0	550.6	546.1	544.4	545.4	549.9	0.8%
City of New York	450.4	453.9	458.5	462.1	451.4	451.7	450.0	450.1	452.9	457.2	0.9%
Total	**3,664.7**	**3,742.0**	**3,791.9**	**3,691.2**	**3,709.3**	**3,796.2**	**3,881.6**	**3,974.9**	**4,104.7**	**4,223.7**	**2.9%**

Notes: Totals may not add up due to rounding. Figures may have been revised from prior years by the NYS Department of Labor. Total excludes farm employment but includes unclassified jobs.

‡ Government includes federal, state, and local (City of New York) jobs located in New York City. Local government figures have been revised from prior years to include those employed by the City of New York as well as city-based public corporations such as the HHC (Health and Hospitals Corporation) and the MTA.

Source: NYS Department of Labor

F.3 Average Real Wage Rates by Industry for NYC, 2007-2015 (2015 dollars)

Industry	2007	2008	2009	2010	2011	2012	2013	2014	2015	2014-15 % Change
Construction	$73,248	$74,859	$75,775	$76,134	$75,631	$73,756	$73,610	$73,385	$75,081	2.3%
Manufacturing	$59,533	$58,579	$57,176	$56,570	$57,430	$54,473	$52,448	$53,683	$55,533	3.4%
Transportation	$53,785	$51,308	$51,550	$52,077	$52,161	$51,344	$51,275	$53,787	$52,870	-1.7%
Trade*	$55,738	$53,735	$51,459	$51,202	$52,108	$51,716	$52,850	$51,999	$52,691	1.3%
Finance and Insurance	$328,103	$311,895	$251,313	$284,054	$286,426	$259,787	$276,477	$292,046	$292,307	0.1%
Real Estate	$70,721	$68,697	$64,680	$64,835	$66,335	$66,693	$68,555	$70,573	$74,575	5.7%
Admin/Waste/Edu/Health**	$51,819	$51,775	$52,094	$52,550	$52,107	$51,337	$51,395	$51,494	$52,737	2.4%
Arts, Entertainment & Rec	$72,814	$68,460	$67,799	$69,506	$69,040	$65,363	$63,914	$64,961	$69,012	6.2%
Accomm & Food Svcs.	$32,315	$32,066	$30,702	$30,865	$30,976	$30,690	$30,570	$31,126	$31,753	2.0%
Other Svcs.	$46,179	$46,939	$46,722	$48,110	$47,627	$44,748	$44,393	$44,838	$46,161	3.0%
Professional & Tech Svcs.	$117,269	$119,018	$116,330	$116,359	$120,135	$117,433	$117,868	$120,271	$123,779	2.9%
Management of Companies	$212,574	$198,907	$171,273	$198,094	$203,022	$192,694	$191,468	$192,220	$190,861	-0.7%
Information	$117,993	$117,041	$112,185	$115,013	$117,147	$118,072	$122,676	$128,164	$131,931	2.9%
Utilities	$108,147	$103,759	$98,705	$103,329	$104,961	$115,638	--Δ	--Δ	--Δ	--Δ
Unclassified/Agri/Mining***	$42,857	$42,694	$37,435	$42,010	$42,805	$40,998	$40,057	$42,320	$40,516	-4.3%
Private Sector	$96,925	$94,302	$85,007	$88,184	$89,088	$84,820	$85,948	$87,678	$88,814	1.3%
Government	$61,615	$60,321	$61,179	$61,585	$61,968	$60,468	$59,945	$60,971	$62,862	3.1%
Total Industries	**$91,599**	**$89,225**	**$81,366**	**$84,096**	**$85,111**	**$81,351**	**$82,318**	**$84,066**	**$85,386**	**1.6%**

Note: Each year refers to the first three quarters of that year, and the fourth quarter of the prior year. The New York State Department of Labor revises the statistics annually. Real wages reflect 2015 dollars and differ from those found in this table in prior years.

*The Wholesale Trade and Retail Trade sectors have been combined into one category. **The Administrative and Waste Service, Educational Services, and Health Care and Social Assistance Service have been combined into one category. ***The Unclassified; Agriculture, Forestry, Fishing Hunting; and Mining sectors have been combined into one category.

Δ Wages for the this industry were not reported by the NYS Dept. of Labor during this time period due to the small number of respondents, and corresponding privacy concerns.

Source: New York State Department of Labor, Research and Statistics Division.

F.4 Average Nominal Wage Rates by Industry for NYC, 2007-2015

Industry	2007	2008	2009	2010	2011	2012	2013	2014	2015	2014-15 % Change
Construction	$63,337	$67,396	$68,738	$70,232	$71,478	$71,262	$72,436	$73,252	$75,081	2.5%
Manufacturing	$51,478	$52,739	$51,866	$52,184	$54,277	$52,631	$51,611	$53,586	$55,533	3.6%
Transportation	$46,508	$46,193	$46,762	$48,040	$49,296	$49,608	$50,457	$53,690	$52,870	-1.5%
Trade*	$48,196	$48,378	$46,680	$47,232	$49,247	$49,967	$52,007	$51,905	$52,691	1.5%
Finance and Insurance	$283,707	$280,801	$227,972	$262,032	$270,698	$251,002	$272,067	$291,515	$292,307	0.3%
Real Estate	$61,152	$61,848	$58,673	$59,809	$62,692	$64,438	$67,462	$70,445	$74,575	5.9%
Admin/Waste/Edu/Health**	$44,807	$46,614	$47,256	$48,476	$49,246	$49,601	$50,575	$51,401	$52,737	2.6%
Arts, Entertainment & Rec	$62,961	$61,635	$61,502	$64,117	$65,249	$63,153	$62,894	$64,843	$69,012	6.4%
Accomm & Food Svcs.	$27,942	$28,869	$27,850	$28,472	$29,275	$29,652	$30,082	$31,070	$31,753	2.2%
Other Svcs.	$39,930	$42,260	$42,383	$44,380	$45,012	$43,235	$43,685	$44,756	$46,161	3.1%
Professional & Tech Svcs.	$101,401	$107,153	$105,526	$107,338	$113,538	$113,462	$115,987	$120,053	$123,779	3.1%
Management of Companies	$183,811	$179,076	$155,367	$182,736	$191,873	$186,178	$188,413	$191,870	$190,861	-0.5%
Information	$102,027	$105,373	$101,766	$106,097	$110,714	$114,080	$120,719	$127,931	$131,931	3.1%
Utilities	$93,514	$93,415	$89,538	$95,318	$99,197	$111,728	--Δ	--Δ	--Δ	--Δ
Unclassified/Agri/Mining***	$37,058	$38,438	$33,959	$38,753	$40,454	$39,612	$39,418	$42,243	$40,516	-4.1%
Private Sector	$83,810	$84,900	$77,112	$81,347	$84,196	$81,952	$84,577	$87,518	$88,814	1.5%
Government	$53,278	$54,308	$55,497	$56,811	$58,566	$58,423	$58,989	$60,860	$62,862	3.3%
Total Industries	**$79,205**	**$80,329**	**$73,809**	**$77,577**	**$80,437**	**$78,600**	**$81,005**	**$83,914**	**$85,386**	**1.8%**

Note: Each year refers to the first three quarters of that year, and the fourth quarter of the prior year. The NYS Department of Labor revises the statistics annually.

*The Wholesale Trade and Retail Trade sectors have been combined into one category. **The Administrative and Waste Service, Educational Services, and Health Care and Social Assistance Service have been combined into one category. ***The Unclassified; Agriculture, Forestry, Fishing Hunting; and Mining sectors have been combined into one category.

Δ Wages for the this industry were not reported by the NYS Dept. of Labor during this time period due to the small number of respondents, and corresponding privacy concerns.

Source: New York State Department of Labor, Research and Statistics Division.

F.5 Consumer Price Index for All Urban Consumers, NY-Northeastern NJ, 2005-2015

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
March	212.4	218.2	224.6	233.1	235.1	240.1	245.6	251.9	256.6	260.0	259.6
June	210.7	222.6	228.3	238.6	237.2	240.8	248.5	252.4	256.9	261.4	261.5
September	215.8	222.9	228.3	240.1	238.6	241.5	250.6	254.6	258.5	261.1	261.9
December	214.2	221.3	229.4	233.0	238.4	241.9	248.3	253.6	257.3	258.1	259.9
Quarterly Average	213.3	221.3	227.6	236.2	237.3	241.1	248.2	253.1	257.3	260.1	260.7
Yearly Average	212.7	220.7	226.9	235.8	236.8	240.9	247.7	252.6	256.8	260.2	260.6

12-month percentage change in the CPI

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
March	4.42%	2.73%	2.91%	3.82%	0.83%	2.14%	2.30%	2.55%	1.87%	1.32%	-0.12%
June	2.28%	5.65%	2.54%	4.52%	-0.59%	1.54%	3.19%	1.57%	1.78%	1.73%	0.06%
September	4.81%	3.29%	2.43%	5.16%	-0.63%	1.22%	3.76%	1.59%	1.55%	0.99%	0.31%
December	3.58%	3.31%	3.66%	1.58%	2.32%	1.45%	2.66%	2.11%	1.47%	0.31%	0.72%
Quarterly Average	3.77%	3.74%	2.88%	3.77%	0.47%	1.58%	2.98%	1.96%	1.67%	1.09%	0.24%
Yearly Average	**3.86%**	**3.76%**	**2.83%**	**3.90%**	**0.44%**	**1.71%**	**2.85%**	**1.97%**	**1.68%**	**1.32%**	**0.13%**

Source: U.S. Bureau of Labor Statistics; Base Period: 1982-1984=100

F.6 Housing Court Actions, 1983-2015

Year	Filings	Calendared	Evictions & Possessions
1983	373,000	93,000	26,665
1984	343,000	85,000	23,058
1985	335,000	82,000	20,283
1986	312,000	81,000	23,318
1987	301,000	77,000	25,761
1988	299,000	92,000	24,230
1989	299,000	99,000	25,188
1990	297,000	101,000	23,578
1991	302,000	114,000	20,432
1992	289,000	122,000	22,098
1993	295,000	124,000	21,937
1994	294,000	123,000	23,970
1995	266,000	112,000	22,806
1996	278,000	113,000	24,370
1997	274,000	111,000	24,995
1998	278,156	127,851	23,454
1999	276,142	123,399	22,676
2000	276,159	125,787	23,830
2001	277,440	130,897	21,369*
2002	331,309	132,148	23,697
2003	318,077	133,074	23,236
2004	261,085	121,999	22,010
2005	261,457	119,265	21,945
2006	256,747	122,379	23,491
2007	251,390	121,793	24,171
2008	246,147	120,420	24,600
2009	251,871	123,149	26,449
2010	213,066**	127,396	25,655
2011	221,182	126,315	27,636
2012	217,914	132,860	28,743
2013	215,497	122,463	28,849
2014	208,158	127,334	26,857
2015	**203,119**	**111,409**	**21,988**

Note: "Filings" reflect non-payment proceedings initiated by rental property owners, while "Calendared" reflect those non-payment proceedings resulting in a court appearance. "Filings" and "Calendared" figures prior to 1998 were rounded to the nearest thousand.

