HOUSING NYC

Rents, Markets & Trends 2021

NYC Rent Guidelines Board

NYC Rent Guidelines Board
1 Centre Street, Suite 2210
New York, NY 10007
nyc.gov/rgb

Chair
David Reiss

Design and Layout
Danielle Burger

Research and Reports
Andrew McLaughlin
Brian Hoberman
Danielle Burger

Housing NYC

Rents, Markets & Trends 2021

New York City Rent Guidelines Board

Table of Contents

HOUSING SUPPLY

Housing Supply Report

Changes to the Rent Stabilized Housing Stock

List of Appendices

Appendix A: Guidelines Adopted by the Board

Appendix B: Price Index of Operating Costs

Appendix C: Income and Expense Study

Appendix D: Mortgage Survey Report

Appendix E: Income and Affordability Study

Appendix F: Housing Supply Report

Appendix G: Changes to the Rent Stabilized Housing Stock

Chair's Acknowledgments

New York City continues to experience vacancy levels (3.63% Citywide for all rentals and 2.06% for rent stabilized units, according to the most recent data) 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.

Our task was particularly difficult this year because the COVID-19 pandemic continued to rage on, with its deepening toll first and foremost measured in human suffering and loss. Building on their work adapting to the virtual environment last year, the RGB staff ran a pretty flawless meeting and hearing schedule this year. Nonetheless, they and the members of the Board are looking forward to a return to in-person meetings next year.

In determining the renewal lease adjustment rates for 2021, we followed the long-established practice of prior Boards: we rely upon the carefully gathered data provided by the RGB staff. The reports in this edition of *Housing NYC: Rents, Markets and Trends 2021* provide the foundation for the Board's deliberations and our decisions this year. Given the constantly changing effects of the pandemic, the staff was also sure to update its reports with additional data as soon as it was available.

The Board is grateful to the RGB staff for their hard work, careful analysis, and clear presentation of data. This staff conducts research that is invaluable to the Board, as well as to the many people and organizations who participate in the public discussion of its work. 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. The Board is also appreciative for the testimony of outside experts who had access to recent data about tenants and owners and were able to share and discuss that data with us. In a year as challenging as this, that testimony was most helpful.

This book is critical for those who are interested in the Board's decisions for a particular year. It is also the latest installment in a series of annual books produced by the RGB staff that provide a rich data set and analysis for use by housing professionals, government officials, housing advocates, academics, and members of the public who care about the quality and affordability of New York City's rental housing.

Our decision was rooted in the data compiled in this book, but the Board also benefitted from the people who attended this year's public hearings who told some of the individual stories that are behind the aggregated data. We are particularly grateful to the many members of the public who submitted testimony. This testimony gave us insight into the challenges faced by both tenants and owners. We also benefitted from the perspectives of the elected officials, representatives of tenant and owner groups, and public policy organizations who testified as well.

New Yorkers faced challenges that were unimaginable at the start of 2020. I was struck by the resiliency of our citizenry, who fight to return to some new version of "normal" living in our City. The introduction of Covid vaccines in the last year has allowed us to move in that direction. But in the interim, it remains my privilege to be part of this Board during such a challenging year. We are given a weighty task and the members of the Board have committed themselves to careful and thoughtful decision-making under these difficult circumstances. I thank the members of the Board, the RGB staff, and all of those who testified for their participation in this critically important endeavor.

David J. Reiss Chair of the Board

Executive Director's Acknowledgments

Each year the NYC Rent Guidelines Board (RGB) publishes its primary research reports in a publication entitled *Housing NYC: Rents, Markets and Trends*. The 2021 edition reflects data collected by the RGB research staff, which was used by the Board in its deliberation of annual renewal lease guidelines for rent stabilized dwelling units in New York City. The research contained in this compendium not only represents efforts by the RGB staff, but contributions by many other housing professionals and government agencies.

Once again, 2021 brought challenges to the Board and staff due to the on-going pandemic. As in 2020, we were faced with having to hold meetings and hearings remotely and staff continued to work from home. Through this persistent adversity, we continued to produce relevant and accurate data reflecting the impact that the pandemic has had on both operators of rent stabilized housing and their residents. I thank the Board and staff for all for their hard work and commitment to overcome the hurdles placed before them.

Even though Covid-19 continued to disrupt our daily work routine, our seasoned research staff continued to provide comprehensive data to the Board members during this health crisis. Our Research Director, Brian Hoberman, authored the *2021 Income and Expense Study*, *2021 Mortgage Survey Report* and *Changes to the Rent Stabilized Housing Stock in New York City in 2020*. Deputy Research Director Danielle Burger authored the *2021 Income and Affordability Study*, the *2021 Housing Supply Report* and contributed to the *2021 Price Index of Operating Costs*. These two talented professionals continue to generate exceptional work, ensuring that the Board has the most current and relevant data to promulgate lease adjustments.

The annual *Price Index of Operating Costs (PIOC)*, which measures the change in operating and maintenance costs for rent stabilized buildings, is the most extensive project performed by the RGB. Although each member of the staff spends time working on this project, it would not be possible without our temporary survey personnel. Our thanks go out to our dedicated and hard-working data collector Michael Taylor, who adjusted to the negative impacts of the pandemic on our annual data collection process to collect quality data. Finally, and perhaps most importantly, we once again thank James Hudson for his invaluable and prompt assistance with numerous situations regarding both the PIOC and income and expense data.

Although the reports contained in *Housing NYC* are written and compiled by our research team, our efforts would not be possible without the RGB's Office Manager/Public Information Officer, Charmaine Superville. Along with the research staff, she continued her exceptional work when forced to work from home. She is our primary point person in answering the thousands of phone calls the RGB receives each year. Over the years, she has accumulated a vast knowledge of rent stabilization and housing issues in NYC, which she delivers to our callers with patience and kindness. Her varied and numerous administrative duties ensured that the RGB continued to operate without missing a beat.

As Executive Director, I work closely with the Chair of the Board. I would like to extend my thanks to the RGB's Chair, David Reiss, for his continued support of the staff. He has deftly navigated this prolonged health crisis, ensuring that the Board had met its legal mandate of promulgating renewal-lease adjustments for rent stabilized housing. It has been my honor to work with him under these difficult circumstances. His leadership and dedication to this Board is very much appreciated. In addition, I would also like to extend my gratitude to each and every member of the Board for working through this pandemic. Their unwavering dedication to this process has been inspiring.

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: Orlando Vasquez 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 and Annette Parisi at the NYC Civil Court, for data on housing court proceedings; Hanchun Lin at the NYC Loft Board, for data concerning loft conversions to rent stabilization; Emre Edev at the City Council's Finance Division for tax levy data; Aisha Watson and Christian Klossner of the Mayor's Office of Special Enforcement for illegal hotel violations data; and Yaw Owusu-Ansah 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 and Michael Berrios for their assistance and expertise regarding owner registration data and Amy Keefe for their 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; Meilan Chiu 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.

This past year has seen the continuation of a long and cooperative relationship with HPD. We would like to thank Commissioner Louise Carroll, Elyzabeth Gaumer, and Jeremy Constancio for continuing and strengthening this relationship. Their support and hard work are truly appreciated.

Andrew McLaughlin
Executive Director

Income & Expense

New York City Rent Guidelines Board

2021 Price Index of Operating Costs

What's New

- ☑ The Price Index of Operating Costs (PIOC) for buildings that contain rent stabilized apartments increased 3.0% this year.
- ☑ Costs in natural-gas heated buildings increased 3.8%, while costs in fuel-oil heated buildings increased 1.6%.
- ☑ The "Core" PIOC, which excludes the changes in fuel oil prices, natural gas and steam costs, rose by 3.5% this year.
- ☑ The Hotel PIOC increased 1.9% this year.
- ☑ Fuel costs decreased 3.3% and Administrative costs fell 0.7%, the only decreases of any PIOC component.
- ☑ Real estate taxes increased 3.9%, primarily due to a rise in assessments for Class Two properties.
- ☑ Insurance Costs rose by the greatest proportion, increasing 18.8%.
- ☑ The Utilities component increased by 2.1%, due to a rise in electricity costs.
- ☑ The Labor Costs component increased by 2.8%, due to increases in both union and non-union labor.
- ☑ The Maintenance component increased by 3.1%.
- ☑ The PIOC for buildings that contain rent stabilized apartments is projected to increase 1.3% next year.

Apartments

Change In Costs for Buildings that Contain Rent Stabilized Apartments, April 2020 to March 2021

Taxes	3.9%
Labor Costs	2.8%
Fuel	-3.3%
Utilities	2.1%
Maintenance	3.1%
Administrative Costs	-0.7%
Insurance Costs	18.8%
All Costs	**3.0%**

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 Plumbing, Non-union Wages, Faucet or Roof Repair.

Price Relative - the change 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.

Introduction

The Price Index of Operating Costs (PIOC) measures changes in the cost of purchasing a specified set of goods and services (market basket) used in the operation and maintenance of buildings that contain rent stabilized units in New York City. The PIOC consists of seven cost components: Taxes, Labor Costs, Fuel, Utilities, Maintenance, Administrative Costs and Insurance Costs. The specific goods and services (items) within each component were originally selected based on a study of 1969 expenditure patterns by owners of buildings that contain rent stabilized apartments. The specific items included in each component have changed over time in order to reflect changes in owner expenditure patterns. The methodology for determining the costs for each component is described in the final section of this report. The measured price changes (price relatives) in each index component are presented in Appendix B.2. The relative importance of each index component as a percentage of total operating and maintenance expenditures is shown by its "expenditure weight" (see Appendix B.2). The 2020-2021 price changes and expenditure weights are then combined to provide the overall change in the PIOC for 2020-2021.[1]

The Price Index of Operating Costs for Buildings that Contain Rent Stabilized Apartments rose ...

3.0%

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.

Overview

This year, the PIOC for all rent stabilized apartments increased by 3.0%. Increases occurred in all PIOC components, except Fuel and Administrative Costs. The largest proportional increase was seen in Insurance (18.8%), followed by Taxes (3.9%), Maintenance (3.1%), Labor Costs (2.8%), and Utilities (2.1%). Fuel and Administrative Costs both declined over the year, by 3.3% and 0.7%, respectively. The growth in the Consumer Price Index (CPI), which measures inflation in a wide range of consumer goods and services, during this same time period was lower than the PIOC, rising 1.5%.[2] See the table on the previous page and Appendix B.2 for changes in costs and prices for buildings that contain rent stabilized apartments from 2020-2021.

The "Core" PIOC, which excludes changes in fuel oil, natural gas and steam costs used for heating buildings, is useful for analyzing long-term inflationary trends. The Core PIOC rose by 3.5% this year and was higher than the overall PIOC due to the exclusion of costs in the Fuel component, which fell 3.3%. The PIOC for hotels increased by 1.9%, while apartments heated by gas increased by 3.8% and those heated by oil increased by 1.6%.

Price Index Components — Apartments

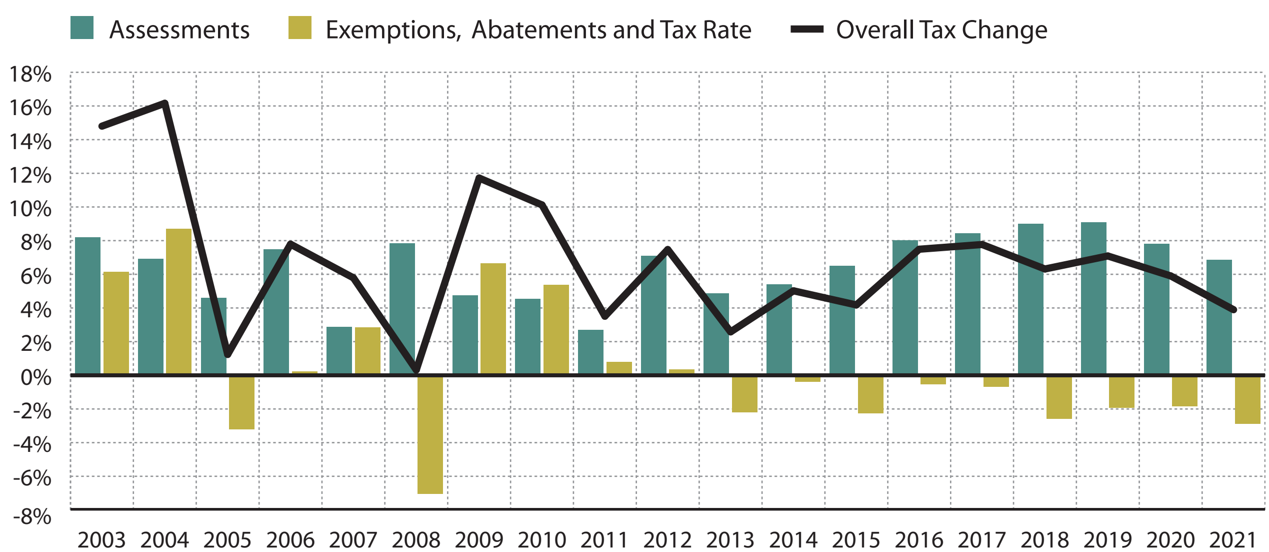
Taxes

The Taxes component of the PIOC is based entirely on real estate taxes and accounts for nearly a third of the overall price index. The change in tax cost is estimated by comparing aggregate taxes levied on buildings that contain rent stabilized apartments in Fiscal Year (FY) 2020 and FY 2021. Aggregate real estate taxes rose this year by 3.9%. The growth in taxes was primarily due to a 6.9% rise in assessments. The rise in assessments was offset by a rise in the total value of exemptions, which had the effect of lowering the total rise in taxes by 1.4%. In addition, a decline in the tax rate of 1.6% also helped to offset the rise in assessments. Change in tax abatements had little impact on the change in Taxes for 2021.

Tax Levy — The total tax levy for all properties in the City (commercial and residential) increased by 5.5% from FY 2020 to FY 2021. The large majority of rent stabilized apartments are contained in multi-family buildings that are in Tax Class 2.[3] The total Class 2 property levy rose at a slower pace than that of the City as a whole, at a rate of 4.9%. The distribution of the levy among property classes tends to shift from year to year. From FY 2020 to FY 2021, the levy share for Class 2 properties decreased by 0.2 percentage points, from 38.0% to 37.8% of the total tax burden. This is significantly higher than the 26.3% share that

Percent Change in Taxes due to Assessments and Exemptions/Abatements/Tax Rate 2003-2021

The Growth in Assessments for Buildings with Rent Stabilized Apartments Declined in 2021



Source: New York City Department of Finance was established at the inception of the four-class tax system in 1983.

Tax Rate — The average annual FY 2020 Tax Class 2 rate of 12.473% decreased by 1.7%, resulting in a new annualized rate of 12.267% for FY 2021. This is the seventh time in the past nine years that the Class 2 tax rate decreased. For a historical perspective on changes in the tax rate, abatements, and exemptions, see the graph on the previous page.

Assessments — Assessed valuations of properties containing rent stabilized apartments rose by 6.9% Citywide in FY 2021. Assessments rose in all five boroughs, with Brooklyn witnessing the highest growth at 10.5%, followed by the Bronx at 10.0% and Staten Island at 8.6%. Manhattan and Queens witnessed the lowest growth in assessments, rising by 5.7% and 6.5%, respectively.

Buildings in Manhattan drive much of the change in assessed value Citywide. This was true in FY 2021, with 59% of the total assessed value attributed to this borough. For a historical perspective on changes in tax assessments, see the graph on the previous page.

Abatements and Exemptions — This year, the number of buildings that contain rent stabilized apartments receiving tax abatements decreased by 12.4% from the previous fiscal year. At the same time, the average benefit value of the typical tax abatement increased by 1.7% from FY 2020 to FY 2021. The net impact of the decrease in the number of buildings receiving abatements and the increase in the average abatement value was a negligible increase in the overall change in Taxes of just 0.1%.

In FY 2021, 1.1% more buildings benefited from tax exemptions and the value of the average tax exemption increased by 5.0%. This combination of an increase in the average value of tax exemptions and the slight increase in the number of buildings receiving exemptions resulted in reducing the increase in the overall change in Taxes by 1.4% (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 non-unionized labor makes up more than half of the Labor Costs component. The entire Labor Costs component comprises 11.1% of the overall Price Index.

Labor Costs rose 2.8%, 0.4 percentage points lower than last year's rise of 3.2%. The rise in Labor Costs was primarily due to increases in non-union wages, as well as rising costs in healthcare. An increase in unemployment insurance of 6.2% had minimal impact, since it accounts for one percent of this component's weight.

Wages comprise 80% of the Labor Costs component. Non-union pay increased by 2.2%, 2.0 percentage points lower than the increase seen in the 2020 PIOC (4.2%). Unionized wages also rose, rising by 3.9%, 1.7 percentage points greater than last year (2.2%). Health and welfare benefits, which comprises almost 14% of the Labor Costs component, increased 3.8%.

Following a supplement to the Owner Survey in 2020 that asked owners for detailed information on their labor costs, the weights of the Labor Costs component were redistributed in 2021. There was a shift in wages from union to non-union labor, and the weight of health and welfare benefits dropped by more than nine percentage points. See Appendix B.2 for all Labor Costs item weights and price relatives.

Fuel

The Fuel component comprises 7.3% 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 and steam.[4]

This year the Fuel component decreased 3.3%, following a 12.3% decrease in the prior year. Natural gas costs, which account for 47% of the overall costs in this component, increased 8.5%. The cost for

Fuel Oil Cost Relative vs. Change in Fuel Price, 2012-2021

PIOC Year	Fuel Oil Cost Relative*	Change in Fuel Oil Price**
2021	-16.1%	-19.9%
2020	-8.6%	2.5%
2019	14.4%	9.4%
2018	19.9%	16.3%
2017	22.1%	7.3%
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%

* 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, the weather factor will put downward pressure on the fuel oil relative.

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

Source: Price Index of Operating Costs reports (2012-2021)

heating buildings by fuel oil makes up 46% of this component, and decreased 16.1%. Steam costs increased 2.4%, but these costs account for only 7% of the Fuel component.

Along with measuring price, the PIOC also takes into account the effect of weather on the demand for fuel, especially during the heating season when the large majority of fuel is burned. Since the weather this year was colder than last year, the Fuel Component declined to a lesser degree than would be seen based purely on price. For instance, the decrease in fuel oil prices (19.9%) was offset by the colder weather, increasing the consumption of fuel oil and causing a lesser decline in cost, 16.1%. 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. See Appendix B.2 for all Fuel item weights and price relatives.

Utilities

The Utilities component consists of non-heating natural gas and electricity costs, as well as water and sewer charges, and it comprises 9.8% 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 72% of the Utilities component.

This year Utilities increased 2.1%, compared to a 1.6% increase in the previous year. The increase in this component was driven primarily by the increase in the cost of electricity, which rose by 7.8% and accounts for 27% of this component. Water and sewer costs were flat this year, which served to lower the overall increase in this component. Gas costs, which account for less than two percent of the Utilities component, fell 1.0%. See Appendix B.2 for all Utilities item weights and price relatives.

Maintenance

The Maintenance component accounts for 18.0% of this year's Price Index. The Maintenance component rose 3.1%, less than last year's rise of 4.8%. Of the 29 expense items contained in this component, just four items account for 52% of its expenditure weight: Repainting, Plumbing (faucet), Plumbing (stoppage), and Electrician Services. This year, painters' rates rose 3.7%, less than the 8.1% recorded last year. Combined plumbing rates increased at a lower pace, rising 2.9%, less than last year's rise of 4.5%. Electrician Services rose at a slower pace, 2.3%, less than last year's increase of 3.4%.

Other price relatives of note were boiler repairs (2.5%), floor maintenance (0.0%), Roof Repair (5.3%), and Extermination Services (0.0%), which represent a total of seven expense items and account for over 23% of this component. See Appendix B.2 for all Maintenance item weights and price relatives.

Administrative Costs

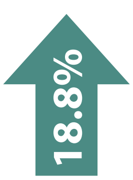
Fees paid to management companies, accountants, and attorneys make up 87% of this component. This year, Administrative Costs fell 0.7%, following a 3.5% rise in the prior year. Administrative Costs comprise 15.6% of the PIOC.

Much of the decrease in the Administrative Costs component can be attributed to a fall in management company fees (5.1%) that comprise over half of this component. Management fees are often tied to apartment rental income and are affected by changes in rents and vacancies. This year's decline compares to an increase of 1.7% last year, indicating that management companies' fees and/or rents decreased as compared to last year. This fall in management fees may also indicate that vacancies and/or collection losses in managed buildings rose as compared to the previous year.

Accounting fees increased in this year's PIOC by 1.0%, less than last year's rise of 3.3%. Attorney fees, which comprise about a quarter of this component, rose 5.3%, 3.2 percentage points less than last year's growth of 8.5%.

Communications, which accounts for about 5% of the Administrative Costs component, increased 2.2%. See Appendix B.2 for all Administrative Costs item weights and price relatives.

Insurance Costs



For the tenth consecutive year there was an increase in the Insurance Costs component, rising 18.8%, compared to last year's increase of 16.5%. Insurance Costs account for 5.6% of the PIOC.

Changes in insurance costs for owners varied by the amount of the policy. Policies that cost more than \$6,451, which represent half of all verified insurance quotes, saw an increase in cost of 20.9% upon renewal. Buildings with policies that cost \$6,451 or less saw an increase of 3.5% (see Appendix B.2.)

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 apartments. In addition to the price index for all buildings that contain rent stabilized 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 for gas-heated and oil-heated buildings (see Appendices B.2 and B.3).

This year, total costs in the Pre-1947 Index rose by 3.1%, while costs in the Post-1946 Index rose by a lesser amount, 2.7%. In addition, the Gas-Heated Index (3.8%) rose more than the Oil-Heated Index (1.6%).

Hotel PIOC

The Hotel Price Index includes separate indices for each of three categories of hotels that contain rent stabilized units (due to their dissimilar operating cost profiles) and a general index for all Hotels that includes all three. The three categories of hotels are: 1) "Traditional" Hotels — a Class A multiple dwelling that has amenities such as a front desk, maid or linen services; 2) Rooming Houses — a Class B multiple dwelling other than a hotel with thirty or fewer sleeping rooms; and 3) Single Room Occupancy (SROs) hotels — a Class A multiple dwelling which is either used in whole or in part for single room occupancy or as a furnished room house.

The Hotel Price Index for all hotels that contain rent stabilized units increased 1.9% this year, a 1.0 percentage point decline from the 2.9% rise in 2020.

This year there were increases in all of the Hotel PIOC components except Fuel and Administrative Costs. The Fuel component decreased, falling 4.4% and accounts for 14% of the entire Hotel Index. Administrative Costs, which account for 8.7% of the Hotel PIOC, fell by 1.8%. The remaining five components all rose, with Insurance Costs rising 18.8%; Maintenance, 2.7%; Taxes, 2.4%; Labor Costs, 2.2%; and Utilities, 1.9%. See the table on the next page for changes in costs and prices for all hotels that contain rent stabilized units from 2020-2021.

Among the different categories of Hotels, the index for "Traditional" Hotels increased 1.7%, Rooming Houses by 2.0% and SROs by 2.6% (see Appendices B.4 and B.7).

Loft PIOC

The increase in the Loft PIOC this year was 5.1%, lower than the increase of 6.2% in 2020. Increases in costs were seen in all but two of the eight components that make up this index, with declines in Fuel and Administrative Costs-Other. Fuel declined by 13.3%, while Administrative Costs-Other fell by 4.0%. All other components increased, including Insurance Costs (18.8%), Administrative Costs-Legal (5.3%), Taxes (3.9%), Maintenance (3.6%), Labor Costs (2.6%), and Utilities (0.7%). Note that historically Administrative Costs in the Loft Index has been split into two components — Administrative Costs-Legal and Administrative Costs-Other. Therefore, the Loft PIOC has eight components. See the table on this page and Appendix B.8 for changes in costs and prices for all rent stabilized lofts from 2020-2021.

The Core PIOC

The Core PIOC, which measures long-term trends by factoring out shifts in fuel costs for heating buildings that contain rent stabilized apartments in NYC, rose 3.5% in 2021. The rise in the 2021 Core PIOC was 0.5 percentage points higher than this year's Apartment Index (3.0%), and 1.6 percentage points lower than last year's Core Index (5.1%). This year's Core PIOC rose at a faster pace than the overall PIOC because fuel costs, which were not used to calculate the Core, decreased 3.3%.

PIOC Projections for 2022

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 calculated to provide the RGB with an estimate of how much costs are expected to rise in the year following the current Price Index.

Projecting changes in the PIOC has become more challenging in recent years. Energy prices have become increasingly volatile. Unpredictable geo-political events, recession and changing weather patterns are some of the forces behind large changes in fuel costs that have in turn limited the accuracy of the PIOC projections in recent studies. The tax component, which accounts for almost 33% of the entire Price Index, has also become harder to project. This is due to changes in tax policy, such as tax rate adjustments and

Hotels

Change In Costs for All Hotels that Contain Rent Stabilized Units, April 2020 to March 2021

Taxes	2.4%
Labor Costs	2.2%
Fuel	-4.4%
Utilities	1.9%
Maintenance	2.7%
Administrative Costs	-1.8%
Insurance Costs	18.8%
All Costs	**1.9%**

Lofts

Change In Costs for Rent Stabilized Lofts, April 2020 to March 2021

Taxes	3.9%
Labor Costs	2.6%
Fuel	-13.3%
Utilities	0.7%
Maintenance	3.6%
Admin Costs-Legal	5.3%
Admin Costs-Other	-4.0%
Insurance Costs	18.8%
All Costs	**5.1%**

2022 Projections	
Projected Change In Costs for Buildings that Contain Rent Stabilized Apartments, April 2021 to March 2022	
Taxes	-5.0%
Labor Costs	3.7%
Fuel	7.8%
Utilities	1.6%
Maintenance	3.9%
Administrative Costs	2.1%
Insurance Costs	13.6%
All Projected Costs	**1.3%**

changes to the City's tentative assessment roll, after the period covered in this Price Index. In addition, the uncertainty of the post-pandemic economic recovery may also play a significant role in projecting accurate costs for the next PIOC year.

This year, operating costs in buildings that contain rent stabilized apartments increased by 3.0%, versus last year's projected PIOC increase of 2.4%, a difference of 0.6 percentage points. The component with the largest deviation between actual and projected changes in costs was Insurance Costs. Insurance costs were projected to rise 8.5%, but actually rose 18.8% in 2021, a 10.3 percentage point difference. The only other notable differences were found in the Fuel and Administrative Costs components. Fuel, which was projected to decrease by 11.7%, fell instead by 3.3%, an 8.4 percentage point difference. Administrative Costs were projected to increase 2.9%, but instead fell 0.7%, a difference of 3.6 percentage points. The remaining 2021 projected components of the PIOC were all within 1.7 percentage points of the actual measured changes.

Overall, the PIOC is expected to grow by 1.3% from 2021 to 2022. Costs are predicted to rise in each component except Taxes, with the largest growth (13.6%) projected to be in Insurance. Other projected increases include Fuel (7.8%), Maintenance (3.9%), Labor Costs (3.7%), Administrative Costs (2.1%), and Utilities (1.6%). Taxes, the component that carries the most weight in the Index, is projected to decrease 5.0%. The table on this page shows projected changes in PIOC components for 2022. The Core PIOC is projected to rise 0.8%, 0.5 percentage points less than the overall projected PIOC for rent stabilized apartments.

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 to determine how much rents would have to change for net operating income (NOI) for rent stabilized apartments to remain constant.[5] 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 for their rent stabilized apartments at a constant level. In other words, the commensurate provides a set of one- and two-year renewal rent adjustments, or guidelines, that will compensate owners for the change in prices measured by the PIOC and keep net operating income constant.

The first commensurate method is called the "Net Revenue" approach. While this formula takes into consideration the term of leases actually signed by tenants, it does not adjust owners' NOI for inflation. The "Net Revenue" formula is presented in two ways: first, by adjusting for the mix of lease terms; and second, by adding an assumption for rent stabilized apartment turnover and the subsequent impact on revenue from vacancy leases. Under the "Net Revenue" formula, a guideline that would preserve NOI in the face of this year's 3.0% increase in the PIOC is 2.25% for a one-year lease and 4.5% for a two-year lease. Using this formula, and adding assumptions for the impact of vacancy leases on revenues when apartments experience turnover, results in guidelines of 2.0% for one-year leases and 3.25% 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 1.5% increase in the Consumer Price Index (see Endnote 2) and the 3.0% increase in the PIOC is 2.75% for a one-year lease and 5.75% for a two-year lease. Guidelines using this formula and adding the estimated impact of vacancy leases are 2.5% for one-year leases and 4.5% for two-year leases.[6]

The third commensurate method, the "traditional" commensurate adjustment, is the formula that has been in use since the inception of the Rent Guidelines Board and is the only method that relies on the PIOC projection. The "traditional" commensurate yields 2.0% for a one-year lease and 2.4% for a two-year lease. This reflects the increase in operating costs of 3.0% found in the 2021 PIOC and the projection of a 1.3% increase next year.

All of these commensurate methods have limitations. The "Net Revenue" formula does not attempt to adjust NOI by the effect of inflation. The "CPI-Adjusted NOI" formula inflates the debt service portion of NOI. For both of these commensurate methods, including a consideration of the amount of income owners receive on vacancy assumes that turnover rates are constant across the City.

As a means of compensating for cost changes, the "traditional" commensurate rent adjustment has two major flaws. First, although the formula is designed to keep owners' current dollar income constant, the formula does not consider the mix of one- and two-year lease renewals. Since only about two-thirds of leases are renewed in any given year, with a slight majority of leases being renewed having a one-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.[7]

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

Commensurates

"Net Revenue" Commensurate Adjustment

1-Year Lease	2-Year Lease
2.25%	4.5%

"Net Revenue" Commensurate Adjustment with Vacancy Leases

1-Year Lease	2-Year Lease
2.0%	3.25%

"CPI-Adjusted NOI" Commensurate Adjustment

1-Year Lease	2-Year Lease
2.75%	5.75%

"CPI-Adjusted NOI" Commensurate Adjustment with Vacancy Leases

1-Year Lease	2-Year Lease
2.5%	4.5%

"Traditional" Commensurate Adjustment

1-Year Lease	2-Year Lease
2.0%	2.4%

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 (3.0%). 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 (1.3%).

Each of these formulae may be best thought of as a starting point for deliberations. The data presented in other Rent Guidelines Board annual research reports (e.g., the *Income and Affordability Study* and the *Income and Expense Study*) along with public testimony can be used in conjunction with these various commensurates to determine appropriate rent adjustments.

Methodology

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.

Note that the various components of the PIOC utilize cost/price changes from differing time periods throughout the PIOC year (April through March, the most current time period available for analysis). For instance, the change in Taxes is based on a point-to-point change from one fiscal year to the next, while other components, such as Maintenance, Labor Costs, Administrative Costs and Insurance Costs rely on a point-to-point change from one PIOC year to the next. For those components where owners receive a bill every month, such as Fuel and Utilities, prices are gathered each month and a bill for the entire year (April through March) is calculated and compared to the same period of the previous year.

The Methodology section of this report outlines the methods used to calculate each component of the 2021 PIOC, as well as the PIOC projection for 2022.

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 buildings that contain rent stabilized units. If a returned questionnaire was not complete, an interviewer contacted the owner/manager and tried to gather the missing information. Owners could complete the survey online or by mail. The data gathered by the Owner Survey is the only owner-reported data used in the PIOC.

The sample frame for the Owner Survey included more than 40,000 buildings that contain rent stabilized units registered with New York State Homes and Community Renewal (HCR). RGB staff used a random sampling scheme to choose 15,000 addresses from this pool for the Owner Survey. The number of buildings chosen in each borough was nearly proportional to the share of buildings in that borough. Two successive mailings were sent at timed intervals to the owner or managing agent of each property selected in the survey sample.

To increase the number of responses, minor changes were made in the methodology for the Owner Survey. In 2021, twice as many surveys (15,000, versus 7,500 in prior years) were sent to building owners and managers, reaching approximately one-third of all buildings that contain rent stabilized units. In addition, an analysis of surveys from previous PIOCs showed that submitted insurance and labor costs were largely accurate when verified with brokers and non-union employees. Therefore, not every response obtained through the Owner Survey was independently verified in this year's PIOC. For example, staff verified insurance policies that accounted for 69% of the cost of current year insurance policies.

However, because the number of buildings surveyed was doubled, a greater number of responses were received. The increase in responses allowed more insurance policies, wage rates, and management fees to be used in the calculation of the components of the PIOC that rely on the owner survey, thus increasing accuracy.

Roughly 4.7% of the questionnaires mailed out received a response. This was a lower response rate than last year (7.1%), but a total of 27% more returned surveys (due to the doubling of the sample size). A total of 640 returned surveys contained usable information, up from 503 the prior year. As a result, RGB staff was able to use 640 annual insurance premiums, 204 non-union labor wage rates and 119 reported management fees. The number of prices in 2020 and 2021 for the Owner Survey is shown in Appendix B.1.

Taxes

The 2021 tax price relative was calculated by providing a list of properties registered with HCR 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 over 37,000 buildings in FY 2020 and FY 2021. This data was used to compute a tax bill for each building containing rent stabilized units 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 2020 to FY 2021.

Labor Costs

The Labor Costs component consists of the cost of unionized and non-unionized labor. Rate increases for unionized labor, including wage increases and health benefits, come directly from the contracts of unions that represent workers in buildings and hotels that contain rent stabilized units. 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 "Owner Survey" section on the previous page regarding non-union labor wage methodology).

Following a supplement to the Owner Survey in 2020 that asked owners for detailed information on their labor costs, the weights of the Labor Costs component were redistributed in 2021. Notably, there was a shift in wages from union to non-union labor, with non-union wages now comprising 58% of the labor component (up from 31% in the prior year). In addition, the weight of health and welfare benefits dropped by more than nine percentage points (from 22.9% to 13.6%).

Fuel

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

In order to calculate the change in cost of fuel oil, prices set by fuel oil vendors for a gallon of heating oil are gathered on a monthly basis. 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 by eliminating the need to look up a year's worth of prices. The number of fuel oil quotes gathered this year for #2 and #4 oil is lower than last year and is contained in Appendix B.1.

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 using 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; and appliances that need periodic replacement. Each year the 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 by telephone and from websites that carry items in the PIOC's market basket of goods. A total of 526 recorded price quotes were gathered (for both Maintenance and Administrative Costs). 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, using the Owner Survey (see "Owner Survey" section on page 22). Other expense items, such as accountant and attorney fees, are obtained using 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 U.S. 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.

Insurance Costs

The Owner Survey asks owners to provide information about their current and prior year's insurance policies. Temporary workers call the relevant insurance agents/brokers to verify much of this information. As noted in the Owner Survey methodology, in a change from prior years (when only verified insurance costs were included in the PIOC), because of an increased response rate, not every insurance policy was verified. Staff verified insurance policies that accounted for 69% of the cost of current year insurance policies.

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. The projections in this report are based on the time period from April 2021 to March 2022.

Taxes were projected by using data from the Department of Finance's tentative assessment roll for FY 2022 adjusted by 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 owners of rental properties. Labor costs are projected by calculating the average wage and benefit increases of the most recent labor contracts for apartment workers union

Local 32-BJ, and a ten-year geometric average (which compounds annual growth rate) of all other Labor Costs items. Fuel oil and natural gas costs for the Fuel component 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 taking the average of the last four New York City Water Board water and sewer rate adjustments as well as EIA projections for residential gas and electricity costs.[8]

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

Acknowledgments

The Rent Guidelines Board would like to acknowledge the following individuals for their assistance in preparing the Price Index of Operating Costs this year: Dr. James F. Hudson for technical assistance, expense component reweighting, methodology and report review; and Michael Taylor for collecting owner and vendor data. ❐

Endnotes

1. Prior to 2015, the relative importance of the various goods and services in the market basket was based on a 1983 study of expenditure patterns of owners of buildings that contain rent stabilized units. In 2015, the Price Index of Operating Costs (PIOC) component expenditure weights for buildings that contain rent stabilized apartments were changed to the expenditure patterns found in the Rent Guidelines Board's annual Income and Expense (I&E) Study, which allows for the annual updating of expenditure patterns based on what owners report to the New York City Department of Finance as their actual costs on Real Property Income and Expense (RPIE) statements required by Local Law 63 (enacted in 1986). Note that only the Apartment PIOC is weighted with data from RPIE reports. The Hotel and Loft PIOCs continue to use the 1983 study. For a full description of the methodological changes to the expenditure weights used in the current PIOC, please refer to the RGB 2015 Price Index of Operating Costs report at https://rentguidelinesboard.cityofnewyork.us/research/.

2. The average CPI for All Urban Consumers, New York-Northeastern New Jersey for the year from March 2020 to February 2021 (283.5) compared to the average for the year from March 2019 to February 2020 (279.3) rose by 1.5%. This is the latest available CPI data and is roughly analogous to the 'PIOC year'.

3. New York City has four property tax classes. Most buildings that contain rent stabilized units are in Tax Class 2, which consists of rental buildings of four units or more and cooperative and condominium buildings of two units or more. A small building that contains rent stabilized units only because of a tax abatement or exemption program (such as 421-a or J-51) would more likely be in Tax Class 1, which consists of most residential property of up to three units (family homes and small stores or offices with one or two apartments attached), and most condominiums that are not more than three stories. In the tax file used by the RGB to compute the Taxes component, almost all of the more than nearly 38,000 buildings analyzed were Tax Class 2.

4. The cost-weight relatives are calculated on an April to March time period. The April 2020 to March 2021 time period was 6.1% colder than the previous April to March period. "Normal" weather, which is the standard set by National Oceanic and Atmospheric Administration (NOAA), refers to the typical number of Heating Degree Days measured at Central Park, New York City, over the 30-year period from 1981-2010. NOAA recalculates this 30-year average and issues a new "normal' every ten years. A Heating Degree Day is defined as, for one day, the number of degrees that the average temperature for that day falls below 65 degrees Fahrenheit.

5. The commensurate rent adjustments are designed to keep NOI constant in rent stabilized apartments only. They are not designed to keep NOI constant in deregulated units where annual adjustments in rents are subject to changes in the real estate rental market. Therefore these formulas will not necessarily keep NOI constant for buildings that contain both rent stabilized and deregulated units.

6. The following assumptions were used in the computation of the commensurates: (1) the required change in owner revenue is 65.8% of the 2021 PIOC increase of 3.0%, or 2.0%. The 65.8% figure is the most recent ratio of average operating costs to average income in buildings that contain rent stabilized units; (2) for the "CPI-Adjusted NOI" commensurate, the increase in revenue due to the impact of inflation on NOI is 34.2% times the latest 12-month increase in the CPI ending February 2020 (1.5%), or 0.52%; (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 2017 Housing and Vacancy Survey; (5) for the commensurate formulae, including the impact on revenue from vacancy leases, a 3.97% increase in vacancy leases was applied to the estimated 10.1% of rent stabilized units that turn over each year (as based on 2017 NYC Housing and Vacancy Survey data). This increase was derived from 2019 New York State Homes and Community Renewal registration data for vacant units (the most recent data available to the RGB), with adjustments to account for the presumed effect of the Housing Stability & Tenant Protection Act of 2019 on vacancy leases. The increase in vacancy leases is based on the increase that rent stabilized units without preferential rents were able to take under RGB Apartment Order #52 (0%), and the approximated increase that vacant units with preferential rents took between 2018 and 2019; and (6) the collectability of these commensurate adjustments are assumed.

7. 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.

8. Source: "Short-Term Energy Outlook," March 2021. U.S. Energy Information Administration, Department of Energy. https://www.eia.gov/outlooks/steo/report/.

New York City Rent Guidelines Board

2021 Income and Expense Study

What's New

- ☑ Data used in this year's study, covering 2019 and earlier, does not yet illustrate any of the COVID-19 pandemic's impact on the NYC economy, as the pandemic did not begin to have an economic impact on New York until March 2020. Next year's edition of the *Income and Expense Study* is expected to demonstrate the pandemic's impact on the NYC housing market.
- ☑ From 2018 to 2019, Net Operating Income (revenue remaining after operating expenses are paid) grew 2.9%, the 14th increase in the last 15 years.
- ☑ Rental income increased an average of 3.3% from 2018-2019.
- ☑ Total income increased an average of 3.2% from 2018-2019.
- ☑ Operating costs increased an average of 3.3% from 2018-2019.

Introduction

As part of the process of establishing rent adjustments for stabilized apartments, as required by the Rent Stabilization Law, the NYC Rent Guidelines Board (RGB) since 1969 has analyzed the cost of operating and maintaining rental housing in New York City. Through 1990, the Board has measured changes in prices and costs solely using 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.

Beginning in 1990, the RGB began using a new data source that greatly expanded the information base used in the rent adjustment-setting process: Real Property Income and Expense (RPIE) statements from rent stabilized buildings collected by the NYC Department of Finance. RPIE data encompasses both revenue and expenses, allowing the Board to accurately gauge the overall economic condition of New York City's rent stabilized housing stock. By using consecutive RPIE filings from an identical set of buildings, a longitudinal comparison can also be made that illustrates changes in conditions over a two-year period.

This report examines the conditions that existed in New York's rent stabilized housing market in 2019, the year for which the most recent data set is available, and the extent to which these conditions changed from the prior year, 2018.

It is important to note that the *Housing Stability & Tenant Protection Act of 2019* went into effect in June 2019, midway through the year of data used in this study. Therefore, this report only partially reflects the significant impact of the changes in the law.

In addition, data used in this year's study, covering 2019 and earlier, does not yet illustrate any of the COVID-19 pandemic's impact on the NYC economy, as the pandemic did not begin to have an economic impact on New York until March 2020. Next year's edition of the *Income and Expense Study* is expected to demonstrate the pandemic's impact on the NYC housing market.

Local Law 63

The income and expense (I&E) data for stabilized properties originate from Local Law 63, enacted in 1986. This statute requires owners of apartment buildings 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 information on thousands of rent stabilized buildings. To ensure only buildings that contain rent stabilized units are analyzed (see Methodology section for further details), the NYC Department of Finance releases to the RGB summary data only after matching I&E data with building registration data from NYS Homes and Community Renewal (HCR). The data used in this year's RGB *Income and Expense (I&E) Study* includes 14,777 properties containing 668,359 units.

RPIE Study

Rents and Income

RPIE rent figures include money collected for apartments (both rent regulated and unregulated), owner-occupied or related space and government subsidies. In 2019, rent stabilized property owners collected monthly rent averaging $1,450 per unit. As in previous years, units in pre-war buildings rented for less on average ($1,364 per month) than those in post-war buildings ($1,645 per month).[1]

At the borough level, the average monthly rents in stabilized buildings were $1,970 in Manhattan ($2,374 in Core Manhattan[2] and $1,453 in Upper Manhattan); $1,388 in Queens; $1,340 in Brooklyn; $1,121 in Staten Island; and $1,066 in the Bronx. Average monthly rent per unit in the City, excluding Core Manhattan, was $1,295.

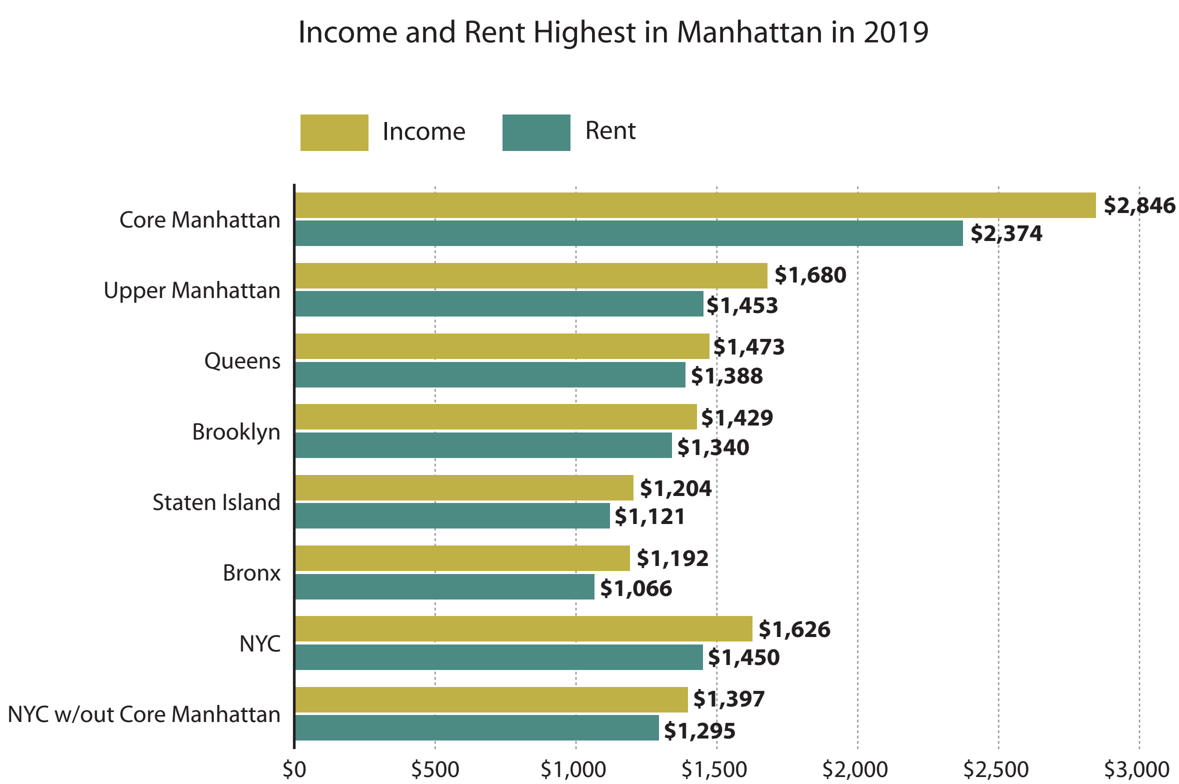
The median monthly rent Citywide was $1,300 in 2019. At the borough level, median rent was $1,763 in Manhattan ($2,023 in Core Manhattan and $1,330 in Upper Manhattan); $1,344 in Queens; $1,229 in Brooklyn; $1,118 in Staten Island; and

$1,062 in the Bronx. Median monthly rent per unit in the City, excluding Core Manhattan, was $1,206.

Many owners of stabilized buildings supplement income from their apartment rents by selling services to their tenants as well as by renting commercial space. Income encompasses all revenue from rent, including commercial rent (e.g., retail, cell towers, billboards); sales of services, such as laundry, parking, and vending; and all other operating income. Current RPIE filings show an average monthly gross income of $1,626 per unit in 2019, with pre-war buildings earning $1,536 per unit and post-war properties earning $1,830 per unit. Gross income was highest in Manhattan, at $2,334 per unit per month ($2,846 in Core Manhattan, and $1,680 in Upper Manhattan) and lowest in the Bronx, at $1,192. In between were Queens, at $1,473; Brooklyn, at $1,429; and Staten Island, at $1,204. Monthly income per unit in the City, excluding Core Manhattan, was $1,397. These gross income figures encompass rent from apartments as well as the sale of services and commercial income. Such proceeds accounted for an 10.8% share of the total income earned by building owners in 2019, down two-tenths of a percentage point from the previous year. By borough, income earned from services and commercial rents as a percentage of total building income was 15.6% in Manhattan (16.6% in Core Manhattan and 13.5% in Upper Manhattan); 10.6% in the Bronx; 6.9% in Staten Island; 6.3% in Brooklyn; and 5.8% in Queens. In the City excluding Core Manhattan, the portion was 7.3%. The graph on this page shows the average rent and income collected in 2019 by borough, and for the City.

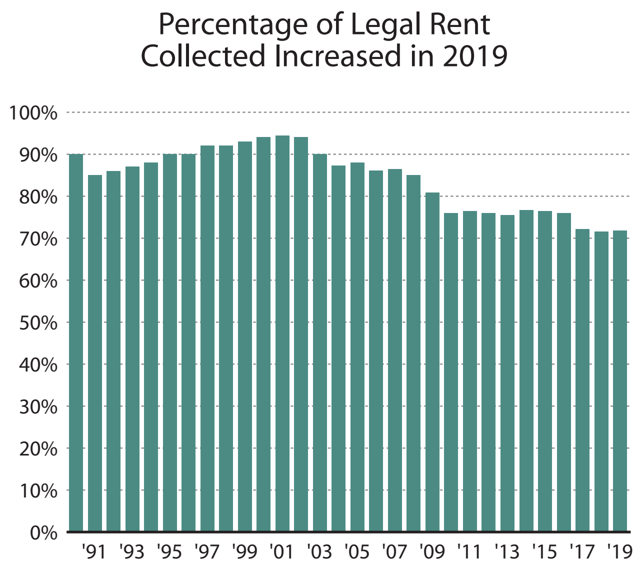
Median Citywide income for owners in 2019 was $1,410. At the borough level, Manhattan had the highest median income, at $2,010 ($2,359 in

Average Monthly Collected Income/Rent per Dwelling Unit by Borough



Note: Core Manhattan refers to the area south of W 110th and E 96th Streets. Upper Manhattan refers to the remainder of the borough.
Source: NYC Department of Finance, 2019 RPIE Data

Average Monthly Citywide Collected Rents as a Share of Average Monthly HCR Legal Registered Rents, 1990-2019



Source: HCR Annual Rent Registrations; NYC Department of Finance, 1990-2019 RPIE Data

Core Manhattan and $1,501 in Upper Manhattan); followed by Queens, at $1,402; Brooklyn, at $1,289; Staten Island, at $1,184; and the Bronx, at $1,167. Median monthly income per unit in the City, excluding Core Manhattan, was $1,292. (For rent and income averages and medians by borough, building age, and size, see details in Appendices C.3 and C.4.)

Comparing Rent Measurements

Another data source, the NYS Homes and Community Renewal (HCR) annual registration data, provides important comparative rent data to the collected rents stated in RPIE filings. A comparison of collected RPIE rents to HCR rents is an indicator that reflects preferential rents and the prevalence of vacancies.

Rents included in RPIE filings are different than HCR figures primarily because of differences in how average rents are computed. RPIE data reflects actual rent collections that account for vacancies or nonpayment of rent. By contrast, HCR data consists of legal rents registered annually with the agency. Because HCR rent data do not reflect preferential rents, nor include vacancy and collection losses, these have always been higher than RPIE rent collection data. Furthermore, RPIE information includes unregulated apartments in buildings containing rent stabilized units. Also, the RPIE information reflects rents collected over a 12-month period while HCR data reflect rents registered, at a particular point in time, on April 1, 2019.

From 2018 to 2019, the gap between annual RPIE and HCR average rents was 28.2%, as indicated by the average RPIE rent of $1,450 and average HCR stabilized rent of $2,020. This is a two-tenths point decline from the 28.4% gap the previous year, a reduction in the gap that differs from the trend since 2002 that shows a growing gap in most years. (See graph on this page for a historical comparison of RPIE and HCR rent differences since 1990, when data first became available.)

At the borough level, the gap between collected and legal rent varies significantly. In 2019, Bronx property owners collected an average rent ($1,066) that was 24.6% below HCR's average legal rent for the borough ($1,413), while owners in the other boroughs collected average rents that were 27.3% lower in Queens; 27.6% lower in Brooklyn; 29.0% lower in Manhattan; and 34.5% lower in Staten Island. At least part of this differential is due to preferential rents, usually offered when the legal stabilized rent exceeds the market rate for the area.[3]

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 the next page shows, average RPIE rent growth was higher than the renewal lease increases allowed by the RGB's guidelines for a ninth consecutive year. RPIE rent growth, up 3.3%, was greater than the increase in the RGB rent index, which was up 2.5%, between 2018 and 2019 (adjusted to a calendar year).[4]

It is important to note that prior to passage of the *Housing Stability & Tenant Protection Act of 2019*, there were several ways in which rents could be raised beyond the RGB's guidelines, including the deregulation of apartment units; raising of

Rent Comparisons, 1990-2019

2018-19 RPIE Collected Rent Grew Faster Than HCR Legal Rents and RGB Rent Index

	RPIE Rent Growth	HCR Rent Growth (Adjusted)§	RGB Rent Index (Adjusted)Ø
1990-91	3.4%	4.1%	4.1%
1991-92	3.5%	3.0%	3.7%
1992-93	3.8%	3.0%	3.1%
1993-94	4.5%	2.4%	2.9%
1994-95	4.3%	3.1%	3.1%
1995-96	4.1%	4.1%	4.5%
1996-97	5.4%	4.6%	5.2%
1997-98	5.5%	3.3%	3.7%
1998-99	5.5%	3.7%	3.8%
1999-00	6.2%	4.4%	4.2%
2000-01	4.9%	5.3%	5.0%
2001-02	4.0%	4.4%	4.5%
2002-03	3.6%	6.9%	4.1%
2003-04‡	-	1.6%	5.5%
2004-05	4.6%	5.8%	4.6%
2005-06	5.6%	7.2%	4.3%
2006-07	6.5%	6.0%	4.2%
2007-08	5.8%	5.9%	4.7%
2008-09	1.4%	5.4%	7.5%
2009-10	0.7%	5.4%	5.2%
2010-11	4.4%	5.7%	3.7%
2011-12	5.0%	5.8%	4.4%
2012-13	4.5%	5.4%	4.1%
2013-14	4.8%	5.1%	4.1%
2014-15	4.4%	4.5%	2.2%
2015-16	3.1%	4.0%	1.6%
2016-17	3.0%	3.9%	1.9%✦
2017-18	3.7%	3.7%	2.4%
2018-19	3.3%	2.6%	2.5%
1990 to 2019*‡	221.7%	250.4%	187.6%

§ See Endnote 4 Ø See Endnote 5
‡ See Endnote 6 ✦Figure revised from prior year
** Not adjusted for inflation*
Sources: NYS HCR Annual Rent Registrations; NYC Department of Finance, 1990-2019 RPIE Data

preferential rents; and vacancy allowances, impacting both RPIE and HCR rent growth.