*Note: 2001 Evictions and Possessions data is incomplete as it excludes the work of one city marshal who died in May 2001 and whose statistics are unavailable.

**Due to an administrative change at NYCHA relating to their handling of late rent payments, the number of non-payment filings decreased dramatically. If not for this change, the drop in non-payment filings between 2009 and 2010 would have been significantly less, or nonexistent.

Sources: NYC Civil Court, First Deputy Chief Clerk for Housing; NYC Department of Investigations, Bureau of City Marshals.

F.7 Homeless Statistics, 1982-2015

Year	Single Adults	Children	Families (inc. children)	Total Individuals
1982	3,786	2,507	1,005	7,584
1983	5,061	4,887	1,960	12,468
1984	6,228	7,432	2,981	17,491
1985	7,217	9,196	3,688	21,154
1986	8,890	10,493	4,286	24,896
1987	9,628	11,163	4,986	27,225
1988	9,675	11,401	5,091	27,646
1989	9,342	8,614	4,105	23,254
1990	8,535	6,966	3,591	20,131
1991	7,689	8,867	4,581	22,498
1992	6,922	9,607	5,270	23,494
1993	6,413	9,760	5,626	23,748
1994	6,235	9,610	5,629	23,431
1995	6,532	9,927	5,627	23,950
1996	7,020	9,945	5,692	24,554
1997	7,090	8,437	4,793	22,145
1998	6,875	8,054	4,558	21,277
1999	6,778	8,826	4,965	22,575
2000	6,934	9,290	5,192	23,712
2001	7,479	11,427	6,154	27,799
2002	7,750	14,952	8,071	34,576
2003	8,199	16,705	9,203	38,310
2004	8,612	15,705	8,922	37,319
2005	8,174	13,534	8,194	33,687
2006	7,662	12,597	8,339	32,430
2007	6,942	14,060	9,075	34,109
2008	6,530	14,327	8,856	33,554
2009	6,764	15,326	9,719	35,915
2010	7,825	14,788	9,635	36,175
2011	8,543	15,501	9,573	37,765
2012	9,047	18,068	10,705	43,295
2013	9,862	21,163	12,062	49,408
2014	10,591	23,511	13,317	54,122
2015	**12,014**	**23,658**	**14,037**	**57,158**

Note: Data presented are the annual averages of the Dept. of Homeless Services shelter population. Street homelessness is not quantified in this data.

Source: New York City Department of Homeless Services

F.8 Poverty Rates, 2005-2014

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
U.S.	13.3%	13.3%	13.0%	13.2%	14.3%	15.3%	15.9%	15.9%	15.8%	15.5%
New York City	19.1%	19.2%	18.5%	18.2%	18.7%	20.1%	20.9%	21.2%	20.9%	20.9%
Bronx	29.2%	29.1%	27.1%	27.6%	28.5%	30.2%	30.4%	31.0%	30.9%	31.6%
Brooklyn	22.4%	22.6%	21.9%	21.1%	21.8%	23.0%	23.6%	24.3%	23.3%	23.4%
Manhattan	17.9%	18.3%	17.6%	16.9%	16.6%	16.4%	18.3%	17.8%	18.9%	17.6%
Queens	11.9%	12.2%	12.0%	12.1%	12.6%	15.0%	15.8%	16.2%	15.3%	15.2%
Staten Island	11.0%	9.2%	9.8%	10.0%	11.2%	11.8%	11.7%	11.6%	12.8%	14.5%

Source: 2005-2014 American Community Survey

F.9 Housing and Vacancy Survey Data, Rent Stabilized Apartments, 2011 and 2014

	2011[1]		2014[2]	
	Number	Percent	Number	Percent
Household Income				
<$5,000/Loss/No Income	50,567	5.3%	45,931	4.6%
$5,000 to $9,999	78,016	8.1%	68,689	6.8%
$10,000 to $14,999	75,667	7.9%	67,045	6.7%
$15,000 to $19,999	70,637	7.4%	66,380	6.6%
$20,000 to $24,999	64,639	6.7%	71,504	7.1%
$25,000 to $29,999	55,784	5.8%	56,465	5.6%
$30,000 to $34,999	57,365	6.0%	61,000	6.1%
$35,000 to $39,999	49,981	5.2%	46,169	4.6%
$40,000 to $49,999	90,797	9.4%	95,211	9.4%
$50,000 to $59,999	72,509	7.5%	76,714	7.6%
$60,000 to $69,999	56,806	5.9%	64,029	6.4%
$70,000 to $79,999	53,914	5.6%	50,299	5.0%
$80,000 to $89,999	37,375	3.9%	45,547	4.5%
$90,000 to $99,999	28,821	3.0%	29,967	3.0%
$100,000 to $124,999	49,282	5.1%	64,149	6.4%
$125,000 to $149,999	25,899	2.7%	34,064	3.4%
$150,000 or More	42,812	4.5%	64,933	6.4%
Median	$37,000	-	$40,600	-
Mean	$51,367	-	$60,030	-
Contract Rent				
<$200	2,760	0.3%	2,521	0.3%
$200 to $299	6,187	0.7%	4,614	0.5%
$300 to $399	6,766	0.7%	5,370	0.5%
$400 to $499	11,879	1.3%	8,441	0.9%
$500 to $599	23,937	2.5%	13,959	1.4%
$600 to $699	42,934	4.5%	25,733	2.6%
$700 to $799	72,226	7.6%	49,041	4.9%
$800 to $899	101,486	10.7%	72,098	7.3%
$900 to $999	122,179	12.9%	98,771	10.0%
$1,000 to $1,249	263,560	27.8%	271,883	27.4%
$1,250 to $1,499	133,306	14.1%	162,094	16.3%
$1,500 to $1,749	89,454	9.4%	117,630	11.9%
$1,750 to $1,999	41,781	4.4%	63,529	6.4%
$2,000 or More	28,345	3.0%	95,802	9.7%
No Cash Rent	14,069	-	16,611	-
Median	$1,050	-	$1,200	-
Mean	$1,137	-	$1,317	-
Contract-Rent-to-Income Ratio				
<10%	47,858	5.2%	44,095	4.6%
10% to 14%	80,265	8.8%	82,804	8.6%
15% to 19%	106,840	11.7%	108,973	11.3%
20% to 24%	103,692	11.4%	106,903	11.1%
25% to 29%	85,595	9.4%	89,306	9.2%
30% to 34%	74,226	8.1%	75,595	7.8%
35% to 39%	48,025	5.3%	58,914	6.1%
40% to 49%	78,151	8.6%	89,448	9.2%
50% to 59%	50,588	5.5%	54,225	5.6%
60% to 69%	39,963	4.4%	48,818	5.0%
70% to 79%	36,792	4.0%	29,569	3.1%
80% or More	160,732	17.6%	178,403	18.4%
Not Computed	48,142	-	41,043	-
Median	31.9%	-	33.0%	-
Mean	43.1%	-	43.9%	-

1. 2011 HVS reflects 2010 incomes.
2. 2014 HVS reflects 2013 incomes.

Note: 2011 and 2014 data values are imputed.

Source: 2011 and 2014 New York City Housing and Vacancy Survey Tables, U.S. Bureau of the Census.

G.1 Permits Issued For Housing Units in New York City, 1960-2016

Year	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Total
1960	--	--	--	--	--	**46,792**
1961	--	--	--	--	--	**70,606**
1962	--	--	--	--	--	**70,686**
1963	--	--	--	--	--	**49,898**
1964	--	--	--	--	--	**20,594**
1965	--	--	--	--	--	**25,715**
1966	--	--	--	--	--	**23,142**
1967	--	--	--	--	--	**22,174**
1968	--	--	--	--	--	**22,062**
1969	--	--	--	--	--	**17,031**
1970	--	--	--	--	--	**22,365**
1971	--	--	--	--	--	**32,254**
1972	--	--	--	--	--	**36,061**
1973	--	--	--	--	--	**22,417**
1974	--	--	--	--	--	**15,743**
1975	--	--	--	--	--	**3,810**
1976	--	--	--	--	--	**5,435**
1977	--	--	--	--	--	**7,639**
1978	--	--	--	--	--	**11,096**
1979	--	--	--	--	--	**14,524**
1980	--	--	--	--	--	**7,800**
1981	--	--	--	--	--	**11,060**
1982	--	--	--	--	--	**7,649**
1983	--	--	--	--	--	**11,795**
1984	--	--	--	--	--	**11,566**
1985	1,263	1,068	12,079	2,211	3,711	**20,332**
1986	920	1,278	1,622	2,180	3,782	**9,782**
1987	931	1,650	3,811	3,182	4,190	**13,764**
1988	967	1,629	2,460	2,506	2,335	**9,897**
1989	1,643	1,775	2,986	2,339	2,803	**11,546**
1990	1,182	1,634	2,398	704	940	**6,858**
1991	1,093	1,024	756	602	1,224	**4,699**
1992	1,257	646	373	351	1,255	**3,882**
1993	1,293	1,015	1,150	530	1,185	**5,173**
1994	846	911	428	560	1,265	**4,010**
1995	853	943	1,129	738	1,472	**5,135**
1996	885	942	3,369	1,301	2,155	**8,652**
1997	1,161	1,063	3,762	1,144	1,857	**8,987**
1998	1,309	1,787	3,823	1,446	2,022	**10,387**
1999	1,153	2,894	3,791	2,169	2,414	**12,421**
2000	1,646	2,904	5,110	2,723	2,667	**15,050**
2001	2,216	2,973	6,109	3,264	2,294	**16,856**
2002	2,626	5,247	5,407	3,464	1,756	**18,500**
2003	2,935	6,054	5,232	4,399	2,598	**21,218**
2004	4,924	6,825	4,555	6,853	2,051	**25,208**
2005	4,937	9,028	8,493	7,269	1,872	**31,599**
2006	4,658	9,191	8,790	7,252	1,036	**30,927**
2007	3,088	10,930	9,520	7,625	739	**31,902**
2008	2,482	12,744	9,700	7,730	1,255	**33,911**
2009	1,647	1,003	1,363	1,474	570	**6,057**
2010	1,064	2,093	704	2,358	508	**6,727**
2011	1,116	1,522	2,535	3,182	581	**8,936**
2012	2,552	3,353	2,328	1,428	673	**10,334**
2013	2,638	6,140	4,856	3,161	1,200	**17,995**
2014	1,885	7,551	5,435	4,900	712	**20,483**
2015	**4,682**	**26,026**	**12,612**	**12,667**	**541**	**56,528**
2016 (1st Qtr)$^{\Omega}$	866 (561)	482 (3,574)	297 (1,154)	368 (782)	145 (112)	2,158 (6,183)

Ω First three months of 2016. The number of permits issued in the first three months of 2015 is in parenthesis.