An extended view of the three indices illustrates that overall, HCR legal rents have grown faster than both collected rents and RGB rent guidelines from 1990 to 2019. During that period, HCR adjusted legal rents increased 250.4%;[5] RPIE collected rents increased 221.7%; and the RGB Rent Index increased 187.6% (figures not adjusted for inflation).[6]

Operating Costs

Rent stabilized apartment buildings regularly incur several types of expenses. RPIE filings categorize operating and maintenance (O&M) costs into eight major categories: taxes; labor; utilities; fuel; insurance; maintenance; administrative; and miscellaneous costs. Costs do not include debt service. However, in contrast to revenues, expenses do not distinguish between commercial space and apartments, making the calculation of "pure" residential operating and maintenance costs impossible, except in a smaller data set of residential-only buildings. Thus, the operating costs, which are reported on an average per-unit basis, are comparatively high because they include various expenses for commercial space.

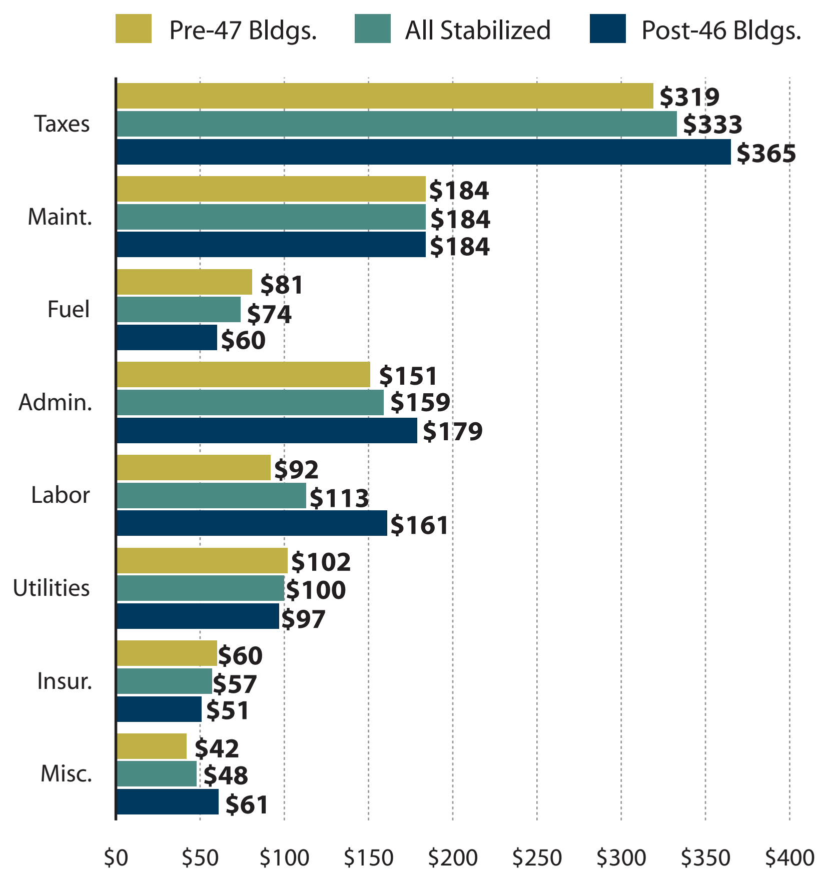
The average monthly O&M cost for units in stabilized buildings were $1,070 in 2019. Costs were lower in units in pre-war structures ($1,030), and higher among post-war buildings ($1,159).

By borough, average costs were lowest in the Bronx ($826); Staten Island ($830); Brooklyn ($921); and Queens ($971); and highest in Manhattan ($1,512). Within Manhattan, costs for units located in Core Manhattan averaged $1,791 a month, while the costs in Upper Manhattan were $1,155. Excluding Core Manhattan, the average monthly operating costs for stabilized building owners in New York City was $934. The graph on the next page details average monthly expenses by cost category and building age for 2019. The graph shows that taxes make up the largest expense, averaging 31.2% of all costs among rent stabilized buildings.

Citywide, 2019 median O&M costs were $958. By borough, Manhattan had the highest median costs,

Average Monthly Expense per Dwelling Unit per Month

Taxes Remain Largest Expense in 2019



Source: NYC Department of Finance, 2019 RPIE Data

at $1,292 ($1,476 in Core Manhattan and $1,025 in Upper Manhattan); followed by Queens at $917; Brooklyn at $865; Staten Island at $822; and the Bronx at $810. Median monthly expenses in the City, excluding Core Manhattan, was $879. (Appendices C.1-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.)

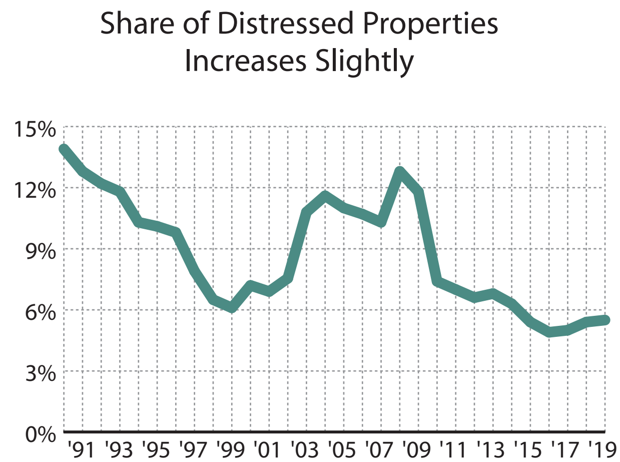
In 1992, the NYC Department of Finance and RGB staff tested RPIE expense data for accuracy. Initial examinations found that most "miscellaneous" costs were administrative or maintenance costs, while 15% were not valid business expenses. Further audits on the revenues and expenses of 46 rent stabilized properties revealed 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 Department of Finance's assessors. Adjustment of the 2019 RPIE O&M cost ($1,070) by the results of the 1992 audit results in an average monthly O&M cost of $983.[7]

Just as buildings without commercial space typically generate less revenue, on a per-unit basis, 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 2019, unaudited average O&M costs for "residential-only" buildings were $983 per month, and average audit-adjusted O&M costs for these buildings were $903 per month. Thus, residential-only buildings have average O&M costs that are 8.1% lower than all buildings.

Distressed Buildings

Buildings that have operating and maintenance costs that exceed gross income are considered, for the purposes of this study, distressed. Among the properties in 2019 that filed RPIEs, 818 buildings, equal to 5.5% of the total number of rent stabilized buildings, had reported O&M costs that exceeded gross income, one-tenth of a point higher than the prior year. Since 1990, when 13.9% of stabilized properties were considered distressed, the

Percent of Distressed Properties, 1990-2019



Source: NYC Department of Finance, 1990-2019 RPIE Data

proportion of distressed buildings declined each year until 1999, reaching 6.1%. From 1999 until 2004, the proportion generally increased, but then declined ten times over twelve years, reaching 4.9% in 2016, its lowest level in the thirty year history of this study. The proportion of distressed properties has since risen over the last three years, to the most recent 5.5% (See graph on this page).

Most distressed stabilized properties (60%) are mid-sized buildings, containing 20 to 99 units. In addition, the vast majority (91%) are pre-war buildings. By borough, 52% of the buildings are in Manhattan; while the remaining buildings are in the Bronx (21%); Brooklyn (16%); Queens (10%); and Staten Island (1%). (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 nearly all 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, taxes, and appreciation help to 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 $556 of net income per month in 2019, with units in post-war buildings earning more ($671 per month) than those in pre-war buildings ($506 per month).

Average monthly, per-unit NOI is greater among stabilized properties in Manhattan ($822) than for those in the other boroughs: $508 in Brooklyn; $502 in Queens; $373 in Staten Island; and $366 in the Bronx. There was a notable difference when looking at NOI on a sub-borough level in Manhattan. Core Manhattan properties earned on average $1,055 per unit per month in NOI, twice as much as properties in Upper Manhattan, which earned an average NOI of $525. The monthly NOI average calculated Citywide, excluding Core Manhattan, was $463. Looking at the NOI using audit-adjusted expense figures, the Citywide NOI in 2019 was $643. (See Endnote 7.)

Average monthly unaudited NOI in "residential-only" properties Citywide was $499 per unit in 2019, 10.2% lower than the average for all stabilized buildings.

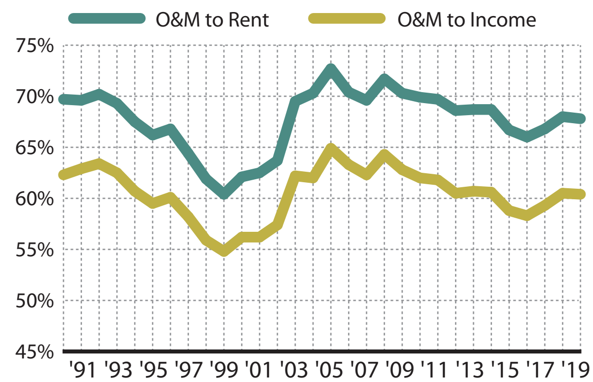
NOI reflects the revenue available after payment of operating costs; that is, the amount of money owners have for financing their buildings; making capital improvements; income taxes and profits. While NOI should not be the only criterion to determine the ultimate profitability of a property, it is a useful exercise to calculate the annual NOI for a hypothetical "average stabilized building" with 11 or more units. Multiplying the average unaudited monthly NOI of $556 per unit by the typical size of buildings in this year's analysis (an average of 45.2 units) yields an estimated average annual NOI of approximately $302,000 in 2019. In NYC excluding Core Manhattan, the monthly NOI of $463 per unit multiplied by the typical size of buildings in this year's analysis outside Core Manhattan (an average of 46.0 units) yields an estimated average annual NOI of approximately $255,000.

Operating Cost Ratios

Another way to evaluate the financial condition 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, assuming that owners 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 2019, the proportion of total income and rent collections spent on audit-adjusted operating costs has fluctuated. The audit-adjusted Cost-to-Income ratio in 2019 was 60.4%, a tenth of a point decline from the prior year's 60.5%. This means that on average, owners of rent stabilized properties spent roughly 60.4 cents out of every dollar of revenue on operating and maintenance costs in 2019. Looking at unaudited expenses, the cost-to-income ratio in 2019 was 65.8, also a 0.1 percentage point decline from the prior year. The

Ratios of Citywide Average Monthly Audit-Adjusted O&M Costs to Average Monthly Gross Income and Rent 1990-2019

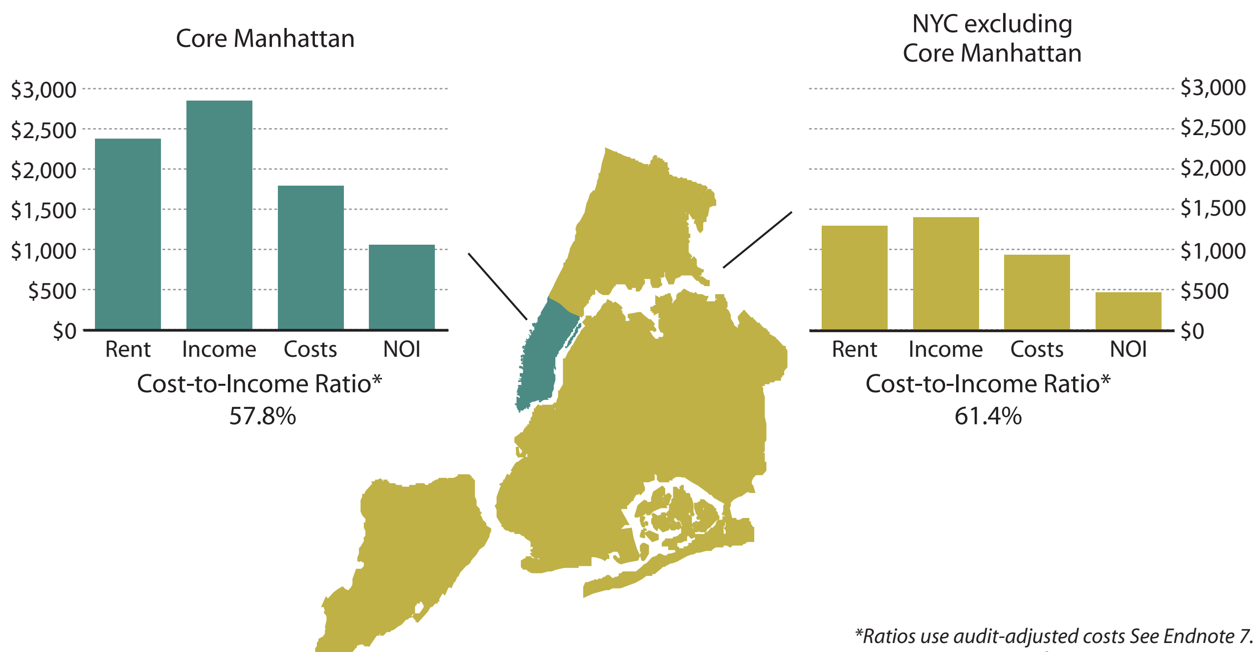
Cost-to-Income and Cost-to-Rent Ratios Decrease Slightly in 2019



Source: NYC Dept. of Finance, 1990-2019 RPIE Data

Average Monthly Rent, Income, Operating Costs, NOI, and Cost-to-Income Ratios, Core Manhattan vs. Rest of the City, 2019

Cost-to-Income Ratio Remains Lower in Core Manhattan



**Ratios use audit-adjusted costs See Endnote 7.*
Source: NYC Department of Finance, 2019 RPIE Data

unaudited median cost-to-income ratio was 66% in 2019, unchanged from last year.

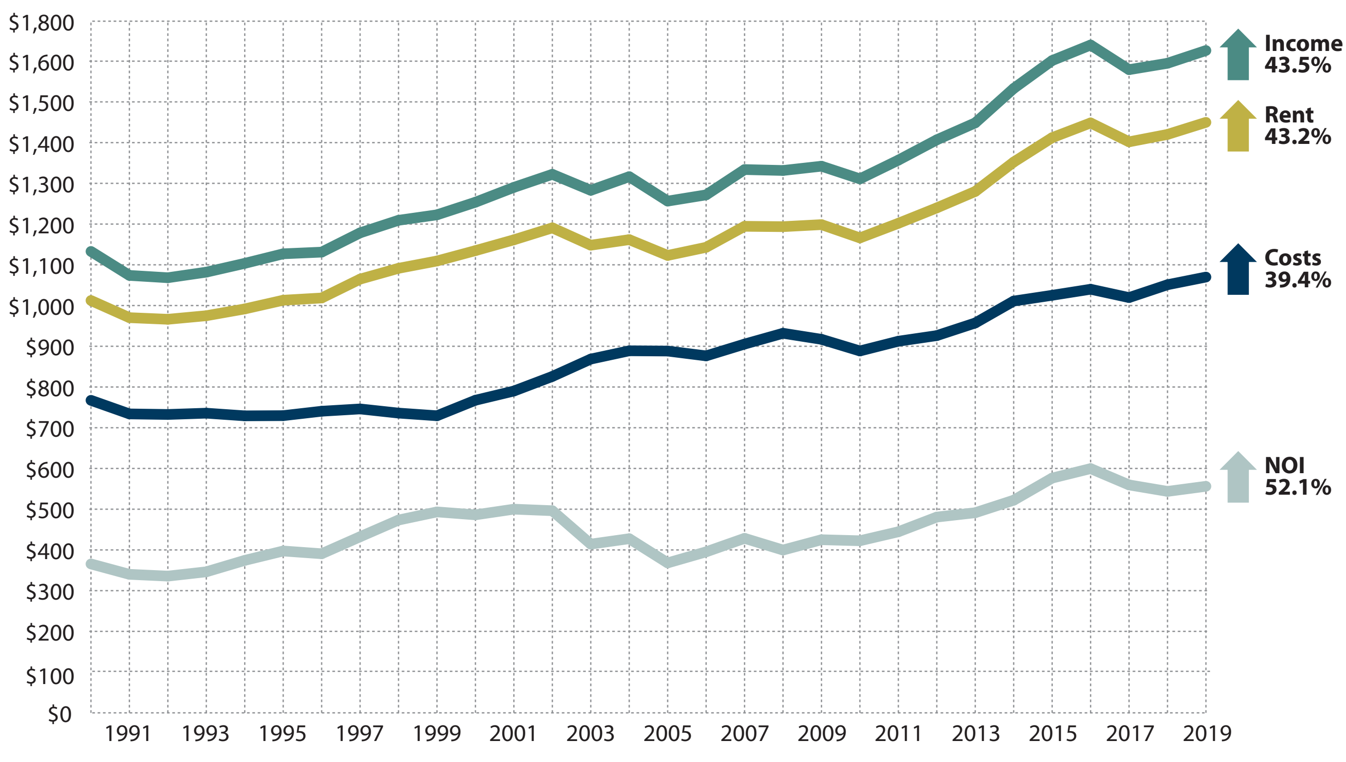
Examining the ratio of costs to rent collections, audit-adjusted operating costs in 2019 were 67.8% of revenues from rent, down 0.2 percentage points from the prior year. (See Endnote 7.) Using unaudited expenses, the cost-to-rent ratio in 2019 was 73.8%, a similar 0.2 percentage point decrease. Looking at the unaudited median cost-to-rent ratio, it was 72% in 2019, unchanged from last year.

Rents, income, and costs per unit were on average highest in Core Manhattan in 2019 (see map and graphs on previous page). Excluding Core Manhattan, the average revenue and costs figures are lower, and have different expense to revenue ratios. The audit-adjusted Cost-to-Income Ratio for the rest of the City was 61.4%, higher than the Cost-to-Income Ratio for stabilized buildings in Manhattan's Core (57.8%). (See Endnote 7.) These figures indicate that on average, owners of buildings that contain stabilized units outside of Core Manhattan spend about 3.6 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 is 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 0.66 or less. This means that half the building owners spent no more than 66 cents out of every dollar of revenue on operating and

Citywide Income, Rent, Costs and NOI After Inflation, 1990-2019

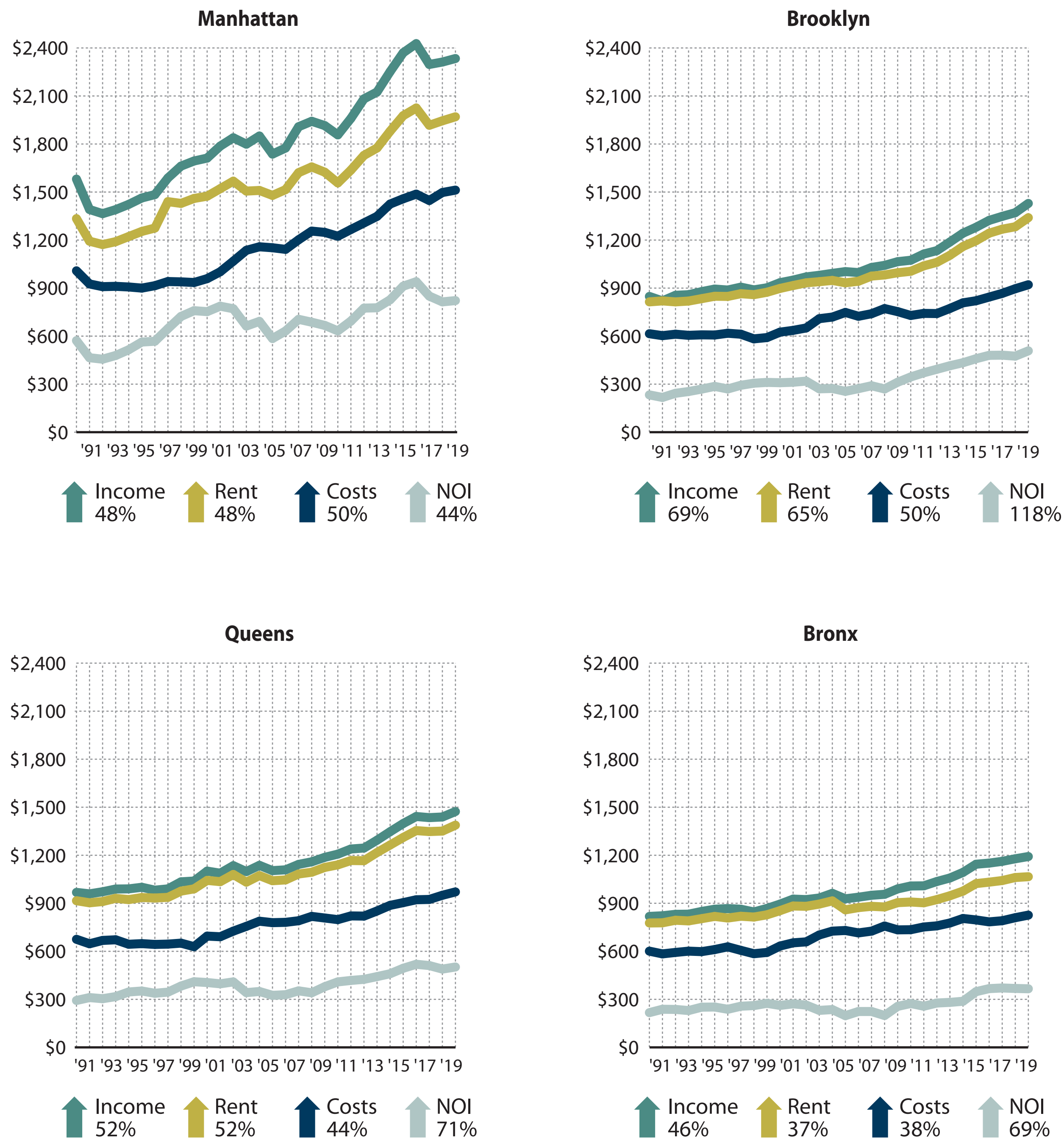
Inflation-Adjusted Net Operating Income Up 52.1% Since 1990
(Average Monthly Income, Rent, Operating Costs, and NOI per Dwelling Unit in Constant 2019 Dollars)



Note: Percent changes are point-to-point measurements.
Sources: NYC Rent Guidelines Board Income and Expense Studies, 1992-2021;
NYC Department of Finance, 1990-2019 RPIE Data

Income, Rent, Costs and NOI After Inflation per Borough, 1990-2019

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 2019 Dollars)



Notes: Percent changes are point-to-point measurements.
Staten Island is excluded due to insufficient data from prior years.
Sources: NYC Rent Guidelines Board Income and Expense Studies, 1992-2021;
NYC Department of Finance, 1990-2019 RPIE Data

maintenance costs in 2019. Examining the 30% decile level , three out of every ten building owners Citywide pay no more than 60 cents of every dollar of revenue on operating and maintenance costs, and the remaining seven pay more. Looking at another decile level, 70%, seven out of every ten building owners Citywide pay no more than 74 cents of every dollar of revenue on O&M costs, and the remaining three pay more. The complete table of all ten decile levels Citywide and by borough can be found in Appendix C.8.

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 each year (revenues minus operating expenses equals net operating income). Adjusting NOI as well as rent, income and costs figures for inflation (in constant 2019 dollars), and comparing different base years to the latest data available is a useful way to assess the health of the stabilized housing stock because it helps to determine if buildings generate enough revenue to be properly maintained, as well as 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 2019, after adjusting for inflation, NOI has increased 52.1% (see graph on page 35). This indicates that revenues have outpaced expenses to the extent that average monthly NOI was worth 52.1% more in 2019 than it was in 1990, after adjusting for inflation.[8]

Another way to look at how rent, income, and costs, as well as NOI, have changed after accounting for inflation is to graph inflation-adjusted monthly figures for each of the components measured in the I&E studies. Between 1990 and 2019, inflation-adjusted rent increased a cumulative 43.2%, income by 43.5%, and costs by 39.4%, resulting in the increase in NOI, after inflation, of 52.1%.

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. Looking at the boroughs individually, from 1990 to 2019, all boroughs saw sizable increases in their net income, with Brooklyn seeing the largest increase, with NOI increasing 118%; followed by Queens, up 71%; the Bronx, up 69%; and Manhattan, up 44% (see graphs on previous page).

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 13,475 rent stabilized buildings from 2018 to 2019.

Rents and Income

Rent collections increase for a number of reasons, including increases allowed under RGB guidelines; termination of preferential rents upon vacancy; combining apartments; individual apartments improvements (IAIs); and building-wide major capital improvements (MCIs). In addition, for the period of this study, vacancy increases and termination of preferential rents upon lease renewal were still permitted.

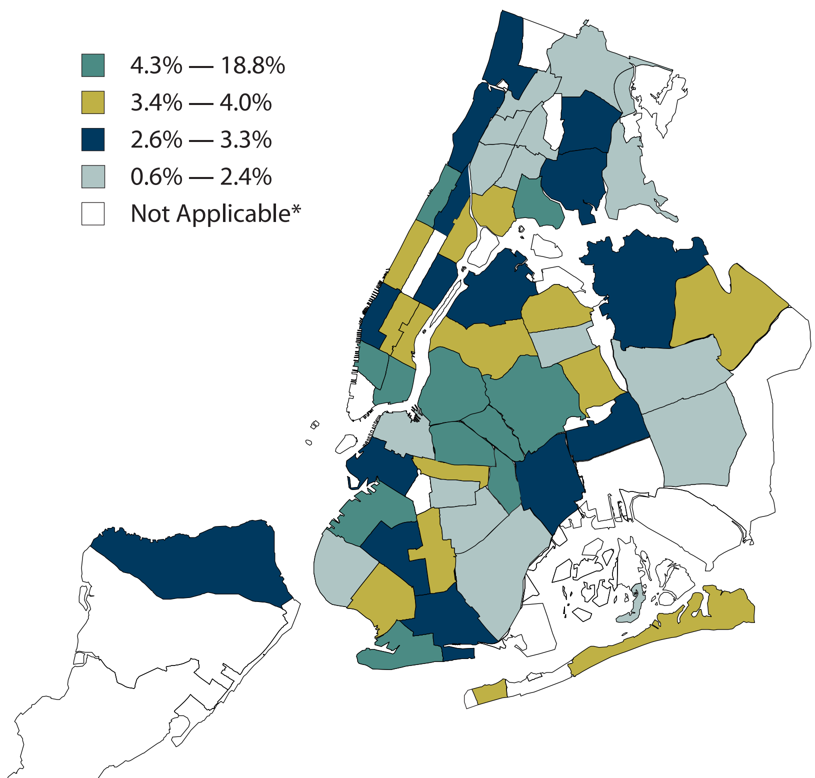
Average rent collections in stabilized buildings grew by 3.3% from 2018 to 2019. Rent collections in post-war buildings grew at a higher rate, up 3.7%, than in pre-war buildings, which rose by 3.1%. Rent collections increased the most among large, 100+ unit buildings, up 3.5%; followed by mid-sized, 20-99 unit buildings, up 3.3%; and smaller, 11-19 unit buildings, up 3.0%.

Examining rent collections by borough, Staten Island saw the largest increase, up 3.9%; followed by Manhattan, up 3.8%; Brooklyn, up 3.6%; Queens, up 2.9%; and the Bronx, up 2.2%. Within Manhattan, Core Manhattan rents grew at a faster rate, up 4.0%, compared to the 3.5% increase in rents in Upper Manhattan. Rent collections in the City, excluding Core Manhattan, rose 3.0%. The growth in median rent Citywide was also 3.0%.

Looking at rent collections throughout New York City, every Community District saw increases in average rent from 2018 to 2019.[9]

Change in Rent by Community District, 2018-19

Rents Increase in All Community Districts



**Community Districts with not enough buildings for reliable data.*
Source: NYC Department of Finance, 2018-19 RPIE Data

At the neighborhood level, the greatest rent growth was found in two Brooklyn neighborhoods: Bushwick, which increased 18.8%, and Bedford-Stuyvesant, where rent grew by 6.8%. The next highest rent growth was in Manhattan's Lower East Side/Chinatown, rising by 5.5%. That was followed by Middle Village/Ridgewood in Queens, up 5.4%. The Bronx neighborhood seeing the largest increase in rent was Hunts Point/Longwood, rising 4.5%. See map on this page and Appendix C.13 for a breakdown of changes in rent collections by Community District throughout NYC.

The average total income collected in rent stabilized buildings, comprising apartment rents, commercial rents, and sales of services, rose 3.2% from 2018 to 2019. Revenues grew faster in post-war buildings, up 3.5%, compared to 3.0% among pre-war buildings.

The borough seeing the highest growth in income was Brooklyn, up 3.7%; followed by Manhattan, up 3.4%; Staten Island, up 3.1%; and both Queens and the Bronx, up 2.7%. Within Manhattan, Core Manhattan income rose 3.4%; while Upper Manhattan income grew 3.3%. Total income in the City, excluding Core Manhattan, grew 3.1%. The median growth in income Citywide was also 3.1%.

Operating Costs

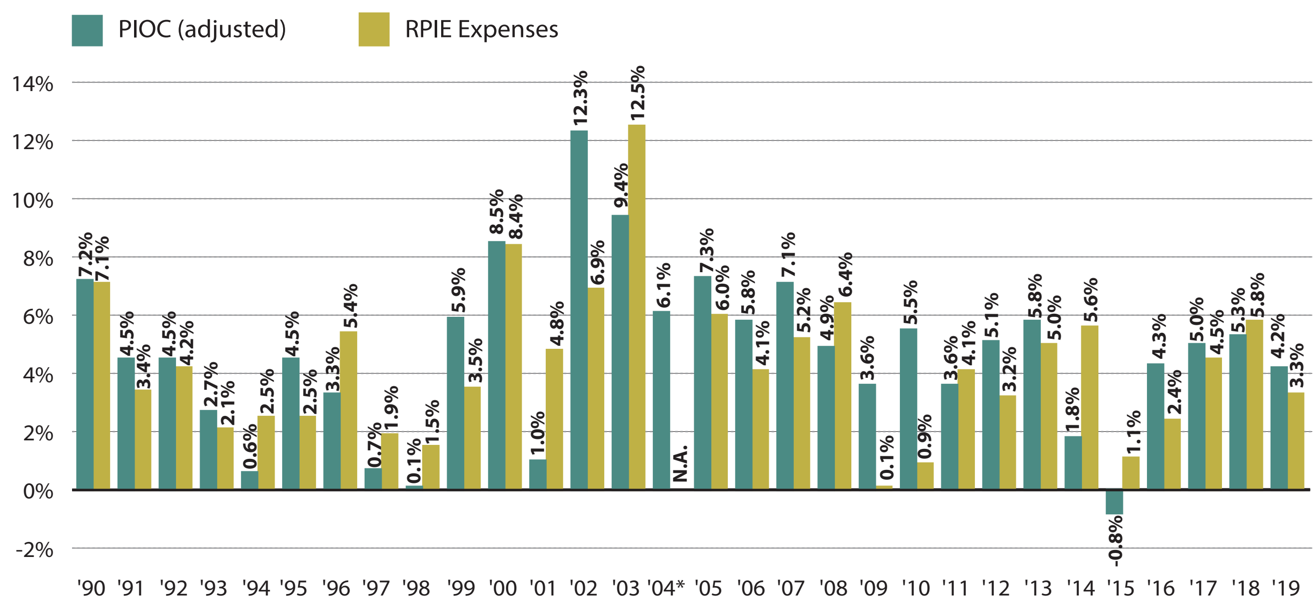
Citywide, average expenses in stabilized buildings increased 3.3% from 2018 to 2019. Pre-war buildings rose at a greater amount, up 3.5%, while post-war building costs rose 3.1%. Median Citywide expenses rose 3.6%. However, the change in operating costs varied by borough. Costs grew the most in Staten Island, up 5.2%; followed by the Bronx, up 3.9%; Brooklyn, up 3.5%; Queens, up 3.1%; and Manhattan, up 3.0%. Within Manhattan, Core Manhattan costs rose more, by 3.1%; while Upper Manhattan costs grew by 2.7%. Operating costs in the City, excluding Core Manhattan, rose 3.4%. 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 sets from the RPIE and the RGB's long-running survey, the Price Index of Operating Costs (PIOC), provide a form of independent verification for the expense data in the other. However, comparison of I&E and PIOC data is somewhat problematic 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 paid by owners as reported in the RPIE, versus the price quotes obtained from vendors for specific periods

Change in Operating & Maintenance Costs, RPIE and the PIOC, 1990 to 2019

In 2019, PIOC Costs Grew More Than Owner-Reported RPIE Expenses



**Longitudinal RPIE data for 2004 is unavailable (see Endnote 10).*
Sources: NYC Department of Finance, 1990-2019 RPIE Data; RGB Price Index of Costs (PIOC) 1990-2019

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 4.) 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 grew by 4.2% from 2018 to 2019, the same period as the 3.3% increase in I&E costs, a 0.9 percentage point difference. (See graph on this page.)

From 1990-91 to 2018-19, cumulative growth in owners' costs as measured by the two indices varied. Overall nominal costs measured in the PIOC increased at a greater rate, 240.8%, compared to RPIE data, which grew 202.7% over this period. [10]

Operating Cost Ratios

Between 2018 and 2019, the proportion of gross income spent on audit-adjusted expenses (the O&M Cost-to-Income ratio) increased, rising by a tenth of a percentage point. Meanwhile, the proportion of rental income used for audit-adjusted expenses (the O&M Cost-to-Rent ratio) remained unchanged from the prior year. (See Endnote 7.)

Similarly, utilizing unaudited expense data, the unaudited cost-to-income ratio rose by 0.1 percentage point from 2018 to 2019, and the unaudited cost-to-rent ratio remained unchanged.

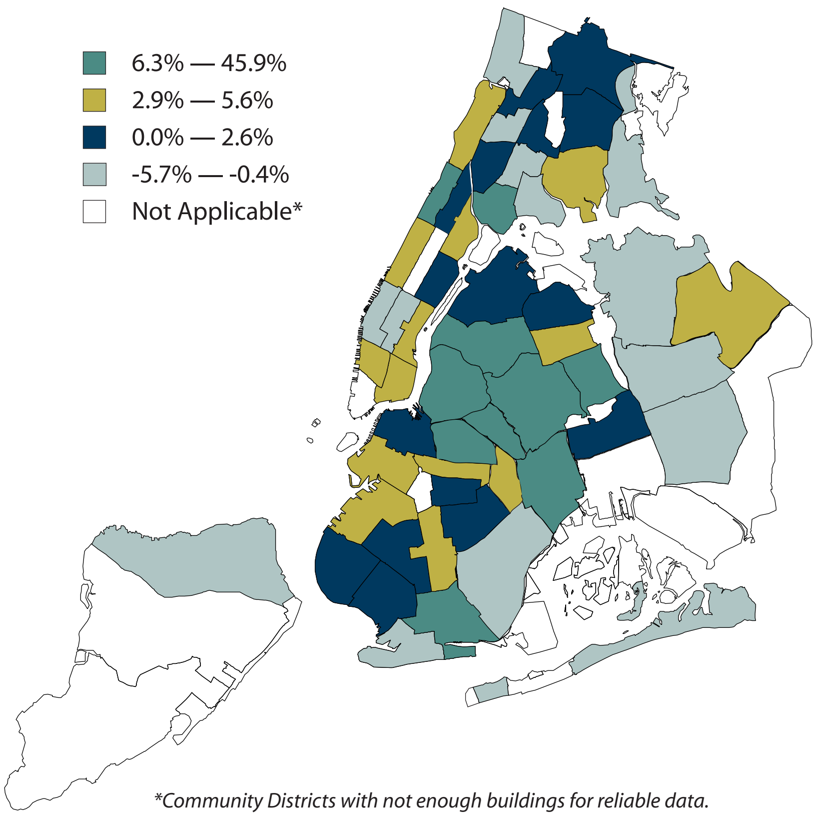
Net Operating Income

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. Citywide NOI in rent stabilized buildings increased by 2.9% between 2018 and 2019. It was the fourteenth time in the last fifteen years that NOI increased.

Since 1990-91, when this study first calculated the change in NOI, it has declined just three times: 2001-02, 2002-03, and 2017-18. Citywide, NOI in

Change in NOI by Community District, 2018-19

Net Operating Income Grows in Almost Three-Quarters of Community Districts and Declines in Remaining Quarter



*Community Districts with not enough buildings for reliable data.
Source: NYC Department of Finance, 2018-19 RPIE Data

post-war buildings rose 4.3%, while in older, pre-war buildings, it grew by 2.2%.

However, the average change in NOI from 2018 to 2019 varied throughout the City. NOI increased in three boroughs but declined in two. The largest increase was in Brooklyn, where it rose 4.2%; followed by Manhattan, up 4.1%; and Queens, up 1.9%. Meanwhile, NOI declined 0.1% in the Bronx and 1.1% in Staten Island. Within Manhattan, NOI rose in both Upper Manhattan, up 4.6%, and Core Manhattan, up 3.9%. Monthly NOI in the City, excluding Core Manhattan, grew 2.5%. See Appendix C.12 for a breakdown of NOI by borough, building age, and building size.

At the Community District level, NOI rose in almost three-quarters of the City's neighborhoods. The greatest growth in NOI occurred in Brooklyn, with Bushwick up 45.9%, followed by Sheepshead Bay/Gravesend, up 11.9%. Manhattan's Morningside Heights/Hamilton Heights saw the next largest increase, up 9.8%; followed by Brooklyn's East New York/Starett City, up 9.6%, and Bedford-Stuyvesant, up 8.8%. Next was Forest Hills/Rego Park in Queens, up 8.6%. The greatest increase in the Bronx was in Mott Haven/Port Morris, up 6.3%.

Meanwhile, a quarter of the City's neighborhoods experienced a decline in NOI. The largest decrease occurred in three Queens neighborhoods: Jamaica, falling 5.7%; Hillcrest/Fresh Meadows, down 5.0%; and Flushing/Whitestone, declining 4.4%. Next was University Heights/Fordham in the Bronx, down 3.5%; Hunts Point/Longwood in the Bronx, down 3.3%; the North Shore of Staten Island, down 2.4%; Coney Island, Brooklyn, down 2.0%; and Midtown Manhattan, down 1.9%. The map on this page and Appendix C.13 shows how NOI varied in each neighborhood throughout NYC. (See Endnote 9.)

Summary

This study, published in April 2021, focuses on data from 2019 and prior years. It does not reflect the current economic condition of the New York City rental market and should not be interpreted as such.

RPIE filings, from almost 14,800 rent stabilized buildings containing over 668,000 units in the main RPIE study, and from almost 13,500 buildings containing almost 618,000 units in the longitudinal study, were analyzed in this year's Income and Expense Study. Citywide, average rent grew by 3.3%; revenue collections increased 3.2%; and expenses rose by 3.3%. Despite the similar rate of increase in both revenue and expenses, NOI Citywide grew by

Changes in Average Monthly Rent, Income, Operating Costs, and Net Operating Income per Dwelling Unit, 1990-2019

Net Operating Income (NOI) Grows from 2018 to 2019, the 25th Increase in the Last 29 Years

	Avg. Rent Growth	Avg. Income Growth	Avg. Cost Growth	Avg. NOI Growth
1990-91	3.4%	3.2%	3.4%	2.8%
1991-92	3.5%	3.1%	4.2%	1.2%
1992-93	3.8%	3.4%	2.1%	6.3%
1993-94	4.5%	4.7%	2.5%	9.3%
1994-95	4.3%	4.4%	2.5%	8.0%
1995-96	4.1%	4.3%	5.4%	2.3%
1996-97	5.4%	5.2%	1.9%	11.4%
1997-98	5.5%	5.3%	1.5%	11.8%
1998-99	5.5%	5.5%	3.5%	8.7%
1999-00	6.2%	6.5%	8.4%	3.5%
2000-01	4.9%	5.2%	4.8%	5.9%
2001-02	4.0%	4.1%	6.9%	-0.1%
2002-03	3.6%	4.5%	12.5%	-8.7%
2003-04	-	-	-	-
2004-05	4.6%	4.7%	6.0%	1.6%
2005-06	5.6%	5.5%	4.1%	8.8%
2006-07	6.5%	6.5%	5.2%	9.3%
2007-08	5.8%	6.2%	6.4%	5.8%
2008-09	1.4%	1.8%	0.1%	5.8%
2009-10	0.7%	1.2%	0.9%	1.8%
2010-11	4.4%	4.5%	4.1%	5.6%
2011-12	5.0%	5.3%	3.2%	9.6%
2012-13	4.5%	4.5%	5.0%	3.4%
2013-14	4.8%	4.9%	5.6%	3.5%
2014-15	4.4%	4.4%	1.1%	10.8%
2015-16	3.1%	3.1%	2.4%	4.4%
2016-17	3.0%	3.0%	4.5%	0.4%
2017-18	3.7%	3.6%	5.8%	-0.6%
2018-19	**3.3%**	**3.2%**	**3.3%**	**2.9%**

Note: Longitudinal data from 2003-04 is unavailable.   Source: NYC Department of Finance, 1990-2019 RPIE Data

2.9%, the 14th increase in the last 15 years, as well as the 25th in the last 29 years. (See table on previous page for historical data.) In addition, the audit-adjusted cost-to-income ratio fell by a tenth of a percentage point, to 60.4%. However, the proportion of distressed properties Citywide rose by a tenth of a percentage point, to 5.5%. (See Endnote 7.)

Methodology

The information in this report was generated by analyzing data sets derived from RPIE forms filed with the NYC Department of Finance in 2020 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 2019, was made available to the RGB beginning in November 2020 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 2017 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. Owners are not required to report tax expenses; therefore, tax figures used in this report were calculated by the NYC Department of Finance. In addition, medians were calculated and included in this report. The medians derived from the data were also produced by the NYC Department of Finance, were not adjusted by the 2017 HVS, and are considered to be unweighted.

Two types of summarized data, primary RPIE data and longitudinal data, were obtained for stabilized buildings. The primary RPIE data, which provides a "snapshot" or "moment-in-time" view, comes from properties that filed RPIE forms in 2019, or alternatively, TCIE (Tax Commission Income & Expense) forms.11 Data from the forms were used to compute average and median rents, operating costs, etc., for 2019. Longitudinal data, which provide a direct comparison of identical elements over time, encompass properties that filed RPIE/TCIE forms for the years 2018 and 2019. The longitudinal data describe changing conditions in average rents, operating costs, etc., by comparing forms from the same buildings over two years. Thus, the main part this report measures conditions existing throughout 2019, while the longitudinal data section measures changes in conditions that occurred from 2018 to 2019.

This year, 14,777 buildings containing rent stabilized units were analyzed in the main RPIE study and 13,475 buildings were examined in the longitudinal study. (There were fewer buildings in the longitudinal study because not all buildings filed and/or could be matched both years.) The collection of buildings was created by matching a list of properties registered with HCR against building data found in 2020 RPIE or TCIE statements (or 2019 and 2020 statements for the longitudinal study). A building is considered rent stabilized if it contains at least one rent stabilized unit.

Once the two data sets 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;
- For the main part of this study, owners who did not file an RPIE or TCIE form in 2020; for the longitudinal study, owners who did not file an RPIE or TCIE form in both 2019 and 2020;
- 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 data so properties with inaccurate building information could be removed to protect the integrity of the data:

- 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 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 data. 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.

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

Endnotes

1. Pre-war buildings refer to those built before 1947; post-war buildings refer to those built after 1946.

2. Core Manhattan represents the area south of W 110th and E 96th Streets. Upper Manhattan is the remainder of the borough.

3. 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 HCR, approximately 32.7% of all 2019 apartment registrations filed indicate a preferential rent. Effective June 2019, the *Housing Stability & Tenant Protection Act of 2019* requires preferential rents to remain in effect for the duration of a tenancy, and rent may only be raised to the “legal rent” upon vacancy.

4. According to the NYC Department of Finance, over 90% of owners filing RPIEs report income and expense data by calendar year. In earlier reports, adjusted HCR data was calculated on a July-to-June fiscal year. Beginning with the *2008 Income and Expense Study*, adjustment of HCR Citywide data was calculated on the January-to-December calendar year, so figures may differ from data reported in prior years.

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 4.

6. RPIE longitudinal data from 2003-04 is excluded from this study because no longitudinal data was available for 2003-04. Therefore, the growth in RPIE collected rents, 221.7%, is understated. To make a more valid comparison between the three indices, cumulative increases in both the RGB Rent Index and HCR contract rent calculations exclude 2003-04 data as well. If 2003-04 data were included, the RGB Rent Index increased 203.3%, and the HCR rent increased 256.1%.

7. Despite the length of time since the 1992 audit, the RGB feels it is still useful to report audit-adjusted expenses, because the NYC Department of Finance acknowledges some erroneous overstatement of expenses in RPIE filings. Therefore, the RGB reports both audited and unaudited expenses.

8. The year 1990 is used as the beginning of a point-to-point comparison because that is the first year in which a greatly expanded base of Real Property Income and Expense (RPIE) data was made available.

9. Six Community Districts (CDs) 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 (not adjusted by the 2017 HVS) and do not necessarily represent the population of buildings in these Community Districts. All averages were computed by the NYC Department of Finance.

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

11. TCIE (Tax Commission Income & Expense) forms are used by the NYC Department of Finance when RPIE forms are not filed by owners. An owner may file a TCIE form when making a claim that their property was incorrectly assessed or improperly denied an exemption from real property tax.

New York City Rent Guidelines Board

2021 Mortgage Survey Report

What's New

☑ Average interest rates for new multifamily mortgages decreased 24 basis points, to 3.76%, the lowest rate ever recorded in this survey.

☑ Average service fees for new loans rose from 0.22 points last year to 0.38 points this year.

☑ Average maximum loan-to-value ratios rose from 73.0% last year to 74.1% this year.

☑ Vacancy and collection losses increased from 2.17% last year to 2.83% this year.

☑ A total of 470 buildings containing rent stabilized units were sold Citywide in 2020, a 28% decline from the prior year.

Introduction

Section 26-510 (b)(iii) of the Rent Stabilization Law requires the NYC Rent Guidelines Board (RGB) 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 properties containing rent stabilized units in New York City. See Appendix D.6 for a reproduction of the survey. The survey provides details about New York City's multifamily lending market during the 2020 calendar year as well as the first few months of 2021.

The survey is organized into three sections: financing availability and terms for buildings containing rent stabilized units; 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, sales data of buildings containing rent stabilized units, obtained from the NYC Department of Finance, are also examined.

Overview

The Mortgage Survey this year found that interest rates declined to a record low, but service fees increased. In addition, collection losses increased; maximum loan-to-value ratios rose; and underwriting criteria toughened slightly among borrowers. Furthermore, our analysis of sales of buildings containing rent stabilized units found that sales volume declined Citywide between 2019 and 2020.

This report will more fully detail this data, beginning with a discussion of the characteristics of all of this year's survey respondents, followed by a longitudinal analysis of those responding both last and this year. Further, it will examine sales of buildings containing rent stabilized units by volume and price.

Survey Respondents

Eight financial institutions responded to this year's survey, two fewer than last year. This year's respondents include a variety of traditional lending institutions, such as savings and commercial banks, as well as non-traditional lenders.

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, which vary considerably among the respondents. Five surveyed lenders report their multifamily real estate holdings to the FDIC, with values ranging between $297 million and $32.3 billion.[1] Three of this

Terms and Definitions

Basis Points - one basis point is equal to 1/100th of 1%, or 0.01 percentage point; they are commonly used to express differences in mortgage interest rates and fees

Debt Service - the cash required to make periodic repayments of loan principal and interest

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

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

Maximum LTV - the maximum LTV ratio that a lender will consider when making a loan

Service Fees (Points) - up-front service fees (points) charged by lenders as a direct cost to the borrowers; one point equals one percent of the principal amount of the loan charged as the service fee

Term - the amount of time the borrower has to repay the loan year's respondents reported multifamily holdings of over $4.6 billion, while two institutions held less than $800 million. The multifamily real estate portfolio of our survey respondents averaged $9.9 billion in 2020, up 30% from the prior year.

Mortgage Survey Analysis

Financing Availability and Terms

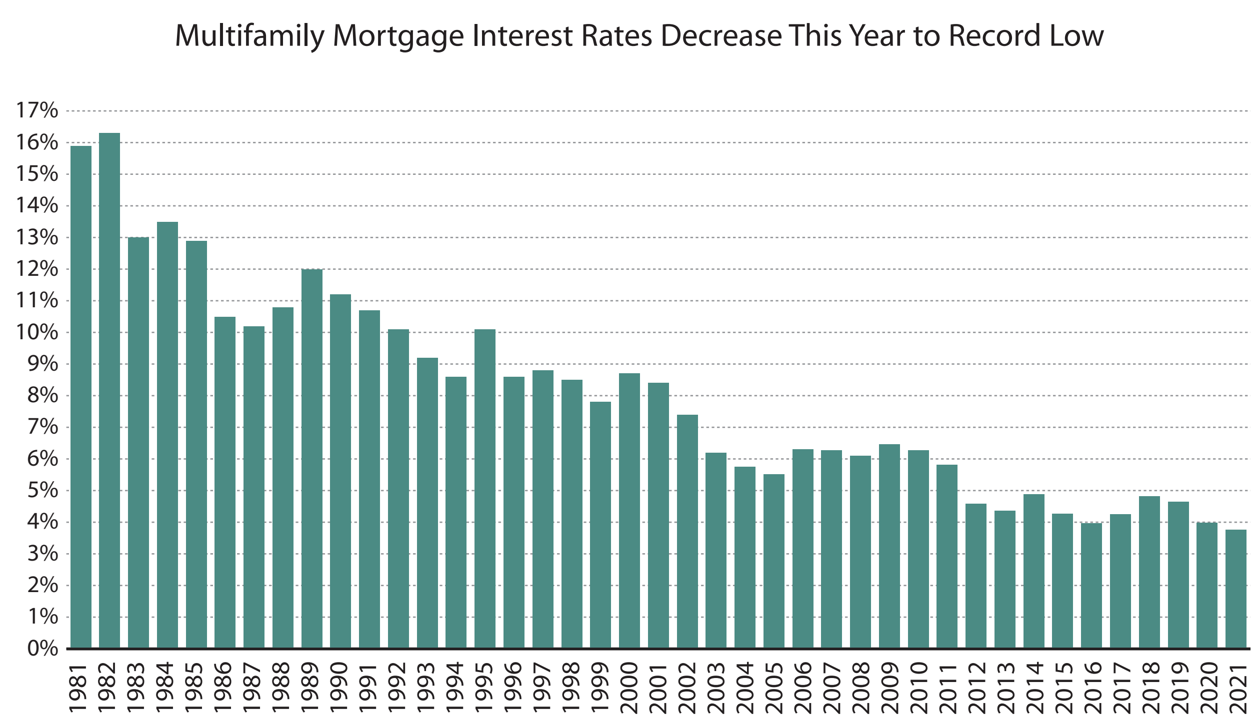
As of March 2021, the average interest rate for new multifamily mortgages was 3.76%, a decline of 24 basis points (or 6%) from a year earlier, the third consecutive year it has declined, a record low in our survey (see graph on this page and Appendices D.1 and D.5). The five-year average interest rate was 4.30%. In addition, the average interest rate reported by lenders for the full 2020 calendar year was 3.91%, a 22 basis points (or 5%) decrease from 2019.

Average interest rates decreased during the year among the institutions surveyed, with the Federal Reserve (The Fed) maintaining rates at the same low level since reducing them shortly before publication of last year's *Mortgage Survey Report*. As reported a year ago, the Discount Rate — the interest rate at which depository institutions borrow from a Federal Reserve Bank — fell twice in March 2020, first by 50 basis points, and subsequently by 150 basis points, in response to the economic crisis brought about by the emergence of the COVID-19 pandemic.

Similarly, the Federal Funds Rate — the interest rate at which depository institutions lend balances at the Federal Reserve to other depository institutions — also declined twice in March 2020.[2] The Fed is expected to maintain ultralow interest rates until the U.S. economy fully recovers from the effects of the pandemic.[3]

Some lenders charge a separate up-front fee, called points, as a direct cost to borrowers. The average service fee charged on new loans by lenders rose to 0.38 points, up from a record low last year of 0.22 points. Among survey respondents, they ranged between zero and one, with four

Average Interest Rates for New Loans, 1981-2021



Source: NYC Rent Guidelines Board, annual Mortgage Surveys.

surveyed lenders charging no points on new loans. Average points reported in the survey have remained around or below one point for over two decades (see graph on this 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, it is not possible to provide an average for the range of terms offered by institutions. Nonetheless, they remained similar to those offered in recent years. Mortgage terms reported by respondents fell within a wide 5- to 40-year range. This flexibility was maintained during the year despite the multifaced challenges of the pandemic.

The average volume of new mortgage originations in our survey fell from 127 last year to 98 this year, a 23% decline. Similarly, the median number of new loans fell from 22 last year to 15 this year. The average number of refinanced loans experienced a much greater fall, declining from 112 last year to 25 this year, a 78% drop. Likewise, the median number of refinanced loans fell from 26 last year to 10 this year.

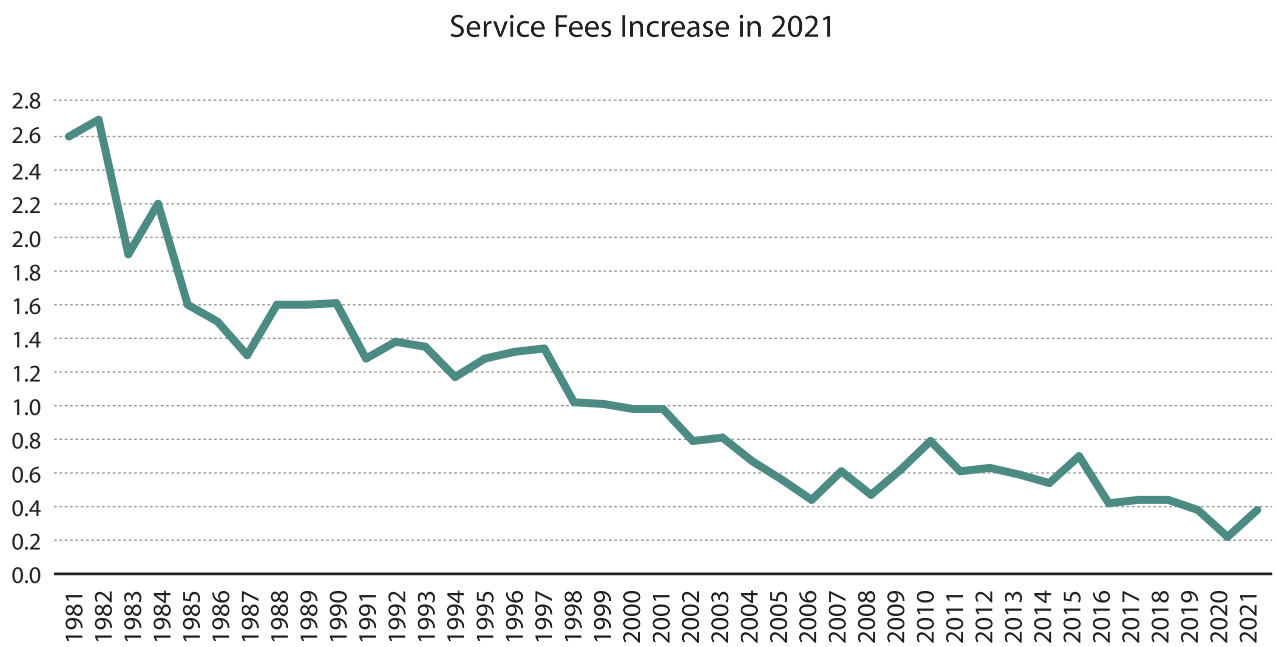
Underwriting Criteria

The survey asked lenders for their typical underwriting standards when approving new and refinanced mortgages to owners of buildings containing rent stabilized units. Some lenders this year reported that lending standards were affected by the uncertain long-term impact of the pandemic on the housing market.

Among surveyed institutions, the typical maximum Loan-to-Value (LTV) ratio — the maximum amount respondents were willing to lend based on a building's value — ranged from 65% to 82.5%. This year's average, 74.1%, increased 1.1 percentage points from last year's 73.0% (see graph on this page).

Another important lending criterion is the debt service coverage ratio (DSCR) — an investor's ability to cover mortgage payments using its net operating income (NOI). The higher the DSCR, the less money a lender is willing to loan given constant net income. The debt service coverage ratio (or NOI divided by the debt service) rose slightly, up from 1.21 last year to 1.24 this year. Because the average DSCR crept up,

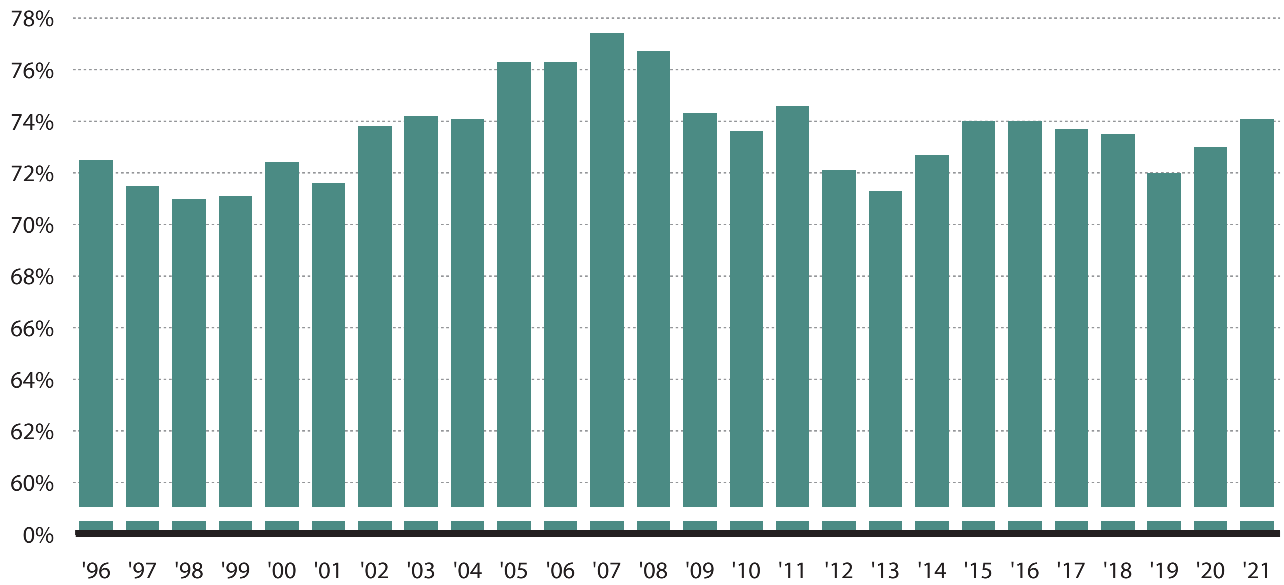
Service Fees (Points) for New Loans, 1981-2021



Source: NYC Rent Guidelines Board, annual Mortgage Surveys.

1996-2021 Average Loan-to-Value Standards

Maximum Loan-to-Value Ratios Increase This Year



Source: NYC Rent Guidelines Board, annual Mortgage Surveys.

lenders have on average marginally reduced the amount of money they are willing to lend in relation to the net operating income of buildings (see Appendix D.2). Overall, debt service coverage ratios at all institutions ranged between 1.15 and 1.35, and 38% of surveyed lenders reported that they adjusted their underwriting standards over the past year, most commonly by implementing more stringent approvals and increasing monitoring requirements.

Lenders also noted additional standards they use when evaluating loan applications. The most commonly cited standard is good building maintenance, with three-fourths of the lenders indicating that it is an important consideration when reviewing a loan application. Almost two-thirds of the lenders also required a specific minimum number of units in a building.

The survey asked lenders whether their lending standards differ for buildings containing rent stabilized units versus non-stabilized multifamily properties. Respondents were asked whether their new financing rates; refinancing rates; loan-to-value ratios; and debt service coverage requirements for properties containing rent stabilized units were higher, lower, or the same as for other properties. This year, no lender reported that their standards for stabilized lending were any different compared to other properties.

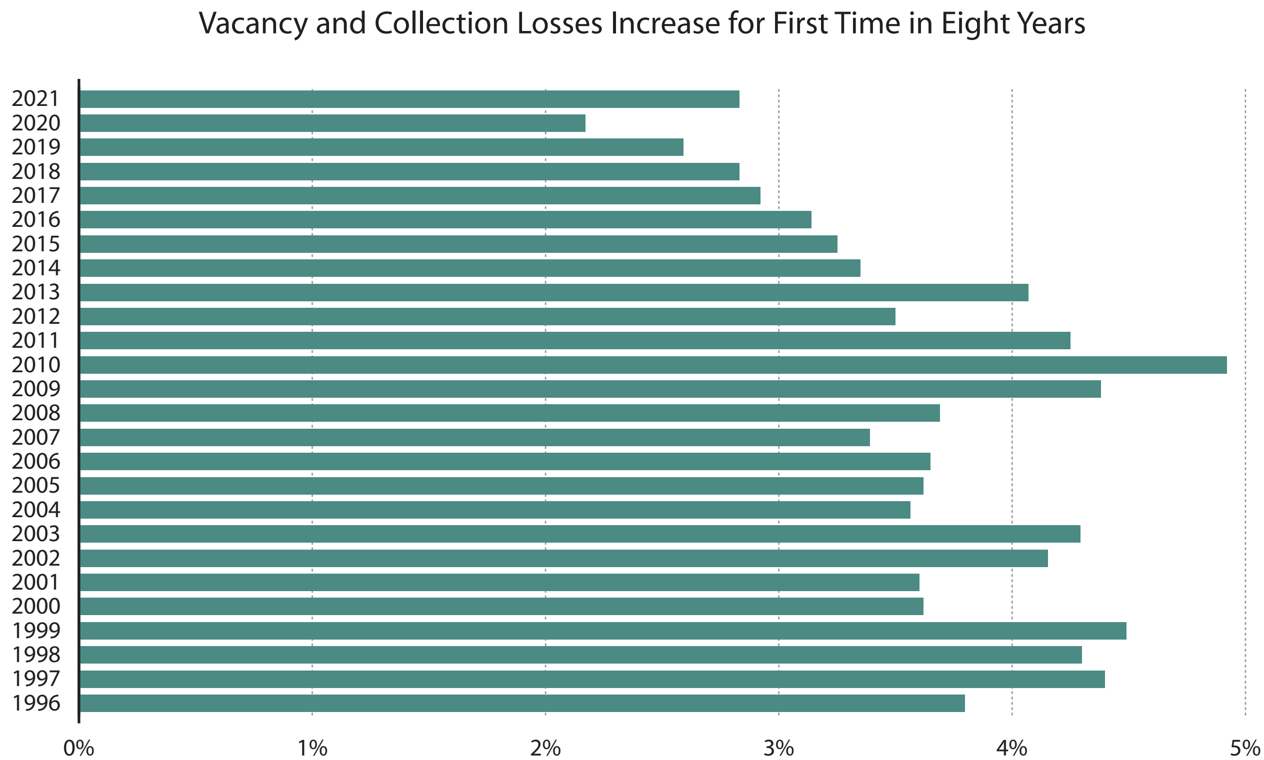
Non-Performing Loans & Foreclosures

The number of lenders reporting that they had non-performing loans remained about same as last year, with one lender reporting that less than 1% of their portfolios were non-performing, compared to two last year. In addition, no lender reported foreclosures this year, compared to one last year. Due to the ramifications of the pandemic, many lenders offered varying terms for payment deferrals and forbearance, thereby reducing, for the time being, the risk of non-performance and foreclosure.

Building Characteristics

The size of buildings in surveyed lenders' portfolios varies greatly. The average size of buildings in each of the lenders' portfolios is widely distributed among all building size groupings this year. One lender

Average Vacancy and Collection Losses, 1996-2021



Source: NYC Rent Guidelines Board, annual Mortgage Surveys.

reported a typical building in their portfolio contains 1-10 units; two reported 11-19 units; one reported 50-99 units; and two reported a building size of 100+ units.

Average vacancy and collection (V&C) losses increased for the first time in eight years, following a record low last year. V&C losses rose from 2.17% last year to 2.83% this year, primarily because one lender reported average losses of over 7%. (See graph on this page.) Lenders reported varying proportions of rent collection issues among their borrowers as a result of the pandemic, ranging from between 7% and 100% of their portfolios facing lower rent collections in 2020. Of their borrowers with collection issues, the average gap in collections typically were between 10% and 30% lower than normal for at least part of the year.

Average operating and maintenance (O&M) expenses and average rents among buildings in lenders' portfolios both declined this year. Estimated rent per unit per month fell 2%, to $1,429 this year, while estimated expenses fell 14%, to $637 this year (see Appendix D.2). Because average expenses fell more than average rent, the average reported O&M cost-to-rent ratio fells from 48.7% last year to 42.5% this 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.[4] However, its findings should not be compared to the cost-to-rent ratio reported in the *Mortgage Survey Report* because the sources are very different, and the data studied in each report are from different time periods. In the *2021 I&E Study,* which reported on data from calendar year 2019, the average O&M cost-to-rent ratio was 73.8%.[5]

The survey asks lenders whether they retain their mortgages or sell them in the secondary market. Two-thirds of lenders reported retaining all their mortgages, about the same proportion as last year.

Lenders are also asked whether buildings containing rent stabilized units 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. Sixty-three percent of lenders reported this year that buildings in their portfolio contain commercial space, though the proportion varies depending on the lender. On average, lenders report that 29% of their portfolios have commercial space, compared to 41% last year.

Loan Expectations

The survey asks lenders about the performance of their portfolios, compared with expectations at the time of initial loan origination, regarding net operating income (NOI); debt service coverage ratio; and O&M expenses. A majority of lenders reported that their expectations had been met or exceeded in all areas among their rent stabilized portfolio. Specifically, 63% of lenders said this year that their expectations were equaled or exceeded among all three categories, down from 80% in the prior year.

Longitudinal Analysis

Information regarding buildings containing rent stabilized units can also 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 helps to clarify whether changes highlighted in the primary mortgage survey analysis reflect actual variations in the lending market or simply the presence of a different group of lenders from year-to-year. Among the eight respondents that completed the survey this year, all also responded last year. The eight lenders that make up the longitudinal group, and their responses from both this year and last year, are compared in this section to illustrate changes between the two years.

Financing Availability and Terms

Similar to the main survey analysis, the longitudinal group saw interest rates fall. As of March 2021, interest rates were reported as 3.76%, down from 4.02% a year earlier (see Appendix D.3).

Among the longitudinal group, average points offered by lenders rose, from 0.11 last year to 0.38 this year.

Underwriting Criteria and Loan Performance

The average maximum loan-to-value (LTV) ratio declined among the longitudinal group this year,

Selected 2021 Mortgage Survey Data Compared to 2020 Mortgage Survey 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
2021 Mortgage Survey Data	3.76%	98	0.38	25	74.1%	1.24	2.83%
2020 Mortgage Survey Data	3.99%	127	0.22	112	73.0%	1.21	2.17%

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

Source: NYC Rent Guidelines Board, Annual Mortgage Surveys falling from 75.0% last year to 74.1% this year. The average debt service ratio rose slightly, up from 1.21 last year to 1.24 this year. And like the main mortgage survey analysis, vacancy and collection (V&C) losses among the longitudinal group increased, to 2.83% this year, from 1.93% last year. (see Appendix D.4).

Examining delinquencies among the longitudinal group, one lenders reported non-performing loans, down from two last year. And no lenders reported foreclosures this year, down from one the prior year.

Sales Data Analysis

The NYC Department of Finance collects and provides public property sales information. Utilizing this data, this report examines sales of buildings containing rent stabilized units from 2020, and compares them with the prior year. These properties are identified by matching buildings that are registered with NYS Homes and Community Renewal (HCR); have not converted to co-op/condo; and have sold for at least $1,000.

Building Sales Volume

In 2020, 470 buildings containing rent stabilized units were sold in New York City, a 28% decline from the prior year. Every borough saw sales volume decrease. Sales fell the most in Queens, down 33%; followed by the Bronx, down 31%; Brooklyn, down 27%; and Manhattan, down 25%. (As in prior years, Staten Island was not included in this analysis because there were too few sales of buildings containing rent stabilized units to meaningfully measure change from year-to-year.)[6] 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 buildings containing 6-10 residential units, sales volume in 2020 was down 35% Citywide from the prior year, and declined in every borough. Sales fell the most in Queens, down 38%; followed by Brooklyn, down 36%; Manhattan, down 34%; and the Bronx, down 28%.

Sales volume among 11-19 unit buildings in 2020 declined by 28% Citywide. However, the changes in sales volume varied significantly by borough. Sales fell precipitously in the Bronx, down 83% (from 29 buildings sold in 2019 to 5 in 2020); and fell 39% in Brooklyn. Meanwhile, sales rose from 9 to 11 buildings in Queens, and remained unchanged in Manhattan.

Among 20-99 unit buildings, sales volume Citywide decreased in 2020, falling 16%, but rose in two boroughs. Sales rose 9% in the Bronx and 2% in Brooklyn. By contrast, sales fell 34% in Manhattan, and 32% in Queens.

Among the largest buildings, which contain 100 or more units, sales volume in 2020 Citywide declined 27% from the prior year. However, we do not analyze year-to-year changes in sales by borough among the largest building category because of the comparatively small number of buildings sold. However, these buildings sales are included in the totals by borough and Citywide.[7]

Over the 18-year period for which we have data, Citywide sales were at their peak in 2005, with 1,816 buildings sold, but sales reached their lowest point this past year, with 470 buildings sold. Previously, the fewest buildings sold since 2003 occurred in 2009, when 521 were sold. In addition, the number of

Comparison of Building Sales in 2019 vs. 2020

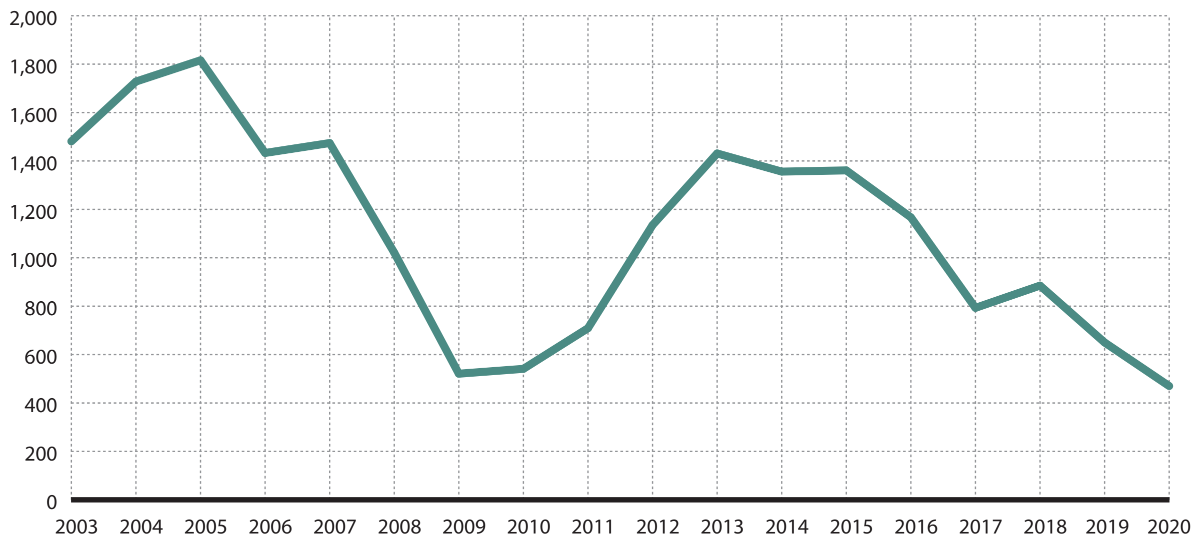
Sales Volume Declines Citywide

	2019	2020	Change
Bronx	102	70	-31%
Brooklyn	220	161	-27%
Manhattan	228	172	-25%
Queens	100	67	-33%
Citywide	**650**	**470**	**-28%**

Note: Citywide figures exclude Staten Island.
Source: NYC Department of Finance

Sales of Buildings Containing Rent Stabilized Units, 2003-2020

Citywide Building Sales Fall From Prior Year



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

buildings sold declined in five of the last seven years, including this past year's 28% decline. See the graph on this page and Appendix D.7 for annual sales volume Citywide. See Appendix D.8 for a list since 2003 of the total number of buildings sold; the total number of residential units located in buildings containing rent stabilized units sold each year; and the average number of units per building sold each year.

Building Sales Prices

We also examine sales prices of buildings containing rent stabilized units Citywide and by borough. However, in reporting sales prices, we are not able to take into consideration the condition of the building or the neighborhood where each building is sold, factors important in determining the sales price.

Examining sales for all sizes of buildings, the median Citywide sales price was $4.0 million in 2020. The highest median sales price was in Manhattan ($5.8 million); followed by the Bronx ($5.1 million); Brooklyn ($2.9 million); and Queens ($2.3 million).

Looking at the smallest buildings (containing 6-10 residential units), the median sales price Citywide was $2.1 million. By borough, prices were highest in Manhattan, at $3.1 million; followed by Brooklyn, at $2.0 million; Queens, at $1.4 million; and the Bronx, at $1.2 million.

Among 11-19 unit buildings, the median Citywide price was $4.2 million. By borough, prices were highest in Manhattan, at $5.8 million; followed by Brooklyn, at $3.5 million. (There were too few 11-19 unit building sales in Queens and the Bronx to analyze.)

Buildings with 20-99 units sold Citywide at a median price of $7.5 million. By borough, these buildings sold for the most in Manhattan, at a median price of $9.5 million; followed by Brooklyn, at $7.2 million; the Bronx, at $7.0 million; and Queens, at $5.5 million.

Among the largest buildings, which contain 100 or more units, buildings Citywide sold for a median price of $34.2 million. However, too few buildings containing 100 or more residential units were sold to accurately report borough building prices by borough. See Appendix D.9 for a breakdown of median sales prices in each borough among different sized buildings.

Summary

Average interest rates declined to the lowest ever recorded in this survey, but both service fees as well as vacancy and collection losses increase this year. In addition, the number of buildings containing rent stabilized units sold declined to their lowest level since the RGB began collected the data. With the economic ramifications of the pandemic still in flux, the coming year's mortgage lending market is likely to be noticeably impacted by it. ❐

Endnotes

1. Federal Deposit Insurance Corporation (FDIC) website: https://fdic.gov.
2. Federal Reserve Board website: https://www.federalreserve.gov/monetarypolicy/openmarket.htm and https://www.frbdiscountwindow.org.
3. "Fed Holds Steady on Interest Rates, Bond Purchases," by Paul Kiernan, The Wall Street Journal. March 17, 2021.
4. 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 number of buildings containing rent stabilized units and can be viewed as more representative.
5. The O&M cost-to-rent ratio from the *2021 Mortgage Survey* reflects estimates by lenders of expenses and rents for buildings containing rent stabilized units as of approximately March 2021. The average ratio is calculated from just five 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 $1,450 and average unaudited cost was $1,070, reflects rents and expenses reported by owners for calendar year 2019. Average monthly costs per unit in the Mortgage Survey this year are lower than those reported in the *I&E Study*. This is due to differences in the two data sources: lenders' estimated average of buildings in their portfolio vs. a weighted average of a large number 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).
6. The data reflect sales of buildings that had been registered with the New York State Homes and Community Renewal (HCR) as containing at least one rent stabilized unit in 2019, the most recent year for which comprehensive registration records were available. 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 eligible buildings sold.
7. 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 & Affordability

New York City Rent Guidelines Board

2021 Income and Affordability Study

What's New

- ☑ Results from the *2019 American Community Survey* show that median renter income is $54,759, median gross rent is $1,483, and the median gross rent-to-income ratio is 30.1%.
- ☑ NYC's economy contracted by an inflation-adjusted 6.3% in 2020.
- ☑ Average inflation-adjusted wages were up 6.0% in the most recent time period studied (the fourth quarter of 2019 through the third quarter of 2020). Total wages decreased by 1.8% during this same period.
- ☑ The City lost an average of 516,600 jobs in 2020, an 11.1% decrease from 2019 total job levels.
- ☑ The unemployment rate rose in 2020, to an average of 12.3%, up from 3.9% in 2019.
- ☑ Concurrent with a pandemic eviction moratorium, less persons were staying in NYC Department of Homeless Services shelters each night of 2020, down 5.9% from 2019.
- ☑ Concurrent with a pandemic eviction moratorium, non-payment filings in housing court decreased 56.4% in 2020, while cases actually heard decreased 62.7%. The number of tenant evictions fell 82.0%.
- ☑ Cash assistance caseloads rose 8.6% in 2020, while the number of SNAP (food stamp) recipients rose 5.2%, and Medicaid enrollees fell by 3.3%.

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 the New York City (NYC) rental market.

This study highlights year-to-year changes in many of the major economic factors affecting NYC's tenant population and takes into consideration a broad range of market forces and public policies affecting housing affordability, such as unemployment rates; wages; housing court and eviction data; and rent and poverty levels.

This report focuses on data from 2020, which includes the first two to three months of 2020 (pre-pandemic), when the economy in NYC was strong. As such, special attention will be given in this report to highlight quarterly 2020 data to provide a better comparison of the current economic condition of NYC and its residents.

Overview

NYC's economy in 2020 showed many weaknesses as compared with the preceding year. Negative indicators include shrinking employment levels, which fell for the first time in 11 years, decreasing 11.1% in 2020. Gross City Product (GCP) decreased for the first time in 12 years, falling in inflation-adjusted terms by 6.3% in 2020. The unemployment rate rose, increasing by 8.4 percentage points, to 12.3%, the highest level recorded in at least the last 45 years. There was also an increase in cash assistance caseloads of 8.6%, while SNAP caseloads rose 5.2%.

Positive indicators during 2020 include a decrease in both the number of non-payment filings and calendared cases in Housing Court, which fell by 56.4% and 62.7%, respectively, as well as a decrease in tenant evictions, which fell by 82.0% (all largely due to various eviction moratoriums in place since the start of the pandemic). Homeless levels also fell for the second consecutive year, by 5.9%. There was also a decrease in Medicaid enrollees, which fell 3.3%. Concurrent with Court closures, bankruptcy filings also decreased sharply, falling 40.7%, to the lowest level since at least 2000. In addition, average inflation-adjusted wages rose during the most recent 12-month period for which data is available (the fourth quarter of 2019 through the third quarter of 2020), rising 6.0% over the corresponding time period of the prior year (note that while average wages rose, total wages paid within NYC fell, by an inflation-adjusted 1.8%). Inflation remained steady between 2019 and 2020, at 1.7% in each year.

The most recent numbers, from the fourth quarter of 2020 (as compared to the fourth quarter of 2019), show many negative indicators, including cash assistance levels up 15.4%; SNAP recipients up 11.2%; Medicaid enrollees, up 1.2%; GCP falling, by 6.6% in real terms; employment levels down 13.2%; and the unemployment rate up 8.3 percentage points. However, homeless levels are down 10.6%; and in Housing Court, the number of cases heard (calendared) are down 50.9%[1] and the number of non-payment filings are down 43.5%.[2] A new appendix, Appendix E.12, summarizes the change in each of these data points for each quarter of 2020.

We can also examine fourth quarter data in relation to the third quarter of 2020, which illustrates potentially positive trends. Accounting for seasonal changes in jobs, there was a decrease of 4.0 percentage points in the NYC unemployment rate in the fourth quarter of 2020 as compared to the third, and an increase of 2.6% in total employment. There was also a decrease of 2.1% in both homelessness and cash assistance recipients, while SNAP caseloads declined by 1.5% and Medicaid enrollment was virtually unchanged. On an annualized basis, GCP increased by 6.0% in the fourth quarter of 2020 as compared to the third.

Economic Conditions

Economic Output and Consumer Prices

NYC's economy contracted during 2020, shrinking for the first time in 12 years.[3] NYC's Gross City

Product (GCP), which measures the total value of goods and services produced, decreased by 6.3% in inflation-adjusted ("real") terms during 2020, following an increase of 1.2% in 2019. Prior to 2020, there had been positive economic growth in real terms in all but four quarters since the first of 2009. During 2020, as compared to the preceding quarter, GCP (in real terms) fell an annualized 6.8% during the first quarter and 35.6% during the second quarter, before rising 19.9% during the third quarter and 6.0% during the fourth quarter. For 2020 as a whole, United States Gross Domestic Product (GDP), decreased by a lesser amount than NYC, contracting a "real" 3.5% during 2020, compared to an increase of 2.2% during 2019.[4]

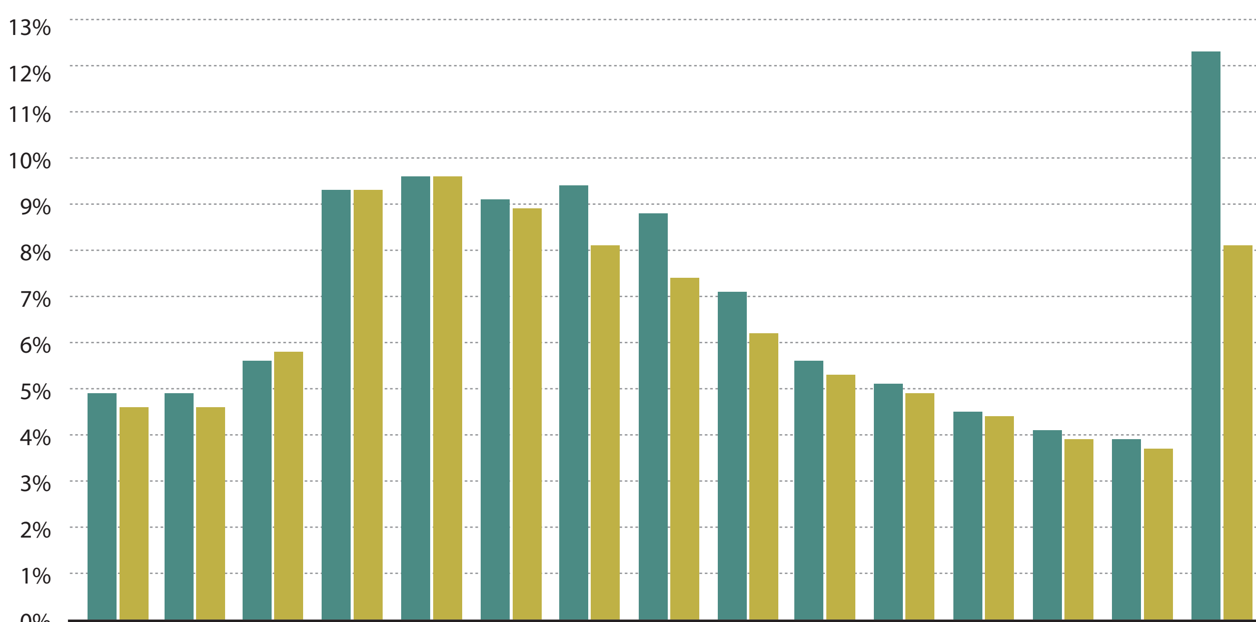
The Consumer Price Index (CPI), which measures the change in the cost of typical household goods, increased 1.7% in the NYC metropolitan area during 2020, the same rate of inflation as seen in the previous year.[5] While in many recent years inflation in the NYC area has been lower than that in the U.S. as a whole, in 2020 inflation nationwide was half a percentage point lower than that of the local area, rising 1.2%.

Unemployment Statistics

NYC's average annual unemployment rate rose for the first time in eight years, increasing 8.4 percentage points, to 12.3%, up from a historic low of 3.9% in 2019.[6] This is the highest unemployment rate in at least the last 45 years (the first year for which data is available), exceeding the second highest rate of 11.1% in both 1976 and 1992.[7] The U.S. unemployment rate increased by 4.4 percentage points during this same period, rising from 3.7% in 2019 to 8.1% in 2020.[8] (See graph on this page and Appendix E.1.)

NYC and U.S. Average Unemployment Rates, 2006-2020

NYC Average Unemployment Rate Rises to a Historic High



	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
NYC	4.9%	4.9%	5.6%	9.3%	9.6%	9.1%	9.4%	8.8%	7.1%	5.6%	5.1%	4.5%	4.1%	3.9%	12.3%
US	4.6%	4.6%	5.8%	9.3%	9.6%	8.9%	8.1%	7.4%	6.2%	5.3%	4.9%	4.4%	3.9%	3.7%	8.1%

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

Annual unemployment data includes the first quarter of 2020, largely before the pandemic hit the nation. While the unemployment rate fell half a percentage point during the first quarter of 2020, to 3.9%, it was 18.1% in the second quarter; 16.1% in the third quarter; and 11.7% in the fourth quarter. These are increases in the second, third, and fourth quarters of 14.4, 12.3, and 8.3 percentage points, respectively, as compared to the same quarters of the previous year. Comparing the second through fourth quarters of 2019 to 2020, average unemployment levels rose from 3.7% to 15.3%.

For 2020 as a whole, at the borough level, Manhattan had the lowest average unemployment rate, 9.5%, with Staten Island at 10.6%; Brooklyn and Queens, both at 12.5%; and the Bronx, consistently the borough with the highest unemployment rate, 16.0%. Unemployment rates rose in every borough during 2020, increasing 6.1 percentage points in Manhattan; 6.8 percentage points in Staten Island; 8.5 percentage points in Brooklyn; 9.1 percentage points in Queens; and 10.7 percentage points in the Bronx. Rates decreased in each borough during the first quarter of 2020 as compared to the same quarter of 2019, but increased in the second through fourth quarters of 2020, including the greatest proportional increase, 17.1 percentage points, during the second quarter of 2020 (in the Bronx). (See Appendix E.12 for unemployment data by quarter.)

In January and February of 2021, the most recently available data, the unemployment rate for NYC (13.1% and 13.2%, respectively) was above that of the same months of the previous year, with the rate 9.3 percentage points higher in January and 9.4 percentage points higher in February. The seasonally adjusted unemployment rate (which allows for comparisons of the unemployment rate from month to month by accounting for seasonal changes in employment), was 12.0% in each month from October through December of 2020, before rising in 2021, to 12.6% in January and 12.9% in February (the most recently available data). At the national level, the unemployment rate was 6.8% in January of 2021 and 6.6% in February, 2.8 percentage points higher than both January and February of 2020. The seasonally adjusted national unemployment rate fell in each of the first two months of 2021, down from 6.7% in both November and December of 2020, to 6.3% in January and 6.2% in February of 2021.

Initial Unemployment Claims

The NYS Department of Labor (for the period of March 21, 2020 through March 27, 2021) and the U.S. Department of Labor publish weekly estimates of initial unemployment claims, defined as a claimant request for a determination of basic eligibility for unemployment insurance.[9]

While the number of initial claims for unemployment insurance is an imperfect proxy for the unemployment rate (as not all persons who initially claim are deemed eligible, and the number of persons receiving unemployment insurance is normally fluid, as people lose work and receive unemployment insurance, and others obtain work and no longer collect), it is the most recent data currently available in regard to the labor force.

For context, in the last full month before the COVID-19 virus caused wide-spread shutdowns, there were 4.12 million persons in the NYC labor force. The unemployment rate was 3.8% and there were 154,700 persons unemployed.[10] The number of initial claims for unemployment insurance was approximately 5,000 persons per week.[11]

Initial unemployment claims in the first weeks of the pandemic rose exponentially (see graph on Page 62), rising by the greatest proportion in the week ending April 11, 2020, when initial claims in NYC rose by 3,516% (from 5,103 in the same week of the prior year to 184,525). This was a greater proportional increase than that seen in the U.S. as a whole in the same week, an increase of 2,394%. For the 52-week period of March 14, 2020 through March 6, 2021 (the first full year of the pandemic), the total number of initial claims is up 647% (or 2,133,298 claims) in NYC as compared to the same period in the prior year (see table on the next page). As the table on the next page also illustrates, at the borough level, for the first full year of the pandemic, claims rose by the smallest proportion in Manhattan, rising approximately 515% (or 321,810 claims); followed by Staten Island, at 534% (or 96,397 claims); Brooklyn, at 637% (or 648,191 claims); the Bronx, at 638% (or 453,015 claims); and by the most in Queens, at 803% (or 613,885 claims).

While still well above the pre-pandemic average, initial unemployment claims in NYC are down sharply as compared to the beginning of the pandemic. Initial claims rose 218% (from 5,679 to 18,075) from the week before shutdowns began in 2020 (the week ending March 7) to the same week of 2021. Comparing the first three weeks of the pandemic to the same period of 2021 (the latest available data, as of publication of this report), initial claims are down 70% in NYC (see table below).[12]

Employment Statistics

For the first time in 11 years (and following gains in all but one year since 2004), the number of people employed in NYC decreased (see graph on Page 63). Overall, among both City residents as well as those commuting into the City, NYC lost an average of 516,600 jobs in 2020, an 11.1% decrease from 2019.[13] For comparison, the U.S. as a whole lost 5.8% of its jobs during 2020.[14]

Average employment levels fell in all industries except Government during 2020, decreasing by the greatest proportion in the Leisure and Hospitality sector, which fell by 41.9% (196,300 jobs) during 2020. The next largest proportional decline was in the Manufacturing sector, which fell by 22.2% (a total of 15,100 jobs). In the largest employment sector, Education and Health Services, employment fell by 4.8% (or 51,100 jobs). Government, due to increases in federal jobs, was the only to sector to rise, increasing by 0.2% (or 900 jobs). All other

Over-the-Year (OTY) Change in Initial Unemployment Claims

*Cumulative Initial Unemployment Claims (52 Weeks, March 2020-March 2021)**

Geography	2020-2021	2019-2020	OTY Net Change	OTY % Change
New York City	2,463,018	329,720	2,133,298	647%
Bronx**	524,026	71,011	453,015	638%
Brooklyn**	749,921	101,730	648,191	637%
Manhattan**	384,278	62,468	321,810	515%
Queens**	690,333	76,448	613,885	803%
Staten Island**	114,460	18,063	96,397	534%
New York State	5,169,005	842,528	4,326,477	514%
U.S.	76,396,351	11,209,532	65,186,819	582%

**Comparison of the 52-week period of March 8, 2020 through March 6, 2021 to the 52-week period of March 10, 2019 through March 7, 2020.*
***Borough rates are very close estimates. See Endnote 12 for more details.*

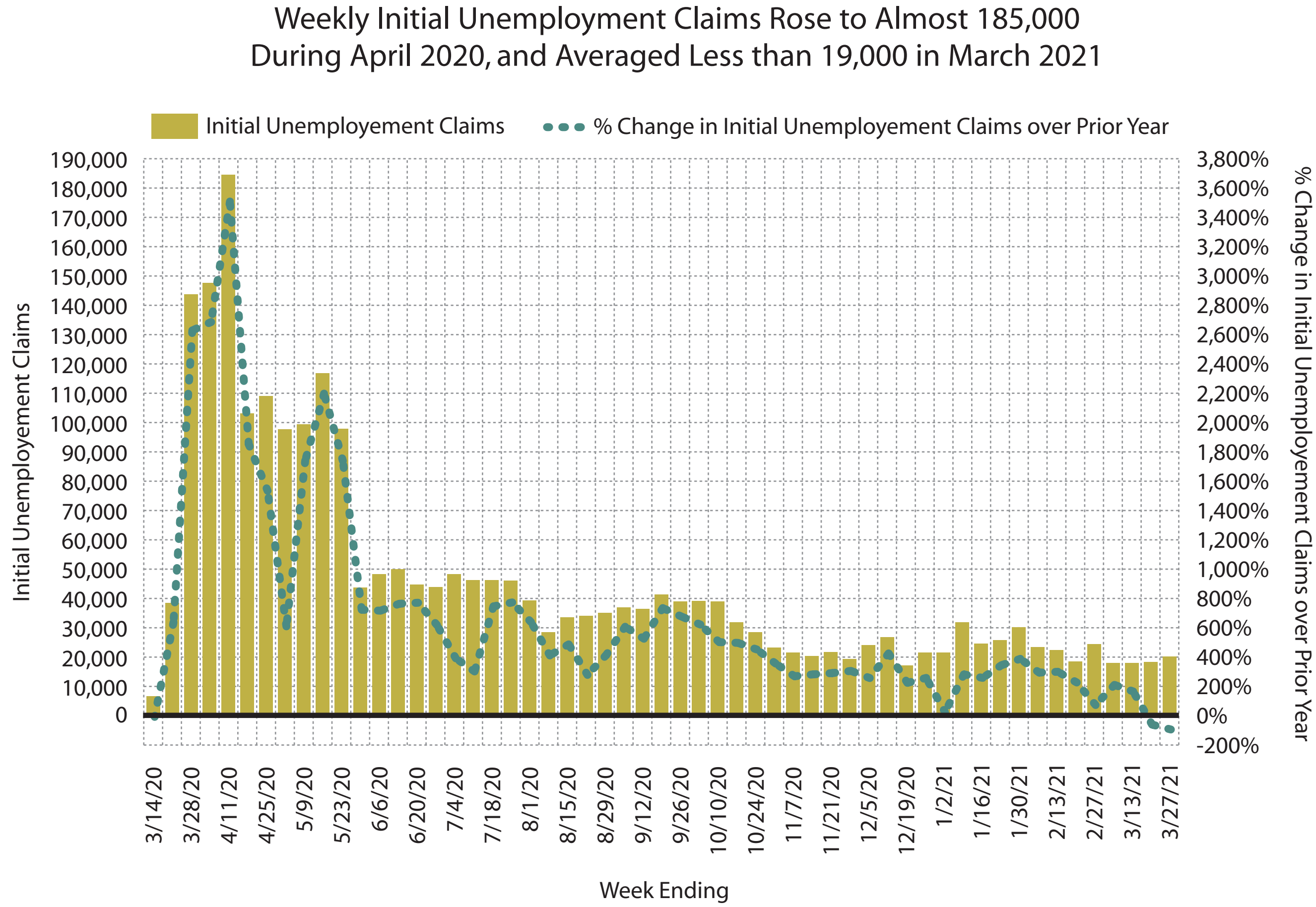
*Cumulative Initial Unemployment Claims for Weeks Ending March 13, 20, 27**

Geography	2021	2020	OTY Net Change	OTY % Change
New York City	56,569	188,929	-132,360	-70%
Bronx*	12,160	30,173	-18,013	-60%
Brooklyn*	17,196	58,245	-41,049	-70%
Manhattan*	9,001	35,075	-26,074	-74%
Queens*	15,425	56,236	-40,811	-73%
Staten Island*	2,787	9,200	-6,413	-70%
New York State	139,220	464,359	-325,139	-70%
U.S.	2,871,755	24,555,747	-21,683,992	-88%

**Comparison of the three-week period of March 7, 2021 through March 27, 2021 to the three-week period of March 8, 2020 through March 28, 2020.*

Source: NYS Department of Labor and U.S. Department of Labor

Weekly Initial Unemployment Claims, NYC, March 2020-March 2021



Source: NYS Department of Labor

sectors fell between 3.2% and 19.2%. (See Appendix E.2 for more detailed employment data.)

On a quarterly basis, employment rose by 1.4% during the first quarter of 2020, before falling for the balance of the year, by 18.3% in the second quarter; 14.2% in the third quarter; and 13.2% in the fourth quarter, all as compared to the same quarters of the prior year. Comparing the second through fourth quarters of 2019 to 2020, employment levels fell by 15.2%. (See Appendix E.12 for more detailed employment data by quarter.)

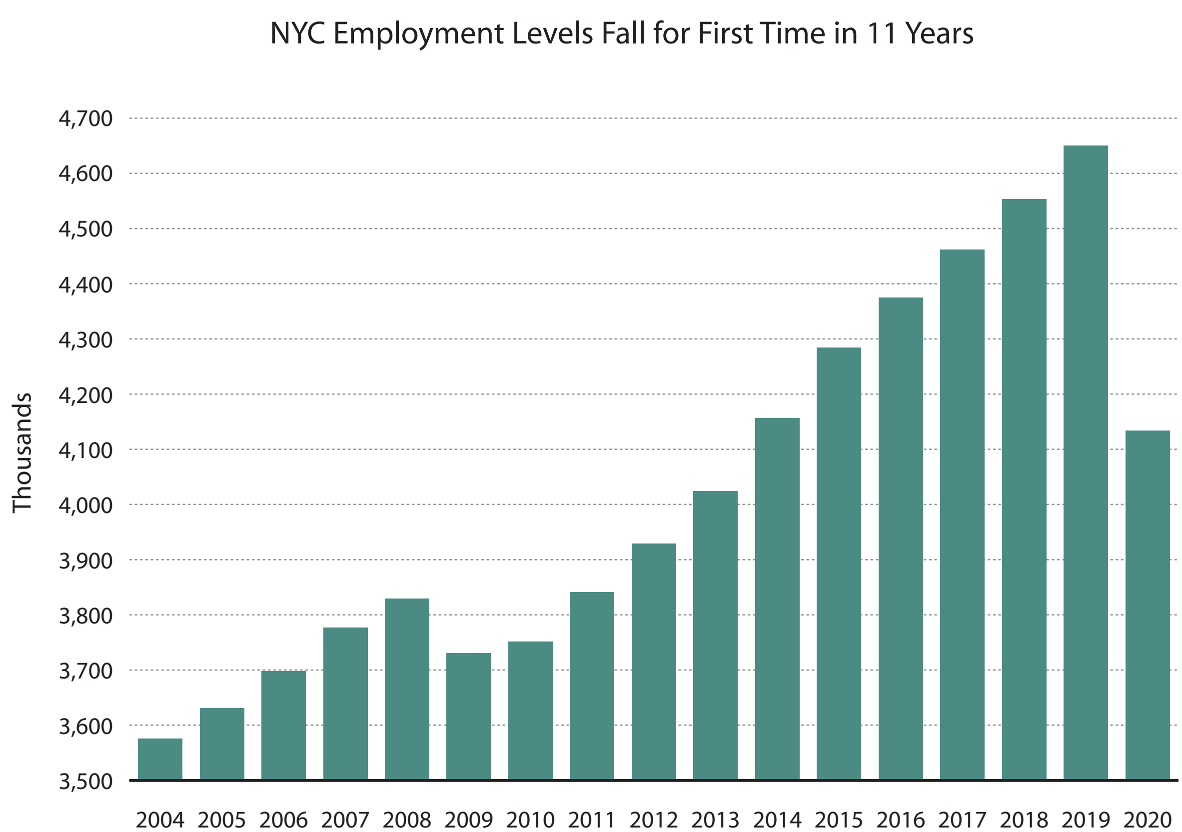
During the first two months of this year, total employment levels were down as compared to the same months of 2020, with levels 13.7% lower in January and 13.6% lower in February of 2021 as compared with 2020. Employment levels were down in every industry during the first two months of 2021 as compared to the same months of 2020, decreasing by the greatest proportion in Leisure and Hospitality (with decreases of 54.5% in January and 52.0% in February) and by the least in Government (with decreases of 1.7% in January and 1.3% in February). Considering seasonal changes in employment, there was a gain of 0.5% in employment in January of 2021 as compared to the prior month, and 0.04% in February. For comparison, in the U.S. as a whole, employment was down 6.1% in January and 6.0% in February of 2021, as compared to the same months in 2020, or approximately half the rate of job loss as NYC. There were slight gains in seasonally adjusted employment in the nation during January and February of 2021, with increases of 0.1% and 0.3%, respectively, as compared to the prior month.

A February report from The New School analyzed NYC employment data through December of 2020.[15] The 2020 employment figures used in the report were published before a federally-mandated benchmarking process in March of 2021 revised data for each month in 2020. The employment figures in this and the following paragraph follow the methodology in the report, but have been updated with the current data. Between February and April of 2020, NYC lost 926,500 jobs among all sectors. Between April and December, 351,700 of these jobs returned, or 38% of the total lost. Per the report, in the U.S. as a whole, 64% of jobs were recovered during the same time period.

The report identifies three types of jobs to analyze in more detail — Essential (health care, social assistance, and government); Face-to-Face (restaurants, hotels, transportation, construction, neighborhood personal services, administrative and building services, non-essential retail, wholesale trade, and manufacturing); and Remote (information, financial, professional, and managerial services). More than 78% of the job losses between February and April were in the Face-to-Face industries, which collectively lost 458,600 jobs. As of December, jobs in these Face-to-Face industries are down 23% from February, a greater loss than all industries (12%); the Remote industries (7%); and the Essential industries (2%). The strongest job rebounds were in health care (with 82% of lost jobs recovered), followed by construction (74%) and retail trade (62%). Six industries continued to lose jobs between April and December, including finance and insurance; arts, recreation, and entertainment; and accommodation. Appendix E.12 provides similar data on employment losses, but by quarter.[16]

The report also estimates the "underemployment" rate (or the rate of those either unemployed; who

Average Annual Payroll Employment, NYC, 2004-2020



Source: NYS Department of Labor

have dropped out of the labor force; or are involuntarily working part-time). Based on estimates of the change in the labor force and the number of persons receiving partial unemployment insurance benefits, the report estimates an "underemployment" rate of 24.5% in NYC as of December of 2020. The actual unemployment rate was 12.3% in December, per the NYS Department of Labor.

The report also estimates the change in total wages for the three previously identified types of jobs (similar data is also explored in more detail in the Wage Data section of this report, below, and in Appendix E.13). It is estimated that although average wages in both the Face-to-Face and Essential industries are approximately one-third that of the Remote industries ($61,521, $65,128, and $188,718, respectively, as of 2019), in 2020 total wages in Face-to-Face industries may have declined by as much as $27.9 billion, while falling an estimated $5.3 billion in Essential industries, and $11.4 billion in Remote industries.

Two other employment indices are tracked in the *I&A Study*. The NYC 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 decreased in 2020, to 58.6%, down from 60.4% in 2019, and the lowest level since at least 2001.[17] This was lower than the U.S. rate, which fell from 63.1% in 2019 to 61.7% in 2020, and is at its lowest level since 1976.[18] A related statistic, the NYC employment/population ratio, measures the proportion of those who are actually employed as a ratio of all non-institutionalized people age 16 or older. This rate fell to its lowest level since at least 2000, from 58.1% in 2019 to 51.4% in 2020. The U.S. employment/population ratio also fell in 2020, decreasing 4.0 percentage points from 2019, to reach 56.8%. This is the lowest level since 1976 (when it was also 56.8%).

Wage Data

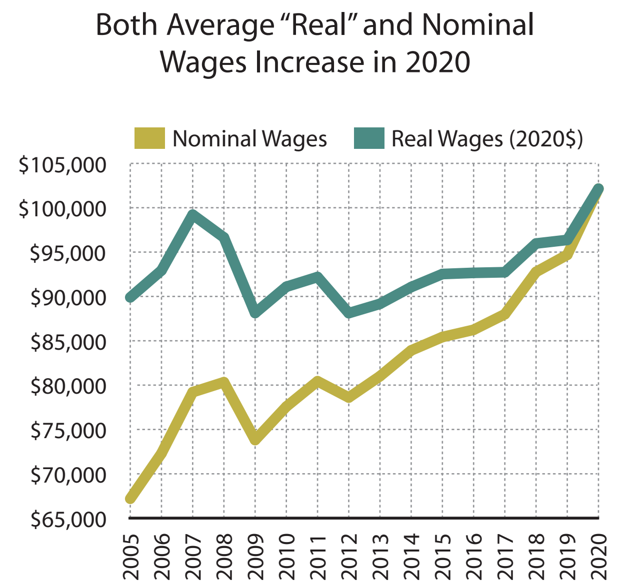
This report also examines wage data of employees working in NYC (regardless of where they live). Highly accurate wage data can be derived from the NYS Department of Labor's Quarterly Census of Employment and Wages (QCEW), though the analysis is limited by the fact that there is a significant lag time in the reporting of wage data. The most recent annual numbers cover the 2019 calendar year and show an increase in both average nominal wages (wages in current dollars), as well as in average "real" wages (wages adjusted for inflation).[19] Among all industries, average nominal wages increased by 3.2% between 2018 and 2019, following a 3.1% increase in the prior year.

Average "real" wages increased by 1.5% in 2019, following an increase of 1.2% in the prior year. "Real" wages rose from $94,171 in 2018 (in 2019 dollars) to $95,621 in 2019, with wages rising in most sectors, by 0.1% to 9.4% in real terms.[20] Three sectors saw small decreases in real wages during 2019, including Management of Companies, which declined by 0.4%. Almost a quarter of all wages earned in NYC are within the Finance and Insurance sector, which rose by the smallest proportion in 2019 in real terms, by 0.1%.

A longer view of wage growth can be seen by calculating the change (point-to-point) of average "real" wages in 2000 and 2019. In real terms, wages in this time period increased 6.1% for the City as a whole, or an average of 0.31% each year. Each borough saw wage growth over this time period, with wages increasing by the greatest proportion in the Bronx, 16.6% (or 0.81% per year); followed by Manhattan, 15.3% (or 0.75% per year); Staten Island, 10.3% (or 0.52% per year); Brooklyn, 7.8% (or 0.40% per year); and by the least in Queens, 7.7% (or 0.39% per year).