Source: U.S. Bureau of the Census, Manufacturing and Construction Division, Building Permits Branch.

G.2 Permits Issued by Building Size & Borough (In Percentages), 2007-2015

Year/Borough	1-Family	2-Family	3/4 Family	5 or More-Family	Total Buildings
2007					
Bronx	6.8%	43.7%	41.7%	7.8%	643
Brooklyn	0.0%	18.3%	51.7%	30.0%	1,079
Manhattan	5.0%	1.7%	5.8%	87.6%	121
Queens	17.1%	53.1%	21.3%	8.6%	1,562
Staten Island	60.7%	38.6%	0.2%	0.6%	511
Citywide	*16.0%*	*38.5%*	*29.8%*	*15.8%*	*3,916*
2008					
Bronx	43.4%	17.7%	23.1%	15.8%	373
Brooklyn	0.0%	25.0%	18.7%	56.3%	787
Manhattan	2.0%	0.0%	0.0%	98.0%	152
Queens	18.5%	42.3%	14.8%	24.4%	755
Staten Island	50.4%	40.1%	0.5%	9.0%	367
Citywide	*20.1%*	*30.0%*	*14.3%*	*35.7%*	*2,434*
2009					
Bronx	38.1%	14.4%	20.6%	26.9%	160
Brooklyn	0.8%	28.2%	38.9%	32.1%	131
Manhattan	0.0%	0.0%	11.8%	88.2%	34
Queens	29.7%	43.3%	16.0%	11.0%	418
Staten Island	48.0%	49.8%	0.0%	2.2%	271
Citywide	*31.2%*	*37.1%*	*15.3%*	*16.5%*	*1,014*
2010					
Bronx	9.2%	38.5%	23.1%	29.2%	65
Brooklyn	3.6%	31.4%	27.9%	37.1%	140
Manhattan	0.0%	18.2%	9.1%	72.7%	11
Queens	12.4%	67.2%	11.2%	9.2%	509
Staten Island	71.9%	27.2%	0.6%	0.3%	349
Citywide	*30.3%*	*47.3%*	*10.6%*	*11.8%*	*1,074*
2011					
Bronx	1.5%	35.3%	19.1%	44.1%	68
Brooklyn	0.0%	44.3%	30.5%	25.3%	174
Manhattan	3.6%	0.0%	3.6%	92.9%	28
Queens	21.5%	57.0%	11.9%	9.6%	386
Staten Island	52.5%	47.2%	0.0%	0.3%	341
Citywide	*26.5%*	*48.3%*	*11.3%*	*13.8%*	*997*
2012					
Bronx	5.9%	39.3%	17.0%	37.8%	135
Brooklyn	0.4%	20.5%	36.9%	42.2%	249
Manhattan	9.5%	4.8%	0.0%	85.7%	42
Queens	26.8%	41.9%	16.9%	14.4%	284
Staten Island	64.1%	34.6%	0.0%	1.3%	298
Citywide	*27.8%*	*32.5%*	*16.2%*	*23.5%*	*1,008*
2013					
Bronx	2.4%	41.6%	12.0%	44.0%	125
Brooklyn	0.0%	19.8%	31.6%	48.6%	364
Manhattan	1.6%	7.8%	0.0%	90.6%	64
Queens	39.3%	32.6%	13.3%	14.8%	399
Staten Island	55.9%	42.5%	0.2%	1.4%	431
Citywide	*29.1%*	*32.0%*	*13.3%*	*25.7%*	*1,383*
2014					
Bronx	0.0%	33.3%	20.4%	46.3%	108
Brooklyn	0.0%	19.3%	25.8%	55.0%	400
Manhattan	1.3%	9.0%	2.6%	87.2%	78
Queens	47.8%	25.4%	10.5%	16.3%	448
Staten Island	68.1%	31.1%	0.2%	0.6%	479
Citywide	*35.8%*	*25.3%*	*11.6%*	*27.4%*	*1,513*
2015					
Brooklyn	**5.3%**	**7.0%**	**14.7%**	**73.0%**	**812**
Bronx	**2.9%**	**26.3%**	**9.5%**	**61.3%**	**137**
Manhattan	**3.8%**	**1.9%**	**2.9%**	**91.4%**	**105**
Queens	**31.0%**	**26.3%**	**11.6%**	**31.2%**	**552**
Staten Island	**63.0%**	**36.7%**	**0.0%**	**0.3%**	**392**
Citywide	***23.5%***	***19.2%***	***10.0%***	***47.3%***	***1,998***

Source: U.S. Bureau of the Census, Manufacturing and Construction Division, Building Permits Branch.

G.3 Permits Issued For Housing Units by Quarter, 2005-2015

Year	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Total
2005						
Q1	739	2,214	1,786	1,088	226	6,053
Q2	1,646	2,705	3,466	1,441	559	9,817
Q3	1,185	1,912	1,697	2,447	558	7,799
Q4	1,367	2,197	1,544	2,293	529	7,930
2006						
Q1	1,023	2,265	2,466	1,647	296	7,697
Q2	1,208	2,793	1,802	1,742	292	7,837
Q3	1,134	2,308	2,553	2,318	255	8,568
Q4	1,293	1,825	1,969	1,545	193	6,825
2007						
Q1	1,037	2,621	1,551	1,864	191	7,264
Q2	901	3,478	1,544	3,255	192	9,370
Q3	794	2,071	3,589	1,086	189	7,729
Q4	356	2,760	2,836	1,420	167	7,539
2008						
Q1	862	1,603	485	705	238	3,893
Q2	701	8,970	7,623	5,497	546	23,337
Q3	695	1,520	880	1,016	397	4,508
Q4	224	651	712	512	74	2,173
2009						
Q1	164	137	151	508	117	1,077
Q2	130	511	716	353	233	1,943
Q3	497	243	336	331	144	1,551
Q4	856	112	160	282	76	1,486
2010						
Q1	56	175	326	249	199	1,005
Q2	490	867	166	612	121	2,256
Q3	231	246	176	394	83	1,130
Q4	287	805	36	1,103	105	2,336
2011						
Q1	205	291	146	411	88	1,141
Q2	508	624	1,199	1,416	228	3,975
Q3	248	303	391	459	178	1,579
Q4	155	304	799	896	87	2,241
2012						
Q1	564	600	556	197	193	2,110
Q2	619	310	1,041	643	134	2,747
Q3	409	1,496	421	378	142	2,846
Q4	960	947	310	210	204	2,631
2013						
Q1	214	1,184	568	428	162	2,556
Q2	1,066	1,117	1,162	730	689	4,764
Q3	336	1,918	1,708	1,006	172	5,140
Q4	1,022	1,921	1,418	997	177	5,535
2014						
Q1	379	1,725	1,809	1,067	121	5,101
Q2	583	1,617	1,041	1,471	140	4,852
Q3	736	2,675	1,506	812	207	5,936
Q4	187	1,534	1,079	1,550	244	4,594
2015						
Q1	561	3,574	1,154	782	112	6,183
Q2	1,269	15,453	9,760	9,182	151	35,815
Q3	1,651	1,163	1,057	250	175	4,296
Q4	1,201	5,836	641	2,453	103	10,234

Source: U.S. Bureau of the Census, Manufacturing and Construction Division, Building Permits Branch.

G.4 New Dwelling Units Completed in New York City, 1960-2015

Year	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Total
1960	4,970	9,860	5,018	14,108	1,292	**35,248**
1961	4,424	8,380	10,539	10,632	1,152	**35,127**
1962	6,458	10,595	12,094	15,480	2,677	**47,304**
1963	8,780	12,264	19,398	17,166	2,423	**60,031**
1964	9,503	13,555	15,833	10,846	2,182	**51,919**
1965	6,247	10,084	14,699	16,103	2,319	**49,452**
1966	7,174	6,926	8,854	6,935	2,242	**32,131**
1967	4,038	3,195	7,108	5,626	3,069	**23,036**
1968	3,138	4,158	2,707	4,209	3,030	**17,242**
1969	1,313	2,371	6,570	3,447	3,768	**17,469**
1970	1,652	1,695	3,155	4,230	3,602	**14,334**
1971	7,169	2,102	4,708	2,576	2,909	**19,464**
1972	11,923	2,593	1,931	3,021	3,199	**22,667**
1973	6,294	4,340	2,918	3,415	3,969	**20,936**
1974	3,380	4,379	6,418	3,406	2,756	**20,339**
1975	4,469	3,084	9,171	2,146	2,524	**21,394**
1976	1,373	10,782	6,760	3,364	1,638	**23,917**
1977	721	3,621	2,547	1,350	1,984	**10,223**
1978	464	345	3,845	697	1,717	**7,068**
1979	405	1,566	4,060	1,042	2,642	**9,715**
1980	1,709	708	3,306	783	2,380	**8,886**
1981	396	454	4,416	1,152	2,316	**8,734**
1982	997	332	1,812	2,451	1,657	**7,249**
1983	757	1,526	2,558	2,926	1,254	**9,021**
1984	242	1,975	3,500	2,291	2,277	**10,285**
1985	557	1,301	1,739	1,871	1,939	**7,407**
1986	968	2,398	4,266	1,776	2,715	**12,123**
1987	1,177	1,735	4,197	2,347	3,301	**12,757**
1988	1,248	1,631	5,548	2,100	2,693	**13,220**
1989	847	2,098	5,979	3,560	2,201	**14,685**
1990	872	929	7,260	2,327	1,384	**12,772**
1991	656	764	2,608	1,956	1,627	**7,611**
1992	802	1,337	3,750	1,498	1,136	**8,523**
1993	886	616	1,810	801	1,466	**5,579**
1994	891	1,035	1,927	1,527	1,573	**6,953**
1995	1,166	1,647	2,798	1,013	1,268	**7,892**
1996	1,075	1,583	1,582	1,152	1,726	**7,118**
1997	1,391	1,369	816	1,578	1,791	**6,945**
1998	575	1,333	5,175	1,263	1,751	**10,097**
1999	1,228	1,025	2,341	2,119	2,264	**8,977**
2000	1,385	1,353	6,064	2,096	1,896	**12,794**
2001	1,617	2,404	6,036	1,225	2,198	**13,480**
2002	1,220	2,248	8,326	1,981	2,453	**16,228**
2003	1,473	2,575	3,798	2,344	2,589	**12,779**
2004 π	3,326	4,512	6,150	3,087	2,291	**19,366**
2005 π	3,012	5,007	5,006	4,526	1,942	**19,493**
2006 π	4,311	6,418	5,199	5,940	1,900	**23,768**
2007 π	4,422	7,109	7,498	5,907	1,446	**26,382**
2008 π	4,217	7,254	6,118	5,437	1,019	**24,045**
2009 π	2,964	7,522	8,110	4,969	887	**24,452**
2010 π	3,948	7,181	7,801	4,401	714	**24,045**
2011 π	3,417	4,728	2,375	2,852	612	**13,984**
2012 π	1,413	3,611	1,159	2,632	640	**9,455**
2013 π	1,272	3,948	3,126	3,854	482	**12,682**
2014 π	1,660	4,485	2,231	2,961	530	**11,867**
2015 π	**2,396**	**5,324**	**2,986**	**3,110**	**541**	**14,357**

Note: Dwelling unit count is based on the number of Certificates of Occupancy issued by NYC Department of Buildings, or equivalent action by the Empire State Development Corporation or NYS Dormitory Authority. Prior year's data may be adjusted and may not match prior reports.