QCEW data is submitted by employers quarterly to New York State and released to the public approximately six months later. Due to this lag time, as of the publication of this report, QCEW data is current only through the third quarter of 2020 (note that 2020 data is preliminary). In order to present the most recent statistics possible, staff has formulated a "year" of QCEW data that comprises the four most recent quarters (in this case, the fourth quarter of 2019 through the third quarter of 2020). This "year" was then compared with the equivalent period of the preceding "year," which in this most recent time period showed that overall average wages increased by 6.0% in real terms and by 7.9% in nominal terms. This compares to increases in the preceding 12-month period of 0.4%

Avg. "Real" and Nominal Wages, 2005-2020



Source: NYS Department of Labor

Note: Due to lag times in data reporting, each "year" consists of the first three quarters of that year, and the fourth quarter of the preceding year.

in real terms and 2.1% in nominal terms. (See Appendices E.3 and E.4, and graph on this page.)

Note that the average wage is the amount of total wages paid in NYC, divided by the total employment in NYC. Therefore, average wages can increase even as employment and total wages decrease. This was the case in NYC during the past year, when employment levels and total wages dropped in both the second and third quarters of 2020, but average wages increased. Detailed information on total wages and employment (as opposed to the data on average wages, which follows) can be found later in this section and in Appendix E.13.

Average wages grew in each borough during the most recent 12-month time period, including an increase in "real" wages of 7.7% in Manhattan, which accounts for three-quarters of the wages earned within NYC. "Real" wages in the outer boroughs grew at a slower pace than Manhattan, with wages rising 2.7% in Queens, 2.9% in the Bronx, 3.6% in Brooklyn, and 4.1% in Staten Island.

Average wages in the Finance and Insurance sector, which account for a quarter of total wages during the most recent time period, increased by a "real" 2.3% during the most recent 12-month time period. This compares to a decrease of 4.7% in the prior 12-month period. Average "real" wages in this sector increased in every quarter of the most recent time period. The sector with the second greatest weight, Professional and Technical Services sector (accounting for 14% of all wages) rose by a "real" 3.0%. The Government sector (with 11% of all wages) rose by 0.04%. The Health and Social Services sector (accounting for 10% of all wages), rose by a "real" 2.5% during this time period. Just two sectors saw average wages decrease in real terms, but account for only 3.9% of overall wages. (See Appendices E.3 and E.4 for more detailed wage data.)

On a quarterly basis, average "real" wages as reported by the QCEW rose by 0.6% in the first quarter of 2020, 11.8% in the second quarter, and 8.8% in the third quarter. "Yearly" wage growth also includes the fourth quarter of 2019, when average wages rose 2.0% in real terms.

Each year this report estimates "yearly" QCEW average wage change absent the impact of the Finance and Insurance sector. Overall wages are often pulled higher or lower as a result of this sector, which has both the largest proportion of overall wages, as well as the highest average wages. In 2020, this sector had the effect of slightly increasing overall average wages. If the Finance and Insurance sector were removed from the analysis, average wages would have risen by 5.4% in real terms and 7.3% in nominal terms, lower than the overall growth of 6.0% and 7.9%, respectively.

As previously noted, average wage growth was strong in the most recent 12-month period, despite steep job losses. In 2020, while average wages rose for those who remained employed (mainly because a greater proportion of those who make higher wages retained their jobs than those who make a lower wage), hundreds of thousands of individuals working in NYC lost employment. Total wages are the amount of wages paid to all employees during each quarter. During the most recent 12-month time period, total wages fell by 1.8% in inflation-adjusted, "real" terms and by 0.04% in nominal terms. Average employment for this period fell by 7.3%. While there were gains in both average employment and total wages during the fourth quarter of 2019 and the first quarter of 2020, both declined during the second and third quarters of 2020.

Comparing just the second and third quarters of 2020 to the same quarters of 2019, total wages fell by a "real" 7.9% (6.5% in nominal terms) and average employment fell by 16.5%. Losses were greater during the second quarter (with "real" total wages falling 8.9%) than during the third quarter (when "real" total wages fell by 6.8%). As compared to the U.S. as a whole, NYC did proportionally worse. Nationwide, during the second and third quarters of 2020, inflation-adjusted total wages declined by 3.3% and total employment fell by 9.7%.[21]

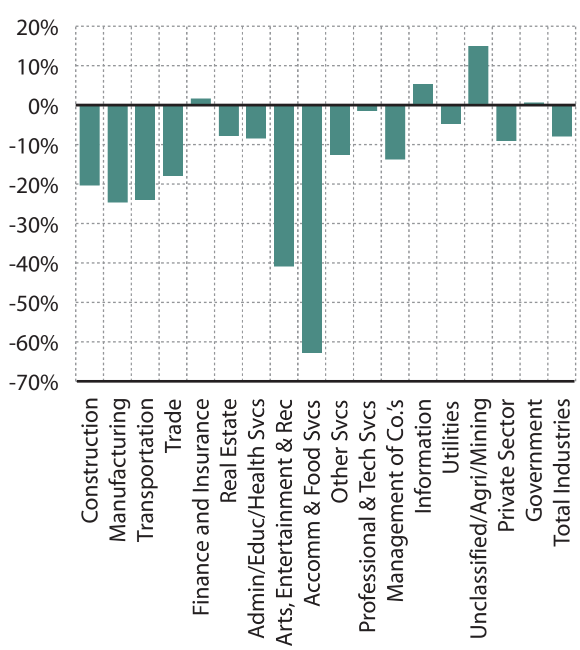
During the second and third quarters of 2020, while total wages in NYC did increase in four industries (Finance and Insurance; Information; Government; and the combined industries of Agriculture/Mining/Unclassified), they fell in all others. The greatest proportional decreases were in the Accommodation and Food Services and Arts, Entertainment, and Recreation industries, which saw total wages decrease in real terms by 62.8% and 40.9%, respectively. Average employment in these two industries fell by 59.3% and 52.3%, respectively. (See graph on this page and Appendix E.13 for more detailed QCEW data for the 2nd and 3rd quarters of 2020)

The U.S. Bureau of Labor Statistics (BLS) also tracks wage data, as part of its Current Employment Statistics (CES) survey.[22] While both data sets track wages, they differ in their methodologies. Unlike the QCEW, which is based on quarterly tax filings of all employers in New York State, the CES is a monthly survey of approximately one-third of employers conducted by the BLS. CES data cannot be analyzed for specific industries (and does not include wages for government employees). In addition, while the CES is more current than that of the QCEW, it is based on a much smaller sample size. Also, unlike the QCEW, CES data does not include certain types of monetary compensation such as bonuses and sums received when exercising stock options, so it is therefore less variable on a quarterly basis than data from the QCEW.

According to the CES survey, average weekly wages rose by a "real" 0.6% in NYC in 2020, lower than the rate of growth in 2019 of 1.5%, and lower than that of the nation as a whole in 2020 (an increase of 4.0%). In nominal terms, weekly wages rose by 2.4% in NYC and 5.3% for the nation as a whole between 2019 and 2020. On a quarterly basis, the CES data shows that NYC weekly wages (in real terms) rose in all but the second quarter of 2020, including the greatest growth in the fourth quarter (1.6%), while dropping in the second quarter (by 0.4%). Total wages are not available via publicly released CES data.

% Change in "Real" Total Wages by Industry, 2019-2020 (2nd and 3rd Quarters)

Total Wages Fall in Most Industries during the Second and Third Quarters of 2020



Source: NYS Department of Labor

Changes to Unemployment Insurance Compensation

In the wake of the COVID-19 crisis, NYS unemployment insurance (NYSUI) has expanded eligibility, increased the time benefits can be collected, and increased compensation. Guidelines have changed over the period beginning with the pandemic through the publication of this report, and may change in unknown ways past the publication of this report. Among the changes to NYSUI since March of 2020, the post-pandemic federal Pandemic Unemployment Assistance (PUA) program expands eligibility for some of those who do not typically qualify for unemployment insurance.[23] The new eligibility guidelines include the self-employed, parents caring for children who are currently home-schooled, and those who are taking care of a family member with COVID-19 or who experienced the death of the head of household due to COVID-19, among other categories. Individuals who are eligible for PUA are compensated at the same rates as those who qualify for NYSUI.

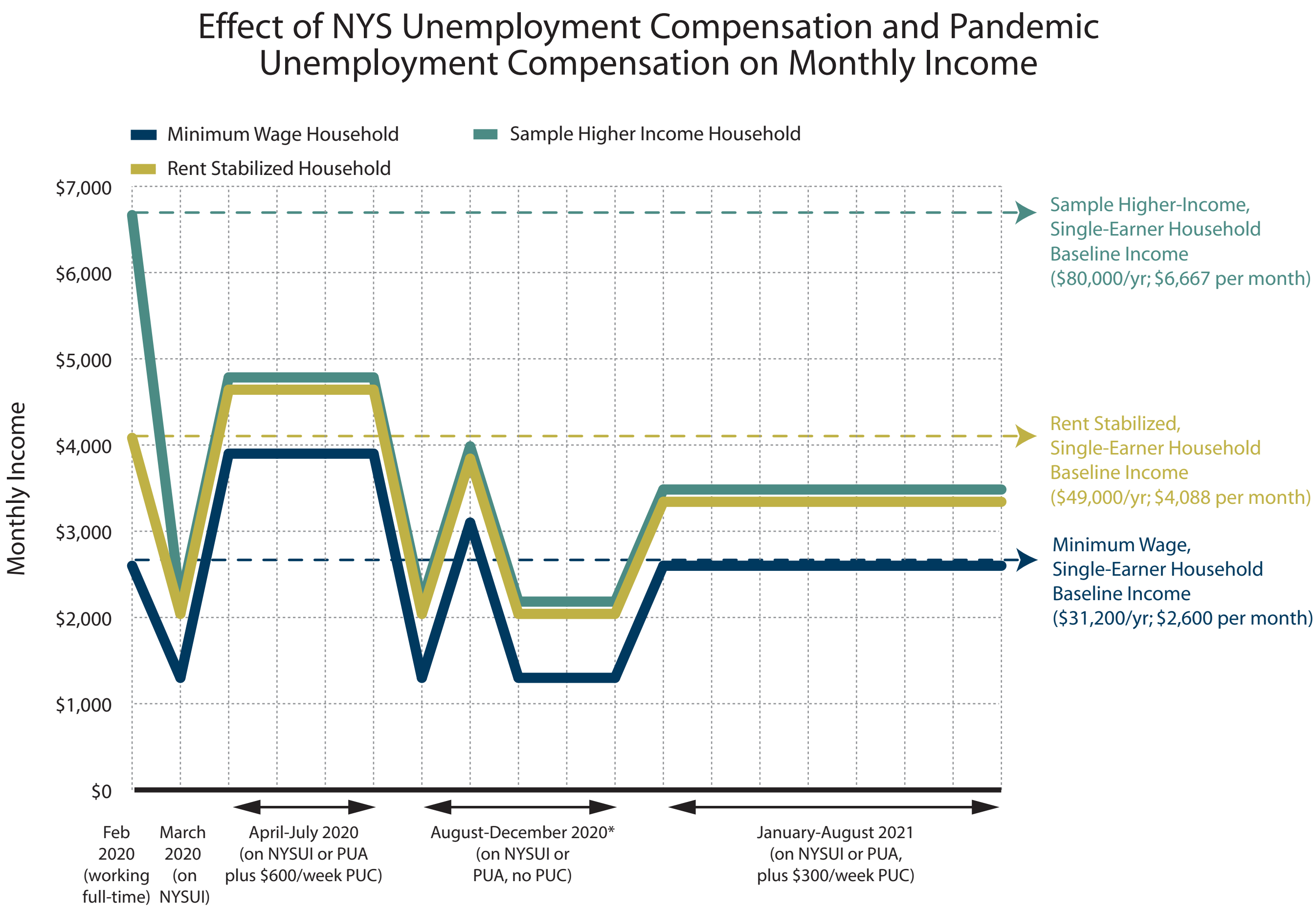
In addition, during certain time periods, all recipients of either PUA or NYSUI received additional compensation through the federal Pandemic Unemployment Compensation (PUC) program. Prior to the COVID-19 crisis, the maximum NYSUI compensation was $504 per week (or $2,184 per month), for those making $52,416 per year or more. The typical compensation for those making below $52,416 is half of the salary the claimant was earning before becoming unemployed.[24] For the period of March 30 through July 26, 2020, PUC added an extra $600 per week to both NYSUI and PUA compensation.[25] This made the maximum payment $1,104 per week (or $4,784 per month), an increase of 110% over normal NYSUI levels. The lower the level of NYSUI compensation, the greater the proportional increase of total compensation after the addition of the $600 PUC payment. Those making $40,000 per year received $984 per week (or $4,264 per month), an increase of 156%, while those making $20,000 a year saw a 313% increase in their weekly unemployment compensation. Between August and December of 2020, compensation returned to pre-pandemic levels, with the exception of September, when the Lost Wages Assistance Program (LWA) provided retroactive payments of $300 per week for the six-week period from the end of July through the beginning of September to those beneficiaries who certified they lost employment due to COVID-19.[26] Income then rose again beginning in the week ending January 3, 2021, by $300 per week, with this extra compensation lasting through at least the week ending September 4, 2021.[27]

Post-pandemic guidelines also increase the maximum number of weeks benefits can be claimed. Instead of the pre-pandemic maximum of 26 weeks of NYSUI, benefits (as of the publication of this report) now last up to 99 weeks, or through at least September 5, 2021.[28]

The graph on the next page illustrates monthly unemployment compensation received by three hypothetical single-earner households since the start of the pandemic — a household with one minimum wage worker, previously making $31,200 per year; a one-income household previously making the estimated median rent stabilized household income in 2019, ($49,000 per year);[29] and a single-earner, higher-income household, previously making $80,000 per year. The graph illustrates the monthly NYSUI or PUA payments that would be received by each of these sample households over time, beginning with March of 2020, when an unemployed person was solely eligible for NYSUI. The graph then estimates payments from April through July of 2020, when both the PUA and PUC programs began, and those receiving unemployment received an extra $600 per week through PUC. Between August and December of 2020 (with the exception of September, when qualified beneficiaries received retroactive LWA payments of up to $1,800), payments for NYSUI and PUA return to the same level as in March, because the legislation authorizing PUC payments expired. In both January and March of 2021, Congress authorized additional PUC payments, for $300 a week, lasting until at least the beginning of September of 2021.

The three dashed "baselines" show the amount of monthly income each of the sample households was making while working full-time. As the graph illustrates, both the minimum wage household and the rent stabilized household would receive half of their pre-unemployment income from NYSUI in March of 2020, while the higher-income household receives one-third of their former income, and only slightly more than the rent stabilized sample household. In April of 2020, both the minimum wage household and the rent stabilized household would receive more in NYSUI/PUA and PUC payments than they were making working full-time, while the higher-income household is still at a loss. With the exception

Monthly Income Examples for Sample Single-Earner Households Experiencing Unemployment



NYSUI = New York State Unemployment Insurance **PUA** = Pandemic Unemployment Assistance (federal)
PUC = Pandemic Unemployment Compensation (federal)

*In September of 2020, up to six weeks of retroactive payments of $300 per week (up to $1,800 total) were provided to qualified beneficiaries through the federal Lost Wages Assistance Program. Retroactive payments were made only to those people unemployed during the six-week period spanning the end of August through the beginning of September of 2020 who certified (or had previously certified) that they lost employment due to COVID-19.

Source: New York State Department of Labor

of September (due to LWA payments), between August and December of 2020, without extra PUC, all households are making less than they did previously. From January through August of 2021, the minimum wage household earns exactly their previous wage, while both the rent stabilized household and the higher income household are at a loss.

Note that the graph specifically illustrates unemployment income for single-earner households. There are countless variables that affect the total compensation for households with more than one wage earner, with the most significant variable being per-person PUC payments, which added an extra $2,600 per month to compensation from April through July of 2020, and will add an extra $1,300 from January through August of 2021. These payments are per person, so a single unemployed person previously making $80,000 per year (for instance), will receive less monthly household income than would two unemployed persons in a single household previously making $40,000 each.[30]

Economic Impact Payments

The federal government has approved up to three Economic Impact Payments (EIPs) for eligible households since the beginning of the pandemic. At the end of March, 2020, payments of up to $1,200 for individuals (or $2,400 for married couples), with an additional $500 for each qualifying child, were authorized for distribution.[31] A second EIP was authorized at the end of December, 2020, with payments of up to $600 for individuals (or $1,200 for married couples), in addition to $600 per qualifying child.[32] The third EIP was authorized in March, 2021, with payments of up to $1,400 for individuals (or $2,800 for married couples) and $1,400 for each qualifying dependent.[33] For each of these EIPs, full payment was phased out at $75,000 (or $150,000 for married couples).

Bankruptcy Statistics

In 2020, for the first time in five years, personal bankruptcy filings fell among NYC residents. There were 6,511 filings in 2020, a 40.7% decrease from the prior year and the lowest level since at least 2000. Filings in the U.S. also fell, by 30.5%.[34] The United States Courts note that "Filings fell sharply in the early months of the pandemic, starting in March 2020, when many courts offered limited access to the public. In addition, bankruptcy filings can lag behind other economic indicators. Following the Great Recession, which began in 2007, new filings escalated until they peaked in 2010."[35]

Poverty Statistics

The most recently available data from the Census Bureau's *American Community Survey (ACS)* reports that the NYC poverty rate for all individuals was 16.0% in 2019, 1.2 percentage points lower than in 2018.[36] This compares to 12.3% for the nation as a whole, a decline of 0.8 percentage points from 2018. Poverty rates vary widely depending on borough. Rates range from a low of 8.3% in Staten Island, to 10.8% in Queens, 14.0% in Manhattan, 17.7% in Brooklyn, and 26.4% in the Bronx, consistently the highest rate of the boroughs. As compared to the prior year, rates fell in every borough, by as much as 3.2 percentage points. (See Appendix E.8.)

Also reported are poverty rates by age. The poverty rate for persons under the age of 18 in NYC was 22.2% in 2019. The rate was 13.5% for individuals 18 to 64 and 18.4% for persons 65 years and over. For families, 12.4% were living under the poverty line in 2019. This includes 3.9% of families in owner-occupied units and 17.8% of families in rental units (the lowest proportion for families in rental units since at least 2005, the first year for which data is available). For families containing related children under the age of 18, the figure is 17.9%, higher than that of all families. For married-couple families, the overall poverty rate was 7.5% in 2019, while for female- and male-headed families (i.e., no spouse present) it was 23.3% and 11.8%, respectively. As compared to the prior year, rates fell for every category noted here, including a decrease of 2.5 percentage points for female-headed families and 2.4 percentage points for families in renter-occupied units.

The Census Bureau now produces an annual "Supplemental Poverty Measure," an additional measure of poverty that includes more components (such as non-cash benefits and location, among other factors) in estimating income and expenses.[37] Using a similar methodology, the NYC Center for Economic Opportunity (CEO) calculated household poverty rates for NYC from 2005-2018 and found poverty rates higher than official rates released by the Census Bureau.[38] For instance, the official household poverty rate in 2018 was 16.1% and the CEO estimate was 19.1%. The gap between official and CEO estimates has been as high as 3.0 percentage points (in both 2007 and 2018) over the 14 years studied by the CEO.

Researchers from three universities have created a model for estimating nationwide poverty levels in real time using data from the monthly Current Population Survey (conducted by the Census Bureau).[39] Their research shows that during the first few months of the pandemic, poverty at the national level fell as the government provided enhanced unemployment benefits and a stimulus check. The poverty rate fell from an estimated 10.7 percent in January 2020 to 9.4 percent in June 2020. The authors report that, "In the last 6 months of 2020, however, poverty rose sharply, as some of the benefits that were part of the initial government relief package expired. Poverty rose by 2 percentage points from 9.4 percent in June to 11.4

percent in December, adding 6.7 million people to the ranks of the poor. Poverty rose each month between June and November even though the unemployment rate fell by 40 percent (from 11.1 percent to 6.7 percent) during this period. This disconnect between poverty and unemployment is not surprising given that many government benefits expired, unemployment insurance benefits are typically only about half of pre-job loss earnings, and over five million people have left the labor force in the past year and therefore are not counted as unemployed." The researchers continue to update their estimates of poverty each month, and report that the estimated nationwide poverty rate in February of 2021 is 11.2%.[40]

2017 Housing & Vacancy Survey

Results from the *2017 Housing and Vacancy Survey (HVS)* were released in February of 2018.[41] This triennial survey provides data on the housing and demographic characteristics of NYC residents, including affordability of housing, rents, incomes, and vacancy rates for both tenants and owners. It is also the only survey that is able to provide data specifically for rent stabilized tenants. Detailed *2017 HVS* data can be found in the *2018 and 2019 I&A Studies*. The most recent *HVS* survey was postponed from 2020 to 2021. Preliminary data from the *2021 HVS* is expected to be released in 2022.

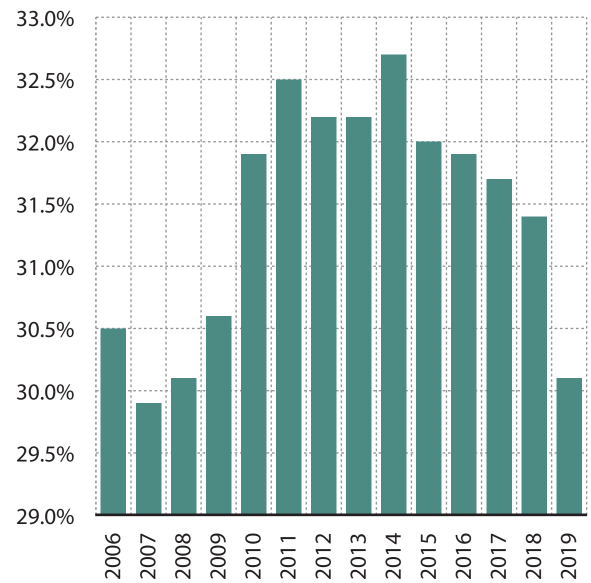
Other Measures of Income & Affordability

American Community Survey

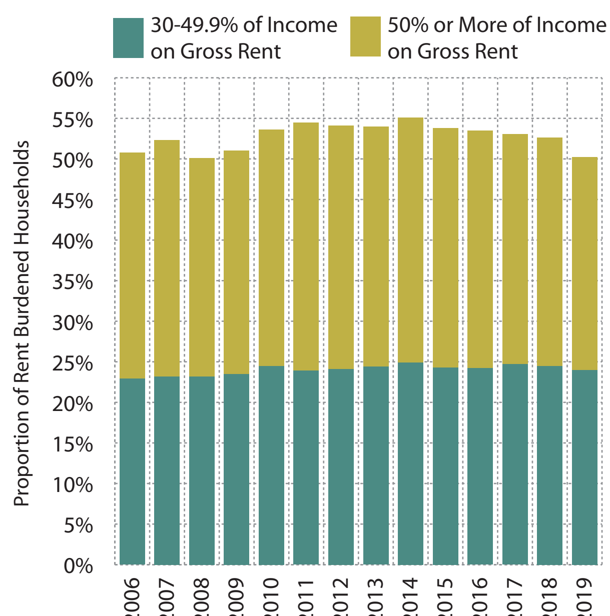
In addition to the triennial *HVS*, the Census Bureau also publishes an annual study, the *American Community Survey (ACS)*.[42] Unlike the *HVS*, the *ACS* cannot provide data specifically for rent stabilized tenants, but does provide in-depth data on contract rent (the rent received by the owner of a property); gross rent (contract rent, in addition to the cost of utilities); and incomes for renters as a whole. Detailed *ACS* data by borough, for NYC as a whole, the U.S., and comparison cities can be found in Appendices E.9 through E.11.

Gross Rent-to-Income Ratios, 2006-2019

Median Gross Rent-to-Income Ratio:
Median Gross Rent-to-Income Ratio Falls for Fourth Consecutive Year



Proportion of Households with a Gross Rent-to-Income Ratio of at Least 30%:
Proportion of Rent Burdened Households Falls for Fifth Consecutive Year



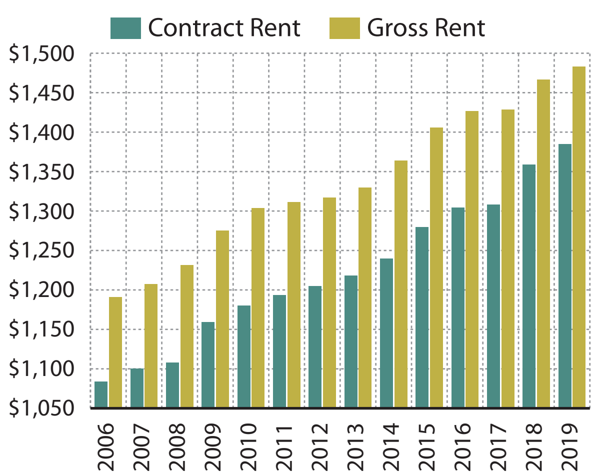
Source: American Community Survey, 2006-2019

According to the most recent survey, the *2019 ACS*, NYC's median gross rent-to-income ratio ranks 38th highest among 89 big cities (those with populations of at least 250,000), as compared to 24th highest in 2018. At 30.1%, the median gross rent-to-income ratio in NYC fell 1.3 percentage points from 2018 levels (see graph on the previous page). By borough, rates ranged from a low of 26.1% in Manhattan, to 29.5% in Staten Island, 30.2% in Brooklyn, 30.3% in Queens, and 35.2% in the Bronx. This ratio fell in every borough as compared to 2018, including declines of 1.8 percentage points in Queens, 1.6 percentage points in Manhattan, 1.5 percentage points in Brooklyn, 0.6 percentage points in the Bronx, and 0.4 percentage points in Staten Island.

The proportion of households Citywide paying 30% or more of their income towards gross rent fell for the fifth consecutive year, decreasing from 52.6% to 50.1% (see graph on the previous page). The proportion paying 50% or more also fell for the fifth consecutive year, decreasing from 28.1% to 26.2%. At the borough level, rates ranged from 21.0% of households paying at least 50% of their income towards gross rent in Manhattan, to 23.3% in Staten Island; 26.2% in Brooklyn; 26.6% in Queens; and 33.3% of households in the Bronx.

Median Rent in Constant 2019 Dollars, 2006-2019

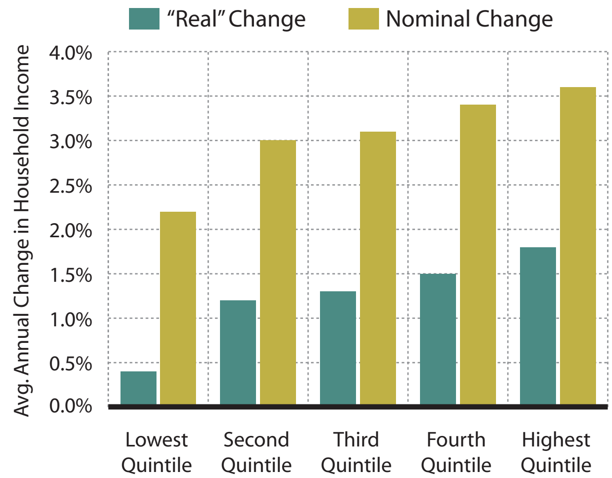
Inflation-Adjusted Median Contract and Gross Rents Climb Annually



Source: American Community Survey, 2006-2019

Average Annual Household Income Change by Quintiles, 2006-2019

Highest Quintiles Grow at a Faster Pace than Lowest Quintiles



Source: American Community Survey, 2006-2019

This survey also reports that the median contract rent in NYC in 2019 was $1,385, and the median gross rent was $1,483 (see graph on this page). Between 2018 and 2019, median monthly contract rents for all apartments in NYC increased an inflation-adjusted ("real") 1.9% and median gross rents increased by 1.1%. In nominal terms the increases were 3.6% and 2.8%, respectively. Median gross rents were highest in Manhattan ($1,753) and lowest in the Bronx ($1,231). Inflation-adjusted gross rents fell by 1.2% in Manhattan and 1.0% in Staten Island, but rose by 1.7% in Queens, 1.8% in Brooklyn, and 1.9% in the Bronx.

During 2019, median household income rose both nominally and in real terms, by 8.8% and 7.0% respectively, to $69,407. Median household income for renters rose by a greater proportion than that of owner households, rising by a "real" 7.0% and 4.4%, respectively. Since the inception of this survey in 2005, renter income has fluctuated in "real" 2019 dollars from a low of $42,548 in 2011 to a high of $54,759 in 2019.

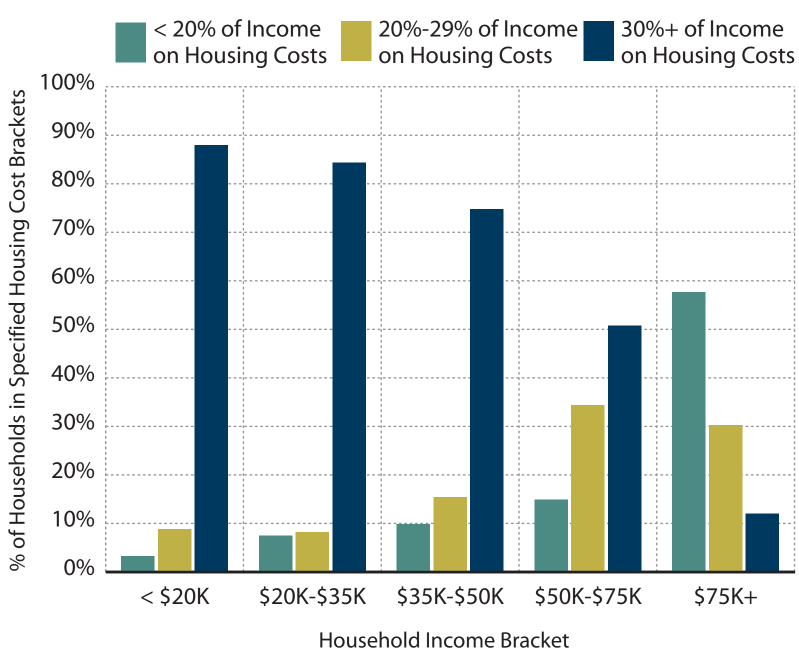
Measuring income inequality, the survey also provides average household income for cities in quintiles. In NYC the top quintile (i.e., the average of the top 20% of household incomes) makes 28.69 times more than the lowest quintile (i.e., the lowest 20%), the fourth highest ratio among big cities, and an increase from 27.92 in 2018. While New York's income disparity ratio does rank near the top nationwide, it lags behind New Orleans, with a ratio of 41.34, the highest disparity among big cities. Other major cities, such as Los Angeles (22.90), Houston (21.78), Chicago (25.12), and Philadelphia (24.92), all have smaller differentials between income levels than NYC. Not including the aforementioned New Orleans, the cities ranking higher than NYC are Atlanta and Boston, which have ratios of 37.41 and 33.13, respectively. The smallest disparity among big cities is in North Las Vegas, with a ratio of 9.79. For the U.S. as a whole, the ratio is 16.39, a slight decrease from the 16.75 ratio in 2018. While the ratio between the upper and lower quintiles was 28.69 for all of NYC, it was 47.94 in Manhattan, where the top quintile makes on average in excess of $517,000 more annually than the lowest quintile.

Looking at household income by quintiles can also provide an insight into how quickly or slowly income in each of the categories is growing over time. While not necessarily true in each individual year, over the time period of 2006-2019 (the earliest and latest time periods available for analysis), income grew at faster pace for those in the higher quintiles versus those in the lower quintiles. Point-to-point comparisons show that for the lowest quintile (the bottom 20% of income levels), household income grew by 5.1% in inflation-adjusted ("real") terms, and rose by 32.5% in nominal terms from 2006 to 2019. For those households in the highest quintile (the top 20% of income levels), household income in 2019 rose 25.9% in real terms and 58.7% in nominal terms, as compared to 2006. Looking at the change in income on a year-to-year basis between 2006 and 2019, in real terms household income rose by an average of 0.4% each year for the lowest quintile and rose by an average of 1.8% annually for the highest quintile (see graph on the previous page).

Also reported is the percentage of income spent on monthly housing costs for different household income categories. Approximately 95% of all renters report both paying rent and receiving income, and among those renters, 21% make less than $20,000 a year. For this lowest household income category, 88.0% spend at least 30% of their household income on housing costs and 3.2% spend less than 20%. As income levels increase, the proportion of renters who spend at least 30% of their household income on housing costs decreases, while the proportion paying less than 20% increases (see graph on this page). At the highest income category

Renter Housing Costs as a Percentage of Household Income, 2019

The Greater the Income, the More Affordable the Housing



Source: American Community Survey, 2019 provided by the ACS, those households earning $75,000 or more (40% of all renters), 12.0% spend at least 30% of their income on housing costs, while 57.7% spend less than 20%.

Household Pulse Survey

In response to the COVID-19 pandemic, the U.S. Census Bureau launched a new survey initiative — the Household Pulse Survey (HPS).[43] Per the Census Bureau, "The Household Pulse Survey is a 20-minute online survey studying how the coronavirus pandemic is impacting households across the country from a social and economic perspective. The survey asks questions about how education, employment, food security, health, housing, social security benefits, household spending, consumer spending associated with stimulus payments, intention to receive a COVID-19 vaccination, and transportation have been affected by the ongoing crisis. In order to support the nation's recovery, we need to know the ways this pandemic has affected people's lives and livelihoods. Data from this survey will show the widespread effects of the coronavirus pandemic on individuals, families, and communities across the country." The first survey ("Week 1") was conducted at the end of April, with data collected on a weekly basis through July of 2020, and then every two weeks since. Despite going to a two-week collection period, the survey continues to call these collection periods "weeks" to maintain continuity.

The data is released for both the U.S. as a whole, as well as the NY Metropolitan area, which extends into the suburbs of NYC, including Long Island, the Hudson Valley, and northern New Jersey, a total of almost 20 million persons.

Parts of the survey question respondents regarding "housing insecurity," including the payment status for the prior month's rent or mortgage, and the respondent's confidence in paying the next month's rent or mortgage. Over the 27 surveys conducted as of the publication of this report, the proportion of renter respondents in the NY Metro area who have reported either not paying or deferring their rent in the previous month has ranged from a low of 16.0% in Week 24 (February 3-15, 2021) to a high of 34.1% in Week 12 (July 16-21, 2020). In all but one survey (Week 24), the proportion of respondents with unpaid rent was higher in the NY Metro area than the U.S. as a whole. The survey also asks respondents their household income in 2019. The proportion of those with unpaid rent in the previous month is consistently higher for those with lower incomes in 2019 (less than $35,000 a year), than those with higher incomes ($100,000 a year or more). The differential between these two income groups has ranged from a low of 7.7 percentage points (in Week 15, from September 15-28, 2020) to a high of 43.6 percentage points (in Week 3, from May 14-19, 2020).

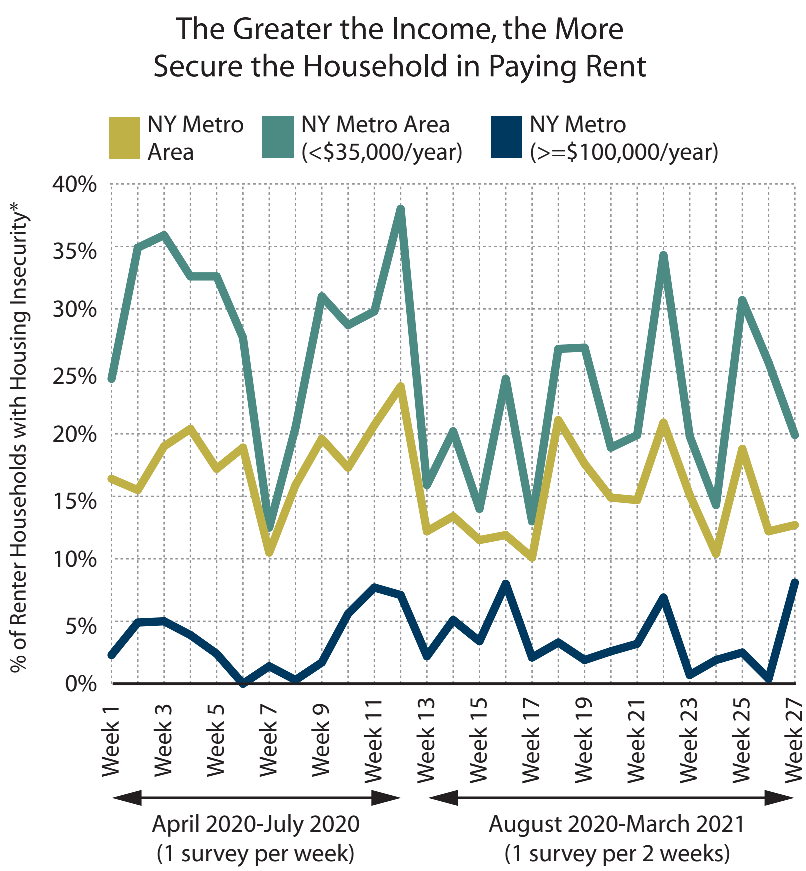
Just as Week 24 had the lowest proportion of respondents in the NY Metro area who had not paid rent in the prior month, confidence in paying the next month's rent was highest in Week 24. In Week 24, 74.9% of renter respondents in the NY Metro area reported that they had moderate or high confidence in paying the upcoming month's rent, while in Week 3 renters had the least confidence, with just 53.8% having moderate or high confidence. In all but three weeks, the proportion of respondents in the U.S. as a whole who had moderate or high confidence in paying their rent was higher than the NY Metro area. As also seen with the data on the previous month's rent payment, those with higher incomes in 2019 were consistently more confident in paying rent than those with lower incomes. The differential between these two income groups has ranged from a low of 20.8 percentage points during Week 24 to a high of 58.7 percentage points in Week 3.

The Census Bureau defines "housing insecurity" for renters as the percentage of adults who are both not current on rent and who have slight or no confidence that their household can pay next month's rent on time. For renters in the NY Metro area, this proportion ranged from a low of 10.1% in Week 17 (October 14-26, 2020) to a high of 23.8% in Week 12. In all but four weeks, housing insecurity was higher in the NY Metro Area than in the U.S. as a whole, by as much as 8.8 percentage points (in Week 12). Those with higher incomes in 2019 were consistently less housing insecure than those with lower incomes. During Week 12, 38.0% of renters in the NY Metro area with incomes less than $35,000 in 2019 were considered housing insecure, 30.9 percentage points higher than those with incomes of $100,000 or more (also equaling the differential in Week 3). The smallest differential between the two income groups was in Week 15, a difference of 10.6 percentage points. For a comparison of housing insecurity among renter households in the NY Metro area, see the graph on this page.

The survey also questions respondents on "food scarcity," defined as the percentage of adults in households where there was either sometimes or often not enough to eat in the last seven days. For renters, the proportion of households in the NY Metro area who reported having experienced food scarcity within the past week ranged from a low of 11.8% (in Week 16, from September 30-October 12, 2020) to a high of 28.4% in Week 12. In the first 21 weeks of the survey, respondents were also asked about their food scarcity prior to the pandemic. In most weeks, there was not a significant difference in the proportion of renters in the NY metro area reporting food scarcity pre- and post-pandemic (with post-pandemic food scarcity an average of 2.2 percentage points greater than pre-pandemic food scarcity). There was also, in most weeks, not a significant difference between renters in the NY Metro area and the U.S. as a whole in post-pandemic food scarcity (with the average difference 1.7 percentage points lower in the NY Metro area as compared to the U.S. as a whole). But, as with the other data points referenced above, there was a significant difference in food scarcity among those at different income levels. During Week 12, 45.6% of renters with incomes less than $35,000 in 2019 were experiencing food scarcity, 44.4 percentage points higher than those with incomes of $100,000 or more. The smallest differential was 18.6 percentage points, during Week 1 (April 23-May 5, 2020). For a comparison of food scarcity among renter households in the NY Metro area, see the graph on the next page.

The most recent data (as of the publication of this report) for housing insecurity and food scarcity among rental households in the NY Metro area is from Week 27 (March 17-March 29, 2021). In Week 27, 12.7% of renter households in the NY Metro area were considered housing insecure, the fourth highest ratio among the 15 metropolitan areas studied in this survey. More specifically, during Week 27, 20.3% of renter

NY Metro Area Housing Insecurity (Renter Households)*



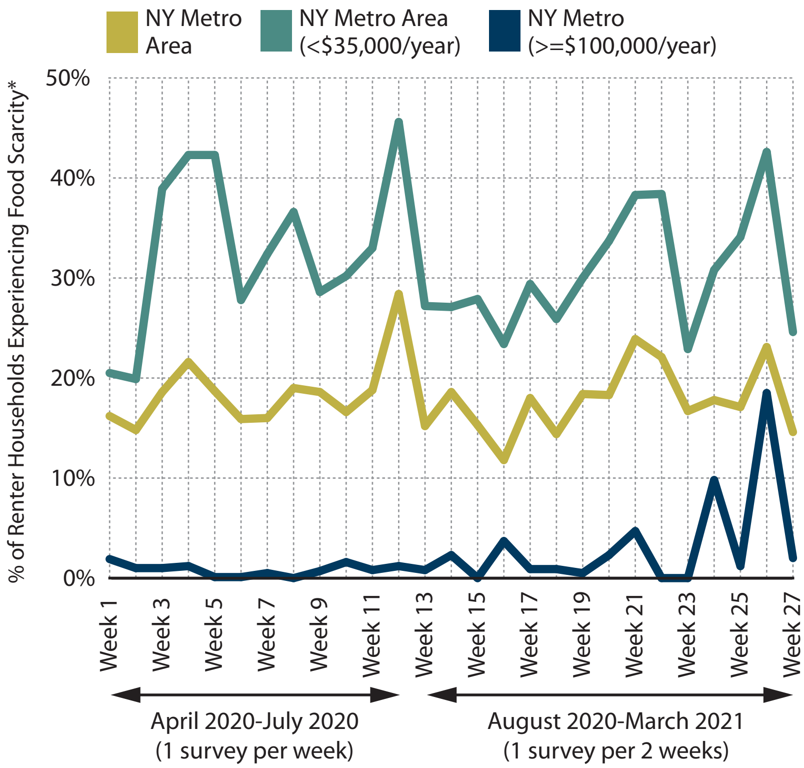
Source: Household Pulse Survey, U.S. Census Bureau

*Defined as the proportion of renter households not current on rent and with little to no confidence in paying next month's rent on time. Income refers to household income from 2019.

NOTE: The first survey ("Week 1") was conducted at the end of April, with data collected on a weekly basis through July of 2020, and then every two weeks since. Despite going to a two-week collection period, the survey continues to call these collection periods "weeks" to maintain continuity.

NY Metro Area Food Scarcity (Renter Households)*

The Greater the Income, the Less the Food Scarcity



Source: Household Pulse Survey, U.S. Census Bureau

*Defined as the proportion of adults in renter households where their was either sometimes or often not enough to eat in the last seven days. Income refers to household income from 2019.

NOTE: The first survey ("Week 1") was conducted at the end of April, with data collected on a weekly basis through July of 2020, and then every two weeks since. Despite going to a two-week collection period, the survey continues to call these collection periods "weeks" to maintain continuity.

households in the NY Metro Area were not current on their rent payments, including 30.4% of households with incomes less than $35,000 in 2019, and 14.5% of households with incomes of $100,000 or more in 2019. In the NY Metro area during Week 27, 68.5% of renter households were confident in paying the next month's rent on time, including 49.2% of households making less than $35,000 in 2019 and 90.6% of those making $100,000 or more in 2019.

In Week 27, 14.6% of renter households in the NY Metro area were experiencing food scarcity, the fifth highest ratio among the 15 comparison metro areas. This includes 24.6% of households with incomes less than $35,000 in 2019, and 2.0% of households with incomes of $100,000 or more in 2019.

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 NYC (the local CPI area extends into the suburbs of the City), the CPI can provide a useful comparison of the rise of housing costs to those of other components of the price index.[44] For the 52-year period since the inception of rent stabilization (from 1968 to 2020) the cost of rental housing in the New York area rose 882% and overall prices rose more slowly, at 684%. Over this same time period, in the U.S. as a whole, rent and overall prices rose at roughly the same rate as each other, by 689% and 644%, respectively.

In 2020, average rental costs rose 2.0% in the NYC area, versus an overall increase in the CPI of 1.7%. This is lower than the 2019 rent increase of 3.0% and is one of the lowest proportional increase seen the NYC area since the late 1960s.

In the U.S. as a whole, rental costs rose at a faster pace than the NYC area, rising by an average of 3.1% in 2020. Rental costs in the NYC metropolitan area rose more slowly than all of the seven cities selected for comparison, including Atlanta, where rents rose 3.9%, and Los Angeles, where rents rose by 3.4%.[45]

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 approximately 30% of their income towards rent), the NYC Housing Authority (NYCHA) opened the waiting list for the first time since 1994.[46] These expanded funding levels led to increases in the number of Section 8 occupied units funded by NYCHA (which increased from an average of 82,801 in Fiscal Year (FY) 2007 to a high of 100,570 in FY 2010), as well as significant increases in the number of people placed through Section 8 vouchers during those years. The average number of Section 8 occupied units (as of the first four months of FY 2021) has since fallen, to 86,965 units, a 0.9% increase from the same period of the prior year.[47] NYCHA also tracks the number of applicants newly placed through the program. For the second consecutive year, placements rose, from 2,438 in FY 2019 to 3,632 in FY 2020, an increase of 49.0%. However, placements fell in the first four months of FY 2021 as compared to the first four months of FY 2020, from 1,166 to 320. There are approximately 40,000 households currently on the NYCHA Section 8 waiting list.

The NYC Department of Housing Preservation and Development (HPD) also maintains a Section 8 program, although unlike NYCHA, applicants must fall within specific HPD preference categories or special admission programs, and applications are not accepted from the general public.[48] As of October of 2020, HPD was funding 40,792 Section 8 vouchers, or more than 400 more vouchers than in March of 2020. Notably, 47.8% of HPD's Section 8 vouchers are utilized by tenants with disabilities. Among HPD Section 8 rentals, the average tenant share of rent is $394, with an average income level of $17,556.[49]

Non-Government Sources of Affordability Data

Each year, Con Edison reports on the average cost of electricity bills for residential customers using 300kWh of electricity per month. Per their data, electricity costs rose 7.9% during 2020, following a decrease of 3.4% during 2019.[50] New Yorkers pay some of the highest electricity bills in the nation, with the average cost per kWh in 2019 almost two times that of the nation as a whole.[51] In late 2019, Con Edison received permission from State utility regulators to raise electricity rates in each of the next three years. At the time, Con Edison estimated that for a residential apartment in NYC, using 300kWh hours per month of electricity, bills would rise by 3.9% in 2020, 4.5% in 2021, and 3.8% in 2022.[52]

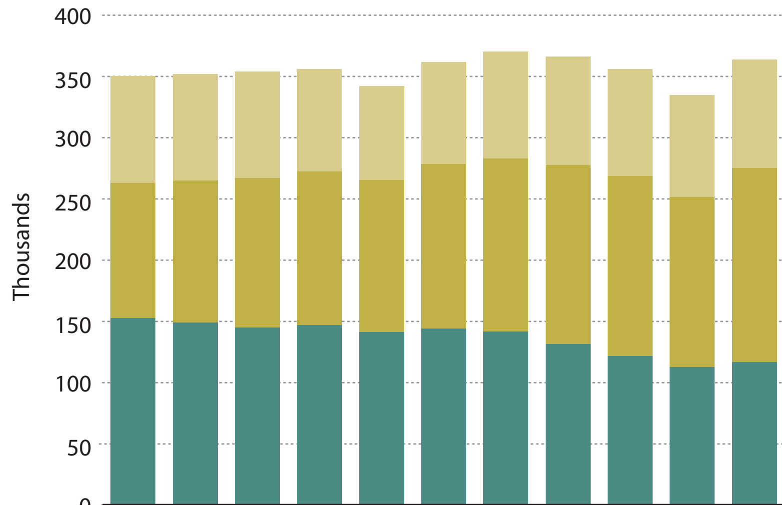
Another measure of affordability is the Council for Community and Economic Research's Cost of Living Index (COLI), which tracks the cost of living in 269 urban areas, including Manhattan, Brooklyn, and Queens. Based on 60 different items, the survey collects more than 90,000 prices for housing, utilities, groceries, transportation, health care, and miscellaneous goods and services on a quarterly basis. During the first three quarters of 2020, the COLI found that Manhattan and Brooklyn ranked as numbers one and four, respectively, on the list of the 10 most expensive urban areas.[53] The study calculated that Manhattan was approximately 2.4 times as expensive to live in as the national average, while Brooklyn was approximately 1.8 times more expensive, and Queens was 1.5 times as expensive. Per the study, overall housing costs rose in Queens and Manhattan as compared with the same period of the prior year (by 1.4% and 4.9%, respectively), and fell in Brooklyn, by 1.4%. The subcategory of apartment rents rose in Brooklyn (by 2.6%), but fell in both Manhattan and Queens (by 1.3% and 6.2%, respectively). Overall prices were found to have fallen 1.1% in Queens and 1.3% in Brooklyn, while rising 2.7% in Manhattan between 2019 and 2020.[54]

Another quarterly index, the Housing Opportunity Index (HOI), showed that during the fourth quarter of 2020 the New York metropolitan area was the nineteenth least affordable area (of 268 HUD-defined metro areas) to buy a home, making it relatively more expensive than the fourth quarter of 2019, when it was the twenty-third highest metro area. The survey found that 29.2% of owner-occupied housing in the metropolitan area was affordable to households earning the median household income in the fourth quarter of 2020, down from 36.4% in the fourth quarter of 2019.[55] Over the last nine years,[56] the survey's quarterly data found that anywhere from 20.8% (in the third quarter of 2015) to 38.4% (in the second quarter of 2016) of owner-occupied homes were affordable to buyers earning the median household income.

Every year the National Low Income Housing Coalition (NLIHC) issues a study to determine whether rents are affordable to the lowest wage earners. The 2021 study has not been released as of the publication of this report, but in line with their methodology,[57] in order to afford a two-bedroom apartment at the City's Fair Market Rent,[58] ($2,053 a month, as determined by HUD) a full-time worker must earn $39.48 per hour, or $82,120 a year. Alternately, those who earn minimum wage would have to work 105 hours a week (or two persons would each have to work 52.5 hours a week) to be able to afford a two-bedroom unit priced at the Fair Market Rent. Because the Fair Market Rent rose by $102, the amount of annual wages necessary to afford this apartment went up by 5.2%. Over the last ten years the number of hours working at minimum wage needed to afford a two-bedroom apartment at the current Fair Market Rent has ranged from a high of 156 in 2013, to a low of 94 in 2019.

Cash Assistance Program Recipients, 2010-2020, in Thousands

Cash Assistance Caseloads Rise 9% in 2020



	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
FAP	152.8	148.9	145.2	147.0	141.3	144.2	141.8	131.4	121.6	112.7	117.0
SNA	109.9	116.1	121.9	125.5	124.0	134.2	140.9	146.3	147.0	138.9	158.1
FAP-SNA	87.7	86.7	86.9	83.6	77.0	83.5	87.7	88.7	87.5	83.1	88.5
Total	350.5	351.7	353.9	356.0	342.3	361.9	370.5	366.3	356.1	334.7	363.7

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)

Cash Assistance & Benefit Programs

New York State funds two cash assistance programs — the Family Assistance program and the Safety Net Assistance program, each of which provides cash payments to eligible participants to help pay for living expenses such as food, transportation, housing, and utilities.[59] For the first time in four years, the average number of cash assistance cases in NYC increased, rising by 8.6% in 2020 to reach 363,658 cases.[60] This follows a decrease of 6.0% in the prior year (see graph on this page). While the average number of cash assistance recipients rose in 2020, the number of unduplicated recipients of cash assistance during 2020 fell. Over the course of the year, a total of 555,048 persons received a cash assistance payment, a decrease of 2.4%. This figure includes 81,090 cases of emergency grants, a 27.7% decrease from 2019. One-time emergency grants (known as "one shots") can help pay for expenses like rent arrears.[61] And despite rates increasing in all but four years since 2009, over the last two and a half decades the average number of cash assistance recipients has dropped significantly, falling from almost 1.2 million recipients in March of 1995 (when the City's welfare reform initiative began) to 375,566 in December of 2020, a drop of 67.7%.

According to data from the NYC Independent Budget Office, the increase in public assistance recipients in May of 2020 (30,500 recipients) was the largest monthly increase since August of 1967.[62] Rates continued to increase each month through September of 2020, before falling by 2,100 recipients in October. On a quarterly basis, the number of recipients of public assistance fell 5.0% in the first quarter of 2020 as compared to 2019, before rising 7.3% in the second quarter; 17.3% in the third quarter; and 15.4% in the fourth quarter.

Comparing the second through fourth quarters of 2019 to 2020, levels increased an average of 13.3%.

The number of applications for cash assistance fell in 2020, decreasing 6.7% from 2019 levels, including a decrease of 22.0% in approved applications, and a 19.3% increase in denied applications.[63] In addition, the number of reported job placements among cash assistance recipients decreased during 2020, falling by 33.9%, or 12,422 jobs (to 24,230), after decreasing 9.5% in the prior year.[64]

Other major benefit programs include the Supplemental Nutrition Assistance Program (SNAP, formerly known as food stamps) and Medicaid. The number of recipients of SNAP increased for the first time in seven years, by 5.2% in 2020, to an average of 1.61 million. Despite drops in the previous six years, SNAP levels have doubled in the last 20 years, rising from an average of just over 800,000 in the early 2000s, to more than 1.6 million today.[65] On a quarterly basis, the number of recipients of SNAP fell 5.2% in the first quarter of 2020 as compared to 2019, before rising 3.8% in the second quarter; 11.4% in the third quarter; and 11.2% in the fourth quarter. Comparing the second through fourth quarters of 2019 to 2020, levels increased an average of 8.8%.

The number of Medicaid enrollees fell for the seventh consecutive year, decreasing 3.3% during 2020 to 1.53 million recipients.[66] On a quarterly basis, the number of recipients of Medicaid enrollees fell 8.2% in the first quarter of 2020 as compared to 2019; 4.9% in the second quarter; and 1.0% in the third quarter. Rates then rose 1.2% in the fourth quarter. Comparing the second through fourth quarters of 2019 to 2020, levels decreased an average of 1.6%.

A new benefit in 2020 came in the form of the COVID Rent Relief Program, administered by NYS Homes and Community Renewal (HCR), which began taking applications in July of 2020.[67] The program, with a spending cap of $100 million, was designed to allow vouchers paid directly to building owners to cover the gap between tenants' pre-COVID rent burden and their new rent burden, up to 125% of Fair Market Rent, for a period of up to four months (April through July of 2020). The original program requirements included being rent-burdened prior to March 1, 2020 (defined as paying more than 30 percent of gross monthly income towards rent); having a household income below 80% of the Area Median Income; and a loss of employment between April 1 and July 31, 2020. Although the program received almost 100,000 applications, the strict requirements resulted in only 15,000 households in New York State being approved for rent relief, with a total distribution of $40 million, or 40% of the available budget for the program.[68]

The program requirements were changed in December of 2020, with the new guidelines specifying that households need not be rent-burdened before the pandemic, as long as they could prove a rent burden between April and July of 2020.[69] New applications were accepted until February 1, 2021, and previously denied applications were reconsidered with the new guidelines. HCR has not publicly released statistics on the new version of the program as of publication of this report, but news outlets report that only an additional 1,000 households in New York State qualified, at a cost of $7 million.[70]

The recently enacted NYS FY 2022 budget allocates $2.4 billion towards the "COVID-19 Emergency Rental Assistance Program of 2021." Using a combination of $2.3 billion in federal funding, and $100 million in State funding, the program is aimed towards helping New Yorkers pay rent and utilities arrears.[71] Per the program's guidelines, applicants are required to meet certain standards to qualify, including a household income at or below 80% of the area median; unemployment, a reduction in income, significant costs or other financial hardship that are directly or indirectly due to the COVID-19 outbreak; and demonstrating a risk of homelessness or housing instability. Income can be calculated based on either total income for 2020 or the household's current monthly income at the time of application. The program will prioritize certain households, including those below 50% of the area median income; households where there has been extended unemployment; households with a pending eviction case; and households who reside in a building with twenty or fewer units, which are considered owned by "small" landlords. The program provides for up to 12 months of rent or utility arrears. It also permits up to three months of additional assistance to be paid if it is deemed that extra resources are required to ensure housing stability and funds remain available. Assistance will generally be paid directly to the landlord and/or utility, but if they are found to be uncooperative or unresponsive (as determined by the statute), and do no accept the funds within 12 months, they will have waived their rights to both the program's funding and the same amount in arrears from the tenant. Acceptance of payment for rent arrears constitutes agreement by the recipient landlord to waive any late fees on rent arrears; keep rent constant for one year; and in most circumstances not seek to evict tenants for one year after the first payment is received. The allocation of $100 million of State funds will supplement the core program and target those facing hardship that may not otherwise be eligible.[72]

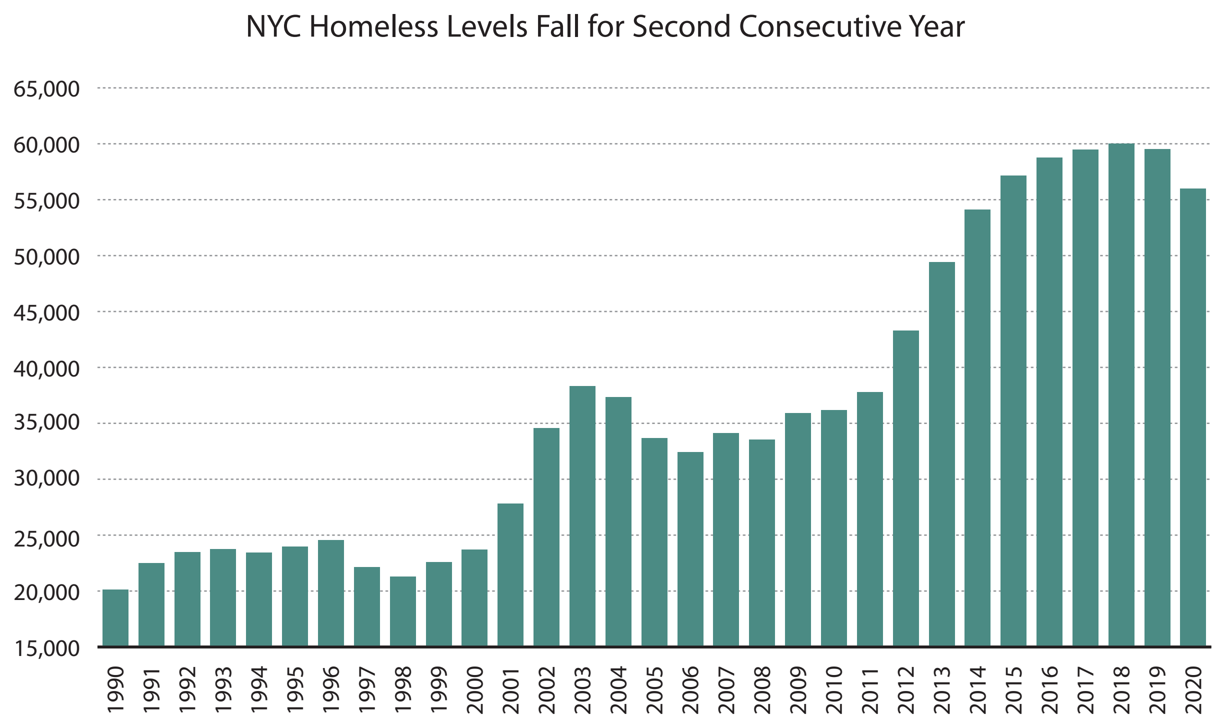
Homelessness & Housing Court

Homelessness

Homelessness in the City, based on data from the NYC Department of Homeless Services (DHS), decreased for the second consecutive year, falling by 5.9%.[73] Each night, an average of 55,997 persons stayed in DHS shelters during 2020, down 3,512 persons from a year earlier, but still up considerably from the average of 20,000-25,000 found in the 1990s (see graph on this page and Appendix E.7). DHS has attributed the decline, in part, to increased rental assistance and the eviction moratorium.[74] The subcategory of the number of families sheltered each day also fell, by an average of 10.8%.[75] The figure for families includes the number of families with children sheltered each night, which fell 11.0% during 2020 (to reach an average of 10,835), and the number of adult families sheltered each night, which decreased 10.2% over the year (to an average of 2,258). Despite the decrease in overall homelessness, there was a rise in the number of single adults sheltered, increasing 7.1% during 2020, to an average of 17,591 persons.

In each month of 2020, the average number of homeless staying in DHS shelters decreased both as compared to the same month of the prior year, as well as the month preceding it. While levels fell

Average Nightly Homeless Shelter Census, NYC, 1990-2020



Source: NYC Department of Homeless Services

3.1% in the first quarter as compared to the same quarter of 2019, they continued to decrease post-pandemic, by 3.1% in the second quarter, 6.9% in the third quarter, and 10.6% in the fourth quarter. Comparing the second through fourth quarters of 2019 to 2020, levels decreased an average of 6.9%. On a monthly basis, the greatest decrease was seen in December of 2020, when 6,946 less persons stayed in City shelters than the previous December, a decrease of 11.6%.

Permanent housing placements for families with children decreased during 2020, falling from 8,949 to 6,492, a 27.5% decrease. Placements also fell for adult families, decreasing from 568 placements in 2019 to 453 in 2020, a decrease of 20.2%. For single adults, placements fell from 9,269 in 2019 to 6,269 in 2020, a 32.4% decrease.

Other homeless indicators include the average amount of time spent in temporary housing. For families with children, the average amount of time spent in temporary housing rose 33 days between 2019 and 2020 (to 473 days). It also rose by 90 days for adult families (to 689 days) and by 17 days for single adults (to 450 days).

DHS also reports the number of homeless persons placed in permanent housing who return to the shelter system within one year. In 2020, 4.6% of families with children returned to DHS shelters within one year (down from 6.3% the prior year); 0.9% of adult families returned (down from 3.4% in the prior year); and 13.2% of single adults returned (down from 15.6% in the prior year). The vast majority of those who returned to the shelter system were initially placed in unsubsidized housing.[76]

The U.S. Department of Housing and Urban Development asks municipalities to submit homeless counts on a single day in January of each year. NYC reported a total of 77,943 sheltered and unsheltered persons in January of 2020, a drop of 0.8% from the previous January. At the national level, the homeless population grew by 2.2%.[77]

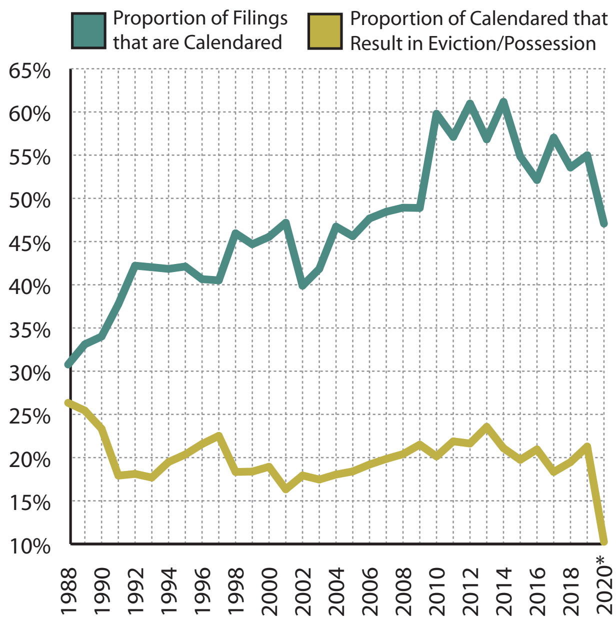
Another facet of the City's effort to reduce homelessness went into effect on October 29, 2018.[78] The City has now consolidated and streamlined seven different rental initiatives into one, the City Fighting Homelessness & Eviction Prevention Supplement (CityFHEPS). The program aims to help both those in shelter and those facing eviction to find, or keep, permanent housing.[79] To be eligible, households much have a gross income at or below 200% of the federal poverty level and meet certain other criteria. Those wishing to apply for rental assistance must apply in person at one of more than 20 offices across NYC. The program will provide a rent supplement of up to $1,047 for SRO housing, $800 for a single room in an apartment, or between $1,265 and $2,639 for an entire apartment, depending on household size.[80]

Housing Court

For the ninth consecutive year, average annual non-payment filings in Housing Court decreased, falling 56.4%, to 63,331 in 2020.[81] Non-payment cases resulting in an actual court appearance ("calendared") also decreased, by 62.7%. Because the number of calendared cases fell at a faster pace than the number of filings, the proportion of non-payment cases which resulted in an appearance fell by 7.9 percentage points, to 47.1%. For comparison, during the mid-to-late 1980s, an average of 27.1% of non-payment filings were calendared. (See graph on the next page and Appendix E.6.) The decrease in filings and calendered cases coincides with eviction moratoriums in place starting on March 20, 2020 that continued through the balance of the year (and through at least June 30, 2021, as of publication of this report).[82] On a quarterly basis, as compared to the same quarters of the prior year, the number of non-payment filings fell 26.8% in the first quarter of 2020 (largely before the implementation of any eviction moratorium); 99.98% in the second quarter; 64.3% in the third quarter; and 43.5% in the fourth quarter. Comparing the second through fourth quarters of 2019 to 2020, filings decreased an average of 69.2%. Similarly, calendared cases fell 26.6% in the first quarter of 2020; 99.6% in the second quarter; 95.8% in the third quarter; and 50.9% in the fourth quarter. Comparing the second through fourth quarters of 2019 to 2020, calendared cases decreased an average of 77.8%.

Housing Court Statistics, 1988-2020

Both Proportion of Non-Payment Cases Calendared and Proportion of Evictions Fall



Source: Civil Court of NYC and NYC Department of Investigations

*Note that an eviction moratorium was in place from March 20, 2020 through the end of the year, and only 592 non-payment cases were calendared in the second and third quarters of 2020.

Approximately 7.3% of non-payment filings and 8.2% of calendared cases in 2020 were against tenants of public housing (NYCHA). If these cases were taken out of the analysis, filings against non-NYCHA tenants would have fallen 49.6% between 2019 and 2020, and calendared cases would have fallen by 57.9%. The percentage of calendared cases to non-payment filings in 2020 among non-NYCHA tenants is 46.6%, 0.5 percentage points lower than the overall proportion.

Average annual evictions of tenants also fell during 2020, by 82.0%, with decreases in six of the last seven years.[83] Evictions are down 89.4% over 2013 levels. This is also the fewest number of evictions since at least 1983 (the first year data is available for). As noted above, evictions for non-payment of rent have largely been prohibited by State law since March 20, 2020 (with protections extended through federal law through at least June 30, 2021, as of publication of this report).[84] The proportion of non-payment proceedings Citywide that resulted in an eviction/possession ruling in 2020 decreased from 21.3% to 10.3%. This translates to 3,056 court decisions (virtually all pre-pandemic) ruling for the tenant's eviction from a total of 29,814 non-payment proceedings calendared (see graph on this page).

In August of 2017, a City bill granting all households under 200% of the federal poverty level eligibility for free legal representation in Housing Court was signed into law.[85] Prior to the COVID-19 pandemic, the program was being phased in zip code by zip code, with full implementation planned in 2022, at a cost of $166 million.[86] It is estimated that the number of tenants in Housing Court with legal representation rose from 1% in 2013 to more than 30% in 2019, with figures indicating that 84% of households facing eviction in Housing Court who have City counsel had been able to avoid eviction.[87] With most evictions halted, the City is now providing counsel to any resident of NYC, regardless of zip code or income level.[88] Reflecting changes to the Housing Court process during the pandemic, the NYC Human Resources Administration reports that the number of cases in Housing Court that received legal representation in FY 2020 fell by 25.1% (to 24,109) as compared to the prior year, after increasing sharply in the previous two years (almost doubling between FY 2017 and FY 2019, to reach more than 32,000 cases). During the first four months of FY 2021 there was a 74.6% decline as compared to the same period of the previous year (to reach 2,753 cases).[89]

To help more tenants understand the changing rules regarding Housing Court and connect with legal help, in August of 2020 the City announced the creation of the new NYC Tenant Resource Portal. Tenants will respond to a series of questions about their unique circumstances and be directed to the most relevant resources, such as help navigating an illegal lockout or eviction. Tenants who do not have access to the internet can call 311 and ask for the "Tenant Helpline," where they will connect with a Tenant Support Specialist to receive free, individualized assistance.[90]

Economic Projections

In March, 2021, the Office of the NYC Comptroller forecasted the upcoming economic condition for NYC through 2025.[91] They note:

- "Our forecast has no economic and employment growth in New York City through the first quarter of 2021 with vaccine deliveries slowly accelerating, and COVID infection rates slowly declining, but economic and employment growth lagging. Increased vaccination will lead COVID infection rates to begin falling dramatically in the second quarter of 2021, followed quickly by economic reopening and accelerating economic and employment growth. Our forecast has New York City employment rebounding over the course of the next year before growth levels off and returns to pre-pandemic rates in the spring and summer of 2022."
- GCP will increase by 2.4% in 2021; 2.7% in 2022; 2.9% in 2023; 1.8% in 2024; and 0.9% in 2025.
- NYC will gain 216,000 jobs in 2021; 273,000 in 2022; 101,000 in 2023; 105,000 in 2024; and 109,000 in 2025.
- Wage rate growth will be flat in 2021, then is projected to increase by 2.1% in both 2022 and 2023, and by 1.4% in 2024, and 2.2% in 2025.

In January, 2021, the Mayor's Office of Management and Budget (OMB) also forecast the upcoming economic condition for NYC through 2025.[92] They note:

- "Total employment in the City is expected to rebound 4.6 percent in 2021, accelerate to 5.8 percent in 2022, then slow to 1.4 percent by the end of the forecast horizon in 2025. However, employment is projected to remain below the prior 2019 peak of 4.65 million until 2023 – lagging the national recovery."
- "Across the hardest hit industries [leisure & hospitality, construction, other services, manufacturing, and trade, transportation & utilities]...employment in this group is expected to expand by eight percent in 2021 and slowly return to pre-pandemic levels by the end of 2025."
- "The remainder of the private sector (financial activities, information, education & health services, and professional & business services)...is expected to rebound by four percent in 2021, returning to pre-pandemic levels by the end of the year."
- "OMB forecasts total wage earnings will fall six percent in 2020 and rebound six percent in 2021, returning to pre-pandemic levels that year. Personal income is expected to advance three percent in 2020 due to the stimulus payments and slow to two percent in 2021."
- GCP will increase by 5.1% in 2021; 5.2% in 2022; 3.1% in 2023; and 2.5% in both 2024 and 2025.
- NYC will gain 191,000 jobs in 2021; 253,000 in 2022; 99,000 in 2023; 57,000 in 2024; and 65,000 in 2025.
- Wages will grow 2.9% in 2021; 2.2% in 2022; 2.6% in 2023; 2.5% in 2024; and 2.9% in 2025.
- Personal income will by 1.6% in 2021, then increase more rapidly, to between 3.7% and 4.1% in each year between 2022 and 2025.

In March, 2021, the NYC Independent Budget Office (IBO) also forecast the upcoming economic condition for NYC through 2025.[93] They note:

- "Local job growth is expected to remain positive throughout the financial plan period, but at a much slower pace than during the latter half of 2020, as many of the jobs that were easiest to add back have already been restored. IBO forecasts employment growth of 152,000 jobs in 2021, 149,000 in 2022, 107,000 in 2023, and an average of 53,000 per year in 2024 and 2025. By the end of the forecast period, total city employment will have nearly—but not quite—reached the levels seen at the end of 2019, before the pandemic began."
- "In particular, leisure and hospitality has the weakest projected recovery of any sector, with jobs at the end of the forecast period still down from pre-pandemic levels by 23.2 percent (466,000 jobs in 2019 versus 358,000 jobs in 2025).[94] In contrast, we project that by 2025, employment in some sectors will exceed their 2019 levels, especially some service sectors best suited to resume operations amid a

protracted public health emergency and its aftermath. These sectors include health care, information, professional/technical services, and financial services. All of this suggests a slow and uncertain path toward resuming the robust and diverse economic activity that the city previously enjoyed, with particular challenges for those sectors driven not only by the behavior of New Yorkers, but also heavily dependent on a steady flow of leisure and business travelers."

- "IBO expects that the gradual increase in local employment will be accompanied by a steady reduction in the unemployment rate, though it too has a long path toward recovery. At the end of the lengthy economic expansion following the financial crisis of 2007-2008, the unemployment rate in New York City reached a record low for the modern era, 3.6 percent in the fourth quarter of 2019. The heavy job losses sustained at the outset of the pandemic resulted in a sharp spike to 17.9 percent unemployment in the second quarter of 2020—by far the highest rate since 1976, when the current measure of the unemployment rate began. The unemployment rate remains high, an estimated 14.9 percent for the first quarter of 2021, but IBO expects it to decline rapidly over the next two years before tapering off. By the end of 2025, IBO forecasts an unemployment rate of 7.1 percent, roughly equal to the rate in mid-2014, five years after peak unemployment in the aftermath of the financial crisis."
- "Wages and salaries are the largest single category of income for city residents, bringing in $439.8 billion—62.7 percent of total personal income—in 2020, a decline of 3.4 percent from 2019. Part of the reason that wages have not declined as precipitously as employment is due to a compositional effect both across and within industries, with job losses concentrated among lower-wage positions while many higher-wage positions were more easily shifted to remote work. Many of the lower-wage industries that saw the steepest employment losses also suffered large declines in aggregate wages, including leisure and hospitality (41.2 percent), administrative and support services (19.7 percent), and trade (13.4 percent). Meanwhile, certain higher-wage industries saw increases in aggregate wages, including information (10.5 percent), securities (6.1 percent), education (3.3 percent), professional/technical services (3.1 percent), and health (1.6 percent). There were also some smaller industries that did not experience as much of a decline in employment but still saw large reductions in wages, such as construction (21.3 percent) and manufacturing (20.4 percent). IBO projects overall wage growth to resume at an average of 4.2 percent per year from 2021 through 2025, ending the forecast period at $540.5 billion, about $100 billion above our initial estimate for 2020."

Summary

In the wake of the pandemic, in 2020 many economic indicators for NYC were negative, including falling employment levels; rising unemployment; increasing numbers of cash assistance and SNAP recipients; and a contraction of Gross City Product. Other indicators, which are positive, come with caveats — steep declines in non-payment filings, calendared cases, and evictions can be attributed to government interventions (such as the eviction moratorium) and reduced access to Housing Court. Similarly, the decline in homelessness is attributed in part to increased rental assistance and the eviction moratorium. Another positive indicator, average wages, which increased sharply, increased only because the proportion of those who lost employment was greater for those making lower wages than those making higher wages. Even considering this redistribution of employment, total wages paid in NYC dropped in both the second and third quarters of 2020 (with fourth quarter data not yet available).

However, there was a decline in Medicaid enrollees for the year as a whole (despite an increase in the fourth quarter). In addition, as explored in the Overview section of this report, many quarterly indicators, while negative as compared to the same quarter of the prior year, are positive when comparing the fourth quarter of 2020 to the third. ❐

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. See Endnote 1.

3. Data from the Office of the NYC Comptroller as of March, 2021. GCP figures are adjusted annually by the Office of the NYC Comptroller. The figures in this report are the latest available estimate from that office, based on inflation-adjusted 2012 chained dollars.

4. U.S. Bureau of Economic Analysis: https://www.bea.gov/data/gdp/gross-domestic-product.

5. U.S. Bureau of Labor Statistics: http://www.bls.gov.

6. NYS Department of Labor: http://www.labor.state.ny.us; accessed March 2021. Data is revised annually and may not match data reported in prior years.

7. U.S. Bureau of Labor Statistics: http://www.bls.gov.

8. U.S. Bureau of Labor Statistics: http://www.bls.gov.

9. The full definition, as per the U.S. Department of Labor: "An initial claim is a claim filed by an unemployed individual after a separation from an employer. The claimant requests a determination of basic eligibility for the UI [Unemployment Insurance] program. When an initial claim is filed with a state, certain programmatic activities take place and these result in activity counts including the count of initial claims. The count of U.S. initial claims for unemployment insurance is a leading economic indicator because it is an indication of emerging labor market conditions in the country. However, these are weekly administrative data which are difficult to seasonally adjust, making the series subject to some volatility." https://www.dol.gov/ui/data.pdf.

10. NYS Department of Labor: https://dol.ny.gov; accessed March, 2021.

11. https://labor.ny.gov/stats/PDFs/Research-Notes-Initial-ClaimsWE-3212020.pdf.

12. U.S. data: https://oui.doleta.gov/unemploy/claims_arch.asp; NY data: https://dol.ny.gov/weekly-ui-claims-report. Note that comparison data from 2019 for initial unemployment claims for the period of March 8-21 was not available at the borough level and was estimated based on other known data. Note that the last weekly initial unemployment claims report that will be published by the NYS Department of Labor was the March 27, 2021 report.

13. NYS Department of Labor: https://dol.ny.gov/; accessed March 2021. Data is revised annually and may not match data reported in prior years.

14. U.S. Bureau of Labor Statistics: http://www.bls.gov.

15. "New York City's Covid-19 Economy Will Not Snap Back." James A. Parrott February, 2021. The New School, Center for New York City Affairs.

16. The data in Appendix E.12 is not directly comparable to the data summarized from the report from the New School. Our report focuses on the broadest categories of industries (e.g., Leisure and Hospitality), while the New School report breaks down some of these industries into smaller sectors (e.g., Food Services, which is a part of Leisure and Hospitality). In addition, as noted in the write-up, the data in the New School report was released prior to a federally-mandated annual benchmarking process, which resulted in revised data published by the NYS Department of Labor in March, 2021. Per the U.S. Bureau of Labor Statistics: "In order to control for both sampling and nonsampling error, CES payroll employment estimates are benchmarked annually to employment counts from a census of the employer population... As part of the benchmark process for benchmark year 2020, census-derived employment counts replace CES payroll employment estimates." As compared to the previously released estimates, for all industries, the revised numbers from February, April, and December 2020 (the three months of data used in the analysis) showed an increase of 0.1% in employment in February; a decrease of 0.2% in April; and a decrease of 1.5% in December. The "Face-to-Face" industries were revised to a greater degree than the other referenced industries, with a decrease of 0.6% in February, 1.0% in April, and 3.7% in December of 2020.

17. 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 Office of the NYC Comptroller. Note that prior years' data are annually revised, and may differ from figures reported in prior reports.

18. U.S. Bureau of Labor Statistics: http://www.bls.gov.

19. NYS Department of Labor: https://dol.ny.gov/; accessed March 2021.

20. There was also an increase of 17.1% in the Agriculture/Mining/Unclassified sector, the largest proportional increase, but which accounts for only 0.2% of all wages.

21. U.S. Bureau of Labor Statistics: http://www.bls.gov.

22. U.S. Bureau of Labor Statistics: http://www.bls.gov.

23. https://dol.ny.gov/pandemic-unemployment-assistance.

24. https://webapps.labor.ny.gov/dolweb/benefit-rate-calculator/.

25. https://dol.ny.gov/coronavirus-aid-relief-and-economic-security-cares-act.

26. https://dol.ny.gov/system/files/documents/2021/01/lwa-factsheet.pdf.

27. A $300 per week PUC payment was authorized in the December 2020 "Continued Assistance for Unemployed Workers Act of 2020." and began payments the week ending January 3, 2021 and expired on March 14, 2021. A $300 per week PUC payment was authorized in the March 2021 "Coronavirus Aid, Relief and Economic Security (CARES) Act." and began payments at the expiration of the prior Act, and continues through the week ending September 4, 2021.

28. https://dol.ny.gov/coronavirus-aid-relief-and-economic-security-cares-act.

29. The median rent stabilized household income, as reported in the previous two triennial NYC Housing and Vacancy Surveys, rose in nominal terms by 9.7% between 2013 and 2016. As current data is not available, the 2016 median rent stabilized household income ($44,560) was increased by this same percentage to obtain an estimate for the current median rent stabilized household income. This sample household is meant for illustrative purposes only.

30. It is impossible to estimate monthly income for all household types. Households can have any number of wage earners, some or all of whom may have become unemployed during the pandemic. As noted in the text, for those households with more than one wage earner, where all wage earners have become unemployed, each person receiving unemployment would be eligible for PUC payments. Therefore, the total compensation is not equal when considering a household in which one person is the sole wage earner, versus two persons each making half the amount. For instance, in a household with a single earner, making $49,000 per year and receiving NYSUI in April of 2020, the total household income would be $4,642 a month (including $600 per week PUC). If there were two earners in the household,

each making $24,500 (for a total household income of $49,000 a year), in April of 2020 that household would have received $7,242 in unemployment compensation because an extra $2,600 in PUC payments would be received by the household from the second wage earner. From January through August of 2021, each household member receiving PUC brings an additional $1,300 into the household. In addition, the maximum NYSUI/PUA payment, before PUC, is $504 a month. Those persons making more than $52,416 a year will not receive more than $504 a week, while those who make less receive half their former salary. Therefore, a single person making $80,000 a year, even without PUC payments, will receive less compensation than two persons each making $40,000 per year. This analysis also doesn't consider households where one person may have retained employment while the other may be receiving unemployment.

31. https://www.irs.gov/newsroom/economic-impact-payments-what-you-need-to-know.

32. https://www.irs.gov/newsroom/treasury-and-irs-begin-delivering-second-round-of-economic-impact-payments-to-millions-of-americans.

33. https://www.irs.gov/newsroom/more-economic-impact-payments-set-for-disbursement-in-coming-days-taxpayers-should-watch-mail-for-paper-checks-debit-cards.

34. Administrative Office of the U.S. Courts: https://www.uscourts.gov/statistics-reports/caseload-statistics-data-tables.

35. Press Release, Administrative Office of the U.S. Courts. "Annual Bankruptcy Filings Fall 29.7 Percent." January 28, 2021.

36. Poverty statistics were researched on the U.S. Census Bureau's data site: http://data.census.gov in February of 2021. The U.S. Census Bureau reports that in 2020 the weighted average poverty threshold for a one-person household is $13,172; $16,725 for a two-person household; $20,586 for a three-person household; $26,495 for a four-person household; $31,404 for a five-person household; $35,562 for a six-person household; $40,510 for a seven-person household; $45,010 for an eight-person household; and $53,527 for a nine-person or more household.

37. U.S. Census Bureau: https://www.census.gov/newsroom/blogs/random-samplings/2020/09/supplemental-poverty-measure.html.

38. "New York City Government Poverty Measure, 2018." NYC Center for Economic Opportunity. Note that the CEO poverty rates are adjusted periodically and may not match figures found in prior reports.

39. The three referenced universities are Zhejiang University, the University of Chicago, and the University of Notre Dame. "Real-time Poverty Estimates During the COVID-19 Pandemic through February 2021." March 18, 2021. http://povertymeasurement.org/wp-content/uploads/2021/03/Real-time-Poverty-Estimates-through-February-2021-Updated-March-18-2021.pdf.

40. The estimated poverty rate is also updated monthly and can be found at: http://povertymeasurement.org/covid-19-poverty-dashboard/. Note that the most recent estimated poverty rate available as of the date of this publication is February, 2021, preceding the third stimulus check distribution in March, 2021.

41. 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. Also see "Selected Initial Findings of the 2017 New York City Housing and Vacancy Survey," prepared by HPD.

42. 2019 American Community Survey, U.S. Census Bureau: http://data.census.gov. American Community Survey data does not specifically identify rent stabilized units.

43. All data under the heading of "Household Pulse Survey" is from the U.S. Census Bureau's Household Pulse Survey: https://www.census.gov/programs-surveys/household-pulse-survey.html. Data was derived in two ways — from data tables, and from the Public Use File.

44. U.S. Bureau of Labor Statistics: http://www.bls.gov.

45. The seven cities selected by the RGB for comparison are Philadelphia, San Francisco, Boston, Chicago, Atlanta, Los Angeles, and Washington, D.C. Rent increases in these cities ranged from 2.5%-3.9%.

46. 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.

47. Preliminary FY 2021 Mayor's Management Report, NYC Housing Authority section. The City's FY runs from July 1 through June 30 of each year.

48. Eligibility guidelines via the NYC Housing Preservation and Development: https://www1.nyc.gov/site/hpd/services-and-information/section-8-eligibility.page.

49. Division of Tenant Resources Section 8 General Program Indicators, HPD: https://www1.nyc.gov/assets/hpd/downloads/pdfs/services/hpd-section-8-program-statistics.pdf. October 19, 2020.

50. "CECONY Average Monthly NYC Residential Bills 300 kWh:" http://www.coned.com/rates.

51. U.S. Energy Information Administration, Electric Sales, Revenue, and Average Price (2019 Tables T6 and T5.a): http://www.eia.gov/electricity/sales_revenue_price/.

52. "Con Ed on verge of three-year rate hike; prices expected to go up in January." New York Daily News, December 9, 2019.

53. "2019 Annual Average Cost of Living Index Release." The Council for Community and Economic Research: http://www.coli.org/media.

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

55. National Association of Home Builders: https://www.nahb.org/news-and-economics/housing-economics/indices/Housing-Opportunity-Index. Affordability is defined as no more than 28% of gross income spent on housing costs.

56. Current data can only be compared to data in 2012 or later, following a methodological change in the way the data is calculated.

57. The methodology that the National Low Income Housing Coalition uses can be found at: https://reports.nlihc.org/sites/default/files/oor/OOR_2020.pdf.

58. Fair Market Rents (FMRs) are published annually by the U.S. Department of Housing and Urban Development (HUD): https://www.huduser.gov/portal/datasets/fmr.html. The FMR is defined by HUD as: "The FMR is the 40th percentile of gross rents for typical, non-substandard rental units occupied by recent movers in a local housing market."

59. Cash assistance programs in New York State include the Family Assistance program and the Safety Net Assistance program: https://www.nycbar.org/get-legal-help/article/public-benefits/new-york-state-cash-assistance-program/.

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

61. NYC Human Resources Administration. HRA Monthly Fact Sheets (December 2020): http://www1.nyc.gov/site/hra/about/facts.page#caseloads.

62. "Have NYC's Cash Assistance Rolls Grown Following The Pandemic-Related Rise in Unemployment?" NYC Independent Budget Office, July, 2020.

63. Data directly from the NYS Office of Temporary and Disability Assistance, April, 2021.

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

65. NYC Human Resources Administration. HRA Charts (SNAP Recipients): http://www1.nyc.gov/site/hra/about/facts.page#charts.

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

67. https://www.nysenate.gov/legislation/bills/2019/s8419.

68. https://hcr.ny.gov/system/files/documents/2020/10/covid-rrp-report.pdf.

69. https://hcr.ny.gov/system/files/documents/2021/01/covid-rent-relief-program-extension.pdf.

70. "NY's Second Round Of Rent Relief Only Distributes $7 Million Of $60 Million Available." Gothamist, March 23, 2021.

71. Press Release, Governor's Office. "Governor Cuomo Announces Highlights of FY 2022 Budget to Reimagine, Rebuild and Renew New York," April 6, 2021.

72. https://www.nysenate.gov/legislation/bills/2021/s2506/amendment/c.

73. Data from NYC Department of Homeless Services (DHS), including DHS daily reports, DHS Data Dashboard Tables, Local Law 37 reports, and Citywide Performance Reporting reports. Note that in addition, 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 as many as 8,000 persons per night, which is not included in the totals presented in this report. These figures are not reported in order to make year-to-year data comparable.

74. The decline in homelessness during an economic crisis may seem counterintuitive. By way of explanation, in the Preliminary Fiscal 2021 Mayor's Management Report, DHS summarizes changes in the shelter census during the period of July-November of 2020 as such: "During the first four months of Fiscal 2021, the average number of families with children and adult families in shelter per day both declined by over 14 percent compared to the same period of Fiscal 2020. The number families with children was trending down pre-COVID-19 due to investments in prevention and rehousing programs, including rental assistance, and the COVID-19 eviction moratorium contributed to further reductions in the family shelter census. At the same time, the average number of single adults in shelters per day rose by 8.8 percent, primarily due to increases in length of stay and fewer housing placements during the COVID-19 pandemic. DHS continues to focus on addressing the housing and service needs of those longest in shelter, including targeted interventions for elderly clients and clients with disabilities."

75. The NYC Department of Homeless Services (DHS) splits families into two groups – families with children and adult families (generally spouses and domestic partners). Approximately 83% of "families" in 2020 are families with children.

76. Based on data from annual Mayor's Management Reports.

77. "The 2020 Annual Homeless Assessment Report (AHAR) to Congress: Part 1, Point-in-Time Estimates of Homelessness." U.S. Department of Housing and Urban Development, January 2021.

78. "Notice of Adoption of Amendment to Title 68 of the Rules of the City of New York to Add a New Chapter 10 Establishing the City Fighting Homelessness and Eviction Prevention Supplement (CityFHEPS) Program."

79. Press Release, NYC Department of Homeless Services. "City Proposes Single Unified Rental Assistance Program to Streamline and Simplify Rehousing Process" July 18, 2018.

80. CityFHEPS Frequently Asked Questions: https://www1.nyc.gov/site/hra/help/cityfheps.page.

81. RGB requested data from the Civil Court of the City of New York.

82. On December 28, 2020 Governor Cuomo signed into law the COVID-19 Emergency Eviction and Foreclosure Prevention Act of 2020. The Act stays pending residential eviction proceedings for sixty (60) days; stays residential eviction proceedings filed within 30 days of December 28, 2020 for 60 days; publishes a "Hardship Declarations" form to be used by tenant-respondents in eviction matters in reporting financial hardship during or due to the COVID-19 pandemic; and stays residential eviction proceedings until at least May 1, 2021 in proceedings where a tenant-respondent submits a completed Hardship Declaration. If tenants do not complete this declaration, the non-payment case is permitted to be filed with Housing Court. A federal eviction moratorium for households earning no more than $99,000 in 2020 (or $198,000 if filing jointly) who complete an "Eviction Protection Declaration" is in effect until at least June 30, 2021 (https://www.cdc.gov/coronavirus/2019-ncov/more/pdf/CDC-Eviction-Moratorium-03292021.pdf). Per the federal order, NYS has the option of imposing a stricter moratorium that would supersede the federal one. As of the publication of this report, NYS has not done so.

83. Eviction data from the NYC Department of Investigation, Bureau of Auditors data. Note that eviction data is submitted to the NYC Department of Investigation by the marshals who execute the warrants. If more than one person is named on the lease for the apartment, each named tenant must have an executed warrant. In addition, there are occasionally cases where the tenant enters the apartment after a warrant is successfully executed and another warrant must be executed. A marshal may also report a separate warrant for each level of a multi-story private house. The RGB estimates that the actual number of units that experienced an eviction in both 2019 and 2020 was approximately 10% lower than the number of the evictions reported.

84. See Endnote 82.

85. Press Release, Mayor's Office. "Mayor de Blasio Signs Legislation to Provide Low-Income New Yorkers with Access to Counsel for Wrongful Evictions." August 11, 2017.

86. Press Release, Mayor's Office. "Amid Nationwide Increases, Mayor de Blasio Announces Record-Breaking 41 Percent Decrease in Evictions Citywide." February 24, 2020.

87. Press Release, Mayor's Office. "350,000 New Yorkers Receiving Free Legal Help to Fight Evictions Through Right to Counsel." December 13, 2019.

88. https://www1.nyc.gov/site/hra/help/legal-services-for-tenants.page.

89. Preliminary FY 2021 Mayor's Management Report, NYC Human Resources Administration section.

90. https://www1.nyc.gov/content/tenantprotection/pages/tenant-resource-portal.

91. "Comments on New York City's Preliminary Budget for FY 2022 and Financial Plan for Fiscal Years 2021-2025." Office of the NYC Comptroller. March 2, 2021.

92. "January 2021 Financial Plan Detail, Fiscal Years 2021– 2025." Mayor's Office of Management and Budget. January 14, 2021.

93. "Outlook for the City's Economy: A Slow and Fragile Recovery." New York City Independent Budget Office. March 1, 2021.

94. Employment and Unemployment data from 2010-2020 was updated by the NYS Department of Labor on March 11, 2021, after the publication of the IBO report. As a result, data from the IBO report may not match other data presented in this report.

Housing Supply

New York City Rent Guidelines Board

2021 Housing Supply Report

What's New

- ☑ Permits for 19,578 new dwelling units were issued in NYC in 2020, a 26.3% decrease from the prior year. In the first quarter of 2021, permits decreased 13.2% as compared to 2020.
- ☑ The number of housing units in new buildings completed in 2020 decreased 18.5% from the prior year, to 20,185.
- ☑ City-sponsored programs spurred 29,521 new housing starts in 2020, 25% of which were newly constructed units.
- ☑ The number of housing units newly receiving 421-a exemptions decreased 54.7% in 2020, to 10,312.
- ☑ There was a 32.4% decrease in the number of residential co-op or condo units accepted in 2020, to 4,451 units contained in 235 plans.
- ☑ The number of housing units newly receiving J-51 abatements and exemptions decreased 85.6% in 2020, to 1,940.
- ☑ Demolitions decreased 33.4% in 2020, to 1,405 buildings.

Introduction

Section 26-510(b) of the Rent Stabilization Law requires the Rent Guidelines Board (RGB) to consider the "over-all supply of housing accommodations and over-all vacancy rates" and "such other data as may be made available to it." To assist the Board in meeting this obligation, the RGB research staff produces an annual Housing Supply Report, which reports on conditions in the housing market, including vacancy and overcrowding rates; new housing production; co-op and condo conversions; demolitions; housing created through tax incentives; and government-sponsored housing starts.

Overview

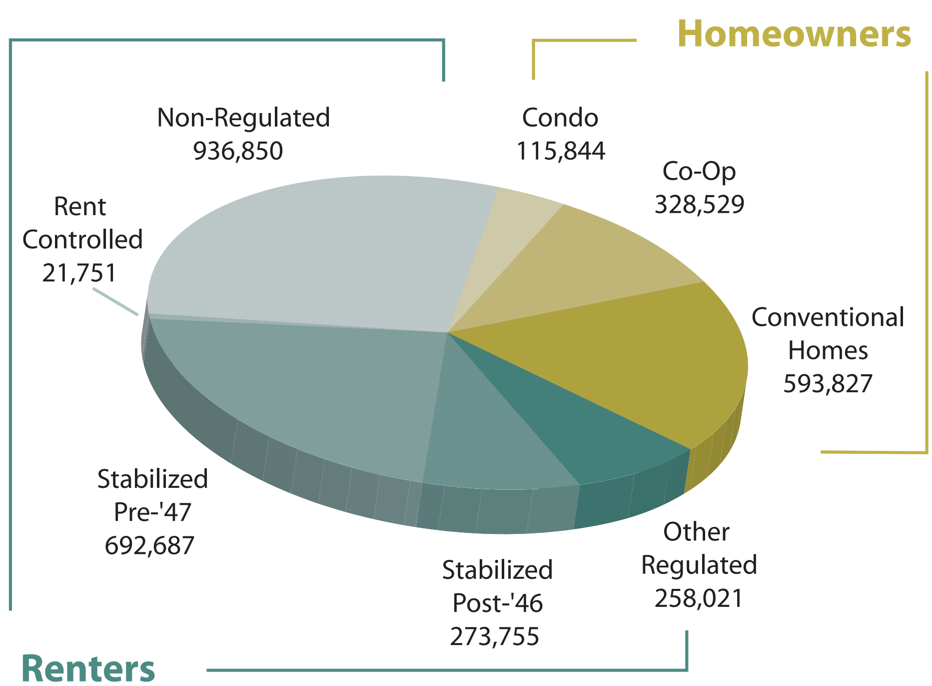
In 2020 there was a 26.3% decrease in the number of permits issued for new housing units, falling to 19,578, while permits during the first quarter of 2021 fell by a lesser proportion, 13.2%, as compared to the first quarter of 2020. The number of housing units in newly completed buildings fell during 2020, decreasing 18.5% to 20,185 units. The number of units newly receiving 421-a benefits decreased 54.7% from 2019 levels. The number of units newly accepted in residential co-op and condo plans fell by 32.4%, with the number of plans falling by 16.4%. Rehabilitation of housing units under the J-51 tax abatement and exemption program also fell during 2020, down 85.6%. The number of demolitions fell by 33.4% during 2020. As of 2019, a tight housing market also remains in New York City (NYC), with a Citywide rental vacancy rate of 3.3% and 10.5% of all rental housing considered overcrowded.

New York City's Housing Inventory

Detailed information about the NYC housing stock can be derived from triennial *Housing and Vacancy Surveys (HVS)*, with the most recently available data from 2017 (with data from the 2021 survey expected

Number of Renter and Owner Units, 2017

New York City's Housing Stock Is Predominantly Renter-Occupied



Source: U.S. Bureau of the Census, 2017 New York City Housing and Vacancy Survey
Note: Above figures exclude 247,977 vacant units that are not available for sale or rent.

in 2022). Most New Yorkers live in multi-family rental housing rather than owning homes. According to the *2017 HVS*,[1] rental units comprise 62.9% of NYC's available housing stock, a far greater share than the nationwide average of 35.9%.[2] NYC in 2017 had a total of 3,469,240 housing units, the largest housing stock since the first HVS was conducted in 1965. NYC's housing is not only distinguished by the size of its rental housing stock, but unlike most cities, the bulk of rental units are rent regulated. Of the 2,183,064 occupied and vacant rental units reported in the most recent HVS, 42.9% were unregulated, or "free market." The remaining units were rent regulated, including pre-war (pre-47) rent stabilized (31.7%), post-war (post-46) rent stabilized (12.5%), rent controlled (1.0%), or regulated under various other[3] types of programs (11.8%). (See pie chart on the previous page.)

The *HVS* also indicated that NYC's housing market remains tight, finding a Citywide rental vacancy rate of 3.63% in 2017, below the maximum 5% threshold required for rent regulation to continue under State law. This translates into the availability of just 79,190 vacant units out of almost 2.2 million rental units Citywide. A more recent survey, the *2019 American Community Survey (ACS)*, found a Citywide vacancy rate of 3.3%. The *HVS* is the only survey that can provide data specifically for rent stabilized or other types of units. Per the *HVS*, the rent stabilized vacancy rate was 2.06% in 2017, while private, non-regulated units were vacant at a 6.07% rate.

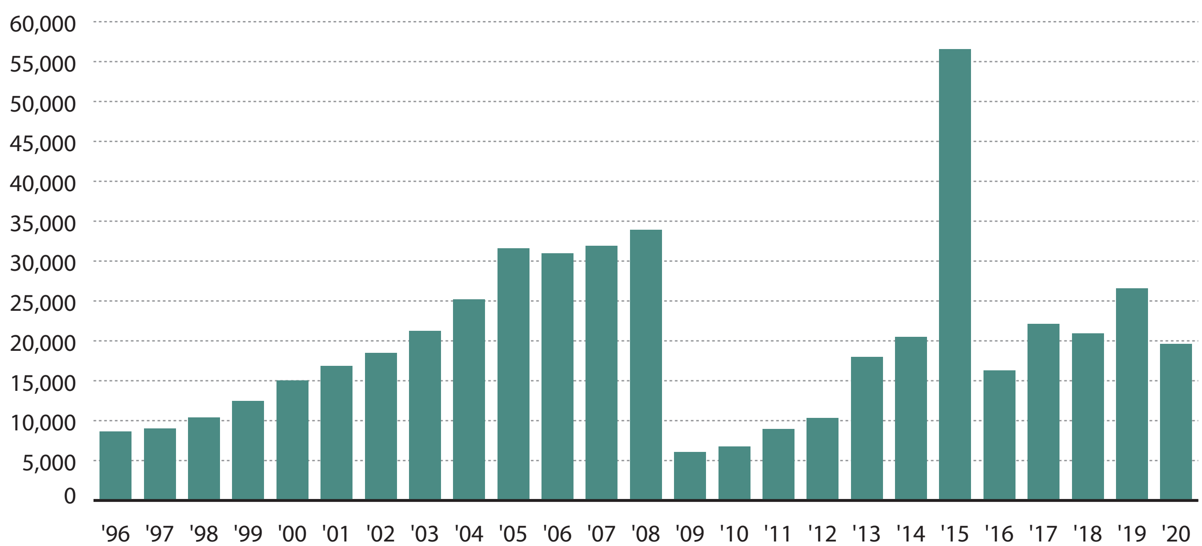
The *2019 ACS* also found that 10.5% of all rental housing in NYC was overcrowded (defined as more than one person per room, on average), including 4.5% that was severely overcrowded (defined as an average of more than 1.5 persons per room). For rent stabilized housing, the *2017 HVS* found that 13.1% was overcrowded, including 5.5% severely overcrowded. By comparison, in non-regulated housing, 11.3% was overcrowded, including 4.2% severely overcrowded.

Changes in the Housing Inventory

Housing supply grows, contracts, and changes in a variety of ways — new construction, substantial rehabilitation, conversion from rental housing to

Units Issued New Housing Permits, 1996-2020

Number of Permits Issued for New Construction of Housing Decreases by 26%



Source: U.S. Bureau of the Census, Construction Division - Building Permits Branch owner housing, and conversion from non-residential buildings into residential use.

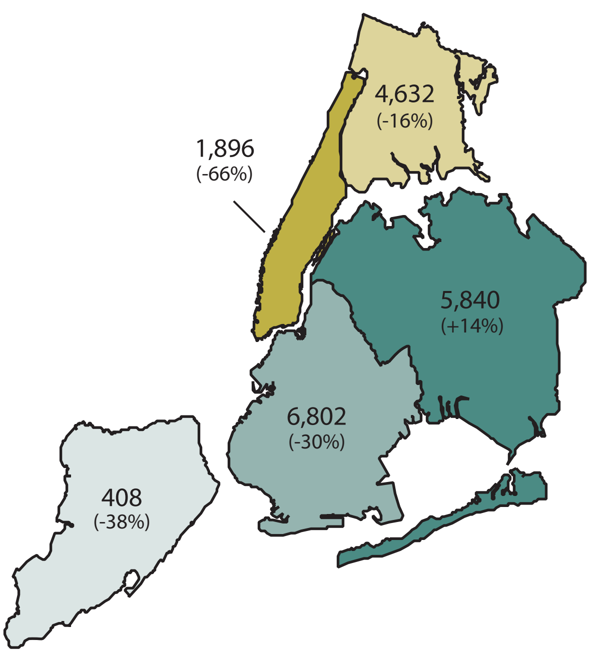
Housing Permits

The number of permits authorized for new construction is a measure of how many new housing units will be completed and ready for occupancy, typically within three years, depending on the type of housing structure. In 2020, permits newly issued fell, as they have for just five of the past 26 years. Following an increase of 27.0% in 2019, permits were issued in 2020 for 19,578 units of new housing, a decrease of 26.3% from 2019.[5] (See graph on the previous page.)

Permits fell in every borough but Queens. Permits in Manhattan fell by the greatest proportion, decreasing 65.6%, to 1,896 units. Newly issued permits also fell in Staten Island, by 38.3% (to 408 units); in Brooklyn, by 29.8% (to 6,802 units); and in the Bronx, by 16.4% (to 4,632 units). Permits did increase in Queens, by 13.7%, to 5,840 units. (See Appendix F.1 and the map on this page.)

Residential Building Permits, 2020

Total Number of Permits Issued in 2020 and Percentage Change From 2019, by Borough



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

Permits for new housing units fell, despite the average size of buildings newly permitted increasing (from 19.0 units in 2019 to 20.5 in 2020). Permits fell because the number of buildings receiving permits fell 31.5% (from 1,394 buildings to 955).

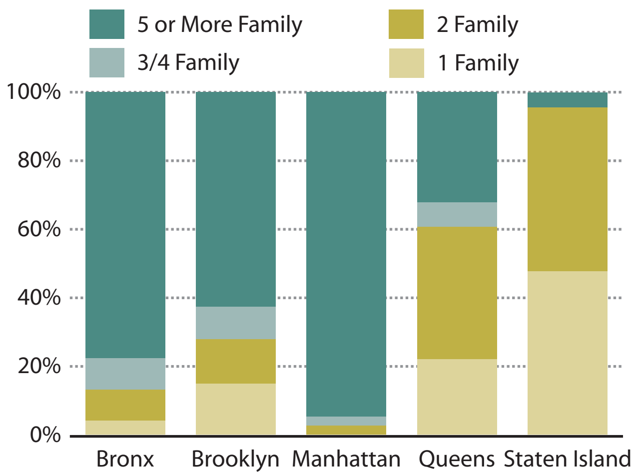
Permit data can also be analyzed more deeply by looking at the reported size of the buildings receiving permits. In 2020, a total of 955 buildings received permits (containing a total of 19,578 housing units). Citywide, 22.7% of these buildings were single-family, 27.6% were two-family, 6.3% were three- or four-family structures, and 43.4% were buildings with five-or-more units. In 2020, 95.2% of all permits issued Citywide were for units in five-family or greater buildings (a total of 18,642 units), with the average five-family or greater building containing 45 units for the City as a whole, and 53 units in Manhattan (both decreases from the prior year). As the graph on the next page illustrates, almost all building permits in Manhattan 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 Queens. (See Appendix F.2.)

On a quarterly basis in 2020, permits fell in each quarter as compared to the same quarter of the prior year, falling by the greatest proportion in the fourth quarter, with issued permits decreasing by 44.3%. Permits also fell by 10.8% in the first quarter; 34.9% in the second quarter; and 4.3% in the third quarter. For historical permit information by quarter, see Appendix F.3.