π Data from 2004-2015 now includes Final Certificates of Occupancy (as with all other years) as well as Temporary Certificates of Occupancy data for the first time. Data will be updated every year to reflect the most current estimates.

Source: New York City Department of City Planning, Certificates of Occupancy issued in Newly Constructed Buildings.

G.5 Number of Residential Co-op and Condo Plans Accepted for Filing By the NYS Attorney General's Office, 2010-2015

	2010	2011*	2012	2013	2014	2015
	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)
Private Plans						
New Construction	235 (4,907)	185 (3,785)	121 (2,810)	151 (3,753)	210 (5,155)	341 (14,575)
Rehabilitation	0	2 (14)	11 (106)	21 (649)	37 (462)	59 (988)
Conversion (Non-Eviction)	20 (812)	20 (457)	25 (1,539)	18 (843)	20 (3,956)	37 (4,106)
Conversion (Eviction)	0	0	0	0	0	0
Private Total	**255 (5,719)**	**207 (4,256)**	**157 (4,455)**	**190 (5,245)**	**267 (9,573)**	**437 (19,669)**
	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)
HPD Sponsored Plans						
New Construction	0	0	0	0	0	1 (3)
Rehabilitation	0	0	0	0	0	0
Conversion (Non-Eviction)	0	0	0	0	0	0
Conversion (Eviction)	4 (59)	9 (209)	3 (97)	0	0	1 (70)
HPD Total	**4 (59)**	**9 (209)**	**3 (97)**	**0**	**0**	**2 (73)**
Grand Total	**259 (5,778)**	**216 (4,465)**	**160 (4,552)**	**190 (5,245)**	**267 (9,573)**	**439 (19,742)**

*Figures corrected and differ from those found in the *2012 Housing Supply Report*
Note: Figures exclude "Homeowner" and "Commercial" plans/units.
Source: New York State Attorney General's Office, Real Estate Financing Bureau.

G.6 Number of Units in Co-op and Condo Plans Accepted for Filing By the NYS Attorney General's Office, 1987-2015

Year	New Construction	Conversion Eviction	Conversion Non-Eviction	Rehabilitation	Total New Construction Conversion & Rehab	Units in HPD Sponsored Plans
1987	8,460	1,064	35,574	--	**45,098**	1,175
1988	9,899	1,006	32,283	--	**43,188**	1,159
1989	6,153	137	25,459	--	**31,749**	945
1990	4,203	364	14,640	--	**19,207**	1,175
1991	1,111	173	1,757	--	**3,041**	2,459
1992	793	0	566	--	**1,359**	1,674
1993	775	41	134	--	**950**	455
1994	393	283	176	807	**1,659**	901
1995	614	426	201	1,258	**2,499**	935
1996	21	0	149	271	**441**	0
1997	1,417	26	131	852	**2,426**	533
1998	3,225	0	386	826	**4,437**	190
1999	1,123	343	359	1,029	**2,854**	295
2000	1,911	203	738	220	**3,072**	179
2001	3,833	22	1,053	124	**5,032**	22
2002	2,576	260	1,974	348	**5,158**	260
2003	4,870	0	639	418	**5,927**	0
2004	6,018	274	1,550	334	**8,176**	274
2005	12,210	269	2,356	223	**15,058**	269
2006	19,870	273	6,331	0	**26,474**	273
2007	19,511	248	5,441	71	**25,271**	248
2008	13,998	241	2,582	130	**16,951**	241
2009	7,270	274	725	73	**8,342**	274
2010	4,916	59	812	0	**5,787**	59
2011	4,625	209	505	14	**5,353**	209
2012	2,810	97	1,539	106	**4,552**	97
2013	3,753	0	843	649	**5,245**	0
2014	5,155	0	3,956	462	**9,573**	0
2015	**14,575**	**73**	**4,106**	**988**	**19,742**	**73**

Note: Rehabilitated units were tabulated separately beginning in 1994. HPD Plans are a subset of all plans. Some numbers were revised from prior years.

Source: New York State Attorney General's Office, Real Estate Financing Bureau.

G.7 Tax Incentive Programs, 2013-2015

Buildings Newly Receiving Certificates for 421-a Exemptions, 2013-2015

	2013			2014			2015		
	Certificates	Buildings	Units	Certificates	Buildings	Units	Certificates	Buildings	Units
Bronx	34	51	800	37	63	980	11	29	151
Brooklyn	152	208	2,921	107	148	2,209	80	92	2,107
Manhattan	56	57	2,493	29	27	2,203	22	22	1,804
Queens	79	97	1,515	62	90	1,553	29	36	1,395
Staten Island	4	6	161	0	0	0	1	1	11
TOTAL	**325**	**419**	**7,890**	**235**	**328**	**6,945**	**143**	**180**	**5,468**

Buildings Newly Receiving J-51 Tax Abatements and Exemptions, 2013-2015

	2013			2014			2015		
	Buildings	Units	Certified Cost ($1,000s)	Buildings	Units	Certified Cost ($1,000s)	Buildings	Units	Certified Cost ($1,000s)
Bronx	297	28,511	$26,919	170	8,520	$13,171	173	11,534	$18,065
Brooklyn	194	6,635	$19,091	276	14,265	$26,517	252	11,326	$22,622
Manhattan	58	4,405	$6,719	69	3,678	$10,702	60	2,836	$9,675
Queens	1,355	15,928	$10,003	875	14,043	$10,885	1,680	17,412	$16,902
Staten Island	2	180	$200	16	281	$1,976	10	1,151	$4,177
TOTAL	**1,906**	**55,659**	**$62,933**	**1,406**	**40,787**	**$63,249**	**2,175**	**44,259**	**$71,441**

Source: New York City Department of Housing Preservation and Development, Office of Development, Tax Incentive Programs.

G.8 Tax Incentive Programs – Units Receiving Initial Benefits, 1981-2015

Year	421-a	J-51
1981	3,505	--
1982	3,620	--
1983	2,088	--
1984	5,820	--
1985	5,478	--
1986	8,569	--
1987	8,286	--
1988	10,079	109,367
1989	5,342	64,392
1990	980	113,009
1991	3,323	115,031
1992	2,650	143,593
1993	914	122,000
1994	627	60,874
1995	2,284	77,072
1996	1,085	70,431
1997	2,099	145,316
1998	2,118	103,527

Year	421-a	J-51
1999	6,123	82,121
2000	2,828	83,925
2001	4,870	81,321
2002	4,953	70,145
2003	3,782	74,005
2004	6,738	117,503
2005	5,062	66,370
2006	3,875	66,010
2007	4,212	55,681
2008	4,521	64,478
2009	4,613	37,867
2010	5,895	50,263
2011	11,007	54,775
2012	10,856	45,886
2013	7,890	55,659
2014	6,945	40,787
2015	**5,468**	**44,259**

Source: New York City Department of Housing Preservation and Development, Office of Development, Tax Incentive Programs.

G.9 Building Demolitions in New York City, 1985-2015

	Bronx		Brooklyn		Manhattan		Queens		Staten Island		Total	
Year	5+ Units	Total	5+ Units	Total	5+ Units	Total	5+ Units	Total	5+ Units	Total	**5+ Units**	**Total**
1985	81	157	3	101	59	73	3	133	1	31	147	495
1986	48	96	14	197	19	38	3	273	4	67	88	671
1987	14	55	2	130	22	33	1	273	6	83	45	574
1988	3	34	2	169	25	44	2	269	0	160	32	676
1989	6	48	8	160	20	38	3	219	0	109	37	574
1990	4	29	3	133	20	28	5	119	0	71	32	380
1991	10	33	15	95	9	14	1	68	0	32	35	242
1992	12	51	6	63	2	5	1	41	0	33	21	193
1993	0	17	4	94	0	1	3	51	0	5	7	168
1994	3	14	4	83	5	5	2	42	0	8	14	152
1995	2	18	0	81	0	0	2	37	0	17	4	153
1996	-	30	-	123	-	25	-	118	-	84	-	380
1997	-	29	-	127	-	51	-	168	-	119	-	494
1998	-	71	-	226	-	103	-	275	-	164	-	839
1999	-	67	-	211	-	53	-	227	-	159	-	717
2000	-	64	-	499	-	101	-	529	-	307	-	1,500
2001	-	96	-	421	-	160	-	519	-	291	-	1,487
2002	-	126	-	500	-	89	-	600	-	456	-	1,771
2003	-	161	-	560	-	100	-	865	-	564	-	2,250
2004	-	238	-	691	-	141	-	1,128	-	547	-	2,745
2005	-	245	-	1,080	-	145	-	1,545	-	477	-	3,492
2006	-	334	-	1,109	-	259	-	1,485	-	381	-	3,568
2007	-	302	-	984	-	282	-	1,407	-	308	-	3,283
2008	-	206	-	925	-	252	-	1,082	-	215	-	2,680
2009	-	166	-	467	-	153	-	663	-	177	-	1,626
2010	-	121	-	326	-	76	-	464	-	129	-	1,116
2011	-	93	-	308	-	124	-	463	-	141	-	1,129
2012	-	121	-	284	-	144	-	434	-	139	-	1,122
2013	-	105	-	367	-	145	-	453	-	216	-	1,286
2014	-	125	-	454	-	121	-	555	-	258	-	1,513
2015	-	116	-	668	-	225	-	612	-	266	-	1,887

Note: The Census Bureau discontinued collecting demolition statistics in December, 1995. The New York City Department of Buildings began supplying the total number of buildings demolished from 1996 forward, and cannot specify whether buildings are residential, nor if they have 5+ units. Demolition statistics from 1985 though 1995 are solely residential buildings.