The most recently available quarterly data, from the first quarter of 2021, shows that newly issued permits were down as compared to the same period of the prior year, despite sharp increases in three of the five boroughs. The number of permits issued in NYC decreased from 5,648 in the first quarter of 2020 to 4,902 during the first quarter of 2021, a 13.2% decrease. While permits fell 69.4% in Queens and 26.1% in Brooklyn, they rose 91.0% in Manhattan;

Residential Building Permits, 2020

Size of Newly Permitted Buildings:
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, Construction Division - Building Permits Branch

94.3% in the Bronx; and 123.5% in Staten Island. While the number of buildings newly permitted remained exactly the same from the first quarter of 2020 to the first quarter of 2021 (227 buildings), the average size of the buildings newly permitted fell, from an average of 24.9 units to 21.6 units.

Housing Completions

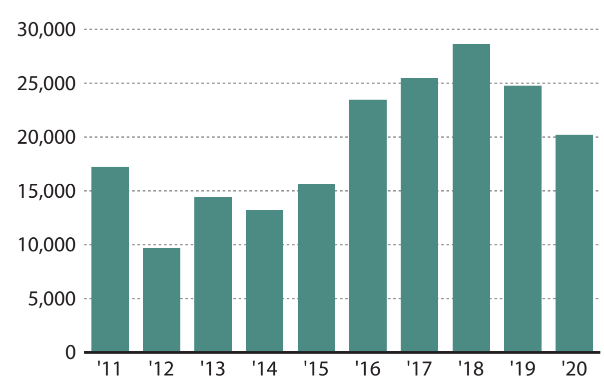
The number of units completed in the City each year is indicative of what housing actually enters the market in a particular year. In 2020, an estimated 20,185 housing units in new buildings were completed, an 18.5% decrease from 2019 (see graph on this page).[6] Completions fell in four of the five boroughs, falling by the greatest proportion in Queens, which declined 42.0% (to 2,689 units). Completions also fell in Staten Island, down 22.9% (to 504 units); Manhattan, down 22.2% (to 3,802 units); and Brooklyn, down 14.7% (to 8,757 units). Completions rose in the Bronx, up 2.7% (to 4,433 units). Citywide, 93.0% of the units in newly completed buildings were in five-family or greater buildings (up slightly from 91.8% in the prior year), with an average building size of 15.5 units (up from 14.8 in the prior year). The average size of newly completed buildings, by borough, ranged from 1.4 units per building in Staten Island, to 7.9 units in Queens, 19.9 units in Brooklyn, 39.6 units in the Bronx, and 65.6 units in Manhattan. (See Appendix F.4 for a historical breakdown of completions in new buildings by borough.) In 2020, an additional 2,967 units of residential housing were added to the housing stock through alterations, as well as conversions of commercial structures and Class B units.

City-Sponsored Construction

Housing is created and preserved in part through publicly funded sources, including programs sponsored by the NYC Department of Housing Preservation and Development (HPD) and the NYC 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

Newly Completed Units, 2011-2020

18% Decrease in Units Newly Completed Units in 2020



Source: NYC Dept. of City Planning

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 Repair Loan 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.

In May of 2014, Mayor Bill de Blasio announced details of his ten-year, $41 billion plan to build and/or preserve 200,000 units of affordable housing. "Housing New York: A Five-Borough, Ten-Year Plan" projected that 60% of the units would be preservations, and 40% would be new construction. The majority, 58%, were slated for "low-income" residents (defined at the plan's inception as $42,000-$67,000 for a family of four), with 22% geared for residents making more than this amount, and 20% for residents making less than this amount.[7]

That plan has now been modified and expanded. In "Housing New York 2.0," released in November of 2017, the de Blasio administration outlined a plan to complete the promised 200,000 units of housing two years ahead of schedule, and add another 100,000 units to the goal, for a total of 300,000 affordable units by 2026. The new guidelines call for 55.5% to be affordable for "low-income" families making between 51% and 80% of Area Median Income (as of FY 2021 $53,700-$85,920 for a family of three), with 19.5% geared toward residents making more than this amount, and 25.0% for residents making less than this amount. The plan also creates new programs aimed at increasing affordable housing for seniors, preserving Mitchell-Lama housing, and creating more micro units.[8]

As part of Housing New York 2.0, HPD- and HDC-sponsored programs spurred a total of 29,521 housing starts[9] in 2020, a 12.4% increase over the prior year. Of these starts, 22,068 (74.8%) were preservation, and 7,453 (25.2%) were new construction.[10]

Between 2014, the start of the Mayor's tenure, and the end of 2020, the de Blasio administration reports it has financed 177,971 units of affordable housing, 68% preservation and 32% new construction. Of the total units financed thus far, 36% of the starts were located in the Bronx, with 27% located in both Brooklyn and Manhattan, 10% in Queens, and 1% in Staten Island. By affordability level, 16% of the starts were aimed at extremely low-income households, 28% at very low-income households, 40% at low-income households, 6% at moderate-income households, and 9% at middle-income or higher households.[11] More than 25,000 of these units (14% of the total) were dedicated to special needs populations (the homeless and seniors).

Tax Incentive Programs

The City offers various tax incentive programs to promote the development of new housing. One such program is the 421-a tax exemption program, which began in the early 1970s. While there have been various iterations of the program over the years, all have allowed both renter- and owner-occupied multifamily properties to reduce their taxable assessed value for the duration of the benefit period. That is, owners are exempt from paying additional real estate taxes due to the increased value of the property resulting from the new construction. Rental apartments built with 421-a tax exemptions are subject to the provisions of the Rent Stabilization Laws during the exemption period. Requirements call for initial rents to be approved by HPD at the completion of construction (when obtaining certification), and units are then subject to rent adjustments established by the NYC Rent Guidelines Board.

A variety of factors are used to establish the level and period of 421-a benefits, and properties are also subject to construction guidelines. Per State law, these guidelines are also subject to change over time as the program expires and is reauthorized.

After expiring at the end of 2015, the latest iteration of the 421-a program was reinstated in April of 2017 (retroactive to January 1, 2016), with a new name (Affordable New York Housing Program) and policy changes. Per the Affordable New York Housing Program, rental developments with 300 units or more in Manhattan (south of 96th Street) and the Brooklyn and Queens waterfront will be eligible for a full property tax abatement for 35 years if the development creates one of three options for affordable rental units and meets newly established minimum construction wage requirements. The units must remain affordable for 40 years. For all other rental developments in NYC utilizing the tax benefit, the full tax exemption benefit period is 25 years, with a phasing out of benefits in years 26-35. For developers who use the benefit program to build co-op or condo housing, the building must contain no more than 35 units, be located outside of Manhattan, and have an assessed value of no more than $65,000 per unit. The benefit lasts for a total of 20 years, with a full exemption for the first 14.[12] The governor estimates that the new program, which expires in 2022, will create 2,500 new units of affordable housing a year.[13]

At the end of construction, buildings applying to receive 421-a benefits are required to file for a Final Certificate of Eligibility (FCE) with HPD. In 2020, the number of housing units in buildings newly receiving a 421-a FCE decreased for the second consecutive year (see graph on this page). Newly certified units fell 54.7% in 2020, to 10,312 units, the fewest number of units since 2016.[14] At the borough level, newly certified units fell 77.6% in Manhattan, 68.9% in Queens, and 63.4% in Brooklyn. However, they more than doubled in the Bronx, rising 128.5%, and rose in Staten Island to a total of 73 units (up from zero in the previous year).

Citywide, the largest proportion of units newly certified in 2020 were in buildings located in Brooklyn, with 36.1% of the total units in the City. The Bronx had 33.3% of these units, Queens had 20.7%, Manhattan had 9.2%, and Staten Island had 0.7%. Average building size was more evenly distributed than in many years, with the smallest buildings in Staten Island (with an average building size of 14.6 units), followed by the Bronx and Brooklyn (at 24.9 and 27.4 units, respectively), and the largest buildings in Queens and Manhattan (at 41.9 and 45.0 units, respectively) . (See Appendices F.7 and F.8.)

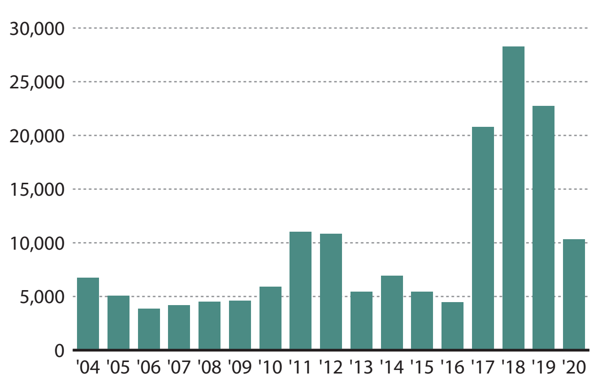
While the overall (including both owner- and renter-occupied) number of newly certified 421-a units fell 54.7% between 2019 and 2020, the number of co-op and condo units in this program fell 80.1%, while rental units fell 48.4%. Newly certified rental units fell in Manhattan, by 73.5%; in Queens, by 70.1%; and in Brooklyn, by 50.9%. However, the number of newly certified rental units increased 102.2% in the Bronx and rose from no units to 73 units in Staten Island. More than 91% of newly certified units in 2020 were rental units.

In FY 2021, 211,915 units will benefit from 421-a exemptions and abatements, including 128,000 rental units; 48,000 co-op and condo units; and 35,000 1-3 family and mixed-use structures. It is estimated that the 421-a program will cost the City $1.7 billion in lost tax revenue for all housing types in FY 2021.[15]

In order to be eligible for tax benefits, properties must register for an FCE with HPD on the completion of construction. HPD began notifying non-

Units Newly Receiving 421-a Certificates, 2004-2020

55% Decrease in Units Newly Issued 421-a Certificates in 2020



Source: NYC Dept. of Housing Preservation and Development compliant owners in December of 2016 that their benefits would be suspended if they did not apply for an FCE. HPD announced in March of 2018 that it had suspended 421-a benefits, representing $66 million in tax revenue for 2018, to 1,788 "properties." The "properties" (individual block and lots comprising approximately 1,300 buildings, including 109 rental buildings with 4,373 units) had received 421-a benefits for at least five years, but had not filed for an FCE.[16] HPD estimates that approximately 77% of the properties receiving an FCE in 2017 were due to prior compliance issues, as were 73% of the properties in 2018, 71% of the properties in 2019, and 15% of the properties in 2020.[17]

Another program that has offered affordable housing, the New York State Mitchell-Lama program, has experienced a reduction of units since "buyouts"[18] from the program began in 1985. Between 1955 and 1978, approximately 140,000 units of low- and middle-income housing were built in NYC through this tax-break and mortgage subsidy program. Since buyouts began in 1985, the City has lost approximately 48,000 units of Mitchell-Lama housing (including 4,000 units of hospital/university staff housing), although some have transitioned to rent stabilization. After averaging an annual loss of more than 5,000 units between 2004 and 2007, the pace has slowed considerably. No developments left the Mitchell-Lama program in 2020.[19]

Conversions and Subdivisions

Housing units are both gained and lost 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, or existing residential spaces can be converted into a smaller number of units by combining units to increase their size. 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 non-residential 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 2020, for the fourth consecutive year, no formerly non-residential buildings received J-51 benefits for conversion to a residential property.[20]

SRO Housing and Airbnb Rentals

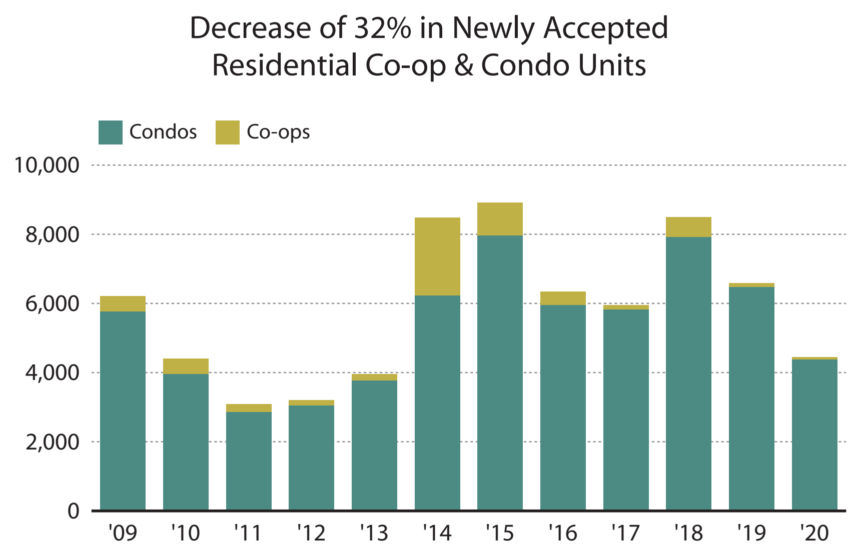
Conversion of single room occupancy (SRO) buildings also continued over the past year. SRO owners may convert SRO housing to other uses after obtaining a "Certificate of No Harassment" from HPD. For the fourth time in the past five years, the number of approved certificates fell, from 90 in 2019 to 49 in 2020, a decrease of 45.6%.[21]

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 fewer than 30 days.[22] Governor Cuomo signed a bill in October of 2016 that created fines up to $7,500 for illegally advertising short-term rentals in Class A Multiple Dwellings.[23]

Between May of 2011 and March of 2021, approximately 20,000 violations have been issued by the Mayor's Office of Special Enforcement (OSE) to illegal hotel operators (including private apartments, hostels, and SROs). This includes 575 violations issued between April 2020 and March 2021), an 82.8% decrease from the 3,335 violations over the same time period of the prior year. Per OSE, the number of violations declined because the COVID-19 pandemic dramatically reduced tourist travel. In response, hosts briefly adjusted much of their illegal short-term rental listings to advertise month-to-month rentals during the peak of the pandemic. In addition, in response to the pandemic, much of OSE's field activity shifted to protecting New Yorkers through social distancing enforcement, predominately at retail and restaurant locations.[24]

Among OSE's activity over the past year, the agency announced in August of 2020 that they had won a permanent injunction (and a $290,000 fine) against the Imperial Court Hotel in Manhattan to prevent 227 SRO units from being used for illegal short-term rental activity.[25] In addition, following a series of lawsuits, an agreement was reached between the City of New York and Airbnb in June of 2020 that would require short-term rental platforms to share information about their listings with OSE.[26] Following this agreement, on January 3, 2021, New York City's Booking Service data reporting law took effect.[27] All transactions for listings that have five or more nights booked per quarter will be reported to OSE if the listings offer entire home rentals or home rentals to three or more individuals at the same time. Listings for units in "Class B multiple dwellings" — which are lawfully used for short-term rental — are exempt from the reporting requirements. The reports will be submitted quarterly to OSE and will include information on the physical address of the short-term rental unit; the location online of the advertisement that resulted in the short-term rental; information relating to the identity of the host, including contact and payout account information; and information related to the scope of the short-term rental transaction.

Newly Accepted Residential Co-op and Condo Units, 2009-2020



Source: NYS Attorney General's Office

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. In 2020, the Attorney General accepted 235 residential co-op and condo plans, a 16.4% decrease from the number accepted in 2019.[28] These 235 plans encompassed 4,451 residential housing units, 32.4% fewer than in 2019 (see graph on this page).

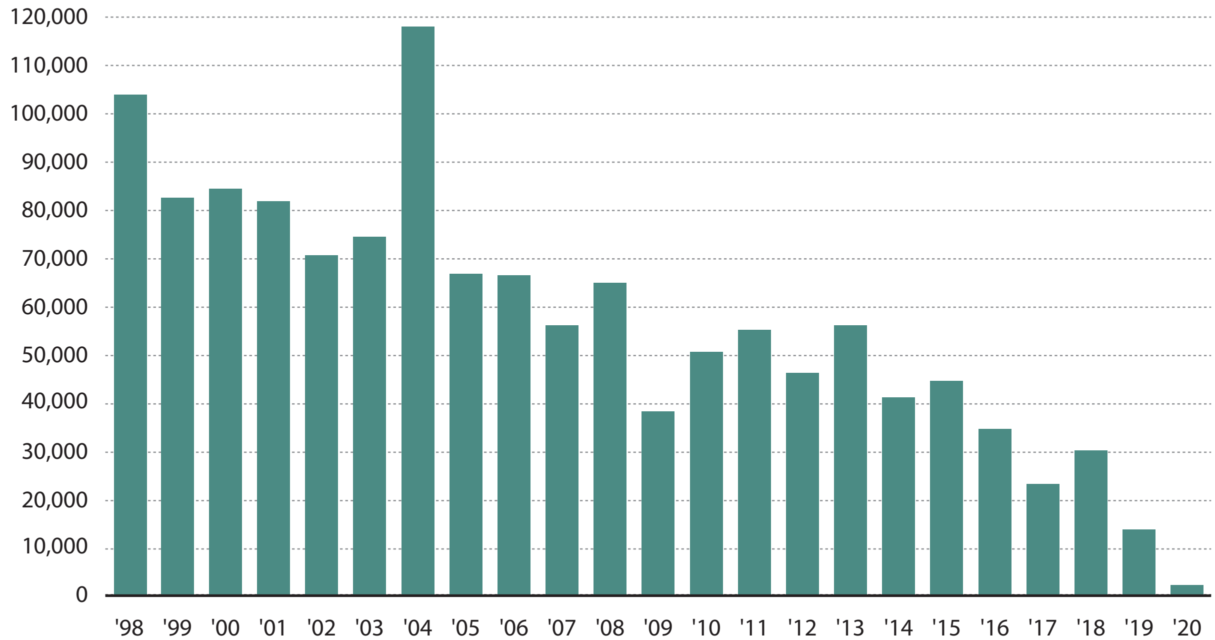
More than two-thirds of all plans, 164, were accepted for buildings located in Brooklyn, 42 were accepted for Manhattan, 25 were accepted for Queens, three were accepted for Staten Island, and one was accepted in the Bronx. The greatest number of units were located in Brooklyn, with 1,943 units accepted during 2020. Manhattan had the second highest number of units, 1,521, and Queens had 914. There were just 57 units in the Bronx and 16 in Staten Island (See Appendices F.5 and F.6.)

The majority of the plans accepted Citywide in 2020 were for new construction, comprising 186 of 235 plans, and a total of 3,511 of 4,451 units. This is similar to the prior year, when new construction accounted for 227 of the 281 accepted plans. Newly accepted co-op and condo plans also included rehabilitations (with 37 plans and 180 units), and non-eviction conversions (with 12 plans and 760 units). Of all the newly accepted plans in 2020, 98.4% of the units were condos, and 1.6% were co-ops (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

Units Receiving Initial J-51 Benefits, 1998-2020

2020 Saw an 86% Decrease in Number of Units Newly Receiving J-51 Benefits



Source: NYC Department of Housing Preservation and Development

represented 17.1% of the total number of units in 2020 co-op and condo plans, a greater proportion than the 11.3% share in 2019. Because most conversion plans are non-eviction plans (including all plans in 2020), only when the original rental tenant moves out, or opts to buy the apartment, does the apartment potentially become owner-occupied and removed from the rental stock.

Rehabilitation

Another method for adding to, or preserving, the City's residential housing stock is through rehabilitation of older buildings. As buildings age, they must undergo rehabilitation to remain habitable. This is particularly true with NYC's housing stock, where more than 57% of units are in buildings constructed prior to 1947.[29] Through tax abatement and exemption 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 NYC'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 rental units be subject to rent stabilization for the duration of the benefits, regardless of the building's regulation status prior to receiving tax 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 iterations 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. While the J-51 program is still accepting applications, as of the publication of this report the program has expired and eligible projects must have had work completed by June 29, 2020.[30]

In 2020, 1,940 units newly received J-51 benefits, a decrease of 85.6% from the previous year and the smallest number of units since at least 1988, the first year for which data is available (see graph on the previous page and Appendix F.8).[31] The decrease in the number of rental units, 83.2%, was less than that of owner units, 88.3%. The location of the units newly receiving benefits ranged from 35.1% located in Queens, to 30.4% in Brooklyn, 27.4% in the Bronx, 7.1% in Manhattan, and none in Staten Island. Units newly receiving benefits fell, by double digits, in every borough. Units decreased by 88.3% in the Bronx, 87.0% in Queens, 82.1% in Brooklyn, and 66.3% in Manhattan. For the second consecutive year there were no units in Staten Island. (See Appendices F.7 and F.8.)

These units were contained in 135 buildings, a decrease of 82.4% from 2019 levels. The average size of the buildings receiving benefits also fell, from 17.5 units in 2019 to 14.4 units in 2020. In 2020, 61.6% of the units newly certified for the J-51 program were rentals, as were 27.4% of the buildings.

In FY 2021, the J-51 tax program will cost the City $295.9 million in lost tax revenue for all housing types, including approximately 211,000 rental units; 186,000 co-op and condo units; and 1,800 1-3 family and mixed-use structures.[32]

Rehabilitation work is also carried out through HPD's "Alternative Enforcement Program (AEP)," now in its thirteenth year of identifying the 200-250 "worst" buildings in the City, based on housing code violations.[33] The most recent group of 250 buildings include 4,680 units of housing. If building owners in this program do not make repairs to their buildings, the City steps in to do so, and then charges the owners. Through the first thirteen rounds of the program, the City discharged 2,462 of 2,887 buildings that entered the program, with a combined total of more than 35,000 units of housing.[34]

Tax-Delinquent Property

Historically, 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.

HPD's Alternative Management Programs began in 1994 with the goal of returning City-owned properties to private owners and reducing its share of *in rem* buildings by identifying buildings at risk and helping owners. HPD has successfully reduced the number of occupied and vacant *in rem* units in HPD central management to 254 through June of 2020, an 11.8% decline from the prior FY and a 99.4% decline since FY 1994.[35] Key initiatives to prevent abandonment include tax lien sales; the Third Party Transfer Program, which targets distressed and other buildings with tax arrears;[36] and housing education courses, which teach owners and superintendents basic management, maintenance, and finance skills to improve their properties.[37]

The City no longer forecloses and takes title to properties that are tax delinquent or in arrears for water and sewer charges. Instead, tax liens for properties that are not distressed are sold in bulk to private investors after notice is given to property owners, who are given 90 days to pay the arrears. 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.[38] The Lien Sale Task Force, a task force authorized by law to review and evaluate the Lien Sale Program, reported in September of 2016 that between 2008 and 2016, an average of 25,100 properties were added to the lien sale list annually. But the number of liens actually sold was an annual average of 4,600, or 18.3% of the liens published on this list. Of the 41,400 liens sold during this period, just 354 (0.8%) ultimately went into foreclosure, with less than half of these foreclosed properties being residential.[39] The 2020 sale, originally scheduled for May 15, 2020, was postponed six times before being officially cancelled in May of 2021.[40] However, the City Council passed a law in early 2021 renewing the sale for one year, with programmatic changes and a requirement for a task force to study the feasibility of transferring overdue taxes to community land trusts, land banks and mutual housing associations.[41] Among the changes passed by the 2021 law, the bill exempts properties whose owners have 10 or fewer units, one of which is the owner's primary residence, and who can demonstrate financial hardship from the pandemic. As of the publication of this report, no date has been set for the 2021 tax lien sale.

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.[42] 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 approximately 591 buildings have been transferred to for-profit and non-profit owners, including 61 during the most recent round, Round 10.[43] Following a City Council oversight hearing,[44] Round 11 is currently on hold as a working group, comprised of elected officials, nonprofits, advocates, and community stakeholders works on reviewing the program. Per HPD, the working group "will be charged with developing recommendations to modify the program to address key concerns identified by stakeholders and make sure it effectively targets the most distressed tax delinquent properties."[45] Due to COVID-19, the working group was paused for almost a year and resumed in February of 2021.[46]

Demolitions

Per data from the NYC Department of Buildings, a total of 1,405 buildings were demolished in 2020, a 33.4% decrease over the prior year.[47] Brooklyn accounted for 32.0% of all the buildings demolished in 2020, Queens had 28.9%, the Bronx had 16.4%, Staten Island had 13.4%, and Manhattan had the lowest proportion, 9.3%. Demolitions fell in every borough during 2020, declining by the greatest proportion in Manhattan, where demolitions fell by 47.2%. They fell by 39.3% in Brooklyn, 38.8% in Queens, 12.1% in Staten Island, and 5.7% in the Bronx. (See Appendix F.9.)

The NYC Department of City Planning also tracks demolitions of buildings containing Class A residential units of housing.[48] Per their data, in 2020 597 buildings containing Class A units applied for a demolition permit, with a total of 1,186 units of housing. This is a decrease in buildings of 34.5% and a decrease in units of 41.4%, as compared to 2019. Since 2010, the greatest number of Class A units demolished was in 2015, when 921 buildings, containing 2,321 units of housing applied for demolition permits.

Obtaining a permit for demolition or significant alterations may be harder going forward. A three-year pilot program, which started in the Fall of 2018, requires certain owners to obtain a "Certificate of No Harassment" (CONH) before Department of Buildings approval of demolition or significant alteration permits.[49] Among the buildings that will need this approval are those in which either a court or New York State Homes and Community Renewal found at least one case of harassment since September of 2013; distressed buildings in one of 11 Community Districts; buildings that have been the subject of a full vacate order; or those buildings that participated in the AEP program for at least four months since February 1, 2016. Following a hearing to determine whether harassment of tenants has taken place within the previous 60 months, those buildings found not eligible for a CONH have the choice of entering into a "cure agreement," where affordable housing is developed within the Community District in exchange for the permit. Absent a cure agreement, no permits will be issued to those buildings that fail to obtain a CONH for at least 60 months following the denial. In October of 2018, the City published a list of buildings subject to the new regulations, including more than 1,000 buildings and 26,000 units of housing.[50]

Summary

In 2020, housing permits fell, decreasing by 26.3%, while the number of housing units in newly completed buildings fell by 18.5%. The number of units newly receiving 421-a tax benefits fell 54.7% in 2020, while units newly receiving J-51 tax abatements and exemptions fell by 85.6%. There was a decrease in newly accepted co-op and condo units, with residential units decreasing 32.4% and plans decreasing by 16.4%. Rental housing availability remains tight, with a Citywide vacancy rate of 3.3%, and 10.5% of rental units overcrowded, as of 2019. ❐

Endnotes

1. The NYC Housing and Vacancy Survey is conducted triennially, sponsored by the NYC Department of Housing Preservation and Development (HPD) and conducted by the U.S. Census Bureau. Data is based on "Selected Initial Findings of the 2017 NYC Housing and Vacancy Survey," prepared by HPD.
2. The U.S. housing stock was comprised of 35.9% renter-occupied units, according to the 2019 American Community Survey, conducted by the U.S. Census Bureau. To calculate the ratio of renter-occupied units in NYC, staff did not include vacant units that are not for sale or for rent in the total number of housing units.
3. Other regulated units include public housing, Mitchell-Lama, *in rem*, HUD-regulated, Article 4 and Loft Board units.
4. 2019 American Community Survey, U.S. Census Bureau: http://data.census.gov. American Community Survey data does not specifically identify rent stabilized units.
5. U.S. Census Bureau: https://www.census.gov/construction/bps/.
6. NYC Department of City Planning. DCP Housing Database: Project-Level Files (Release data 2020, Q4). Note that the data is subject to change, including data from prior years.
7. "Housing New York: A Five-Borough, Ten-Year Plan." NYC Dept. of Housing Preservation and Development. May 5, 2014.
8. "Housing New York 2.0." NYC Department of Housing Preservation and Development. November 15, 2017.
9. Starts refer to the number of units beginning construction or rehabilitation in a given period.
10. Housing New York By the Numbers: http://www1.nyc.gov/site/housing/action/by-the-numbers.page; accessed May 2021, with data through 12/31/2020.
11. Per "Housing New York 2.0," 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. Current AMIs can be found at: https://www1.nyc.gov/site/hpd/services-and-information/area-median-income.page.
12. Program information available at: https://www1.nyc.gov/site/hpd/services-and-information/tax-incentives-421-a.page.
13. Press Release, State of New York. "Governor Cuomo and Legislative Leaders Announce Agreement on FY 2018 State Budget." April 7, 2017.
14. NYC Department of Housing Preservation and Development, Tax Incentives Program data. Following three years of enforcement activities by HPD, a large part of the decrease in newly issued Final Certificates of Eligibility (FCE) in 2020 is due to a slowing of the number of previously completed properties that failed to file for FCEs upon completion and were required to do so by HPD or lose their tax benefits.
15. "Annual Report on Tax Expenditures." NYC Department of Finance. February 2021.
16. Press Release, NYC Department of Housing Preservation and Development. "City Suspends 421-a Benefits to More Than 1,700 Non-Compliant Owners." March 9, 2018. Note that the 1,788 properties include condo buildings, with each unit within the building having an individual block and lot designation.
17. NYC Department of Housing Preservation and Development, Tax Incentives Program data.
18. Developments are eligible to withdraw from the Mitchell-Lama program (buyout), after 20 years upon repayment of the mortgage (or after 35 years in the case of developments aided by loans prior to May 1, 1959).
19. The number of Mitchell-Lama buyouts was provided most recently through the NYC Department of Housing Preservation and Development and NYS Homes 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.
20. NYC Department of Housing Preservation and Development, Tax Incentives Program data.
21. NYC Department of Housing Preservation and Development.
22. Press Release, Mayor's Office. "Mayor Bloomberg Announces Results of City's Efforts to Curb Dangerous Illegal Hotels in New York City After State Legislation Enhances Enforcement Abilities." April 27, 2012.
23. "Cuomo Signs Bill That Deals Huge Blow to Airbnb." New York Post. October 21, 2016.
24. Office of the Criminal Justice Coordinator, Mayor's Office of Special Enforcement.
25. Press Release, Mayor's Office of Special Enforcement. "New York City Wins Permanent Injunction to Prevent Illegal Short-Term Rental Activity at More Than 220 Housing Units in Manhattan Building." August 10, 2020.
26. "Airbnb agrees to give listing info to city." The Real Deal. June 12, 2020.
27. https://www1.nyc.gov/site/specialenforcement/reporting-law reporting-law.page.
28. NYS Attorney General's Office, Real Estate Financing Bureau data. 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. Within the 2020 data there are 14 residential plans (with 303 residential units) that have been accepted for filing but have outstanding deficiencies. The information entered for these plans was entered upon processing of the initial submission of the offering plan, so some of the data may be outdated and/or incomplete.
29. 2017 NYC Housing and Vacancy Survey, U.S. Census Bureau.

30. NYC Department of Housing Preservation and Development: https://www1.nyc.gov/site/hpd/services-and-information/tax-incentives-j-51.page.

31. 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.

32. "Annual Report on Tax Expenditures." NYC Department of Finance. February, 2021.

33. https://www1.nyc.gov/site/hpd/services-and-information/alternative-enforcement-program-aep.page.

34. https://data.cityofnewyork.us/Housing-Development/Buildings-Selected-for-the-Alternative-Enforcement/hcir-3275/data.

35. NYC Department of Housing Preservation and Development.

36. NYC Department of Housing Preservation and Development: https://www1.nyc.gov/site/hpd/services-and-information/tax-delinquency.page.

37. NYC Department of Housing Preservation and Development: https://www1.nyc.gov/site/hpd/services-and-information/classes.page.

38. NYC Department of Finance: https://www1.nyc.gov/site/finance/taxes/property-lien-sales.page.

39. "Report of the Lien Sale Task Force," September 2016.

40. The last published 2020 lien sale list (prior to the cancellation of the 2020 lien sale) was dated November 9, 2020 and included 3,154 properties. If these properties do not address their delinquent taxes and charges, they may be subject to the 2021 lien sale, which as of the publication of this report has not yet been scheduled.

41. "City Council to Renew Tax Lien Sale." The Real Deal. January 28, 2021.

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

43. Press Release, NYC Department of Housing Preservation and Development. "City Launches Working Group to Review and Modernize the Third Party Transfer Program." June 13, 2019. Additional data received directly from the NYC Department of Housing Preservation and Development.

44. "Oversight—Taking Stock: A Look into the Third Party Transfer Program in Modern Day New York." The Council of the City of New York. July 22, 2019.

45. See Endnote 43.

46. Per information received directly from the NYC Department of Housing Preservation and Development.

47. NYC Department of Buildings (DOB). 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.

48. NYC Department of City Planning. DCP Housing Database: Project-Level Files (Release data 2020, Q4). Note that the data is subject to change, including data from prior years.

49. City of New York Local Law 1 of 2018.

50. Press Release, NYC Department of Housing Preservation and Development. "City Targets Over 1,000 Buildings for New Tenant Protection Program." October 12, 2018.

Changes to the Rent Stabilized Housing Stock in NYC in 2020

What's New

- ☑ The study finds a net estimated loss of 2,353 rent stabilized units in 2020.
- ☑ Since 1994, New York City's rent stabilized housing stock has seen an approximate net loss of 147,665 units.
- ☑ Additions to the stabilized housing stock in 2020 declined 51% from the prior year.
- ☑ Subtractions from the stabilized housing stock in 2020 fell 41% from the prior year.
- ☑ The vast majority of additions to the rent stabilized stock in 2020 were due to the 421-a tax incentive program, accounting for 94% of the additions.
- ☑ The median rent of initially registered rent stabilized apartments in 2020 was $2,200 a 54% decline from the prior year.
- ☑ High-Rent Vacancy Deregulation made up the largest category of subtractions from the stabilized stock, accounting for 33% of the units removed in 2020.

Overview

Rent regulation has been a fixture in New York City's housing market for close to 80 years, although the laws that govern rent regulated housing have been substantially changed over time. The laws governing rent regulation 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 2020. 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 are estimates because they 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 NYS Homes and Community Renewal (HCR), the median legal rent of initially registered rent stabilized apartments in 2020 was $2,200, a 54% decline from the prior year. (See Appendix G.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 an impact on the inventory of stabilized housing: the Section 421-a Program and the J-51 Program. Under 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 period (10-25 years). In 2020, an estimated total of 4,030 units were added to the rent stabilized stock through the 421-a program, 30% fewer than the prior year. The largest proportion of units was in Brooklyn (54%); followed by the Bronx (29%); Queens (12%); and Manhattan (5%). None were added on Staten Island. According to HCR, the median legal rent of currently registered rent stabilized apartments receiving 421-a tax abatements in 2020 was $3,258, a 4% decline from the prior year.

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 exchange for 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 2020, 67 units were added to the rent stabilized stock through the J-51 program, down two-thirds from the 196 units added in the prior year. (See Appendices G.1 and G.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 through 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 2020, no Mitchell-Lama rental units became rent stabilized, compared to 353 in 2019. Since 1994, 11,746 rental units have left the Mitchell-Lama system and become a part of the rent stabilized housing stock. (See Appendices G.1 and G.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 may become stabilized. A total of 36 units entered the rent stabilization system in 2020, compared to 22 added in 2019. (See Appendices G.1 and G.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 fewer than 22,000.[1] With passage of the Housing Stability & Tenant Protection Act (HSTPA) of 2019, effective June 14, 2019, when a rent controlled unit is vacated, it becomes rent stabilized when it is contained in a rental building with six or more units. Prior to passage of the HSTPA, only if the incoming tenant paid a legal regulated rent that was less than the Deregulation Rent Threshold (most recently, $2,774.76 per month) did the unit become rent stabilized.[2] This process results in a reduction of the rent controlled stock and an increase in the rent stabilized stock. Otherwise, the apartment was subject to deregulation and left the rent regulatory system entirely.

According to rent registration filings with NYS Homes and Community Renewal (HCR), 146 units were decontrolled and became rent stabilized in 2020, a 60% decline from the 361 units decontrolled the prior year. By borough, 39% of the units were in Manhattan; 27% were in Brooklyn; 19% were in Queens; and 15% were in the Bronx. There were none on Staten Island. (See Appendices G.1 and G.2.)

Other Additions to the Stabilized Housing Stock

Several other events can increase the rent stabilized housing stock: tax incentive programs (other than the 421-a and J-51 programs); "deconversion;" returned losses; and the sub-division of large units into two or more smaller units. 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.[3] The RGB is unable to quantify the number of these units that became rent stabilized.

However, there are other tax incentive programs, which as part of their regulatory agreements may require their rental units to be rent stabilized, and whose stabilization status could be determined. These tax incentive programs include Articles 11, 14 and 15 of the Private Housing Finance Law (PHFL). They did not add any units in 2020, compared to 2,164 the prior year.[4]

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, as well as sub-division of large units, do not generally add a significant number of units to the rent stabilized stock but cannot be quantified for this study in any case.

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

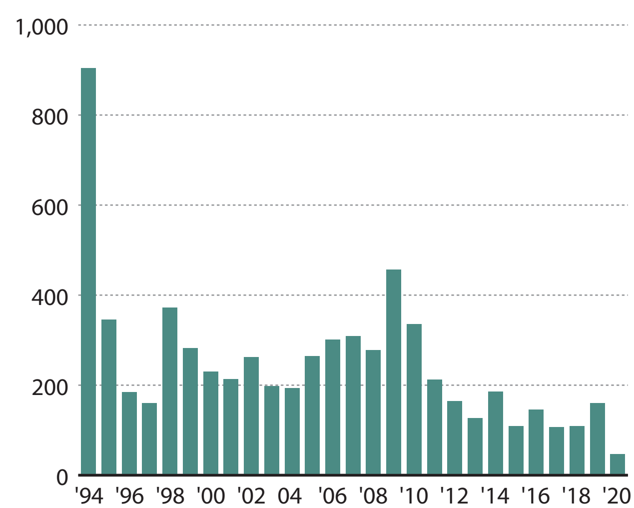
With passage of the Housing Stability & Tenant Protection Act (HSTPA) of 2019, effective June 14, 2019, occupied apartments may no longer be deregulated. However, prior to that date, with enactment of the Rent Regulation Reform Act of 1993 (RRRA), apartments renting for $2,000 or more in which the tenants in occupancy had a combined household income more than $250,000 in each of the immediately two preceding calendar years could be deregulated. In 1997, the RRRA reduced the income threshold to $175,000. Fourteen 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.

The passage of the Rent Act of 2015, effective June 15, 2015, maintained the same income requirement but modified the Deregulation Rent Threshold (DRT) for High-Rent High-Income Deregulation. The DRT was increased to $2,700 and was adjusted each January 1st thereafter by the one-year renewal lease guideline percentage issued the prior year by the Rent Guidelines Board. Prior to passage of the HSTPA, the DRT was $2,774.76. (See Endnote 2.)

Deregulation could occur upon application by the owner and upon the expiration of the rent stabilized lease. This income-based deregulation process, which was administered by HCR, relied upon data furnished to the NYS Department of Taxation and Finance as part of the income verification process. Both the rent level and household income criteria should have been met for deregulation to take place. For example, most

High-Rent High-Income Deregulation, 1994-2020

Number of Units Deregulated Due to High-Rent High-Income Deregulation Decrease



Source: NYS Homes and Community Renewal annual registration data recently, if a household earned at least $200,000 paid less than $2,774.76 per month, rent regulation would remain in effect. In addition, the owner must have applied to HCR to deregulate the unit. If the owner did not submit a deregulation application, the occupying tenant remained regulated regardless of rent level and household income. Because HCR must have approved the orders of deregulation, an exact accounting exists of units leaving regulation because of High-Rent High-Income Deregulation.

Based on HCR processing records, High-Rent High-Income Deregulation removed a total of 47 apartments from rent regulation during the year leading up to HCR's annual registration date, April 1, 2020. This encompasses deregulations that were filed between April 2019 and the effective date of the HSTPA, June 14, 2019.[5] Of these units, 62% were in Manhattan; 30% in Brooklyn; and 9% in Queens.[6] No units were located in the Bronx or on Staten Island. By comparison, 160 units were deregulated during the prior registration period.

Since 1994, a total of 6,662 units have been deregulated due to High-Rent High-Income Deregulation, of which 85% have been in Manhattan. (See graph on previous page and Appendix G.4.)

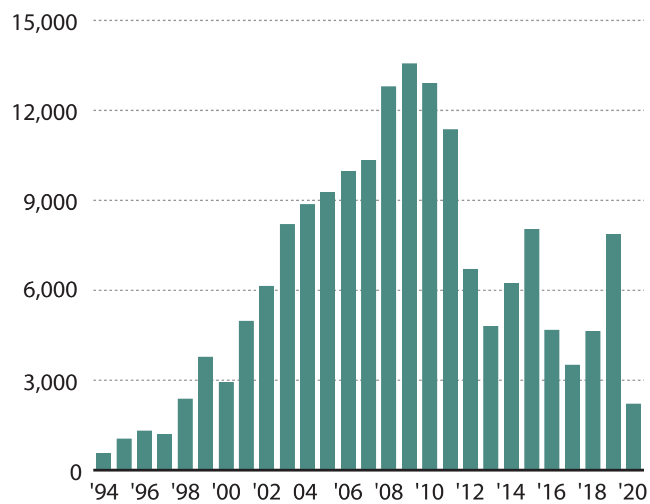
High-Rent Vacancy Deregulation

In 1993, the New York State legislature instituted High-Rent Vacancy Deregulation, provisions of which have changed several times since its inception.[7] (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.)

With passage of the Housing Stability & Tenant Protection Act (HSTPA) of 2019, effective June 14, 2019, high-rent vacancy deregulation is no longer permitted. Prior to that date, however, under the Rent Act of 2015, when a tenant moved into a vacant apartment and the rent had lawfully reached the Deregulation Rent Threshold (as discussed above), the apartment qualified for permanent High-Rent Vacancy Deregulation.

High-Rent Vacancy Deregulation, 1994-2020

Decrease in 2020 in Number of Units Deregulated Due to High-Rent Vacancy



Note: Prior to 2014, registration of deregulated units with HCR was voluntary. These totals represent a 'floor' or minimum count of the actual number of deregulated units in these years.

Source: NYS Homes and Community Renewal (HCR) annual registration data

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

According to HCR rent registration records, 2,216 units were deregulated due to High-Rent Vacancy Deregulation in the year leading up to HCR's annual registration date, April 1, 2020. This encompasses deregulations that were filed between April 2019 and the effective date of the HSTPA, June 14, 2019. Of these deregulated units, 46% were in Manhattan; 26% were in Brooklyn; 23% were in Queens; and 4% were in the Bronx. In addition, 10 units were deregulated on Staten Island. By comparison, 7,878 units were deregulated during the prior registration period. Since 1994, at least 170,386 units were registered with the HCR as being deregulated due to High-Rent Vacancy Deregulation, 69% of which have been in Manhattan. (See graph on previous page and Appendices G.5 through G.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 occupant 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 2020, a total of 481 units located in co-ops or condos left the stabilized housing stock, 20% fewer than the prior year. By borough, the largest proportion of units leaving rent stabilization and becoming co-op/condo was in Manhattan, with 36% of the units; followed by Brooklyn (27%); Queens (26%); and the Bronx (10%). (See Endnote 6.) No units on Staten Island left rent stabilization due to co-op/condo conversion. An estimated total of 51,512 co-op or condo units have left the stabilized stock since 1994. (See Appendices G.6 and G.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 period of the benefits and then exit the system.

In 2020, expiration of 421-a benefits resulted in the removal of 1,885 units from the rent stabilization system, more than twice as many as the prior year. Most 421-a expirations were in Manhattan (82%), while the remainder were in Brooklyn (13%); Queens (4%); Staten Island (1%); and the Bronx (fewer than 1%).

The expiration of J-51 benefits in 2020 resulted in the removal of 355 units, a 16% decline from the prior year. Among J-51 expirations, the vast majority were in Manhattan, with 75%; followed by Brooklyn (20%); Queens (4%); and the Bronx (1%). There were none on Staten Island.

Since 1994 Citywide, 28,918 421-a units and 17,369 J-51 units have left the rent stabilization system. (See Appendices G.6 and G.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. HCR 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 (e.g., plumbing, heating, wiring, windows, floors, kitchens, bathrooms). When vacant units in rent stabilized 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 2020, 175 units were removed from stabilization through substantial rehabilitation, one-third fewer than the prior year. By borough, the largest proportion of units leaving rent stabilization was in Brooklyn, with 48% of the units; followed by Queens (22%); the Bronx (17%); and Manhattan (13%). None were on Staten Island. A total of 10,122 units have been removed from the rent stabilization system through substantial rehabilitation since 1994. (See Appendix G.6.)

Conversion to Commercial or Professional Status

Space converted from residential use to commercial or professional use is no longer subject to rent regulation. In 2020, two units were converted to nonresidential use, compared to twelve the prior year. Since 1994, 2,493 residential units have been converted to nonresidential use. (See Appendix G.6.)

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 or demolished. HCR annual registration data shows that 1,471 units were removed from the stabilized housing stock in 2020 due to these reasons, a 42% increase over the prior year. By borough, the largest proportion of units leaving rent stabilization due to other losses was in Manhattan, with 65% of the units; followed by Brooklyn (27%); Queens (7%) and the Bronx (2%). In addition, one unit was removed on Staten Island. Since 1994, 28,859 units have been removed from rent stabilization due to these other types of losses. (See Appendix G.6.)

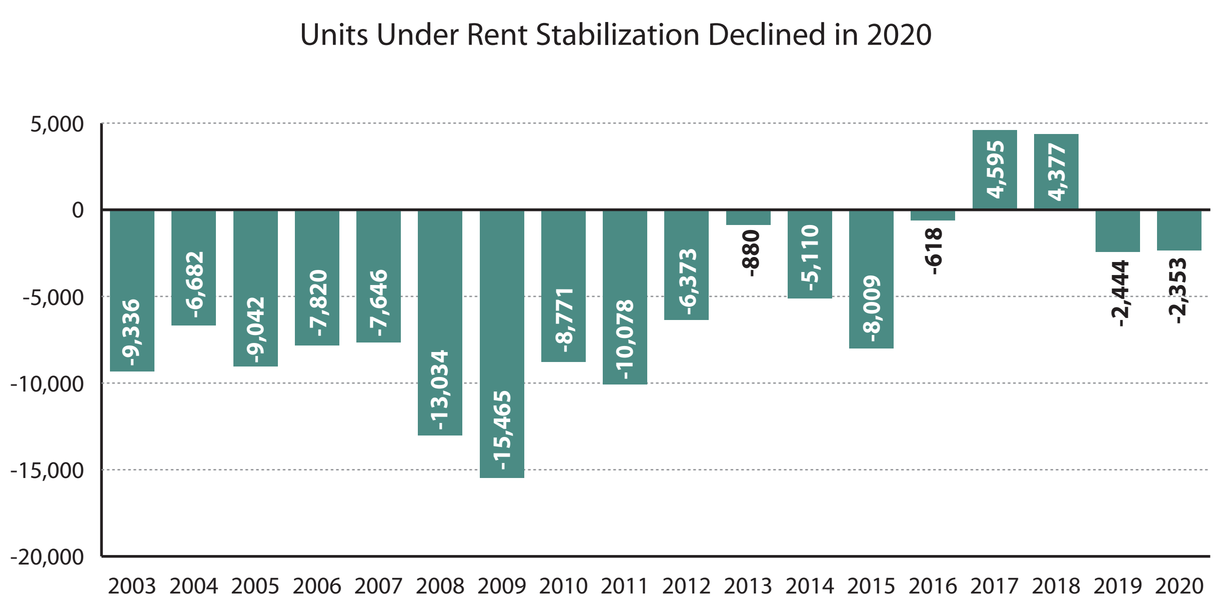
Summary

In 2020, at least 6,632 housing units left rent stabilization and approximately 4,279 units entered the stabilization system.

Adding the units entering stabilization and subtracting the units removed from stabilization resulted in a net loss of 2,353 units in the rent stabilized housing stock in 2020, a 4% smaller decline from the estimated net loss of 2,444 units in 2019. (See graph on this page and Summary Table on page 111.)

The 4,279 additions to the rent stabilized housing stock in 2020 was a 51% decline from the prior year. By borough, Brooklyn saw the most additions (54%); followed by the Bronx (28%); Queens (12%); and Manhattan (7%). There were no

Annual Net Change of Rent Stabilized Units, 2003-2020



Sources: NYC Department of Housing Preservation and Development, Tax Incentive Programs and Division of Housing Supervision (Mitchell-Lama Developments); NYS Homes and Community Renewal, Office of Rent Administration and Office of Housing Operations; and NYC Loft Board added units on Staten Island. (See Endnote 6.) Units added to the stabilized stock in 2020 registered median legal rents of $2,200, a 54% decline from the prior year. The overwhelming majority of units added were the result of the 421-a program, which comprised 94% of the additions. (See Appendices G.1 and G.2.)

Meanwhile, the 6,632 subtractions from the rent stabilized housing stock were a 41% decline from the prior year. The majority were located in Manhattan, with 60% of all units leaving rent stabilization, a total of 3,998 units. The second largest reduction was in Brooklyn, representing 23% of the total; followed by Queens, 13%; the Bronx, 3%; and Staten Island, representing fewer than 1%. High-Rent Vacancy Deregulation was the largest source of measured subtractions from the rent stabilized housing stock in 2020, accounting for a third of the total decrease. The next largest source of subtractions was from the 421-a program, accounting for 28%. (See Appendix G.7.)

Since 1994, the first year for which we have data, a total of at least 168,656 units have been added to the rent stabilization system, while a minimum of 316,321 rent stabilized units have been deregulated, for an estimated net loss of at least 147,665 units over the last 27 years. ❒

Endnotes

1. The 2017 Housing and Vacancy Survey reported a total of 21,751 rent controlled units in New York City.
2. The Rent Act of 2015, effective June 15, 2015, raised the Deregulation Rent Threshold for deregulation upon vacancy from $2,500 to $2,700, subsequently increased to $2,733.75 effective January 1, 2018 and to $2,774.76 effective January 1, 2019.
3. 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). Due to the unavailability of data, the RGB is not able to quantify the number of units that became rent stabilized since 2003. However, 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.
4. Article 11, 14 and 15 tax incentive programs encourage new construction or rehabilitation of affordable housing to be carried out by a Housing Development Fund Corporation (HDFC). The benefit consists of complete or partial exemption from real estate taxes for up to 40 years.
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 judicial review.
6. Numbers may not add up to 100% due to rounding.
7. Deregulation of certain high-rent apartments was instituted in New York City twice before, in 1964 and in 1968.

Summary Table of Additions and Subtractions to the Rent Stabilized Housing Stock in 2020

Program	Number of Units
ADDITIONS	
421-a	+ 4,030
J-51	+ 67
Mitchell-Lama buyouts	+ 0
Loft conversions	+ 36
Article 11, 14 or 15	+ 0
CHANGES	
Rent control to rent stabilization	+ 146
Subtotal Additions & Changes	**+ 4,279**
SUBTRACTIONS	
Co-op and Condo subtractions	- 481
High-Rent Vacancy Deregulation	- 2,216
High-Rent High-Income Deregulation	- 47
421-a Expiration	- 1,885
J-51 Expiration	- 355
Substantial Rehabilitation	- 175
Commercial/Professional Conversion	- 2
Other Subtractions	- 1,471
Subtotal Subtractions	**- 6,632**
NET TOTAL	
Net Estimated Loss	***- 2,353***

Sources: NYC Department of Housing Preservation and Development, Tax Incentive Programs and Division of Housing Supervision (Mitchell-Lama Developments); NYS Homes and Community Renewal, 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 #53

On June 23, 2021 the Rent Guidelines Board (RGB) set the following maximum rent increases for leases commencing or being renewed on or after October 1, 2021 and on or before September 30, 2022 for rent stabilized apartments:

One-Year Lease	Two-Year Lease
0.0% (first 6 months) 1.5% (second 6 months)	2.5%

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, 2021 and on or before September 30, 2022:

One-Year Increase Period	Two-Year Increase Period
0.0% (first 6 months) 1.5% (second 6 months)	2.5%

These guidelines apply to all leases and increase periods. Therefore, consistent with guidance from New York State Homes and Community Renewal (HCR), the guidelines apply to vacant apartment and loft units that become occupied during the term of the Order, as well as to renewal leases or periods. No more than one guideline adjustment may be added during the guideline year governed by Order No. 53.

Leases for units subject to rent control on September 30, 2021, 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 NYS Homes and Community Renewal (HCR). In order to aid HCR in this review, the RGB has set a special guideline. For rent controlled units which become vacant after September 30, 2021, the special guideline shall be 39% above the maximum base rent.

A.2 Hotel Units - Order #51

On June 23, 2021, the Rent Guidelines Board (RGB) set the following maximum rent increases for leases commencing or being renewed on or after October 1, 2021 and on or before September 30, 2022 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, 2010 vs. 2021

Spec #	Description	2020	2021
211	Apartment Value	93	157
212	Non-Union Super	71	127
216	Non-Union Janitor/Porter	68	77
	LABOR COSTS	232	361
301	Fuel Oil #2	30	23
302	Fuel Oil #4	8	7
	FUEL OIL	38	30
501	Repainting	67	63
502	Plumbing, Faucet	30	27
503	Plumbing, Stoppage	27	24
504	Elevator #1, 6 fl., 1 e.	6	6
505	Elevator #2, 13 fl., 2 e.	5	5
506	Elevator #3, 19 fl., 3 e.	5	5
507	Burner Repair	11	10
508	Boiler Repair, Tube	7	10
509	Boiler Repair, Weld	6	6
510	Refrigerator Repair	5	12
511	Range Repair	5	12
512	Roof Repair	15	13
514	Floor Maint. #1, Studio	8	7
515	Floor Maint. #2, 1 Br.	8	7
516	Floor Maint. #3, 2 Br.	8	7
517	Extermination Services	10	10
518	Linen/Laundry Service	5	4
519	Electrician Services	10	9
805	Paint	12	12
808	Bucket	16	16
810	Linens	10	10
811	Pine Disinfectant	15	14
813	Switch Plate	13	11
815	Toilet Seat	16	15
816	Deck Faucet	13	14

(CONTINUED, TOP RIGHT)

Spec #	Description	2020	2021
817	Large Trash Bags	15	16
818	Smoke Detectors	13	13
902	Refrigerator #2	11	11
903	Air Conditioner #1	8	8
906	Dishwasher	11	10
908	Range #2	11	11
909	Carpet	8	10
910	Dresser	6	5
911	Mattress & Box Spring	9	8
	MAINTENANCE	425	421
601	Management Fees	109	119
602	Accountant Fees	25	23
603	Attorney Fees	18	24
604	Newspaper Ads	33	25
607	Bill Envelopes	12	12
608	P.O. Box	10	10
609	Copy Paper	12	11
	ADMINISTRATIVE COSTS	219	224
701	INSURANCE COSTS	353	640
	ALL ITEMS	**1,267**	**1,676**

B.2 Expenditure Weight, Price Relatives, Percent Changes and Standard Errors, All Apartments, 2021

Spec #	Item Description	Expenditure Weight	Price Relative	% Change	Standard Error
101	TAXES	**0.3262**	**1.0390**	**3.90%**	**0.0639**
201	Payroll, Bronx, All (Union)	0.0475	1.0217	2.17%	0.0000
202	Payroll, Other, Union, Supts.	0.0496	1.0284	2.84%	0.0000
203	Payroll, Other, Union, Other	0.1248	1.0505	5.05%	0.0000
204	Payroll, Other, Non-Union, All	0.5777	1.0216	2.16%	1.3888
205	Social Security Insurance	0.0550	1.0266	2.66%	0.0000
206	Unemployment Insurance	0.0095	1.0620	6.20%	0.0000
207	Private Health & Welfare	0.1359	1.0376	3.76%	0.0000
	LABOR COSTS	**0.1108**	**1.0284**	**2.84%**	**0.8023**
301	Fuel Oil #2	0.2881	0.8466	-15.34%	1.4765
302	Fuel Oil #4	0.1744	0.8255	-17.45%	5.8656
405	Gas #2, 650 therms	0.0899	1.0852	8.52%	0.0000
406	Gas #3, 2,140 therms	0.3804	1.0853	8.53%	0.0000
407	Steam #1, 1,150 Mlbs	0.0509	1.0194	1.94%	0.0000
408	Steam #2, 2,600 Mlbs	0.0162	1.0388	3.88%	0.0000
	FUEL	**0.0728**	**0.9671**	**-3.29%**	**1.1079**
401	Electricity #1, 2,500 KWH	0.1335	1.0834	8.34%	0.0000
402	Electricity #2, 15,000 KWH	0.1359	1.0734	7.34%	0.0000
404	Gas #1, 120 therms	0.0153	0.9899	-1.01%	0.0000
410	Water & Sewer	0.7153	1.0000	0.00%	0.0000
	UTILITIES	**0.0981**	**1.0210**	**2.10%**	**0.0000**
501	Repainting	0.2437	1.0373	3.73%	1.1469
502	Plumbing, Faucet	0.1033	1.0365	3.65%	1.4456
503	Plumbing, Stoppage	0.0986	1.0202	2.02%	1.2193
504	Elevator #1, 6 fl., 1 e.	0.0203	1.0273	2.73%	1.1561
505	Elevator #2, 13 fl., 2 e.	0.0129	1.0135	1.35%	0.6796
506	Elevator #3, 19 fl., 3 e.	0.0073	1.0079	0.79%	0.4027
507	Burner Repair	0.0324	1.0566	5.66%	4.6426
508	Boiler Repair, Tube	0.0418	1.0393	3.93%	2.9355
509	Boiler Repair, Weld	0.0363	1.0092	0.92%	1.0435
510	Refrigerator Repair	0.0130	1.0000	0.00%	0.0000
511	Range Repair	0.0122	1.0000	0.00%	0.0000
512	Roof Repair	0.0505	1.0530	5.30%	1.8628
514	Floor Maint. #1, Studio	0.0034	1.0000	0.00%	0.0000
515	Floor Maint. #2, 1 Br.	0.0057	1.0000	0.00%	0.0000
516	Floor Maint. #3, 2 Br.	0.0510	1.0000	0.00%	0.0000
517	Extermination Services	0.0462	1.0000	0.00%	0.0000
519	Electrician Services	0.0695	1.0231	2.31%	2.6290
805	Paint	0.0275	1.0143	1.43%	1.6954
808	Bucket	0.0051	1.0276	2.76%	1.5749
811	Pine Disinfectant	0.0067	1.0151	1.51%	2.7832
813	Switch Plate	0.0049	1.0262	2.62%	2.2190
815	Toilet Seat	0.0116	1.0443	4.43%	2.2442
816	Deck Faucet	0.0159	0.9777	-2.23%	3.1887
817	Large Trash Bags	0.0106	1.0711	7.11%	3.3128
818	Smoke Detectors	0.0104	0.9986	-0.14%	1.8932
902	Refrigerator #2	0.0362	1.0958	9.58%	2.8776
903	Air Conditioner #1	0.0013	1.0112	1.12%	2.8379
906	Dishwasher	0.0040	1.0776	7.76%	2.7254
908	Range #2	0.0174	1.0908	9.08%	3.2666
	MAINTENANCE	**0.1800**	**1.0308**	**3.08%**	**0.4676**
601	Management Fees	0.5121	0.9491	-5.09%	1.5272
602	Accountant Fees	0.1270	1.0098	0.98%	0.5872
603	Attorney Fees	0.2347	1.0535	5.35%	2.1492
604	Newspaper Ads	0.0100	1.0000	0.00%	0.0000
607	Bill Envelopes	0.0229	1.0249	2.49%	1.8769
608	P.O. Box	0.0225	1.1783	17.83%	0.7210
609	Copy Paper	0.0241	0.9663	-3.37%	2.5072
409	Communications	0.0468	1.0224	2.24%	0.0000
	ADMINISTRATIVE COSTS	**0.1560**	**0.9926**	**-0.74%**	**0.9367**
701	INSURANCE COSTS	**0.0561**	**1.1877**	**18.77%**	**1.7075**
	ALL ITEMS	**1.0000**	**1.0304**	**3.04%**	**0.2291**

(CONTINUED, TOP RIGHT)

B.3 Price Relative by Building Type, Apartments, 2021

Component Description	Pre-1947	Post-1946	Gas Heated	Oil Heated
TAXES	4.3%	3.3%	3.9%	3.9%
LABOR COSTS	2.5%	3.4%	2.8%	2.8%
FUEL	-3.4%	-3.0%	8.5%	-16.1%
UTILITIES	1.5%	2.2%	1.8%	1.8%
MAINTENANCE	3.1%	3.0%	3.0%	3.1%
ADMINISTRATIVE COSTS	-0.5%	-1.6%	-0.7%	-0.7%
INSURANCE COSTS	18.8%	18.8%	18.8%	18.8%
ALL ITEMS	**3.1%**	**2.7%**	**3.8%**	**1.6%**

B.4 Price Relative by Hotel Type, 2021

Component Description	"Traditional' Hotel	Rooming House	SRO
TAXES	1.6%	3.9%	3.0%
LABOR COSTS	2.6%	0.8%	1.7%
FUEL	-3.2%	-15.3%	-0.1%
UTILITIES	1.3%	2.4%	2.4%
MAINTENANCE	2.6%	3.1%	2.7%
ADMINISTRATIVE COSTS	-1.9%	-1.3%	-1.7%
INSURANCE COSTS	18.8%	18.8%	18.8%
ALL ITEMS	**1.7%**	**2.0%**	**2.6%**

B.5 Percentage Change in Real Estate Tax by Borough and Source of Change, Apartments and Hotels, 2021

	% Change Due to Assessments	% Change Due to Exemptions	% Change Due to Tax Rates	% Change Due to Abatements	% Change Due to Interactions*	Total % Change
APARTMENTS						
Manhattan	5.7%	-0.5%	-1.6%	0.1%	-0.1%	3.6%
Bronx	10.0%	-4.4%	-1.7%	0.4%	-0.1%	4.2%
Brooklyn	10.5%	-3.6%	-1.7%	0.2%	-0.1%	5.3%
Queens	6.5%	-1.0%	-1.7%	0.1%	-0.1%	3.8%
Staten Island	8.6%	-2.0%	-1.7%	0.1%	-0.1%	4.9%
All Apartments	**6.9%**	**-1.4%**	**-1.6%**	**0.1%**	**-0.1%**	**3.9%**
HOTELS						
"Traditional" Hotel	0.4%	0.6%	0.7%	0.0%	0.0%	1.6%
Rooming House	5.6%	0.0%	-1.6%	0.0%	-0.1%	3.9%
SRO	2.5%	0.6%	-0.1%	0.0%	-0.1%	3.0%
All Hotels	**1.8%**	**0.5%**	**0.2%**	**0.0%**	**0.0%**	**2.4%**

* Real estate tax interactions are the cumulative effects of changes in tax rates, assessments, exemptions and abatements in the same year, after subtracting out the individual effects of each of these changes. Interactions have minimal impact on the overall change in real estate taxes.

Note: Totals may not add up due to rounding.

B.6 Tax Change by Borough and Community Board, Apartments, 2021

Borough	Community Board	Number of Buildings	Tax Relative
Manhattan		**12,039**	**3.55%**
	1	89	5.21%
	2	1,054	4.05%
	3	1,528	5.49%
	4	934	3.48%
	5	247	1.93%
	6	764	2.66%
	7	1,697	4.07%
	8	1,791	2.72%
	9	720	5.86%
	10	1,068	4.51%
	11	710	7.23%
	12	1,406	4.30%
Lower		**7,657**	**3.34%**
Upper		**4,382**	**4.82%**
Bronx		**5,733**	**4.19%**
	1	453	9.22%
	2	269	-0.11%
	3	402	3.54%
	4	755	5.66%
	5	704	5.02%
	6	566	-0.26%
	7	943	5.32%
	8	350	3.72%
	9	324	4.49%
	10	217	3.05%
	11	300	4.12%
	12	433	0.71%
Brooklyn		**12,771**	**5.27%**
	1	1,738	15.54%
	2	608	5.24%
	3	1,059	5.60%
	4	1,337	-13.40%
	5	384	6.03%
	6	846	7.01%
	7	886	5.25%
	8	998	1.82%
	9	561	5.80%
	10	746	5.55%
	11	660	5.86%
	12	558	5.99%
	13	180	5.96%
	14	857	4.27%
	15	340	5.19%
	16	338	10.21%
	17	593	1.05%
	18	74	6.20%
Queens		**6,740**	**3.82%**
	1	1,968	1.81%
	2	875	4.30%
	3	520	4.34%
	4	495	4.89%
	5	1,150	-1.52%
	6	309	4.38%
	7	434	4.88%
	8	219	3.77%
	9	224	2.50%
	10	43	6.14%
	11	115	5.81%
	12	185	4.03%
	13	47	3.12%
	14	101	5.43%
Staten Island		**176**	**4.87%**
	1	130	4.49%
	2	27	3.93%
	3	19	6.50%
ALL		**37,459**	**3.90%**

Note: No Community Board (CB) could be assigned to the following number of buildings for each borough: Manhattan (3), Bronx (17), Brooklyn (7), Queens (53). The number of buildings in the category "ALL" for each borough includes the buildings that could not be assigned a Community Board. In addition, 28 buildings in Manhattan are a part of Community Board 8 in the Bronx. These buildings are not included in the total for CB 8 in the Bronx, but are 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 Weight, Price Relatives, Percent Changes and Standard Errors, All Hotels, 2021

Spec #	Item Description	Expenditure Weight	Price Relative	% Change	Standard Error
101	TAXES	**0.4141**	**1.0241**	**2.41%**	**2.7346**
205	Social Security Insurance	0.0479	1.0266	2.66%	0.0000
206	Unemployment Insurance	0.0066	1.0620	6.20%	0.0000
208	Hotel Private Health/Welfare	0.0595	1.0437	4.37%	0.0000
209	Hotel Union Labor	0.3100	1.0298	2.98%	0.0000
210	SRO Union Labor	0.0121	1.0298	2.98%	0.0000
211	Apartment Value	0.1112	0.9856	-1.44%	0.5458
212	Non-Union Superintendent	0.3222	1.0234	2.34%	0.7306
216	Non-Union Janitor/Porter	0.1305	1.0182	1.82%	3.8478
	LABOR COSTS	**0.1497**	**1.0222**	**2.22%**	**0.5578**
301	Fuel Oil #2	0.6379	0.8466	-15.34%	1.4765
302	Fuel Oil #4	0.0164	0.8255	-17.45%	5.8656
403	Electricity #3, 82,000 KWH	0.1891	1.2105	21.05%	0.0000
405	Gas #2, 650 therms	0.0294	1.1201	12.01%	0.0000
406	Gas #3, 2,140 therms	0.1269	1.1080	10.80%	0.0000
407	Steam #1, 1,150 Mlbs	0.0003	1.0194	1.94%	0.0000
	FUEL	**0.1401**	**0.9563**	**-4.37%**	**0.9468**
401	Electricity #1, 2,500 KWH	0.1263	1.0834	8.34%	0.0000
402	Electricity #2, 15,000 KWH	0.1278	1.0734	7.34%	0.0000
404	Gas #1, 120 therms	0.0807	0.9899	-1.01%	0.0000
410	Water & Sewer	0.6652	1.0000	0.00%	0.0000
	UTILITIES	**0.0432**	**1.0191**	**1.91%**	**0.0000**
501	Repainting	0.1487	1.0373	3.73%	1.1469
502	Plumbing, Faucet	0.0496	1.0365	3.65%	1.4456
503	Plumbing, Stoppage	0.0501	1.0202	2.02%	1.2193
504	Elevator #1, 6 fl., 1 e.	0.0217	1.0273	2.73%	1.1561
505	Elevator #2, 13 fl., 2 e.	0.0190	1.0135	1.35%	0.6796
506	Elevator #3, 19 fl., 3 e.	0.0176	1.0079	0.79%	0.4027
507	Burner Repair	0.0165	1.0566	5.66%	4.6426
508	Boiler Repair, Tube	0.0193	1.0393	3.93%	2.9355
509	Boiler Repair, Weld	0.0198	1.0092	0.92%	0.0000
511	Range Repair	0.0840	1.0000	0.00%	0.0000
512	Roof Repair	0.0220	1.0530	5.30%	1.8628
514	Floor Maint. #1, Studio	0.0004	1.0000	0.00%	0.0000
515	Floor Maint. #2, 1 Br.	0.0009	1.0000	0.00%	0.0000
516	Floor Maint. #3, 2 Br.	0.0079	1.0000	0.00%	0.0000
517	Extermination Services	0.0231	1.0000	0.00%	0.0000

(CONTINUED, TOP RIGHT)

Spec #	Item Description	Expenditure Weight	Price Relative	% Change	Standard Error
518	Linen/Laundry Service	0.1203	1.0169	1.69%	1.8463
519	Electrician Services	0.0224	1.0231	2.31%	2.6290
805	Paint	0.0493	1.0143	1.43%	1.6954
808	Bucket	0.0202	1.0276	2.76%	1.5749
810	Linens	0.0617	1.0277	2.77%	6.8804
811	Pine Disinfectant	0.0088	1.0151	1.51%	2.7832
813	Switch Plate	0.0131	1.0262	2.62%	2.2190
815	Toilet Seat	0.0189	1.0443	4.43%	2.2442
816	Deck Faucet	0.0260	0.9777	-2.23%	3.1887
817	Large Trash Bags	0.0260	1.0711	7.11%	3.3128
818	Smoke Detectors	0.0255	0.9986	-0.14%	1.8932
902	Refrigerator #2	0.0131	1.0958	9.58%	2.8776
903	Air Conditioner #1	0.0082	1.0112	1.12%	2.8379
908	Range #2	0.0057	1.0908	9.08%	3.2666
909	Carpet	0.0403	1.0434	4.34%	2.9295
910	Dresser	0.0224	1.0374	3.74%	2.4945
911	Mattress & Box Spring	0.0177	1.1158	11.58%	2.7984
	MAINTENANCE	**0.1132**	**1.0270**	**2.70%**	**0.1477**
601	Management Fees	0.5651	0.9491	-5.09%	1.5272
602	Accountant Fees	0.0645	1.0098	0.98%	0.5872
603	Attorney Fees	0.0990	1.0535	5.35%	2.1492
604	Newspaper Ads	0.0831	1.0000	0.00%	0.0000
607	Envelopes	0.0062	1.0249	2.49%	1.8769
608	P.O. Box	0.0061	1.1783	17.83%	0.7210
609	Copy Paper	0.0065	0.9663	-3.37%	2.5072
409	Communications	0.1696	1.0224	2.24%	0.0000
	ADMINISTRATIVE COSTS	**0.0870**	**0.9820**	**-1.80%**	**0.8899**
701	INSURANCE COSTS	**0.0527**	**1.1877**	**18.77%**	**1.7075**
	ALL ITEMS	**1.0000**	**1.0194**	**1.94%**	**1.1513**

B.8 Expenditure Weight and Price Relatives, Lofts, 2021

Spec #	Item Description	Expenditure Weight	Price Relative	% Change
101	TAXES	**0.3251**	**1.0390**	**3.90%**
202	Payroll, Other, Union, Supts.	0.2172	1.0284	2.84%
204	Payroll, Other, Non-Union, All	0.5543	1.0216	2.16%
205	Social Security Insurance	0.0385	1.0266	2.66%
206	Unemployment Insurance	0.0034	1.0620	6.20%
207	Private Health & Welfare	0.1866	1.0376	3.76%
	LABOR COSTS	**0.0847**	**1.0264**	**2.64%**
301	Fuel Oil #2	0.2893	0.8466	-15.34%
302	Fuel Oil #4	0.5718	0.8255	-17.45%
405	Gas #2, 650 therms	0.0331	1.0852	8.52%
406	Gas #3, 2,140 therms	0.0882	1.0853	8.53%
407	Steam #1, 1,150 Mlbs	0.0134	1.0194	1.94%
408	Steam #2, 2,600 Mlbs	0.0041	1.0388	3.88%
	FUEL	**0.0749**	**0.8666**	**-13.3%**
401	Electricity #1, 2,500 KWH	0.0075	1.0834	8.34%
402	Electricity #2, 15,000 KWH	0.0908	1.0734	7.34%
404	Gas #1, 120 therms	0.0031	0.9899	-1.01%
410	Water & Sewer - Frontage	0.8985	1.0000	0.00%
	UTILITIES	**0.0582**	**1.0073**	**0.73%**
501	Repainting	0.2979	1.0373	3.73%
502	Plumbing, Faucet	0.0828	1.0365	3.65%
503	Plumbing, Stoppage	0.0790	1.0202	2.02%
504	Elevator #1, 6 fl., 1 e.	0.0334	1.0273	2.73%
505	Elevator #2, 13 fl., 2 e.	0.0213	1.0135	1.35%
506	Elevator #3, 19 fl., 3 e.	0.0120	1.0079	0.79%
507	Burner Repair	0.0239	1.0566	5.66%
508	Boiler Repair, Tube	0.0308	1.0393	3.93%
509	Boiler Repair, Weld	0.0268	1.0092	0.92%
510	Refrigerator Repair	0.0080	1.0000	0.00%
511	Range Repair	0.0075	1.0000	0.00%
512	Roof Repair	0.0514	1.0530	5.30%
514	Floor Maint. #1, Studio	0.0001	1.0000	0.00%
515	Floor Maint. #2, 1 Br.	0.0003	1.0000	0.00%
516	Floor Maint. #3, 2 Br.	0.0022	1.0000	0.00%
517	Extermination	0.0270	1.0000	0.00%
519	Electrician	0.0261	1.0231	2.31%

(CONTINUED, TOP RIGHT)

Spec #	Item Description	Expenditure Weight	Price Relative	% Change
805	Paint	0.0474	1.0143	1.43%
808	Bucket	0.0087	1.0276	2.76%
811	Pine Disinfectant	0.0120	1.0151	1.51%
813	Switch Plate	0.0057	1.0262	2.62%
815	Toilet Seat	0.0200	1.0443	4.43%
816	Deck Faucet	0.0275	0.9777	-2.23%
817	Large Trash Bags	0.0154	1.0711	7.11%
818	Smoke Detectors	0.0151	0.9986	-0.14%
902	Refrigerator #2	0.0720	1.0958	9.58%
903	Air Conditioner #1	0.0027	1.0112	1.12%
906	Dishwasher	0.0080	1.0776	7.76%
908	Range #2	0.0347	1.0908	9.08%
	MAINTENANCE	**0.0878**	**1.0364**	**3.64%**
	ADMINISTRATIVE COSTS-LEGAL	**0.0607**	**1.0535**	**5.35%**
601	Management Fees	0.8292	0.9491	-5.09%
602	Accountant Fees	0.1358	1.0098	0.98%
604	Newspaper Ads	0.0090	1.0000	0.00%
607	Envelopes	0.0067	1.0249	2.49%
608	PO Box	0.0066	1.1783	17.83%
609	Copy Paper	0.0071	0.9663	-3.37%
409	Communications	0.0055	1.0224	2.24%
	ADMINISTRATIVE COSTS-OTHER	**0.0823**	**0.9604**	**-3.96%**
701	INSURANCE COSTS	**0.2263**	**1.1877**	**18.77%**
	ALL ITEMS	**1.0000**	**1.0510**	**5.10%**

C.1 Average Operating & Maintenance Cost in 2019 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	**$319**	**$92**	**$81**	**$75**	**$26**	**$184**	**$151**	**$60**	**$42**	**$1,030**
11-19 units	$409	$91	$90	$75	$29	$196	$167	$63	$49	$1,170
20-99 units	$285	$78	$81	$76	$25	$180	$143	$61	$41	$970
100+ units	$505	$224	$63	$65	$33	$196	$199	$52	$45	$1,381
Bronx	$174	$75	$91	$84	$27	$165	$114	$68	$25	$823
11-19 units	$192	$96	$111	$86	$31	$174	$114	$70	$26	$900
20-99 units	$173	$74	$90	$84	$27	$165	$114	$67	$25	$819
100+ units	$172	$86	$80	$82	$21	$181	$114	$70	$24	$829
Brooklyn	$263	$70	$67	$76	$21	$169	$130	$57	$38	$892
11-19 units	$289	$73	$76	$72	$22	$183	$131	$56	$42	$944
20-99 units	$254	$66	$67	$78	$20	$167	$127	$57	$36	$873
100+ units	$301	$115	$52	$73	$26	$161	$156	$54	$46	$984
Manhattan	$520	$130	$84	$69	$32	$220	$218	$59	$65	$1,398
11-19 units	$606	$110	$94	$78	$37	$227	$241	$70	$69	$1,532
20-99 units	$456	$96	$85	$70	$28	$217	$203	$59	$67	$1,281
100+ units	$746	$340	$65	$55	$45	$227	$263	$46	$43	$1,830
Queens	$303	$84	$79	$67	$21	$168	$115	$51	$38	$927
11-19 units	$284	$74	$94	$65	$22	$157	$88	$51	$26	$863
20-99 units	$305	$78	$78	$67	$22	$172	$121	$51	$37	$932
100+ units	$322	$140	$60	$67	$15	$163	$126	$50	$64	$1,007
Core Man	$723	$160	$73	$58	$33	$227	$257	$57	$68	$1,658
11-19 units	$734	$111	$87	$71	$35	$238	$259	$71	$66	$1,671
20-99 units	$672	$101	$71	$55	$27	$219	$244	$56	$76	$1,522
100+ units	$847	$382	$62	$51	$50	$235	$287	$45	$47	$2,007
Upper Man	$323	$100	$95	$80	$30	$213	$179	$61	$61	$1,143
11-19 units	$355	$107	$107	$89	$41	$206	$205	$69	$76	$1,255
20-99 units	$313	$93	$94	$80	$29	$215	$176	$61	$62	$1,122
100+ units	$389	$191	$72	$69	$29	$200	$180	$49	$28	$1,209
City w/o Core	$247	$80	$82	$78	$25	$176	$131	$61	$38	$918
11-19 units	$286	$83	$92	$76	$27	$180	$133	$60	$42	$978
20-99 units	$238	$76	$82	$79	$25	$176	$130	$61	$36	$903
100+ units	$297	$129	$63	$72	$23	$172	$145	$55	$43	$1,000

Notes: The sum of the lines may not equal the total due to rounding. Totals in this table may not match those in Appendix 3 due to rounding. Data in this table is NOT adjusted for the results of the 1992 NYC Department 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 Department of Finance.

Source: NYC Department of Finance, RPIE Filings

C.2 Average Operating & Maintenance Cost in 2019 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	**$365**	**$161**	**$60**	**$64**	**$34**	**$184**	**$179**	**$51**	**$61**	**$1,159**
11-19 units	$307	$70	$60	$61	$42	$179	$146	$55	$67	$987
20-99 units	$277	$99	$61	$65	$30	$179	$149	$52	$54	$966
100+ units	$466	$238	$57	$62	$37	$190	$215	$49	$68	$1,381
Bronx	$175	$99	$71	$75	$37	$171	$125	$56	$28	$836
11-19 units	-	-	-	-	-	-	-	-	-	-
20-99 units	$178	$87	$77	$74	$37	$169	$116	$59	$25	$821
100+ units	$172	$120	$61	$77	$37	$175	$139	$49	$30	$862
Brooklyn	$268	$113	$50	$64	$31	$189	$162	$52	$60	$989
11-19 units	-	-	-	-	-	-	-	-	-	-
20-99 units	$269	$94	$50	$64	$28	$197	$163	$52	$63	$981
100+ units	$262	$161	$47	$63	$34	$162	$155	$52	$54	$989
Manhattan	$739	$324	$63	$53	$44	$223	$296	$50	$73	$1,864
11-19 units	$673	$99	$91	$59	$42	$201	$234	$61	$132	$1,593
20-99 units	$520	$138	$60	$53	$34	$187	$233	$50	$70	$1,345
100+ units	$793	$372	$63	$52	$46	$231	$312	$50	$73	$1,992
Queens	$303	$126	$58	$64	$28	$161	$145	$46	$76	$1,007
11-19 units	$321	$68	$55	$57	$43	$160	$126	$50	$72	$953
20-99 units	$296	$105	$62	$65	$26	$167	$136	$47	$63	$967
100+ units	$306	$164	$53	$64	$27	$154	$161	$44	$92	$1,065
St. Island	$208	$102	$65	$57	$19	$157	$122	$51	$24	$805
11-19 units	-	-	-	-	-	-	-	-	-	-
20-99 units	-	-	-	-	-	-	-	-	-	-
100+ units	-	-	-	-	-	-	-	-	-	-
Core Man	$851	$360	$63	$52	$45	$237	$317	$51	$83	$2,059
11-19 units	-	-	-	-	-	-	-	-	-	-
20-99 units	$709	$171	$59	$48	$33	$209	$260	$49	$64	$1,601
100+ units	$878	$396	$63	$52	$47	$242	$328	$51	$86	$2,143
Upper Man	$379	$207	$61	$56	$39	$174	$229	$48	$42	$1,235
11-19 units	-	-	-	-	-	-	-	-	-	-
20-99 units	$269	$94	$60	$58	$36	$155	$194	$50	$77	$991
100+ units	-	-	-	-	-	-	-	-	-	-
City w/o Core	$266	$120	$59	$66	$31	$173	$151	$51	$57	$972
11-19 units	$298	$69	$59	$61	$42	$179	$144	$55	$66	$970
20-99 units	$253	$95	$61	$66	$30	$177	$143	$52	$54	$931
100+ units	$279	$165	$54	$65	$32	$165	$164	$47	$59	$1,031

Notes: The sum of the lines may not equal the total due to rounding. Totals in this table may not match those in Appendix 3 due to rounding. Data in this table is NOT adjusted for the results of the 1992 NYC Department 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, Core Manhattan and Upper Manhattan; 20-99 unit buildings in Staten Island; and 100+ unit buildings in Upper Manhattan and 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 Department of Finance.

Source: NYC Department of Finance, RPIE Filings

C.3 Average Rent, Income and Costs in 2019 per Apartment per Month by Building Size and Location

	Post-46			Pre-47			All		
	Rent	Income	Costs	Rent	Income	Costs	Rent	Income	Costs
Citywide	**$1,645**	**$1,830**	**$1,159**	**$1,364**	**$1,536**	**$1,030**	**$1,450**	**$1,626**	**$1,070**
11-19 units	$1,526	$1,667	$987	$1,453	$1,750	$1,170	$1,464	$1,738	$1,143
20-99 units	$1,403	$1,517	$966	$1,297	$1,440	$970	$1,320	$1,457	$969
100+ units	$1,912	$2,176	$1,381	$1,844	$2,105	$1,381	$1,893	$2,155	$1,381
Bronx	$1,131	$1,243	$836	$1,049	$1,179	$823	$1,066	$1,192	$826
11-19 units	-	-	-	$1,037	$1,234	$900	$1,037	$1,228	$896
20-99 units	$1,132	$1,221	$821	$1,047	$1,174	$819	$1,055	$1,178	$819
100+ units	$1,135	$1,287	$862	$1,135	$1,253	$829	$1,135	$1,269	$844
Brooklyn	$1,497	$1,614	$989	$1,273	$1,351	$892	$1,340	$1,429	$921
11-19 units	-	-	-	$1,325	$1,439	$944	$1,346	$1,462	$949
20-99 units	$1,501	$1,615	$981	$1,248	$1,319	$873	$1,278	$1,353	$885
100+ units	$1,423	$1,538	$989	$1,421	$1,503	$984	$1,422	$1,525	$988
Manhattan	$2,586	$3,032	$1,864	$1,771	$2,108	$1,398	$1,970	$2,334	$1,512
11-19 units	$1,685	$2,452	$1,593	$1,754	$2,299	$1,532	$1,753	$2,301	$1,532
20-99 units	$1,916	$2,207	$1,345	$1,664	$1,929	$1,281	$1,685	$1,952	$1,287
100+ units	$2,755	$3,237	$1,992	$2,351	$2,790	$1,830	$2,618	$3,086	$1,937
Queens	$1,431	$1,532	$1,007	$1,336	$1,401	$927	$1,388	$1,473	$971
11-19 units	$1,466	$1,575	$953	$1,226	$1,300	$863	$1,254	$1,332	$873
20-99 units	$1,377	$1,464	$967	$1,347	$1,407	$932	$1,355	$1,422	$941
100+ units	$1,486	$1,600	$1,065	$1,452	$1,535	$1,007	$1,479	$1,586	$1,052
St. Island	$1,107	$1,197	$805	-	-	-	$1,121	$1,204	$830
11-19 units	-	-	-	-	-	-	-	-	-
20-99 units	-	-	-	-	-	-	$1,101	$1,164	$806
100+ units	-	-	-	-	-	-	-	-	-
Core Man	$2,837	$3,333	$2,059	$2,143	$2,603	$1,658	$2,374	$2,846	$1,791
11-19 units	-	-	-	$1,910	$2,560	$1,671	$1,905	$2,558	$1,669
20-99 units	$2,235	$2,594	$1,601	$2,085	$2,445	$1,522	$2,095	$2,456	$1,528
100+ units	$2,952	$3,470	$2,143	$2,564	$3,074	$2,007	$2,810	$3,325	$2,093
Upper Man	$1,772	$2,060	$1,235	$1,405	$1,623	$1,143	$1,453	$1,680	$1,155
11-19 units	-	-	-	$1,444	$1,782	$1,255	$1,439	$1,769	$1,250
20-99 units	$1,474	$1,671	$991	$1,385	$1,588	$1,122	$1,388	$1,591	$1,118
100+ units	-	-	-	$1,607	$1,797	$1,209	$1,726	$1,970	$1,266
City w/o Core	$1,396	$1,517	$972	$1,252	$1,345	$918	$1,295	$1,397	$934
11-19 units	$1,522	$1,646	$970	$1,227	$1,323	$978	$1,282	$1,383	$976
20-99 units	$1,357	$1,458	$931	$1,236	$1,321	$903	$1,263	$1,352	$910
100+ units	$1,435	$1,582	$1,031	$1,386	$1,488	$1,000	$1,422	$1,557	$1,022

Notes: Citywide and borough totals as well as building size categories are weighted (see Methodology). Cost figures in this table are NOT adjusted for the results of the 1992 NYC Department 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, Core Manhattan and Upper Manhattan; 20-99 unit buildings in Staten Island; and 100+ unit buildings in Upper Manhattan and Staten Island, was too small to calculate reliable statistics. In addition, the number of Pre-47 rent stabilized buildings of all size groupings 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 Department of Finance.

Source: NYC Department of Finance, RPIE Filings

C.4 Median Rent, Income and Costs in 2019 per Apartment per Month by Building Size and Location

	Post-46			Pre-47			All		
	Rent	Income	Costs	Rent	Income	Costs	Rent	Income	Costs
Citywide	**$1,400**	**$1,486**	**$990**	**$1,285**	**$1,394**	**$954**	**$1,300**	**$1,410**	**$958**
11-19 units	$1,450	$1,529	$963	$1,410	$1,612	$1,086	$1,410	$1,610	$1,083
20-99 units	$1,320	$1,403	$926	$1,252	$1,341	$919	$1,262	$1,348	$920
100+ units	$1,541	$1,658	$1,150	$1,420	$1,522	$1,000	$1,495	$1,608	$1,093
Bronx	$1,128	$1,197	$797	$1,057	$1,163	$810	$1,062	$1,167	$810
11-19 units	-	-	-	$1,044	$1,200	$877	$1,038	$1,195	$872
20-99 units	$1,126	$1,189	$797	$1,056	$1,155	$803	$1,062	$1,158	$803
100+ units	$1,154	$1,297	$776	$1,151	$1,299	$843	$1,154	$1,299	$834
Brooklyn	$1,383	$1,462	$944	$1,211	$1,269	$855	$1,229	$1,289	$865
11-19 units	-	-	-	$1,229	$1,304	$901	$1,240	$1,313	$906
20-99 units	$1,359	$1,437	$924	$1,204	$1,257	$837	$1,215	$1,270	$846
100+ units	$1,383	$1,470	$960	$1,342	$1,413	$932	$1,373	$1,449	$947
Manhattan	$2,332	$2,652	$1,635	$1,734	$1,972	$1,275	$1,763	$2,010	$1,292
11-19 units	$1,628	$1,762	$1,426	$1,788	$2,191	$1,437	$1,785	$2,184	$1,437
20-99 units	$2,027	$2,234	$1,286	$1,680	$1,859	$1,193	$1,699	$1,878	$1,198
100+ units	$3,000	$3,425	$2,044	$2,297	$2,759	$1,774	$2,772	$3,190	$1,945
Queens	$1,412	$1,484	$986	$1,321	$1,361	$892	$1,344	$1,402	$917
11-19 units	$1,365	$1,416	$858	$1,225	$1,277	$823	$1,234	$1,286	$826
20-99 units	$1,373	$1,446	$953	$1,353	$1,400	$912	$1,356	$1,409	$919
100+ units	$1,482	$1,588	$1,067	$1,460	$1,502	$967	$1,466	$1,568	$1,041
St. Island	$1,088	$1,192	$797	-	-	-	$1,118	$1,184	$822
11-19 units	-	-	-	-	-	-	-	-	-
20-99 units	-	-	-	-	-	-	$1,102	$1,144	$759
100+ units	-	-	-	-	-	-	-	-	-
Core Man	$2,623	$2,981	$1,794	$1,988	$2,312	$1,450	$2,023	$2,359	$1,476
11-19 units	-	-	-	$1,896	$2,370	$1,530	$1,892	$2,367	$1,530
20-99 units	$2,238	$2,471	$1,427	$2,036	$2,259	$1,380	$2,046	$2,276	$1,383
100+ units	$3,105	$3,520	$2,100	$2,604	$3,002	$1,989	$2,936	$3,379	$2,067
Upper Man	$1,494	$1,648	$1,017	$1,324	$1,496	$1,025	$1,330	$1,501	$1,025
11-19 units	-	-	-	$1,401	$1,648	$1,138	$1,400	$1,634	$1,134
20-99 units	$1,357	$1,485	$908	$1,317	$1,464	$1,011	$1,317	$1,464	$1,008
100+ units	-	-	-	$1,331	$1,543	$1,072	$1,561	$1,718	$1,137
City w/o Core	$1,321	$1,410	$926	$1,187	$1,275	$872	$1,206	$1,292	$879
11-19 units	$1,409	$1,446	$915	$1,200	$1,308	$906	$1,211	$1,316	$906
20-99 units	$1,278	$1,344	$891	$1,180	$1,263	$860	$1,192	$1,271	$865
100+ units	$1,406	$1,504	$1,024	$1,318	$1,398	$893	$1,373	$1,457	$973

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

Source: NYC Department of Finance, RPIE Filings

C.5 Average Net Operating Income in 2019 per Apartment per Month by Building Size and Location

	Post-46	Pre-47	All
Citywide	**$671**	**$506**	**$556**
11-19 units	$680	$580	$595
20-99 units	$551	$470	$487
100+ units	$795	$724	$775
Bronx	$407	$356	$366
11-19 units	-	$334	$333
20-99 units	$399	$355	$359
100+ units	$425	$424	$425
Brooklyn	$625	$459	$508
11-19 units	-	$495	$513
20-99 units	$634	$446	$468
100+ units	$549	$519	$538
Manhattan	$1,168	$710	$822
11-19 units	$859	$768	$769
20-99 units	$861	$648	$666
100+ units	$1,245	$960	$1,149
Queens	$525	$474	$502
11-19 units	$622	$437	$459
20-99 units	$497	$476	$481
100+ units	$535	$529	$534
St. Island	$392	-	$373
11-19 units	-	-	-
20-99 units	-	-	$357
100+ units	-	-	-

	Post-46	Pre-47	All
Core Man	$1,274	$945	$1,055
11-19 units	-	$890	$889
20-99 units	$993	$923	$928
100+ units	$1,327	$1,066	$1,232
Upper Man	$824	$480	$525
11-19 units	-	$527	$519
20-99 units	$680	$466	$473
100+ units	-	$589	$704
City w/o Core	$545	$427	$463
11-19 units	$675	$346	$407
20-99 units	$527	$418	$442
100+ units	$551	$488	$534

Notes: Citywide and borough totals as well as building size categories are weighted. (See Methodology.) Cost figures used to calculate NOI in this table are NOT adjusted for the results of the 1992 NYC Department 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, Core Manhattan and Upper Manhattan; 20-99 unit buildings in Staten Island; and 100+ unit buildings in Upper Manhattan and Staten Island, was too small to calculate reliable statistics.In addition, the number of Pre-47 rent stabilized buildings of all size groupings 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 Department of Finance.

Source: NYC Department of Finance, RPIE Filings

C.6 Distribution of Operating Costs in 2019, by Building Size and Age

	Taxes	Maint.	Labor	Admin.	Utilities	Fuel	Misc.	Insurance	Total
Pre-47	**31.0%**	**17.8%**	**8.9%**	**14.6%**	**9.9%**	**7.9%**	**4.1%**	**5.9%**	**100.0%**
11-19 units	34.9%	16.8%	7.8%	14.3%	8.9%	7.7%	4.2%	5.4%	100.0%
20-99 units	29.3%	18.6%	8.1%	14.7%	10.5%	8.4%	4.2%	6.3%	100.0%
100+ units	36.5%	14.2%	16.2%	14.4%	7.1%	4.5%	3.2%	3.7%	100.0%
Post-46	**31.5%**	**15.9%**	**13.9%**	**15.5%**	**8.4%**	**5.2%**	**5.3%**	**4.4%**	**100.0%**
11-19 units	31.1%	18.2%	7.1%	14.8%	10.4%	6.0%	6.8%	5.6%	100.0%
20-99 units	28.6%	18.5%	10.3%	15.4%	9.9%	6.4%	5.6%	5.4%	100.0%
100+ units	33.7%	13.7%	17.2%	15.6%	7.1%	4.2%	4.9%	3.5%	100.0%
All Bldgs.	**31.2%**	**17.2%**	**10.6%**	**14.9%**	**9.4%**	**7.0%**	**4.5%**	**5.4%**	**100.0%**
11-19 units	34.4%	17.0%	7.7%	14.4%	9.1%	7.5%	4.5%	5.4%	100.0%
20-99 units	29.2%	18.6%	8.6%	14.9%	10.3%	7.9%	4.5%	6.1%	100.0%
100+ units	34.5%	13.9%	16.9%	15.3%	7.1%	4.3%	4.4%	3.6%	100.0%

Source: NYC Department of Finance, RPIE Filings

C.7 Number of Distressed Buildings in 2019

	Citywide	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Core Manh	Upper Manh
Pre-47								
11-19 units	289	37	55	173	23	1	118	55
20-99 units	448	121	62	220	43	2	85	135
100+ units	8	0	1	6	1	0	4	2
All	**745**	**158**	**118**	**399**	**67**	**3**	**207**	**192**
Post-46								
11-19 units	12	2	2	6	2	0	3	3
20-99 units	46	13	9	9	13	2	6	3
100+ units	15	2	4	8	1	0	7	1
All	**73**	**17**	**15**	**23**	**16**	**2**	**16**	**7**
All Bldgs.								
11-19 units	301	39	57	179	25	1	121	58
20-99 units	494	134	71	229	56	4	91	138
100+ units	23	2	5	14	2	0	11	3
All	**818**	**175**	**133**	**422**	**83**	**5**	**223**	**199**

Note: Distressed buildings are those that have operating and maintenance costs that exceed gross income.

Source: NYC Department of Finance, RPIE Filings

C.8 Operating Cost-to-Income Ratios by Decile in 2019

	# of Bldgs	10%	20%	30%	40%	50%	60%	70%	80%	90%	100%
Citywide	**14,777**	**0.51**	**0.56**	**0.60**	**0.63**	**0.66**	**0.70**	**0.74**	**0.80**	**0.91**	**5.68**
Manhattan	5,928	0.50	0.54	0.58	0.61	0.65	0.68	0.73	0.80	0.93	5.68
Bronx	3,169	0.53	0.59	0.63	0.67	0.70	0.73	0.77	0.82	0.92	1.89
Brooklyn	3,558	0.51	0.56	0.60	0.63	0.66	0.69	0.72	0.77	0.87	2.12
Queens	2,041	0.51	0.56	0.59	0.62	0.65	0.68	0.72	0.78	0.87	2.11
St. Island	81	0.55	0.57	0.61	0.64	0.66	0.69	0.73	0.79	0.83	1.21

Source: NYC Department of Finance, RPIE Filings

C.9 Number of Buildings and Dwelling Units in 2019 by Building Size and Location

	Post-46		Pre-47		All	
	Bldgs.	DUs	Bldgs.	DUs	Bldgs.	DUs
Citywide	**1,884**	**194,125**	**12,893**	**474,234**	**14,777**	**668,359**
11-19 units	152	2,223	3,467	52,319	3,619	54,542
20-99 units	1,140	64,430	9,080	360,970	10,220	425,400
100+ units	592	127,472	346	60,945	938	188,417
Bronx	338	24,868	2,831	122,577	3,169	147,445
11-19 units	15	230	351	5,289	366	5,519
20-99 units	263	14,941	2,409	106,242	2,672	121,183
100+ units	60	9,697	71	11,046	131	20,743
Brooklyn	439	41,336	3,119	111,403	3,558	152,739
11-19 units	34	513	906	13,482	940	13,995
20-99 units	286	17,261	2,144	89,708	2,430	106,969
100+ units	119	23,562	69	8,213	188	31,775
Manhattan	445	62,963	5,483	183,193	5,928	246,156
11-19 units	44	641	1,804	27,234	1,848	27,875
20-99 units	203	10,264	3,538	123,359	3,741	133,623
100+ units	198	52,058	141	32,600	339	84,658
Queens	608	60,883	1,433	55,661	2,041	116,544
11-19 units	52	747	397	6,172	449	6,919
20-99 units	355	20,596	976	41,147	1,331	61,743
100+ units	201	39,540	60	8,342	261	47,882
St. Island	54	4,075	27	1,400	81	5,475
11-19 units	7	92	9	142	16	234
20-99 units	33	1,368	13	514	46	1,882
100+ units	14	2,615	5	744	19	3,359
Core Man	350	53,851	3,378	106,658	3,728	160,509
11-19 units	30	453	1,384	20,959	1,414	21,412
20-99 units	146	7,534	1,894	58,897	2,040	66,431
100+ units	174	45,864	100	26,802	274	72,666
Upper Man	95	9,112	2,105	76,535	2,200	85,647
11-19 units	14	188	420	6,275	434	6,463
20-99 units	57	2,730	1,644	64,462	1,701	67,192
100+ units	24	6,194	41	5,798	65	11,992

Note: DU = Dwelling Unit

Source: NYC Department of Finance, RPIE Filings

C.10 Longitudinal Income and Expense Study, Estimated Average Rent, Income and Costs Changes (2018-2019) by Building Size and Location

	Post-46			Pre-47			All		
	Rent	Income	Costs	Rent	Income	Costs	Rent	Income	Costs
Citywide	**3.7%**	**3.5%**	**3.1%**	**3.1%**	**3.0%**	**3.5%**	**3.3%**	**3.2%**	**3.3%**
11-19 units	0.9%	1.1%	6.8%	3.4%	3.3%	3.2%	3.0%	3.0%	3.6%
20-99 units	3.8%	3.6%	3.1%	3.1%	3.1%	3.6%	3.3%	3.2%	3.5%
100+ units	3.8%	3.6%	2.8%	2.7%	2.3%	3.0%	3.5%	3.3%	2.9%
Bronx	1.7%	2.3%	4.8%	2.4%	2.8%	3.7%	2.2%	2.7%	3.9%
11-19 units	-	-	-	1.3%	2.9%	2.7%	0.4%	1.9%	1.6%
20-99 units	2.9%	2.7%	4.7%	2.5%	2.8%	3.8%	2.5%	2.8%	3.9%
100+ units	0.3%	2.2%	5.8%	1.6%	2.3%	2.9%	0.6%	2.2%	5.1%
Brooklyn	4.4%	4.4%	2.5%	3.3%	3.3%	3.9%	3.6%	3.7%	3.5%
11-19 units	-	-	-	3.4%	3.8%	3.2%	2.9%	3.7%	4.0%
20-99 units	5.1%	4.9%	2.1%	3.3%	3.4%	3.8%	3.8%	3.8%	3.3%
100+ units	3.9%	3.8%	2.3%	2.3%	2.2%	6.3%	3.3%	3.2%	3.8%
Manhattan	4.6%	4.1%	2.7%	3.4%	3.1%	3.2%	3.8%	3.4%	3.0%
11-19 units	-2.1%	-1.7%	-3.0%	3.7%	3.1%	3.4%	3.7%	3.0%	3.3%
20-99 units	4.6%	4.3%	0.9%	3.5%	3.2%	3.3%	3.6%	3.3%	3.1%
100+ units	4.6%	4.1%	3.0%	2.9%	2.4%	2.3%	4.1%	3.5%	2.8%
Queens	2.9%	2.5%	3.1%	2.9%	3.0%	3.2%	2.9%	2.7%	3.1%
11-19 units	2.2%	1.3%	8.6%	3.2%	3.4%	2.8%	2.7%	2.5%	5.1%
20-99 units	2.6%	2.3%	3.8%	2.9%	3.0%	3.4%	2.8%	2.7%	3.6%
100+ units	3.3%	2.9%	1.3%	2.5%	2.4%	2.5%	3.2%	2.8%	1.5%
Staten Island	3.3%	3.1%	4.8%	-	-	-	3.9%	3.1%	5.2%
11-19 units	-	-	-	-	-	-	-	-	-
20-99 units	-	-	-	-	-	-	4.9%	3.8%	8.0%
100+ units	-	-	-	-	-	-	-	-	-
Core Manhattan	4.7%	4.2%	3.0%	3.5%	2.9%	3.3%	4.0%	3.4%	3.1%
11-19 units	-	-	-	4.1%	3.0%	3.2%	4.0%	2.9%	3.1%
20-99 units	4.4%	3.7%	2.2%	3.6%	3.2%	3.9%	3.7%	3.2%	3.7%
100+ units	4.8%	4.3%	3.1%	2.9%	2.3%	2.0%	4.2%	3.7%	2.7%
Upper Manhattan	4.1%	3.5%	1.1%	3.3%	3.3%	3.0%	3.5%	3.3%	2.7%
11-19 units	-	-	-	2.7%	3.3%	3.8%	2.7%	3.3%	3.8%
20-99 units	5.2%	5.6%	-1.8%	3.4%	3.3%	2.8%	3.5%	3.5%	2.5%
100+ units	-	-	-	3.4%	2.6%	4.0%	3.6%	2.7%	2.9%
All City w/o Core	3.3%	3.2%	3.1%	3.0%	3.1%	3.5%	3.0%	3.1%	3.4%
11-19 units	1.0%	1.2%	7.3%	2.9%	3.5%	3.2%	2.5%	3.0%	3.9%
20-99 units	3.8%	3.6%	3.2%	3.0%	3.1%	3.5%	3.2%	3.2%	3.4%
100+ units	3.0%	3.0%	2.5%	2.5%	2.4%	4.4%	2.8%	2.8%	3.0%

Notes: Citywide and borough totals as well as building size categories are weighted. (See Methodology.) Cost figures in this table are NOT adjusted for the results of the 1992 NYC Department 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, Core Manhattan 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. Owners are not required to report tax expenses; therefore, tax figures used in this report were calculated by the NYC Department of Finance.

Source: NYC Department of Finance, RPIE Filings

C.11 Longitudinal Income and Expense Study, Estimated Median Rent, Income and Costs Changes (2018-2019) by Building Size and Location

	Post-46			Pre-47			All		
	Rent	Income	Costs	Rent	Income	Costs	Rent	Income	Costs
Citywide	**3.2%**	**2.7%**	**3.9%**	**3.2%**	**3.2%**	**3.6%**	**3.0%**	**3.1%**	**3.6%**
11-19 units	0.1%	3.2%	3.3%	3.4%	4.7%	1.5%	3.4%	4.5%	1.4%
20-99 units	2.6%	2.7%	4.5%	3.5%	3.5%	4.1%	3.4%	3.4%	4.1%
100+ units	3.3%	3.3%	2.0%	1.1%	3.1%	3.5%	2.9%	2.6%	2.3%
Bronx	1.8%	3.3%	5.5%	1.9%	2.5%	4.2%	2.0%	2.5%	4.5%
11-19 units	-	-	-	3.2%	2.6%	6.2%	2.4%	2.7%	5.0%
20-99 units	2.5%	3.4%	5.4%	1.9%	2.5%	4.2%	2.1%	2.5%	4.3%
100+ units	0.2%	2.3%	5.7%	1.1%	4.1%	3.9%	1.4%	2.3%	4.6%
Brooklyn	3.5%	3.7%	3.4%	3.1%	3.1%	4.5%	3.3%	3.0%	4.4%
11-19 units	-	-	-	2.6%	3.0%	4.4%	2.8%	2.3%	4.4%
20-99 units	3.9%	2.8%	4.7%	3.4%	3.5%	4.0%	3.2%	3.2%	4.4%
100+ units	4.1%	3.5%	2.8%	0.4%	1.2%	7.4%	3.0%	2.3%	4.1%
Manhattan	7.4%	3.6%	6.6%	3.6%	2.9%	2.6%	3.6%	3.0%	2.4%
11-19 units	1.5%	-3.1%	8.0%	3.7%	4.3%	2.8%	3.7%	4.3%	2.9%
20-99 units	3.2%	4.2%	-1.1%	3.6%	3.8%	2.7%	3.9%	3.4%	2.3%
100+ units	4.5%	3.2%	5.3%	5.3%	4.1%	4.4%	4.3%	4.3%	4.1%
Queens	3.4%	2.6%	3.9%	3.6%	3.5%	3.7%	3.4%	3.2%	4.0%
11-19 units	-0.4%	0.1%	3.6%	2.1%	3.5%	1.8%	1.9%	3.0%	2.1%
20-99 units	2.9%	2.6%	2.9%	3.6%	3.5%	4.8%	3.5%	3.2%	4.1%
100+ units	3.3%	2.6%	2.3%	2.3%	1.2%	0.9%	2.7%	3.1%	3.8%
Staten Island	3.4%	2.3%	7.9%	-	-	-	3.5%	1.1%	5.2%
11-19 units	-	-	-	-	-	-	-	-	-
20-99 units	-	-	-	-	-	-	2.3%	1.9%	3.7%
100+ units	-	-	-	-	-	-	-	-	-
Core Manhattan	6.9%	3.6%	3.3%	3.1%	3.5%	2.8%	3.3%	3.2%	3.0%
11-19 units	-	-	-	3.8%	4.6%	3.4%	3.7%	4.6%	3.4%
20-99 units	3.5%	4.8%	0.9%	3.0%	3.5%	3.5%	2.8%	3.4%	3.1%
100+ units	4.5%	5.3%	3.5%	4.6%	2.2%	2.4%	5.4%	4.5%	3.1%
Upper Manhattan	1.3%	5.1%	7.1%	3.0%	3.0%	2.7%	3.3%	2.9%	2.8%
11-19 units	-	-	-	6.0%	4.9%	2.8%	5.7%	4.4%	2.6%
20-99 units	5.7%	4.1%	8.8%	3.5%	3.2%	3.3%	3.5%	3.2%	3.4%
100+ units	-	-	-	-2.9%	1.2%	3.4%	1.0%	1.1%	4.1%
All City w/o Core	2.5%	2.7%	3.8%	3.0%	3.1%	3.9%	3.0%	3.1%	4.0%
11-19 units	-1.8%	0.8%	4.9%	2.2%	2.9%	3.8%	2.5%	2.8%	3.7%
20-99 units	2.9%	2.1%	4.2%	3.1%	3.1%	3.9%	3.0%	3.1%	3.8%
100+ units	3.3%	3.4%	4.1%	2.2%	1.7%	2.5%	2.9%	2.6%	3.8%

Notes: Cost figures in this table are NOT adjusted for the results of the 1992 NYC Department 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, Core Manhattan 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. Owners are not required to report tax expenses; therefore, tax figures used in this report were calculated by the NYC Department of Finance.