Source: U.S. Bureau of the Census, Manufacturing and Construction Division, Building Permits Branch; New York City Department of Buildings.

H.1 Additions to the Stabilized Housing Stock, 1994-2015

			Mitchell-Lama Buyouts					Formerly	
Year	421-a	J-51	State	City	Lofts	421-g	420-c Ω	Controlled	Total †
1994	-	114	0	0	-	-	-	-	114
1995	-	88	306	0	-	-	-	-	394
1996	-	8	0	0	-	-	-	-	8
1997	-	38	323	0	-	-	-	-	361
1998	-	135	574	1,263	64	-	-	-	2,036
1999	-	33	286	0	71	-	-	-	390
2000	-	224	0	0	96	-	-	-	320
2001	-	494	0	0	56	-	-	-	550
2002	-	260	0	232	16	-	-	-	508
1994-2002	20,240	1,394	1,489	1,495	303	865	5,500	31,159	62,445
2003	1,929	171	0	279	20	41	0	916	3,356 †
2004	4,941	142	0	229	129	188	0	706	6,335 †
2005	3,380	25	251	481	66	79	0	721	5,003 †
2006	2,264	130	285	2,755	81	5	0	634	6,154 †
2007	2,838	135	2,227	290	35	441	0	592	6,558 †
2008	1,856	55	0	101	35	865	0	887	3,799 †
2009	2,438	18	112	0	36	0	0	519	3,123 †
2010	7,596	80	0	0	9	0	0	451	8,136 †
2011	3,155	498	0	0	6	0	0	438	4,097 †
2012	2,509	108	132	0	17	0	0	360	3,126 †
2013	5,975	407	0	0	26	0	0	309	6,717 †
2014	3,110	243	318	0	21	0	0	211	3,903 †
2015	2,515	0	0	0	18	0	0	270	2,803
Total	**64,746**	**3,406**	**4,814**	**5,630**	**802**	**2,484**	**5,500 Ω**	**38,173**	**125,555 †**

Ω Figures for 2003-2014 have been revised from those reported in prior reports, due to the removal of 420-c program units. See "Other Additions to the Stabilized Housing Stock" section on page 89 for more information.

† Totals have been revised from those reported in prior years due to the removal of 420-c additions. See above note.

421-a Notes: Between 1994-2002, a count of 26,987 421-a units includes co-op and condo units that were created under the 421-a program. Analysis of the RPAD database shows that on average from 1994 to 2002, 25% of 421-a units were owner units and 75% were rental units. Therefore an estimated 20,240 units were added to the rent stabilized stock. Since 2003, 421-a data is obtained from DHCR, which provides 12 months worth of data from April 1 to March 31 of the following year, as shown above.

J-51 Notes: The numbers represent units that were not rent stabilized prior to entering the J-51 Program. Most units participating in the J-51 Program were rent stabilized prior to their J-51 status and therefore are not considered additions to the rent stabilized stock.

Loft Notes: Loft conversion counts are not available from 1994 to 1997.

421-g, 420-c and Rent Controlled Notes: Counts for individual years between 1994 and 2002 are not available; only an aggregate is available.

421-g Note: The 421-g tax incentive program provides a 14-year tax exemption and abatement benefits for the conversion of commercial buildings to multiple dwellings in the Lower Manhattan Abatement Zone, generally defined as the area south of the centerline of Murray, Frankfort and Dover Streets, excluding Battery Park City and the piers. All rental units in the project become subject to rent stabilization for the duration of the benefits. It is not expected to add any further units since the program required building permits be dated on or before June 30, 2006.

Sources: NYC Department of Housing Preservation and Development (HPD), Tax Incentive Programs and Division of Housing Supervision (Mitchell-Lama Developments); NYS Division of Housing and Community Renewal (DHCR), Office of Rent Administration, annual registration data, and Office of Housing Operations; and NYC Loft Board.

H.2 Additions to the Stabilized Housing Stock by Borough, 2015

	Bronx	Brooklyn	Manhattan	Queens	S.I.	Total
421-a	353	888	558	716	0	2,515
420-c	0	0	0	0	0	0
J-51	0	0	0	0	0	0
Mitchell-Lama Buyouts (City & State)	0	0	0	0	0	0
Lofts	0	14	4	0	0	18
Formerly Controlled	23	133	48	65	1	270
Total Additions	**376**	**1,035**	**610**	**781**	**1**	**2,803**

Sources: NYC Department of Housing Preservation and Development (HPD), Tax Incentive Programs and Division of Housing Supervision (Mitchell-Lama Developments); NYS Division of Housing and Community Renewal (DHCR), Office of Rent Administration, annual registration data, and Office of Housing Operations; and NYC Loft Board.

H.3 Average and Median Rent of Initially Registered Rent Stabilized Apartments by Borough, 2015

	Bronx	Brooklyn	Manhattan	Queens	S.I.	Citywide
Average Rent	$1,452	$2,690	$4,878	$2,490	-	$2,766
Median Rent	$1,434	$2,500	$4,378	$2,395	-	$2,167

Note: There were too few units on Staten Island to report average and median rents.

Source: NYS Division of Housing and Community Renewal (DHCR), Office of Rent Administration, annual registration data.

H.4 Subtractions from the Stabilized Housing Stock Due to High-Rent High-Income Deregulation by Borough, 1994-2015

Year	Bronx	Brooklyn	Manhattan	Queens	S.I.	Total
1994	0	0	904	0	0	904
1995	0	0	346	0	0	346
1996	1	0	180	4	0	185
1997	1	0	157	2	0	160
1998	3	0	366	3	0	372
1999	2	1	279	1	0	283
2000	2	1	227	0	0	230
2001	3	0	209	2	0	214
2002	1	1	258	2	0	262
2003	2	13	177	6	0	198
2004	0	13	173	8	0	194
2005	4	30	220	11	0	265
2006	8	28	244	21	0	301
2007	9	45	241	14	0	309
2008	10	50	198	20	0	278
2009	16	57	364	20	0	457
2010	9	44	256	27	0	336
2011	6	38	149	19	0	212
2012	5	31	119	10	0	165
2013	3	32	74	18	0	127
2014	4	21	149	12	0	186
2015	13	37	50	9	0	109
Total	**102**	**442**	**5,340**	**209**	**0**	**6,093**

Source: NYS Division of Housing and Community Renewal (DHCR), Office of Rent Administration, annual registration data.

H.5 Subtractions from the Stabilized Housing Stock Due to High-Rent Vacancy Deregulation by Borough, 1994-2015

Year	Bronx	Brooklyn	Manhattan	Queens	S.I.	Total
1994	3	9	544	9	0	565
1995	1	111	927	8	0	1,047
1996	10	106	1,203	6	0	1,325
1997	6	77	1,121	0	0	1,204
1998	7	116	2,247	14	0	2,384
1999	11	151	3,586	37	0	3,785
2000	7	279	2,586	62	0	2,934
2001	53	294	4,490	145	0	4,982
2002	64	391	5,431	251	7	6,144
2003	83	640	7,048	416	17	8,204
2004	101	758	7,271	697	29	8,856
2005	184	852	7,303	904	29	9,272
2006	217	1,408	7,187	1,106	65	9,983
2007	375	1,409	7,114	1,380	64	10,342
2008	447	1,884	8,600	1,787	82	12,800
2009	537	2,013	8,718	2,195	94	13,557
2010	581	2,154	7,807	2,290	79	12,911
2011	654	2,256	6,378	2,032	44	11,364
2012	281	1,189	4,289	922	32	6,713
2013	197	994	2,924	654	32	4,801
2014	309	1,247	3,572	1,056	51	6,235
2015	432	1,773	4,280	1,510	54	8,049
Total	**4,560**	**20,111**	**104,626**	**17,481**	**679**	**147,457**

Note: Prior to 2014, registration of deregulated units with DHCR was voluntary and not required. These totals represent a 'floor' or minimum count of the actual number of deregulated units in these years. Since 2014, the annual apartment registration must indicate that an apartment is permanently exempt. See "High-Rent Vacancy Deregulation" section on page 90 for more information.

Source: NYS Division of Housing and Community Renewal (DHCR), Office of Rent Administration, annual registration data.

H.6 Subtractions from the Stabilized Housing Stock, 1994-2015

Year	High-Rent High-Income Deregulation	High-Rent Vacancy Deregulation	Co-op/Condo Conversion	421-a Expiration	J-51 Expiration	Substantial Rehab	Commercial/ Professional Conversion	Other	Total
1994	904	565	5,584	2,005	1,345	332	139	1,904	12,778
1995	346	1,047	4,784	990	1,440	334	113	1,670	10,724
1996	185	1,325	4,733	693	1,393	601	117	1,341	10,388
1997	160	1,204	3,723	1,483	1,340	368	109	1,365	9,752
1998	372	2,384	3,940	2,150	1,412	713	78	1,916	12,965
1999	283	3,785	2,822	3,514	1,227	760	110	1,335	13,836
2000	230	2,934	3,147	3,030	884	476	729	1,372	12,802
2001	214	4,982	2,153	770	1,066	399	88	1,083	10,755
2002	262	6,144	1,774	653	1,081	508	45	954	11,421
2003	198	8,204	1,474	651	854	340	59	912	12,692
2004	194	8,856	1,564	493	609	268	79	954	13,017
2005	265	9,272	1,692	451	545	692	111	1,017	14,045
2006	301	9,983	1,567	263	236	350	135	1,139	13,974
2007	309	10,342	1,455	161	270	297	66	1,304	14,204
2008	278	12,800	1,405	376	176	421	56	1,321	16,833
2009	457	13,557	1,153	1,075	286	441	62	1,557	18,588
2010	336	12,911	1,130	657	143	274	32	1,424	16,907
2011	212	11,364	1,098	415	230	174	29	653	14,175
2012	165	6,713	924	336	244	481	74	562	9,499
2013	127	4,801	774	757	188	308	31	611	7,597
2014	186	6,235	789	1,011	137	226	13	416	9,013
2015	109	8,049	618	1,079	287	288	13	369	10,812
Total	**6,093**	**147,457**	**48,303**	**23,013**	**15,393**	**9,051**	**2,288**	**25,179**	**276,777**

Co-op/Condo Note: Subtractions from the stabilized stock in co-ops and condos are due to two factors: (1) stabilized tenants vacating rental units in previously converted buildings and (2) new conversions of stabilized rental units to ownership.

High-Rent Vacancy Deregulation Note: Prior to 2014, registration of deregulated units with DHCR was voluntary and not required. These totals represent a ‘floor’ or minimum count of the actual number of deregulated units in these years. Since 2014, the annual apartment registration must indicate that an apartment is permanently exempt. See “High-Rent Vacancy Deregulation” section on page 90 for more information.

Source: NYS Division of Housing and Community Renewal (DHCR), Office of Rent Administration, annual registration data.

H.7 Subtractions from the Stabilized Housing Stock by Borough, 2015

	Bronx	Brooklyn	Manhattan	Queens	S.I.	Total
High-Rent High-Income Deregulation	13	37	50	9	0	109
High-Rent Vacancy Deregulation	432	1,773	4,280	1,510	54	8,049
Co-op/Condo Conversion	43	183	176	215	1	618
421-a Expirations	0	5	1,054	19	1	1,079
J-51 Expirations	0	73	212	2	0	287
Substantial Rehabilitation	0	180	84	24	0	288
Commercial/Professional Conversion	2	8	3	0	0	13
Other	18	123	184	44	0	369
Total Subtractions	**508**	**2,382**	**6,043**	**1,823**	**56**	**10,812**

Source: NYS Division of Housing and Community Renewal (DHCR), Office of Rent Administration, annual registration data.

Glossary & Index

Glossary of Rent Regulation

1/40th Increase: See "Individual Apartment Improvements“

1/60th Increase: See "Individual Apartment Improvements“

421-a Tax Incentive Program: Created in 1970 (currently expired for new construction). Offers tax exemptions to qualifying new multifamily properties containing three or more rental units. Apartments built with 421-a tax exemptions are subject to the provisions of the Rent Stabilization Laws during the exemption period. Thus, 421-a tenants share the same tenancy protections as stabilized tenants and initial rents are then confined to increases established by the Rent Guidelines Board.

Adjustable Rate Mortgage (ARM): Similar to a variable rate mortgage except that interest rate adjustments are capped in order to protect lenders and borrowers from sudden upturns or downturns in a market index.

Affordable Housing: As defined by the United States Department of Housing and Urban Development, any housing accommodation for which a tenant household pays 30% or less of its income for shelter.

Balloon Loan: A loan that is partially amortized, meaning that principal is partially paid throughout the term of the loan. At maturity, the borrower still has a substantial sum (balloon) that must be repaid or refinanced.

Class A Multiple Dwelling: As defined under the Multiple Dwelling Law, a multiple dwelling building which is generally occupied as a permanent residence. The class includes such buildings as apartment houses, apartment hotels, maisonette apartments, and all other multiple dwellings except Class B dwellings.

Class B Multiple Dwelling: A multiple dwelling which is occupied, as a rule, transiently, as the more or less temporary abode of individuals or families. This class includes such buildings as hotels, lodging houses, rooming houses, boarding schools, furnished room houses, college and school dormitories.

Condominium (Condo): A form of property ownership in which units are individually owned and the owners acquire shares in an association that owns and cares for common areas.

Cooperative (Co-op): A form of property ownership in which a building or complex is owned by a corporation. Shares in the corporation are allocated per apartment and the owners of those shares, who are called proprietary lessees, may either live in the apartment for which the shares are allocated or rent that apartment to a sub-tenant.

Core Manhattan: The area of Manhattan south of 96th Street on the East Side and 110th Street on the West Side. See also “Upper Manhattan.”

Cross-sectional: The type of analysis that provides a "snapshot" view of data as it appears in a singular moment or period of time.

Debt Service: Repayment of loan principal and interest; the projected debt service is the determining factor in setting the amount of the loan itself.

Debt Service Ratio: The net operating income divided by the debt service; it measures a borrower’s ability to cover mortgage payments using a building’s net operating income.

Decontrol: See "Deregulation."

Department of Housing Preservation and Development (HPD): The New York City agency with primary responsibility for promulgating and enforcing housing policy and laws in the City. (Also see DHCR)

Deregulation: Also known as “Decontrol” or “Destabilization.” Deregulation occurs by action of the owner when an apartment under either rent control or rent stabilization legally meets the criteria for leaving regulation. When an apartment is deregulated, the rent may be set at ‘market rate.’ There are two types of deregulation, “High-Rent/High-Income Deregulation” and “High-Rent Vacancy Deregulation.” See these individual terms for more details.

Destabilization: See "Deregulation."

DHCR: See "Division of Housing and Community Renewal."

Disability Rent Increase Exemption (DRIE): A program which freezes the rent of a New York City tenant or tenant's spouse who is disabled (defined as receiving either Federal Supplemental Security Income, Federal Social Security Disability Insurance, US Department of Veterans Affairs disability pension or compensation, or Disability-related Medicaid) and living in a rent regulated apartment. To currently qualify for this benefit, a household of any size must make a combined household income no more than $50,000 per year, as well as paying at least 1/3 of their income toward their rent.

Discount Rate: The interest rate Federal Reserve Banks charge for loans to depository institutions.

Distressed Buildings: Buildings that have operating and maintenance expenses greater than gross income are considered distressed.

Division of Housing and Community Renewal (DHCR): Part of NYS Homes & Community Renewal (HCR), the New York State agency with primary responsibility for formulating New York State housing policy, and monitoring and enforcing the provisions of the state's residential rent regulation laws.

Emergency Tenant Protection Act of 1974 (ETPA): Chapter 576 Laws of 1974: In Nassau, Rockland and Westchester counties, rent stabilization applies to non-rent controlled apartments in buildings of six or more units built before January 1, 1974 in localities that have declared an emergency and adopted ETPA. In order for rents to be placed under regulation, there has to be a rental vacancy rate of less than 5% for all or any class or classes of rental housing accommodations. Some municipalities limit ETPA to buildings of a specific size, for instance, buildings with 20 or more units. Each municipality declaring an emergency and adopting local legislation pays the cost of administering ETPA (in either Nassau, Rockland or Westchester County). In turn, each municipality can charge the owners of subject housing accommodations a fee (up to $10 per unit per year).

Eviction: An action by a building owner in a court of competent jurisdiction to obtain possession of a tenant's housing accommodation.

Fair Market Rents (FMR): In New York City, when a tenant voluntarily vacates a rent controlled apartment, the apartment becomes decontrolled. If that apartment is in a building containing six or more units, the apartment becomes rent stabilized. The owner may charge the first stabilized tenant a fair market rent. All future rent increases are subject to limitations under the Rent Stabilization Law, whether the same tenant renews the lease or the apartment is rented to another tenant. The Rent Stabilization Law permits the first stabilized tenant after decontrol to challenge the first rent charged after decontrol, through a Fair Market Rent Appeal, if the tenant believes that the rent set by the owner exceeds the fair market rent for the apartment. The Appeal is decided taking into consideration the Fair Market Rent Special Guideline and rents for comparable apartments.

Family Assistance Program (FAP): NY State's TANF program. See "Temporary Assistance to Needy Families."

Federal Deposit Insurance Corporation (FDIC): Established by the federal government in 1950 to insure the deposits of member banks and savings associations.

Federal Reserve Board: The central bank of the United States founded by Congress in 1913 to provide the nation with a safer, more flexible, and more stable monetary and financial system.

Federal Funds Rate: Set by the Federal Reserve, this is the rate banks charge each other for overnight loans.

Fixed Rate Mortgage (FRM): The interest rate is constant for the term of a mortgage.

Fuel Cost Adjustment: The New York City Rent Control Law allows separate adjustments based on the changes, up or down, in the price of various types of heating fuels. The adjustment will be based on fuel price changes between the beginning and end of the prior year. Only tenants in rent controlled apartments located in New York City are subject to this fuel cost adjustment. Early rent stabilized New York City Rent Guidelines Board orders also contained supplementary guidelines adjustments denominating fuel cost adjustments.

Gross City Product (GCP): The dollar measurement of the total citywide production of goods and services in a given year.

Guideline Rent Increases: The percentage increase of the Legal Regulated Rent that is allowed when a new or renewal lease is signed. This percentage is determined by the New York City Rent Guidelines Board for renewal leases signed between October 1 of the current year and September 30 of the following year. The percentage increase allowed is dependent on the term of the lease and whether the lease is a renewal or vacancy lease (see 'Vacancy Allowance'). Although in the past the RGB customarily set increases for vacancy leases, it has not done so since the passage of the Rent Regulation Reform Act of 1997, which established statutory vacancy increases. Sometimes additional factors, such as the amount of the rent, whether or not electricity is included in the rent and the past rental history, have also resulted in varying adjustments.

High-Rent/High-Income Deregulation ("Luxury Decontrol"): The change in an apartment's status from being rent regulated to being deregulated because the household income of the tenant's in the apartment exceeds a certain threshold AND the rent of the apartment exceeds a certain threshold. These guidelines were modified with the passage of the Rent Act of 2015. Refer to the NYS Division of Housing for the most current information about these thresholds.

High-Rent/Vacancy Deregulation ("Vacancy Decontrol"): A process by which a rent regulated unit becomes deregulated upon the vacancy of the prior tenant, when the rent of the apartment exceeds a certain threshold. These guidelines were modified with the passage of the Rent Act of 2015. Refer to the NYS Division of Housing for the most current information about these thresholds.

Home Relief: See "Safety Net Assistance."

Hotel: Under rent stabilization, a multiple dwelling that provides all of the following services included in the rent:
(1) Maid service, consisting of general house cleaning at a frequency of at least once a week;
(2) Linen service, consisting of providing clean linens at a frequency of at least once a week;
(3) Furniture and furnishings, including at a minimum a bed, lamp, storage facilities for clothing, chair and mirror in a bedroom; such furniture to be maintained by the hotel owner in reasonable condition; and
(4) Lobby staffed 24 hours a day, seven days a week by at least one employee.

Housing Maintenance Code: The code, enforced by the New York City Department of Housing Preservation and Development, provides for protection of the health and safety of apartment dwellers by setting standards for the operation, preservation and condition of buildings.

Housing and Vacancy Survey (HVS): A triennial survey of approximately 18,000 households conducted by the United States Census Bureau data. The survey is used, inter alia, to determine the vacancy rate for residential units in New York City, and gather other information necessary for HPD, RGB, DHCR and other housing officials to formulate policy.

HPD: See "Department of Housing Preservation and Development."

HUD: The United States Department of Housing and Urban Development, which is the federal agency primarily responsible for promulgating and enforcing federal housing policy and laws.

HVS: See "Housing and Vacancy Survey."

I&E: Refers to the annual *Income and Expense Study* performed by the Rent Guidelines Board drawn from summarized data on RPIE forms, the income and expense statements filed annually by owners of stabilized buildings with the New York City Department of Finance.

Individual Apartment Improvements (IAI or "1/40th" or "1/60th"): An increase in rent based on increased services, new equipment, or improvements. This increase is a NYS policy and is in addition to the regular annual Rent Guidelines Board increases for rent stabilized apartments and Maximum Base Rent increases for rent controlled apartments. If owners add new services, improvements, or new equipment to an occupied rent regulated apartment, owners of rent regulated units can add 1/40th or 2.5% of the cost of qualifying improvements to the legal rent of those units excluding finance charges (if there are 35 units or less in the building) or 1/60th or 1.67% of the cost of qualifying improvements to the legal rent of those units excluding finance charges (if there are more than 35 units in the building). E.g. (in a building with 35 units or less), (1) if an apartment's legal rent was $500, and (2) the landlord made $4,000 of qualifying improvements, then (3) the landlord thereafter could add 1/40th of the cost of those improvements—in this example, $100—to the apartment's existing legal monthly rent for a resulting new legal rent of $600. The increase remains permanently in the monthly rent, even after the cost of the improvement is recouped. Owners must get the tenant's written consent to pay the increase and an order from DHCR is not required. If any apartment is vacant, the owner does not have to get written consent of a tenant to make the improvement and pass-on the increase.

Initial Legal Registered Rent: Under rent stabilization, the lawful rent for the use and occupancy of housing accommodations under the Rent Stabilization Law or the Emergency Tenant Protection Act, as first registered with the DHCR, which has not been challenged pursuant to regulation, or if challenged, has been determined by the DHCR.

In Rem: *In Rem* units include those located in structures owned by the City of New York as a result of an *in rem* proceeding initiated by the City after the owner failed to pay tax on the property for one or more years. Though many of these units in multiple dwellings had previously been subject to either rent control or rent stabilization, they are exempt from both regulatory systems during the period of city ownership.

J-51 Tax Incentive Program: A New York City program under which, in order to encourage development and rehabilitation, property tax abatements and exemptions are granted. In consideration of receiving these tax abatements, and at least for the duration of the abatements, the owner of these buildings agree to place under rent stabilization those apartments which would not otherwise be subject to rent stabilization. This program provides real estate tax exemptions and abatements to existing residential buildings that are renovated or rehabilitated in ways that conform to the requirements of the statute. It also provides these benefits to residential buildings that were converted from commercial structures.

Legal Rent: The maximum rent level that a landlord is entitled to charge a tenant for a rent regulated unit. The landlord of a rent stabilized unit must annually register that legal rent with DHCR.

Legislature: The New York State Legislature.

Loft Board: A New York City agency that regulates lofts. Lofts are governed by Article 7-C of the Multiple Dwelling Law, and are not (until brought up to Code) within DHCR's rent regulatory jurisdiction.

Loan-to-Value Ratio (LTV): An expression of the safety of a mortgage principal based on the value of the collateral (e.g., an LTV of 50% means that a lender is willing to provide a mortgage up to half the value of a building). A decline in LTV may indicate a tightening of lending criteria and vice versa.

Longitudinal: The type of analysis that provides a comparison of identical elements over time, such as comparing data from 2015 to the same data in 2014.

Low Rent Supplement: See "Supplemental Adjustment."

Major Capital Improvements (MCI): When owners make improvements or installations to a building subject to the rent stabilization or rent control laws, they may be permitted to increase the building's rent based on the actual, verified cost of the improvement. To be eligible for a rent increase, the MCI must be a new installation and not a repair to old equipment. For example, an owner may receive an MCI increase for a new boiler or a new roof but not for a repaired or rebuilt one. Other building-wide work may qualify as MCIs as well, such as "pointing and water-proofing" a complete building where necessary. The Rent Stabilization Code also stipulates that applications for MCI rent increases must be filed within two years of completion of the installation. MCI rent increases must be approved by DHCR.

Maximum Base Rent Program (MBR): The Maximum Base Rent Program is the mechanism for authorizing rent increases for New York City apartments subject to rent control so as to ensure adequate income for their operation and maintenance. New York City Local Law 30 (1970) stipulates that MBRs be established for rent controlled apartments according to a formula calculated to reflect real estate taxes, water and sewer charges, operating and maintenance expenses, return on capital value and vacancy and collection loss allowance. The MBR is updated every two years by a factor that incorporates changes in these operating costs.

Maximum Collectible Rent (MCR): The rent that rent controlled tenants actually pay is called the Maximum Collectible Rent (MCR). The MCR generally is less than the MBR. By law, the MCR cannot be increased by more than 7.5% per year for each year of the two year MBR cycle unless there are Major Capital Improvements or individual apartment rent increases. For example, if a tenant's rent (MCR) on 12/31/01 was $600, and the MBR was $700, then on 1/1/02 (effective date of MBR) the rent (MCR) would rise 7.5% to $645 and the MBR ceiling would rise by 10.5% (the 2002-03 MBR factor) to $773.50. On 1/1/03, the MBR would remain the same (since MBRs cover a two-year period), but the MCR would rise by another 7.5% to $693.38.

Mean and Medians: The "mean" is an arithmetic average of numbers. Numbers at the extreme of a range can have a potentially distorting effect on the mean. The "median" is considered by many as a more constant measure of that same set of numbers because it moderates the distorting effect of any extremes or other aberrations, because it is the 50th percentile of the numbers under analysis, or the number in the middle.

Net Operating Income (NOI): The amount of income remaining after operating and maintenance expenses are paid is typically referred to as Net Operating Income (NOI). NOI can be used for mortgage payments, improvements, federal, state and local taxes and after all expenses are paid, profit.

New Law Tenement: A "Class A" multiple dwelling constructed between 1901 and 1929 and subject to the regulations of the Tenement House Law. Distinguished from the old law tenement in terms of reduction of hazardous conditions and improved access to light and air.

New York City Housing Authority (NYCHA): The New York City agency that administers public housing and rental assistance programs.

NYC Rent Guidelines Board: See "Rent Guidelines Board."

Nominal Dollars: Dollars not adjusted to take inflation into account. See also "Real Dollars."

Old Law Tenement: A "Class A" multiple dwelling constructed before 1901 and subject to the regulations of the Tenement House Law.

O&M: Refers to the operating and maintenance expenses in buildings.

Operating Cost Ratio: The "cost-to-income" ratio, or the percentage of income spent on O&M expenses, is traditionally used by the RGB to evaluate estimated profitability of stabilized housing, presuming that buildings are better off by spending a lower percentage of revenue on expenses.

Orders: See "Rent Guidelines Orders."

Outer Boroughs: Queens, Brooklyn, the Bronx and Staten Island, or the boroughs of New York City not including Manhattan. These boroughs are often grouped together for purposes of analysis because their economic and demographic attributes are more similar to each other than those found in Manhattan.

PIOC: Price Index of Operating Costs. The major research instrument performed by the RGB staff to determine the annual change in prices for a market basket of goods and services used by owners to operate and maintain rent stabilized buildings.

Points: Up-front service fees charged by lenders.

Post-46 or Post-war: A common classification of residential buildings used by City agencies to describe buildings built after World War II. Buildings with six or more residential units constructed between 1947 and 1973, or after 1974 if the units received a tax abatement such as 421-a or J-51, are generally stabilized.

Preferential Rent: A rent charged by an owner to a tenant that is less than the established legal regulated rent. Owners are not necessarily required to base renewal lease increases on the preferential rent.

Pre-47 or Pre-war: A common classification of residential buildings used by City agencies to describe buildings built before the World War II. Buildings with six or more units constructed before February 1, 1947 are generally stabilized when the current tenant moved in on or after July 1, 1971.

Real Dollars: Dollars adjusted to take inflation into account. Real dollar figures offer a comparison between years that are pegged to the value of a dollar in a given year. See also "Nominal Dollars."

Registration: Owners are required to register all rent stabilized apartments with DHCR by filing an Annual Apartment Registration Form which lists rents and tenancy information as of April 1st of each year.

Renewal Lease: The lease of a tenant in occupancy renewing the terms of a prior lease entered into between the tenant and owner for an additional term. Tenants in rent stabilized apartments have the right to select a lease renewal for a one- or two-year term. The renewal lease must be on the same terms and conditions as the expiring lease unless a change is necessary to comply with a specific law or regulation or is otherwise authorized by the rent regulation. The owner may charge the tenant a Rent Guidelines Board authorized increase based on the length of the renewal lease term selected by the tenant. The law permits the owner to raise the rent during the lease term if the Rent Guidelines rate was not finalized when the tenant signed the lease renewal offer. A renewal lease should go into effect on or after the date that it is signed and returned to the tenant as well as on the day following expiration of the prior lease. In general, the lease and any rent increase may not begin retroactively. Penalties may be imposed when an owner does not timely offer the tenant a renewal lease or timely return to the tenant an executed copy thereof.

Rent Act of 2011: The law passed by the New York State Legislature in June, 2011 which revised several regulations of rent stabilized units. Most notably, it provides for a maximum of one vacancy increase a year, modified the way individual apartment improvements are calculated, and raised the thresholds for both high-rent/vacancy deregulation and high-rent/high-income deregulation.

Rent Act of 2015: The law passed by the New York State Legislature in June, 2015 which revised several regulations of rent stabilized units. Most notably, it raised the rent thresholds for deregulation of rent stabilized units, altered the formula for calculating Major Capital Improvement Increases, and altered the formula for calculating vacancy lease increases.

Rent Control: The rent regulation program which generally applies to residential buildings constructed before February, 1947 in municipalities for which an end to the postwar rental housing emergency has not been declared. For an apartment to be under rent control, the tenant must generally have been living there continuously since before July 1, 1971 or for less time as a successor to a rent controlled tenant. When a rent controlled apartment becomes vacant, it either becomes rent stabilized or is removed from regulation, generally becoming stabilized if the building has six or more units and if the community has adopted Emergency Tenant Protection Act. Formerly controlled apartments may have been decontrolled on various other grounds. Rent control limits the rent an owner may charge for an apartment and restricts the right of an owner to evict tenants. It also obligates the owner to provide essential services and equipment. In New York City, rent increases are governed by the MBR system.

Rent Guidelines Board (RGB): The New York City agency responsible for setting the yearly rent-rate adjustments for the City's rent stabilized apartments, and also the agency which produced this publication. The Board is appointed by the Mayor and consists of two members who represent tenants, two members who represent the real estate industry and five public members.

RGB Rent Index: An index that measures the overall effect of the Board's annual rent increases on contract rents.

RGB: See "Rent Guidelines Board."

Rent Guidelines Orders: Rent guideline orders are issued by the rent guidelines boards annually, usually before July 1. For the most part, they establish the percentage increases that may be given to rent stabilized/ETPA apartments upon lease renewal and for new leases. These increases are based on the review of operating expenses and other cost of living data.

RPIE Forms: Owners of stabilized buildings are required by Local Law 63 to file Real Property Income and Expense (RPIE) forms annually with the New York City Department of Finance. RPIE forms contain detailed financial information regarding the revenues earned and the costs accrued in the operation and maintenance of stabilized buildings. Buildings with fewer than 11 apartments (except those with commercial units); an assessed value of $40,000 or less; or exclusively residential cooperatives or condominiums are exempt from filing. RPIE forms are also known as I&E forms.

Rent Regulation Reform Act of 1997 (RRRA-97): The law passed by the New York State Legislature in June, 1997 which promulgated several new provisions for rent regulated units. See "Luxury Decontrol", "Special Low Rent Increase", "Vacancy Allowance", "Vacancy Bonus" and "Vacancy Decontrol". Also known as the "Rent Act."

Rent Stabilization: In New York City, rent stabilized apartments are generally those apartments in buildings of six or more units built between February 1, 1947 and January 1, 1974. Tenants in buildings built before February 1, 1947, who moved in after June 30, 1971 are also covered by rent stabilization. A third category of rent stabilized apartments covers buildings subject to regulation by virtue of various governmental supervision or tax benefit programs. Generally, these buildings are stabilized only while the tax benefits or governmental suspension continues. In some cases, a building with as few as three units may be stabilized. Similar to rent control, stabilization provides other protections to tenants besides regulation of rental amounts. Tenants are entitled to receive required services, to have their leases renewed, and not to be evicted except on grounds allowed by law. Leases may be entered into and renewed for one or two year terms, at the tenant's choice.

Rent Stabilization Code: The Rent Stabilization Code is the body of regulations used by DHCR to implement the Rent Stabilization Law and Emergency Tenant Protection Act in New York City. These regulations affect nearly 1 million rent stabilized apartments in New York City. Chapter 888 of the Laws of 1985 authorized DHCR to amend the Rent Stabilization Code for New York City. The current Rent Stabilization Code became effective on May 1, 1987, with subsequent revision in 2000.

Rental Vacancy Rate: The percentage of the total rental units in an area that are vacant and available for occupancy. The vacancy rate for New York City is determined every three years by the Housing and Vacancy Survey.

Rooming House: Under rent regulation, in addition to its customary usage, a building or portion of a building, other than an apartment rented for single-room occupancy, in which housing accommodations are rented, on a short-term basis of daily, weekly or monthly occupancy, to more than two occupants for whom rent is paid, not members of the landlord's immediate family. The term shall include boarding houses, dormitories, trailers not a part of a motor court, residence clubs, tourist homes and all other establishments of a similar nature, except a hotel or a motor court.

Safety Net Assistance (SNA): An income assistance program set up under the New York State Welfare Reform Act of 1997 to replace Home Relief (HR).

Section 8 Vouchers: A federally-funded housing assistance program that pays participating owners on behalf of eligible tenants to provide decent, safe, and sanitary housing for very low income families at rents they can afford. Housing assistance payments are generally the difference between the local payment standard and 30% of the family's adjusted income. The family has to pay at least 10% of gross monthly income for rent. In NYC, the program is administered by NYCHA.

Section 8 Certificates: A federally-funded housing assistance program that provides housing assistance payments to participating owners on behalf of eligible tenants to provide decent, safe and sanitary housing for low income families in private market rental units at rents they can afford. This is primarily a tenant-based rental assistance program through which participants are assisted in rental units of their choice; however, a public housing agency may also attach up to 15% of its certificate funding to rehabilitated or newly constructed units under a project-based component of the program. All assisted units must meet program guidelines. Housing assistance payments are used to make up the difference between the approved rent due to the owner for the dwelling unit and the family's required contribution towards rent. Assisted families must pay the highest of 30% of the monthly adjusted family income, 10% of gross monthly family income, or the portion of welfare assistance designated for the monthly housing cost of the family.

Senior Citizen Rent Increase Exemption (SCRIE): If a New York City tenant or tenant's spouse is 62 years of age or over (living in a rent regulated apartment), and the combined household income is currently $50,000 per year or less and they are paying at least 1/3 of their income toward their rent, the tenant may apply for the Senior Citizen Rent Increase Exemption (SCRIE). In New York City, the Department of Finance (DOF) administers the SCRIE program. Outside of New York City, Senior Citizen Rent Increase Exemption is a local option, and communities have different income eligibility limits and regulations. If a New York City tenant qualifies for this program, the tenant is exempt from future rent guidelines increases, Maximum Base Rent increases, fuel cost adjustments, MCI increases, and increases based on the owner's economic hardship. New York City senior citizen tenants may also carry this exemption from one apartment to another upon moving, upon the proper application being made to the Department of Finance.

Shelter Allowance: A rental grant provided to households receiving public assistance under the Family Assistance Program (FAP).

Single-Room Occupancy Housing (SRO): Residential properties in which some or all dwelling units do not contain bathroom or kitchen facilities. Under rent regulation, the occupancy by one or two persons of a single room, or of two or more rooms which are joined together, separated from all other rooms within an apartment in a multiple dwelling, so that the occupant or occupants thereof reside separately and independently of the other occupant or occupants of the same apartment.

Special Guideline: The New York City Rent Guidelines Board is obligated to promulgate special guidelines to aid the State Division of Housing and Community Renewal in its determination of initial legal regulated rents for housing accommodations previously subject to rent control. This is determined each year by the RGB as applicable to the determination of Fair Market Rent Appeals.

Special Low Rent Increase: This provision of the 1997 Rent Regulation Reform Act permits the landlords of units which rent for less than $300 to charge those vacancy allowances otherwise permitted (including the "vacancy bonus") plus $100. Moreover, if an apartment rented for between $300 and $500, this same provision of the Rent Act provides that "in no event shall the total increase pursuant to this [vacancy allowance provision of the Rent Act] be less than one hundred dollars per month."

Special Vacancy Allowance: See *Vacancy Bonus*

Statutory Vacancy Allowance: See *Vacancy Allowance*

Sublet: The temporary transfer of a tenant's legal interest in an apartment to another person. A tenant who sublets an apartment to another person is the prime tenant. The person to whom the apartment is sublet is the subtenant. In a sublet situation, the prime tenant must abide by the rent stabilization rules that govern the building owner.

Supplemental Adjustment: A rent increase that has been allowed in certain years in addition to a regular Guideline Rent increases for apartments. The supplementary adjustment amount is established for that guideline year by the New York City or County Rent Guidelines Boards based upon the date the lease was signed, the term of the lease and the county. Also known as the "Low Rent Supplement."

Surcharge: An added charge which is paid by the tenant but not included in the legal regulated rent and is not compounded by guidelines adjustments. Examples of surcharges are: the $5.00 a month charge for an air conditioner that protrudes beyond the window line; the electrical charge for air conditioners in electrical inclusion buildings; and for the installation of window guards.

Tax Commission Income and Expense Form (TCIE): An application by building owners to appeal their tax assessments.

Temporary Assistance to Needy Families (TANF): An income assistance program set up under the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 to replace Aid to Families with Dependent Children (AFDC). Under TANF block grant system, each state has the authority to determine who is eligible, the level of assistance, and how long it will last. The New York State's TANF program is called the Family Assistance Program (FAP).

Term: The length of time in which a mortgage is expected to be paid back to the lender; the shorter the term, the faster the principal must be repaid and consequently the higher the debt service and vice versa.

Transient Occupancy: Among the criteria that must be met for hotel rooms, tourist homes, and motor courts to be exempt from rent regulation is that they are used for transient occupancy. Whether occupancy is transient depends on a number of factors, including whether rates are charged by the day, week, or month, and the proportions of occupants who stay for various lengths of time.

Upper Manhattan: The area of Manhattan north of 96th Street on the East Side and 110th Street on the West Side. See also "Core Manhattan."

Vacancy Allowance: A provision in the Rent Regulation Reform Act of 1997 (and following Acts) allowing owners of rent stabilized units to raise by a certain percentage the legal rent of a vacant unit. For an incoming tenant who opts for a two-year lease, the vacancy allowance is 20%. For an incoming tent who opts for a one-year lease, the vacancy allowance is 20% minus the percentage difference between the RGB's current guidelines for a two-year and a one-year lease. Other factors affect these percentages as well (see also the "Vacancy Bonus" and the "Special Low Rent Increase"). Changes to the formula for those apartments previously paying a preferential rent were also enacted in the Rent Act of 2015. For the 2016-2017 guideline period, the one-year vacancy guideline is 18% and the two-year guideline is 20%. With the passage of the Rent Act of 2011, as of June 24, 2011, landlords are permitted only one vacancy allowance per calendar year, regardless of the number of vacancies.

Vacancy Bonus: An additional rental increase allowed for units that become vacant after a long-term tenant has moved out. If the prior tenant had been in occupancy at least for eight years—and thus the unit had not "received" a vacancy allowance during that time—the Rent Regulation Reform Act of 1997 permits the landlord to charge an additional 0.6% for each year since the unit received its last vacancy allowance. For example, if (1) the incoming tenant opts for a two-year lease, after (2) the prior tenant had been in occupancy for ten years, then the landlord can charge the incoming tenant a 20% vacancy allowance (for a two-year lease) plus another 6% (ten years times 0.6%) for a total increase of 26% over the legal rent which had been paid by the departing tenant.

Vacancy Lease: When a person rents a rent stabilized apartment for the first time, or, when a new name (not the spouse or domestic partner) is added to an existing lease, this is a vacancy lease. This written lease is a contract between the owner and the tenant which includes the terms and conditions of the lease, the length of the lease and the rights and responsibilities of the tenant and the owner. The Rent Stabilization Law gives the new tenant (also called the vacancy tenant) the choice of a one- or two-year lease term. The rent the owner can charge may not be more than the last legal regulated rent plus all increases authorized by the Rent Stabilization Code, including increases for improvements to the vacant apartment.

Warranty of Habitability: Real Property Law Section 235-b entitles tenants to a livable, safe and sanitary apartment and building and remedies are specified when these conditions are not met.

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