Source: NYC Department of Finance, RPIE Filings

C.12 Longitudinal Income and Expense Study, Average Net Operating Income Changes (2018-2019) by Building Size and Location

	Post-46	Pre-47	All
Citywide	**4.3%**	**2.2%**	**2.9%**
11-19 units	-6.7%	3.4%	1.7%
20-99 units	4.5%	2.2%	2.7%
100+ units	5.1%	1.0%	4.0%
Bronx	-2.8%	0.7%	-0.1%
11-19 units	-	3.4%	2.6%
20-99 units	-1.4%	0.6%	0.3%
100+ units	-4.8%	1.0%	-3.5%
Brooklyn	8.0%	2.3%	4.2%
11-19 units	-	5.0%	3.1%
20-99 units	10.4%	2.6%	4.8%
100+ units	6.6%	-4.8%	2.2%
Manhattan	6.4%	2.8%	4.1%
11-19 units	0.9%	2.5%	2.4%
20-99 units	10.1%	3.1%	3.8%
100+ units	5.8%	2.5%	4.9%
Queens	1.3%	2.7%	1.9%
11-19 units	-8.6%	4.5%	-1.9%
20-99 units	-0.5%	2.4%	1.0%
100+ units	6.4%	2.2%	5.6%
St. Island	-0.2%	-	-1.1%
11-19 units	-	-	-
20-99 units	-	-	-4.1%
100+ units	-	-	-

	Post-46	Pre-47	All
Core Manhattan	6.2%	2.3%	3.9%
11-19 units	-	2.5%	2.5%
20-99 units	6.2%	1.9%	2.5%
100+ units	6.2%	2.9%	5.3%
Upper Manhattan	7.5%	3.9%	4.6%
11-19 units	-	2.1%	2.1%
20-99 units	18.9%	4.6%	5.7%
100+ units	-	0.0%	2.3%
All City w/o Core	3.3%	2.2%	2.5%
11-19 units	-7.0%	4.0%	1.2%
20-99 units	4.3%	2.2%	2.8%
100+ units	3.9%	-1.3%	2.5%

Notes: Citywide and borough totals as well as building size categories are weighted (see Methodology). Cost figures used to calculate NOI in this table are NOT adjusted for the results of the 1992 NYC Department 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, Core Manhattan 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. Owners are not required to report tax expenses; therefore, tax figures used in this report were calculated by the NYC Department of Finance.

Source: NYC Department of Finance, RPIE Filings

C.13 Longitudinal Income and Expense Study, Change in Rent and Net Operating Income by Community District (2018-2019)

CD	Neighborhood	Rent Change	NOI Change
Manhattan			
102	Greenwich Village	4.4%	4.4%
103	Lower East Side/Chinatown	5.5%	5.1%
104	Chelsea/Clinton	3.1%	-0.5%
105	Midtown	3.9%	-1.9%
106	Stuyvesant Town/Turtle Bay	3.4%	3.4%
107	Upper West Side	3.5%	4.6%
108	Upper East Side	2.6%	0.8%
109	Morningside Hts./Hamilton Hts.	4.6%	9.8%
110	Central Harlem	2.7%	2.0%
111	East Harlem	3.5%	3.9%
112	Washington Hts./Inwood	3.1%	2.9%
Bronx			
201	Mott Haven/Port Morris	4.0%	6.3%
202	Hunts Point/Longwood	4.5%	-3.3%
203	Morrisania/Melrose/Claremont	0.8%	-0.8%
204	Highbridge/S. Concourse	1.9%	2.6%
205	University Heights/Fordham	1.9%	-3.5%
206	E. Tremont/Belmont	1.2%	1.6%
207	Kingsbridge Hts./Mosholu/Norwood	2.4%	1.0%
208	Riverdale/Kingsbridge	2.8%	-0.4%
209	Soundview/Parkchester	3.0%	2.9%
210	Throgs Neck/Co-op City	1.3%	-0.4%
211	Pelham Parkway	2.8%	2.2%
212	Williamsbridge/Baychester	2.0%	0.4%
Brooklyn			
301	Williamsburg/Greenpoint	4.8%	6.8%
302	Brooklyn Hts./Fort Greene	2.1%	1.7%
303	Bedford Stuyvesant	6.8%	8.8%
304	Bushwick	18.8%	45.9%
305	East New York/Starett City	3.3%	9.6%
306	Park Slope/Carroll Gardens	3.2%	5.6%
307	Sunset Park	4.3%	5.3%
308	North Crown Hts./Prospect Hts.	3.7%	4.3%
309	South Crown Hts.	2.0%	0.1%
310	Bay Ridge	2.0%	0.0%
311	Bensonhurst	3.5%	1.0%
312	Borough Park	3.2%	0.7%
313	Coney Island	4.7%	-2.0%
314	Flatbush	3.6%	3.5%
315	Sheepshead Bay/Gravesend	3.3%	11.9%
316	Brownsville/Ocean Hill	4.6%	3.0%
317	East Flatbush	1.8%	1.5%
318	Flatlands/Canarsie	1.0%	-1.7%
Queens			
401	Astoria	2.6%	2.1%
402	Sunnyside/Woodside	3.9%	6.9%
403	Jackson Hts.	3.7%	2.2%
404	Elmhurst/Corona	2.0%	5.4%
405	Middle Village/Ridgewood	5.4%	7.4%
406	Forest Hills/Rego Park	3.6%	8.6%
407	Flushing/Whitestone	3.0%	-4.4%
408	Hillcrest/Fresh Meadows	1.3%	-5.0%
409	Kew Gardens/Woodhaven	3.3%	0.1%
412	Jamaica	0.6%	-5.7%
414	Rockaways	3.4%	-1.9%
Staten Island			
501	North Shore	3.3%	-2.4%

Note: Six Community Districts (CDs) contained too few buildings to be included in the analysis.
Source: NYC Department of Finance, RPIE Filings

C.14 Longitudinal Analysis, Number of Buildings and Dwelling Units in 2018 & 2019, by Building Size and Location

	Post-46		Pre-47		All	
	Bldgs.	DUs	Bldgs.	DUs	Bldgs.	DUs
Citywide	**1,684**	**177,885**	**11,788**	**439,684**	**13,475**	**617,919**
11-19 units	116	1,692	3,079	46,554	3,195	48,246
20-99 units	1,024	58,822	8,380	335,196	9,405	394,070
100+ units	544	117,371	329	57,934	875	175,603
Bronx	306	22,740	2,556	112,644	2,862	135,384
11-19 units	12	189	295	4,481	307	4,670
20-99 units	240	13,640	2,192	97,386	2,432	111,026
100+ units	54	8,911	69	10,777	123	19,688
Brooklyn	356	36,393	2,806	102,411	3,162	138,804
11-19 units	18	259	775	11,559	793	11,818
20-99 units	232	14,884	1,966	83,061	2,198	97,945
100+ units	106	21,250	65	7,791	171	29,041
Manhattan	414	57,950	5,079	171,294	5,493	229,244
11-19 units	40	588	1,646	24,863	1,686	25,451
20-99 units	191	9,625	3,300	115,625	3,491	125,250
100+ units	183	47,737	133	30,806	316	78,543
Queens	559	57,255	1,324	52,099	1,883	109,354
11-19 units	40	576	356	5,542	396	6,118
20-99 units	329	19,349	910	38,638	1,239	57,987
100+ units	190	37,330	58	7,919	248	45,249
St. Island	49	3,547	23	1,236	72	4,783
11-19 units	6	80	7	109	13	189
20-99 units	32	1,324	12	486	44	1,810
100+ units	11	2,143	4	641	15	2,784
Core Manhattan	332	50,109	3,148	100,074	3,480	150,183
11-19 units	30	453	1,273	19,290	1,303	19,743
20-99 units	141	7,249	1,781	55,548	1,922	62,797
100+ units	161	42,407	94	25,236	255	67,643
Upper Manhattan	82	7,841	1,931	71,220	2,013	79,061
11-19 units	10	135	373	5,573	383	5,708
20-99 units	50	2,376	1,519	60,077	1,569	62,453
100+ units	22	5,330	39	5,570	61	10,900

Note: DU = Dwelling Unit

Source: NYC Department of Finance, RPIE Filings

D.1 Mortgage Interest Rates and Terms, 2021

Lending Institution	Interest Rates	Points	Term	Type	New Volume	Refin Volume
5	3.50%	0.75	Ω	both	10	5
28	NR	NR	5, 7, 10 yrs.	fixed	8	53
30	NR	1.00	NR	both	1	10
35	4.00%	0.00	Ω	fixed	16	4
107	3.63%	0.00	Ω	both	606	66
117	3.25%	0.00	200-240 BPS	both	NR	NR
297	3.75%	0.00	Ω	fixed	30	30
401	4.40%	0.88	Ω	fixed	15	7
AVERAGE	**3.76%**	**0.38**	**†**	**†**	**98**	**25**

† No average computed **NR** no response **BPS** Basis Points

Ω #5 = 5 yr. Swaps plus 3.00%; 50-100 BPS fee #35 = 10 year balloon based on 25 year amort.
#107 = 5 and 7 year fixed with 5 years option
#297 = 5, 7 or 10 year rates - 10 year term - 30 year amort. - $2500 Fee
#401 = 30-40 Year Term, Commitment Fee 75-100 BPS

Notes: Averages for interest rates and points are calculated by using the midpoint when a range of values is given by the lending institution. Lending institution numbers reflect anonymized lenders.

Source: 2021 NYC Rent Guidelines Board Mortgage Survey

D.2 Typical Lending Portfolio Characteristics of Buildings Containing Rent Stabilized Units, 2021

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	65%	NR	8.0%	100+	$1,000	$2,000
28	75%	1.30	0.5%	11-19	NR	NR
30	80%	1.20	NR	NR	NR	NR
35	65%	1.35	3.0%	1-10	$350	$1,250
107	75%	1.20	0.5%	50-99	NR	$1,500
117	75%	1.25	NR	NR	NR	NR
297	75%	1.25	2.0%	11-19	$494	$1,300
401	83%	1.15	3.0%	100+	$702	$1,443
AVERAGE	**74.1%**	**1.24**	**2.83%**	**†**	**$637**	**$1,499**

NR no response † No average computed

Notes: Average loan-to-value (LTV) and debt service coverage ratios are calculated using the midpoint when a range was given by the lending institution. Debt Yield refers to Net Operating Income (NOI) divided by the first mortgage debt (loan) amount, times 100. Lending institution numbers reflect anonymized lenders.

Source: 2021 NYC Rent Guidelines Board Mortgage Survey

D.3 Interest Rates and Terms for New Financing, Longitudinal Study, 2020-2021

	Interest Rates		Points		Term		Type	
Lending Inst.	2021	2020	2021	2020	2021	2020	2021	2020
5	3.50%	3.50%	0.75	0.38	Ω	◆	both	both
28	NR	4.50%	NR	0.00	5, 7, 10 yrs.	NR	fixed	fixed
30	NR	4.55%	1.00	0.50	NR	◆	both	both
35	4.00%	3.75%	0.00	0.00	Ω	◆	fixed	both
107	3.63%	3.50%	0.00	0.00	Ω	◆	both	both
117	3.25%	3.38%	0.00	0.00	200-240 BPS	160 months	both	both
297	3.75%	3.50%	0.00	0.00	Ω	◆	fixed	fixed
401	4.40%	5.50%	0.88	0.00	Ω	◆	fixed	fixed
AVERAGE	**3.76%**	**4.02%**	**0.38**	**0.11**	†	†	†	†

NR no response † No average computed **BPS** Basis Points

◆ #5 = 1.50% above prime rate (5 yr), 1.65% above prime (7 yr), 1.80% above prime (10 yr)
#30 = Loans are mixed between fixed, floating & hybrid. Floating at roughly LIBOR + 325 - 350
#35 = 15 year balloon adjusts in years 5 & 10 #107 = 5 and 7 year fixed w/ 5 year option
#301 = 5 year-1.30% above prime rate; 7 year-1.40% above prime; 10 year-1.40% above prime
#401 = 30-40 years; commitment fee: 75-100 BPS

Ω #5 = 5 yr. Swaps plus 3.00%; 50-100 BPS fee #35 = 10 year balloon based on 25 year amort.
#107 = 5 and 7 year fixed with 5 years option
#297 = 5, 7 or 10 year rates - 10 year term - 30 year amort. - $2500 Fee
#401 = 30-40 Year Term, Commitment Fee 75-100 BPS

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

Source: 2020 and 2021 NYC Rent Guidelines Board Mortgage Surveys

D.4 Lending Standards and Vacancy & Collection Losses, Longitudinal Study, 2020-2021

	Max Loan-to-Value		Debt Service Coverage		Vacancy & Collection Losses	
Lending Inst.	2021	2020	2021	2020	2021	2020
5	65.0%	67.5%	NR	NR	8.0%	3.0%
28	75.0%	80.0%	1.30	1.20	0.5%	0.5%
30	80.0%	80.0%	1.20	1.20	NR	NR
35	65.0%	65.0%	1.35	1.20	3.0%	3.0%
107	75.0%	75.0%	1.20	1.20	0.5%	0.5%
117	75.0%	75.0%	1.25	1.25	NR	3.0%
297	75.0%	75.0%	1.25	1.30	2.0%	0.5%
401	82.5%	82.5%	1.15	1.15	3.0%	3.0%
AVERAGE	**74.1%**	**75.0%**	**1.24**	**1.21**	**2.83%**	**1.93%**

NR no response

Notes: Average loan-to-value and debt service coverage ratios are calculated using the midpoint when a range is given by the lending institution. Debt Yield refers to Net Operating Income (NOI) divided by the first mortgage debt (loan) amount, times 100. Lending institution numbers reflect anonymized lenders.

Source: 2020 and 2021 NYC Rent Guidelines Board Mortgage Surveys

D.5 Interest Rates for New Mortgages, 1981-2021

Year	Interest Rates for New Mortgages
1981	15.9%
1982	16.3%
1983	13.0%
1984	13.5%
1985	12.9%
1986	10.5%
1987	10.2%
1988	10.8%
1989	12.0%
1990	11.2%
1991	10.7%
1992	10.1%
1993	9.2%
1994	8.6%
1995	10.1%
1996	8.6%
1997	8.8%
1998	8.5%
1999	7.8%
2000	8.7%
2001	8.4%
2002	7.4%
2003	6.2%
2004	5.8%
2005	5.5%
2006	6.3%
2007	6.3%
2008	6.1%
2009	6.5%
2010	6.3%
2011	5.8%
2012	4.6%
2013	4.4%
2014	4.9%
2015	4.3%
2016	4.0%
2017	4.3%
2018	4.8%
2019	4.7%
2020	4.0%
2021	3.8%

Notes: Interest rate data was collected January-March and represents a 12-month average of the preceding year.

Sources: NYC Rent Guidelines Board Mortgage Surveys

D.6 2021 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) __________ % (2020 average)

Points : __________

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

Type: Fixed / Adjustable / Both *(circle one)*

Special conditions: ____________________

1b. How many loans were made by your institution in 2020 for new permanent financing of *rent stabilized buildings?*

Number of loans: ____________________

2. How many loans did your institution **refinance** in 2020 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.
LTV: Maximum: ________	Average: __________	❑
DSCR or Debt Yield: Minimum: ________	Average: __________	❑

4b. Please provide any **other standards** your institution employs 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 ________ %.

3

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 all that apply)*

❑ 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
LTV 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. What percentage of your multifamily loans experienced rent collection issues in 2020? ________%.

20. What is the average decrease in total rental income collected in 2020 as a result of COVID-related vacancy and/or collection loss vs. 2019? $__________.

21. On what percentage of your multifamily loans did you provide a COVID-related modification? ________%.

22. What were the nature of modifications provided (payment deferrals)? For how long on average (how many months)? Covenant waivers? ____________________

23. Are there any **additional trends relating to the pandemic, or otherwise,** with regard 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 2021 *Mortgage Survey Report*, which is scheduled to be released in Spring 2021.

The information collected in this survey will be used for statistical purposes only by the Rent Guidelines Board (RGB). The RGB shall maintain the confidentiality of information identifying the source of the data provided to the RGB to the greatest extent permitted by law.

5

D.7 Sales Volume of Buildings Containing Rent Stabilized Units, Citywide and by Borough, and Percent Change, 2007-2020

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Citywide*	**1,474**	**1,021**	**521**	**541**	**709**	**1,135**	**1,431**	**1,356**	**1,361**	**1,167**	**793**	**885**	**650**	**470**
% Change from Prior Yr	**-**	***-30.7%***	***-49.0%***	***3.8%***	***31.1%***	***60.1%***	***26.1%***	***-5.2%***	***0.4%***	***-14.3%***	***-32.0%***	***11.6%***	***-26.6%***	***-27.7%***
Bronx	319	171	100	131	130	204	245	302	262	234	156	195	102	70
% Change from Prior Yr	-	*-46.4%*	*-41.5%*	*31.0%*	*-0.8%*	*56.9%*	*20.1%*	*23.3%*	*-13.2%*	*-10.7%*	*-33.3%*	*25.0%*	*-47.7%*	*-31.4%*
Brooklyn	520	426	199	185	258	396	472	494	499	378	292	281	220	161
% Change from Prior Yr	-	*-18.1%*	*-53.3%*	*-7.0%*	*39.5%*	*53.5%*	*19.2%*	*4.7%*	*1.0%*	*-24.2%*	*-22.8%*	*-3.8%*	*-21.7%*	*-26.8%*
Manhattan	470	243	146	144	225	419	466	393	438	407	233	289	228	172
% Change from Prior Yr	-	*-48.3%*	*-39.9%*	*-1.4%*	*56.3%*	*86.2%*	*11.2%*	*-15.7%*	*11.5%*	*-7.1%*	*-42.8%*	*24.0%*	*-21.1%*	*-24.6%*
Queens	165	181	76	81	96	116	248	167	162	148	112	120	100	67
% Change from Prior Yr	-	*9.7%*	*-58.0%*	*6.6%*	*18.5%*	*20.8%*	*113.8%*	*-32.7%*	*-3.0%*	*-8.6%*	*-24.3%*	*7.1%*	*-16.7%*	*-33.0%*

*Note: Staten Island is excluded due to the small number of buildings sold that contain rent stabilized units.

Source: NYC Department of Finance

D.8 Sales of Buildings Containing Rent Stabilized Units, by Building and Residential Unit Counts, 2003-2020

Year	Number of Residential Units in RSB Sold	Number of RSB Sold	Average Number of Residential Units per RSB Sold
2003	30,980	1,481	20.9
2004	45,025	1,728	26.1
2005	50,168	1,816	27.6
2006	52,557	1,433	36.7
2007	42,567	1,474	28.9
2008	29,232	1,021	28.6
2009	12,827	521	24.6
2010	16,565	541	30.6
2011	18,628	709	26.3
2012	28,912	1,135	25.5
2013	37,855	1,431	26.5
2014	45,534	1,356	33.6
2015	44,847	1,361	33.0
2016	36,150	1,167	31.0
2017	18,370	793	23.2
2018	23,932	885	27.0
2019	15,278	650	23.5
2020	11,950	470	25.4

RSB Buildings containing rent stabilized units

Note: All Staten Island buildings excluded due to the small number of buildings sold.

Source: NYC Department of Finance

D.9 Median Sales Price and Sales Volume of Buildings Containing Rent Stabilized Units, by Borough and Building Size, and Percent Change in Sales, 2019-2020

	2019 Median Sale Price	2020 Median Sale Price	2019 # of Sales	2020 # of Sales	Change in Sales from 2019-20
Citywide					
All buildings	$4,237,500	$4,000,000	650	470	-27.7%
6-10 units	$2,000,000	$2,065,338	310	201	-35.2%
11-19 units	$4,925,000	$4,200,000	126	91	-27.8%
20-99 units	$8,975,000	$7,488,000	192	162	-15.6%
100+ units	$36,545,000	$34,197,165	22	16	-27.3%
Bronx					
All buildings	$4,510,000	$5,100,000	102	70	-31.4%
6-10 units	$1,293,833	$1,166,250	25	18	-28.0%
11-19 units	$3,680,000	-	29	5	-82.8%
20-99 units	$6,218,000	$7,000,000	43	47	9.3%
Brooklyn					
All buildings	$2,437,500	$2,909,745	220	161	-26.8%
6-10 units	$1,600,000	$2,025,000	139	89	-36.0%
11-19 units	$3,594,247	$3,500,000	33	20	-39.4%
20-99 units	$8,000,000	$7,185,567	45	46	2.2%
Manhattan					
All buildings	$9,628,482	$5,772,878	228	172	-24.6%
6-10 units	$6,900,000	$3,050,000	83	55	-33.7%
11-19 units	$9,250,000	$5,787,052	55	55	0.0%
20-99 units	$12,200,000	$9,520,307	82	54	-34.1%
Queens					
All buildings	$2,135,000	$2,275,000	100	67	-33.0%
6-10 units	$1,725,000	$1,380,000	63	39	-38.1%
11-19 units	-	-	9	11	22.2%
20-99 units	$11,825,000	$5,462,175	22	15	-31.8%

Note: All Staten Island buildings; Bronx 11-19 unit buildings (2020 sales price only); Queens 11-19 unit buildings (sale prices only); and all 100+ unit buildings in individual boroughs, 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

E.1 Average Annual Employment Statistics by Area, 2009-2020

Unemployment Rate	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Bronx	12.0%	12.0%	12.0%	12.5%	11.7%	9.5%	7.6%	7.1%	6.2%	5.6%	5.3%	16.0%
Brooklyn	9.9%	10.0%	9.6%	9.9%	9.3%	7.4%	5.8%	5.3%	4.6%	4.2%	4.0%	12.5%
Manhattan	8.4%	8.6%	7.9%	8.1%	7.5%	6.0%	4.8%	4.5%	4.0%	3.7%	3.4%	9.5%
Queens	8.4%	8.7%	8.1%	8.4%	7.7%	6.2%	4.9%	4.5%	3.9%	3.6%	3.4%	12.5%
Staten Island	8.2%	9.5%	9.2%	9.6%	8.9%	7.3%	5.7%	5.2%	4.6%	4.1%	3.8%	10.6%
NYC	**9.3%**	**9.6%**	**9.1%**	**9.4%**	**8.8%**	**7.1%**	**5.6%**	**5.1%**	**4.5%**	**4.1%**	**3.9%**	**12.3%**
U.S.	**9.3%**	**9.6%**	**8.9%**	**8.1%**	**7.4%**	**6.2%**	**5.3%**	**4.9%**	**4.4%**	**3.9%**	**3.7%**	**8.1%**
Labor Force Participation Rate												
NYC ∅	60.1%	60.5%	60.0%	60.1%	60.3%	60.4%	60.1%	60.0%	60.6%	60.2%	60.4%	58.6%
U.S.	65.4%	64.7%	64.1%	63.7%	63.2%	62.9%	62.7%	62.8%	62.9%	62.9%	63.1%	61.7%
Employment-Population Ratio												
NYC ∅	54.6%	54.7%	54.5%	54.4%	55.0%	56.1%	56.8%	56.9%	57.8%	57.7%	58.1%	51.4%
U.S.	59.3%	58.5%	58.4%	58.6%	58.6%	59.0%	59.3%	59.7%	60.1%	60.4%	60.8%	56.8%
Gross City Product (NYC)												
Billions, in 2012$	671.4	702.2	709.9	752.2	757.9	779.4	797.0	819.4	840.3	872.8	883.6	827.7
% Change	6.18%	4.59%	1.09%	5.96%	0.76%	2.84%	2.26%	2.80%	2.55%	3.87%	1.23%	-6.33%
Gross Domestic Product (U.S.)												
Billions, in 2012$	15,208.8	15,598.8	15,840.7	16,197.0	16,495.4	16,912.0	17,432.2	17,730.5	18,144.1	18,687.8	19,091.7	18,426.1
% Change	-2.54%	2.56%	1.55%	2.25%	1.84%	2.53%	3.08%	1.71%	2.33%	3.00%	2.16%	-3.49%

Sources: U.S. Bureau of Labor Statistics; U.S. Bureau of Economic Analysis; NYS Department of Labor; Office of the NYC Comptroller

Notes: Both Gross City Product (GCP) and Gross Domestic Product (GDP) are revised periodically. The GCP & GDP figures presented here may not be the same as those reported in prior years. The NYS Department of Labor also periodically revises unemployment rates, and rates reflected here might not match those figures reported in prior years.

∅ Unpublished data from the Bureau of Labor Statistics. These figures are revised periodically.

E.2 Average Payroll Employment by Industry for NYC, 2011-2020 (in thousands)

Industry Employment	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2019-2020 Change
Manufacturing	75.7	76.5	76.7	77.1	78.5	76.9	74.1	71.3	68.1	53.0	-22.2%
Construction	112.4	116.2	122.3	129.3	139.4	147.3	152.5	158.9	161.3	138.0	-14.4%
Trade, Transport & Utilities	574.9	590.0	604.5	620.0	629.7	629.7	633.3	635.4	636.4	534.3	-16.0%
Leisure & Hospitality	343.2	366.8	386.7	409.9	429.4	441.9	458.8	464.4	468.1	271.8	-41.9%
Financial Activities	438.2	438.0	437.0	448.9	459.2	466.2	469.4	477.0	485.1	469.8	-3.2%
Information	171.6	177.6	182.4	189.7	195.0	199.8	207.4	213.1	220.6	206.8	-6.3%
Professional & Business Svcs.	597.1	616.5	637.5	660.9	689.0	708.9	726.2	746.1	772.3	709.4	-8.1%
Educational & Health Svcs.	789.2	805.9	831.6	867.3	898.1	930.1	963.6	1008.3	1055.4	1004.3	-4.8%
Other Services	165.2	170.5	175.1	180.5	186.1	190.7	192.3	193.7	195.7	158.1	-19.2%
Total Private Sector	3,267.5	3,358.1	3,453.6	3,583.4	3,704.3	3,791.4	3,877.4	3,968.2	4,063.0	3,545.5	-12.7%
Government ∅	573.3	570.6	570.6	573.3	579.5	583.7	584.7	584.7	587.1	588.0	0.2%
City of New York	474.5	474.4	476.3	480.7	486.8	490.2	491.1	492.3	495.1	493.7	-0.3%
Total	**3,840.8**	**3,928.6**	**4,024.2**	**4,156.7**	**4,283.8**	**4,375.1**	**4,462.1**	**4,552.9**	**4,650.1**	**4,133.5**	**-11.1%**

Source: NYS Department of Labor

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 NYC. Local government figures include those employed by the City of New York as well as city-based public corporations such as the Health and Hospitals Corporation and the Metropolitan Transportation Authority.

E.3 Average Real Wage Rates by Industry for NYC, 2012-2020 (2020 dollars)

Industry	2012	2013	2014	2015	2016	2017	2018	2019	2020	2019-20 % Change
Construction	$79,889	$79,731	$79,482	$81,128	$84,592	$84,163	$84,604	$84,884	$86,011	1.3%
Manufacturing	$59,003	$56,809	$58,148	$60,102	$62,261	$62,998	$63,802	$64,988	$66,574	2.4%
Transportation	$55,613	$55,539	$58,261	$57,266	$60,070	$60,610	$59,709	$60,387	$59,873	-0.9%
Wholesale Trade	$93,843	$97,462	$93,948	$95,058	$97,542	$96,593	$99,556	$98,571	$101,695	5.2%
Retail Trade	$40,594	$41,260	$41,712	$42,323	$43,655	$43,766	$45,606	$46,587	$49,192	5.6%
Finance and Insurance	$281,389	$299,467	$316,324	$316,512	$302,077	$310,005	$323,701	$308,417	$315,634	2.3%
Real Estate	$72,239	$74,256	$76,446	$80,652	$83,244	$84,923	$85,175	$86,817	$89,282	2.8%
Admin and Waste Services	$56,171	$55,843	$56,366	$59,782	$63,304	$60,635	$65,506	$68,977	$72,770	5.5%
Educational Services	$62,297	$62,794	$64,510	$69,854	$72,986	$74,668	$75,740	$76,800	$80,621	5.0%
Health and Social Services	$53,692	$53,775	$53,342	$52,828	$52,865	$52,114	$52,308	$52,637	$53,931	2.5%
Arts, Entertainment & Rec	$70,798	$69,228	$70,409	$74,675	$77,292	$76,220	$76,871	$78,587	$87,030	10.7%
Accomm & Food Svcs.	$33,241	$33,111	$33,714	$34,203	$35,807	$36,146	$36,998	$38,779	$38,135	-1.7%
Other Svcs.	$48,469	$48,084	$48,567	$49,918	$51,825	$52,372	$52,901	$53,869	$59,132	9.8%
Professional & Tech Svcs.	$127,198	$127,669	$130,277	$133,945	$136,509	$136,305	$139,107	$142,135	$146,367	3.0%
Management of Companies	$208,717	$207,389	$208,203	$207,122	$197,551	$190,058	$199,482	$200,356	$204,149	1.9%
Information	$127,890	$132,877	$138,824	$143,359	$146,894	$145,048	$152,331	$155,474	$167,826	7.9%
Utilities	$125,254	--∅	--∅	$121,542	$125,952	$127,902	$131,893	$130,458	$132,649	1.7%
Unclassified/Agri/Mining*	$44,407	$44,012	$46,580	$44,955	$46,931	$50,673	$57,222	$59,601	$71,821	20.5%
Private Sector	$91,873	$93,095	$94,967	$96,230	$96,156	$96,030	$98,692	$98,394	$105,310	7.0%
Government	$65,496	$64,930	$66,041	$68,181	$69,215	$70,139	$77,750	$82,692	$82,723	0.0%
Total Industries	**$88,116**	**$89,163**	**$91,056**	**$92,525**	**$92,658**	**$92,728**	**$95,968**	**$96,370**	**$102,149**	**6.0%**

Source: New York State Department of Labor, Research and Statistics Division

Notes: 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 these statistics annually. Real wages reflect 2020 dollars and differ from those found in this table in prior years.

∅ Wages for the this industry were not reported by the NYS Department of Labor during this time period due to the small number of respondents, and corresponding privacy concerns.

*The Unclassified; Agriculture, Forestry, Fishing Hunting; and Mining sectors have been combined into one category.

E.4 Average Nominal Wage Rates by Industry for NYC, 2012-2020

Industry	2012	2013	2014	2015	2016	2017	2018	2019	2020	2019-20 % Change
Construction	$71,262	$72,436	$73,247	$74,900	$78,731	$79,865	$81,777	$83,404	$86,011	3.1%
Manufacturing	$52,631	$51,611	$53,586	$55,488	$57,947	$59,781	$61,670	$63,855	$66,574	4.3%
Transportation	$49,608	$50,457	$53,691	$52,870	$55,908	$57,515	$57,713	$59,334	$59,873	0.9%
Wholesale Trade	$83,709	$88,544	$86,579	$87,761	$90,783	$91,659	$96,229	$96,852	$101,695	5.0%
Retail Trade	$36,210	$37,485	$38,440	$39,074	$40,630	$41,531	$44,082	$45,775	$49,192	7.5%
Finance and Insurance	$251,002	$272,067	$291,510	$292,213	$281,146	$294,172	$312,883	$303,039	$315,634	4.2%
Real Estate	$64,438	$67,462	$70,449	$74,461	$77,476	$80,586	$82,329	$85,303	$89,282	4.7%
Admin and Waste Services	$50,105	$50,734	$51,945	$55,192	$58,918	$57,538	$63,317	$67,774	$72,770	7.4%
Educational Services	$55,570	$57,048	$59,450	$64,492	$67,929	$70,854	$73,208	$75,460	$80,621	6.8%
Health and Social Services	$47,894	$48,854	$49,158	$48,772	$49,202	$49,452	$50,560	$51,719	$53,931	4.3%
Arts, Entertainment & Rec	$63,153	$62,894	$64,886	$68,942	$71,936	$72,327	$74,302	$77,217	$87,030	12.7%
Accomm & Food Svcs.	$29,652	$30,082	$31,069	$31,577	$33,326	$34,300	$35,762	$38,103	$38,135	0.1%
Other Svcs.	$43,235	$43,685	$44,757	$46,086	$48,234	$49,697	$51,133	$52,929	$59,132	11.7%
Professional & Tech Svcs.	$113,462	$115,987	$120,058	$123,662	$127,050	$129,343	$134,458	$139,657	$146,367	4.8%
Management of Companies	$186,178	$188,413	$191,870	$191,221	$183,862	$180,351	$192,816	$196,863	$204,149	3.7%
Information	$114,080	$120,719	$127,934	$132,353	$136,716	$137,639	$147,240	$152,763	$167,826	9.9%
Utilities	$111,728	--∅	--∅	$112,211	$117,225	$121,369	$127,485	$128,183	$132,649	3.5%
Unclassified/Agri/Mining*	$39,612	$39,985	$42,926	$41,504	$43,679	$48,085	$55,309	$58,562	$71,821	22.6%
Private Sector	$81,952	$84,577	$87,517	$88,842	$89,493	$91,126	$95,394	$96,678	$105,310	8.9%
Government	$58,423	$58,989	$60,860	$62,947	$64,419	$66,557	$75,152	$81,250	$82,723	1.8%
Total Industries	**$78,600**	**$81,005**	**$83,913**	**$85,422**	**$86,237**	**$87,992**	**$92,761**	**$94,690**	**$102,149**	**7.9%**

Source: New York State Department of Labor, Research and Statistics Division

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 these statistics annually.

∅ Wages for the this industry were not reported by the NYS Department of Labor during this time period due to the small number of respondents, and corresponding privacy concerns.

*The Unclassified; Agriculture, Forestry, Fishing Hunting; and Mining sectors have been combined into one category.

E.5 Consumer Price Index for All Urban Consumers, NY-Northeastern NJ, 2010-2020

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
March	240.1	245.6	251.9	256.6	260.0	259.6	261.5	267.6	272.2	276.6	282.0
June	240.8	248.5	252.4	256.9	261.4	261.5	263.9	268.7	274.2	278.8	282.3
September	241.5	250.6	254.6	258.5	261.1	261.9	264.6	270.1	275.5	279.3	284.6
December	241.9	248.3	253.6	257.3	258.1	259.9	265.4	269.6	273.8	279.8	284.4
Quarterly Average	241.1	248.2	253.1	257.3	260.1	260.7	263.9	269.0	273.9	278.6	283.3
Yearly Average	**240.9**	**247.7**	**252.6**	**256.8**	**260.2**	**260.6**	**263.4**	**268.5**	**273.6**	**278.2**	**282.9**

12-month percentage change in the CPI

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
March	2.14%	2.30%	2.55%	1.87%	1.32%	-0.12%	0.72%	2.32%	1.72%	1.61%	1.95%
June	1.54%	3.19%	1.57%	1.78%	1.73%	0.06%	0.90%	1.81%	2.05%	1.69%	1.27%
September	1.22%	3.76%	1.59%	1.55%	0.99%	0.31%	1.04%	2.06%	2.00%	1.41%	1.87%
December	1.45%	2.66%	2.11%	1.47%	0.31%	0.72%	2.11%	1.56%	1.58%	2.18%	1.62%
Quarterly Average	1.58%	2.98%	1.96%	1.67%	1.09%	0.24%	1.19%	1.94%	1.84%	1.72%	1.68%
Yearly Average	**1.71%**	**2.85%**	**1.97%**	**1.68%**	**1.32%**	**0.13%**	**1.08%**	**1.96%**	**1.91%**	**1.65%**	**1.71%**

Source: U.S. Bureau of Labor Statistics

Note: Base Period: 1982-1984=100

E.6 Housing Court Actions, 1983-2020

Year	Filings	Calendared	Evictions & Possessions	Year	Filings	Calendared	Evictions & Possessions
1983	373,000	93,000	26,665	2002	331,309	132,148	23,697
1984	343,000	85,000	23,058	2003	318,077	133,074	23,236
1985	335,000	82,000	20,283	2004	261,085	121,999	22,010
1986	312,000	81,000	23,318	2005	261,457	119,265	21,945
1987	301,000	77,000	25,761	2006	256,747	122,379	23,491
1988	299,000	92,000	24,230	2007	251,390	121,793	24,171
1989	299,000	99,000	25,188	2008	246,147	120,420	24,600
1990	297,000	101,000	23,578	2009	251,871	123,149	26,449
1991	302,000	114,000	20,432	2010	213,066*	127,396	25,655
1992	289,000	122,000	22,098	2011	221,182	126,315	27,636
1993	295,000	124,000	21,937	2012	217,914	132,860	28,743
1994	294,000	123,000	23,970	2013	215,497	122,463	28,849
1995	266,000	112,000	22,806	2014	208,158	127,334	26,857
1996	278,000	113,000	24,370	2015	203,119	111,409	21,988
1997	274,000	111,000	24,995	2016	202,300	105,431	22,089
1998	278,156	127,851	23,454	2017	201,441	114,879	21,074
1999	276,142	123,399	22,676	2018	191,893	102,789	20,013
2000	276,159	125,787	23,830	2019	145,212	79,856	16,996
2001	277,440	130,897	21,369∅	**2020**	**63,331**	**29,814**	**3,056**

Sources: NYC Civil Court; NYC Department of Investigations, Bureau of City Marshals

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.

E.7 Homeless Statistics, 1983-2020

Year	Single Adults	Children	Families (inc. children)	Total Individuals
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
2016	13,148	23,199	14,953	58,770
2017	14,074	22,733	14,384	59,467
2018	15,470	22,300	15,077	60,028
2019	16,427	21,504	14,397	59,509
2020	**17,591**	**19,266**	**13,595**	**55,997**

Source: NYC Department of Homeless Services

Note: Data presented are the annual averages of the Department of Homeless Services shelter population. Street homelessness is not quantified in this data.

E.8 Poverty Rates, 2009-2019

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
U.S.	14.3%	15.3%	15.9%	15.9%	15.8%	15.5%	14.7%	14.0%	13.4%	13.1%	12.3%
New York City	18.7%	20.1%	20.9%	21.2%	20.9%	20.9%	20.0%	18.9%	18.0%	17.3%	16.0%
Bronx	28.5%	30.2%	30.4%	31.0%	30.9%	31.6%	30.4%	28.7%	28.0%	27.4%	26.4%
Brooklyn	21.8%	23.0%	23.6%	24.3%	23.3%	23.4%	22.3%	20.6%	19.8%	19.0%	17.7%
Manhattan	16.6%	16.4%	18.3%	17.8%	18.9%	17.6%	17.6%	17.3%	16.2%	15.5%	14.0%
Queens	12.6%	15.0%	15.8%	16.2%	15.3%	15.2%	13.8%	13.2%	12.1%	11.5%	10.8%
Staten Island	11.2%	11.8%	11.7%	11.6%	12.8%	14.5%	14.4%	13.2%	11.8%	11.4%	8.3%

Source: 2009-2019 American Community Survey

E.9 American Community Survey Data, Citywide and by Borough, 2006-2019

Median Renter Household Incomes, Nominal and "Real" 2019 Dollars

	Nominal Renter Household Income						2019$ "Real" Renter Household Income					
Year	Bronx	Brooklyn	Manhattan	Queens	Staten Island	NYC	Bronx	Brooklyn	Manhattan	Queens	Staten Island	NYC
2006	$25,979	$29,775	$47,923	$40,582	$32,705	$35,051	$32,743	$37,528	$60,401	$51,148	$41,220	$44,177
2007	$28,024	$32,728	$51,279	$41,822	$35,149	$37,562	$34,349	$40,115	$62,853	$51,262	$43,083	$46,040
2008	$28,562	$34,554	$53,833	$45,087	$37,124	$39,421	$33,696	$40,765	$63,510	$53,191	$43,797	$46,507
2009	$27,159	$33,268	$54,417	$44,040	$33,548	$38,437	$31,900	$39,075	$63,916	$51,727	$39,404	$45,146
2010	$27,079	$33,804	$52,209	$41,556	$32,074	$37,982	$31,272	$39,039	$60,294	$47,991	$37,041	$43,864
2011	$26,553	$34,184	$53,533	$41,492	$38,284	$37,891	$29,817	$38,385	$60,113	$46,592	$42,989	$42,548
2012	$26,848	$36,540	$57,435	$42,756	$40,512	$40,209	$29,567	$40,240	$63,251	$47,085	$44,614	$44,280
2013	$28,667	$37,534	$58,443	$44,189	$39,091	$40,908	$31,048	$40,651	$63,297	$47,859	$42,338	$44,306
2014	$27,370	$38,401	$61,830	$45,170	$31,921	$41,210	$29,256	$41,047	$66,091	$48,283	$34,121	$44,050
2015	$28,601	$40,666	$61,910	$47,650	$36,606	$43,261	$30,534	$43,414	$66,093	$50,870	$39,079	$46,184
2016	$31,431	$43,751	$65,765	$48,585	$34,860	$45,753	$33,197	$46,209	$69,460	$51,315	$36,819	$48,324
2017	$31,266	$43,959	$67,013	$52,468	$40,457	$47,116	$32,389	$45,538	$69,420	$54,352	$41,910	$48,808
2018	$32,269	$48,970	$70,929	$56,199	$45,425	$50,349	$32,802	$49,779	$72,101	$57,128	$46,176	$51,181
2019	$33,907	$52,720	$78,942	$60,311	$49,003	$54,759	$33,907	$52,720	$78,942	$60,311	$49,003	$54,759

Source: 2006-2019 American Community Survey

Median Gross Rent as a Percent of Household Income

Year	Bronx	Brooklyn	Manhattan	Queens	Staten Island	NYC
2006	32.8%	31.8%	27.5%	31.2%	31.1%	30.5%
2007	31.9%	31.6%	26.4%	31.1%	32.1%	29.9%
2008	32.7%	31.8%	27.1%	30.3%	32.0%	30.1%
2009	33.0%	32.0%	27.4%	30.9%	34.4%	30.6%
2010	34.2%	32.8%	28.2%	33.6%	33.5%	31.9%
2011	35.8%	33.6%	28.5%	34.0%	29.7%	32.5%
2012	36.0%	32.7%	28.6%	33.8%	32.4%	32.2%
2013	34.9%	32.7%	28.7%	33.6%	33.0%	32.2%
2014	36.3%	33.8%	28.4%	34.4%	34.7%	32.7%
2015	35.6%	32.1%	28.9%	33.0%	32.6%	32.0%
2016	34.9%	32.3%	28.1%	33.2%	33.8%	31.9%
2017	36.8%	32.7%	27.3%	32.2%	33.4%	31.7%
2018	35.8%	31.7%	27.7%	32.1%	29.9%	31.4%
2019	35.2%	30.2%	26.1%	30.3%	29.5%	30.1%

Source: 2006-2019 American Community Survey

Proportion of Rent Burdened Households

	% of Households Paying 30% or more of Income Towards Rent						% of Households Paying 50% or more of Income Towards Rent					
Year	Bronx	Brooklyn	Manhattan	Queens	SI	NYC	Bronx	Brooklyn	Manhattan	Queens	SI	NYC
2006	54.7%	53.3%	44.7%	52.3%	52.1%	50.9%	32.9%	30.0%	22.6%	28.0%	27.3%	27.9%
2007	56.3%	54.8%	42.8%	56.5%	58.7%	52.3%	33.3%	30.4%	22.7%	31.3%	31.2%	29.1%
2008	54.6%	53.4%	43.3%	50.5%	52.8%	50.1%	32.0%	29.1%	20.7%	27.2%	32.1%	26.9%
2009	55.5%	53.5%	44.4%	51.6%	58.2%	51.0%	31.2%	29.6%	22.5%	27.2%	35.2%	27.5%
2010	57.9%	55.2%	46.1%	56.5%	56.4%	53.5%	33.3%	30.4%	22.7%	31.3%	31.2%	29.1%
2011	60.7%	56.8%	46.5%	56.7%	49.5%	54.5%	35.8%	31.9%	24.5%	32.4%	28.4%	30.6%
2012	61.5%	54.9%	46.5%	56.4%	52.9%	54.1%	35.5%	31.0%	23.4%	31.8%	33.0%	30.0%
2013	59.6%	55.0%	47.2%	56.1%	54.8%	54.0%	34.4%	29.7%	24.9%	30.7%	32.7%	29.6%
2014	62.2%	56.7%	46.3%	57.6%	58.3%	55.1%	35.4%	32.3%	22.0%	32.4%	36.0%	30.2%
2015	60.6%	54.1%	47.8%	54.9%	54.8%	53.8%	36.0%	30.4%	22.8%	30.6%	33.1%	29.5%
2016	59.7%	54.3%	46.0%	55.9%	57.0%	53.4%	33.4%	30.9%	23.2%	30.4%	33.6%	29.3%
2017	61.8%	55.0%	44.1%	53.9%	55.8%	53.1%	35.3%	30.3%	21.3%	27.9%	32.5%	28.4%
2018	61.2%	53.3%	44.9%	53.8%	49.8%	52.6%	34.6%	28.7%	22.9%	27.7%	28.5%	28.1%
2019	60.6%	50.4%	42.3%	50.5%	49.1%	50.1%	33.3%	26.2%	21.0%	26.6%	23.3%	26.2%

Source: 2006-2019 American Community Survey

E.9 American Community Survey Data, Citywide and by Borough, 2006-2019 (cont.)

Median Contract Rent, Nominal and "Real" 2019 Dollars

	Nominal Contract Rent						"Real" Contract Rent (2019 Dollars)					
Year	Bronx	Brooklyn	Manhattan	Queens	SI	NYC	Bronx	Brooklyn	Manhattan	Queens	SI	NYC
2006	$728	$817	$1,010	$983	$879	$860	$918	$1,030	$1,273	$1,239	$1,108	$1,084
2007	$764	$856	$1,055	$1,007	$928	$898	$936	$1,049	$1,293	$1,234	$1,137	$1,101
2008	$806	$896	$1,112	$1,056	$938	$939	$951	$1,057	$1,312	$1,246	$1,107	$1,108
2009	$827	$934	$1,222	$1,107	$958	$987	$971	$1,097	$1,435	$1,300	$1,125	$1,159
2010	$861	$978	$1,209	$1,137	$1,015	$1,022	$994	$1,129	$1,396	$1,313	$1,172	$1,180
2011	$895	$1,020	$1,305	$1,162	$991	$1,063	$1,005	$1,145	$1,465	$1,305	$1,113	$1,194
2012	$910	$1,060	$1,361	$1,187	$982	$1,094	$1,002	$1,167	$1,499	$1,307	$1,081	$1,205
2013	$946	$1,097	$1,415	$1,219	$1,006	$1,125	$1,025	$1,188	$1,533	$1,320	$1,090	$1,218
2014	$967	$1,136	$1,461	$1,276	$997	$1,160	$1,034	$1,214	$1,562	$1,364	$1,066	$1,240
2015	$1,006	$1,171	$1,524	$1,329	$1,070	$1,199	$1,074	$1,250	$1,627	$1,419	$1,142	$1,280
2016	$1,032	$1,227	$1,586	$1,359	$1,116	$1,235	$1,090	$1,296	$1,675	$1,435	$1,179	$1,304
2017	$1,066	$1,253	$1,523	$1,408	$1,142	$1,263	$1,104	$1,298	$1,578	$1,459	$1,183	$1,308
2018	$1,088	$1,331	$1,673	$1,482	$1,153	$1,337	$1,106	$1,353	$1,701	$1,506	$1,172	$1,359
2019	$1,122	$1,389	$1,679	$1,558	$1,170	$1,385	$1,122	$1,389	$1,679	$1,558	$1,170	$1,385

Source: 2006-2019 American Community Survey

Median Gross Rent, Nominal and "Real" 2019 Dollars

	Nominal Gross Rent						"Real" Gross Rent (2019 Dollars)					
Year	Bronx	Brooklyn	Manhattan	Queens	SI	NYC	Bronx	Brooklyn	Manhattan	Queens	SI	NYC
2006	$826	$898	$1,081	$1,065	$992	$945	$1,041	$1,132	$1,362	$1,342	$1,250	$1,191
2007	$860	$944	$1,134	$1,104	$1,073	$985	$1,054	$1,157	$1,390	$1,353	$1,315	$1,207
2008	$911	$992	$1,198	$1,145	$1,081	$1,044	$1,075	$1,170	$1,413	$1,351	$1,275	$1,232
2009	$926	$1,021	$1,307	$1,193	$1,103	$1,086	$1,088	$1,199	$1,535	$1,401	$1,296	$1,276
2010	$974	$1,079	$1,305	$1,242	$1,141	$1,129	$1,125	$1,246	$1,507	$1,434	$1,318	$1,304
2011	$1,012	$1,113	$1,403	$1,276	$1,112	$1,168	$1,136	$1,250	$1,575	$1,433	$1,249	$1,312
2012	$1,019	$1,151	$1,450	$1,305	$1,115	$1,196	$1,122	$1,268	$1,597	$1,437	$1,228	$1,317
2013	$1,056	$1,192	$1,490	$1,333	$1,161	$1,228	$1,144	$1,291	$1,614	$1,444	$1,257	$1,330
2014	$1,077	$1,246	$1,531	$1,386	$1,149	$1,276	$1,151	$1,332	$1,637	$1,482	$1,228	$1,364
2015	$1,107	$1,283	$1,611	$1,434	$1,208	$1,317	$1,182	$1,370	$1,720	$1,531	$1,290	$1,406
2016	$1,130	$1,343	$1,661	$1,452	$1,245	$1,351	$1,193	$1,418	$1,754	$1,534	$1,315	$1,427
2017	$1,171	$1,367	$1,601	$1,500	$1,286	$1,379	$1,213	$1,416	$1,659	$1,554	$1,332	$1,429
2018	$1,188	$1,433	$1,746	$1,588	$1,291	$1,443	$1,208	$1,457	$1,775	$1,614	$1,312	$1,467
2019	$1,231	$1,483	$1,753	$1,641	$1,299	$1,483	$1,231	$1,483	$1,753	$1,641	$1,299	$1,483

Source: 2006-2019 American Community Survey

E.10 American Community Survey Data, NYC and U.S., 2006-2019

Median Renter Household Incomes, Nominal and "Real" 2019 Dollars

	Nominal Renter Household Income					"Real" Renter Household Income (2019 Dollars)				
Year	NYC	U.S.	NYC Year-to Year Change	U.S. Year-to Year Change	% Diff. U.S. vs. NYC	NYC	U.S.	NYC Year-to Year Change	U.S. Year-to Year Change	% Diff. U.S. vs. NYC
2006	$35,051	$29,646	5.8%	4.9%	-15.4%	$44,177	$37,595	2.0%	1.7%	-14.9%
2007	$37,562	$30,915	7.2%	4.3%	-17.7%	$46,040	$38,119	4.2%	1.4%	-17.2%
2008	$39,421	$31,891	4.9%	3.2%	-19.1%	$46,507	$37,868	1.0%	-0.7%	-18.6%
2009	$38,437	$30,576	-2.5%	-4.1%	-20.5%	$45,146	$36,436	-2.9%	-3.8%	-19.3%
2010	$37,982	$30,671	-1.2%	0.3%	-19.2%	$43,864	$35,960	-2.8%	-1.3%	-18.0%
2011	$37,891	$30,934	-0.2%	0.9%	-18.4%	$42,548	$35,158	-3.0%	-2.2%	-17.4%
2012	$40,209	$31,888	6.1%	3.1%	-20.7%	$44,280	$35,508	4.1%	1.0%	-19.8%
2013	$40,908	$32,831	1.7%	3.0%	-19.7%	$44,306	$36,030	0.1%	1.5%	-18.7%
2014	$41,210	$34,397	0.7%	4.8%	-16.5%	$44,050	$37,146	-0.6%	3.1%	-15.7%
2015	$43,261	$35,863	5.0%	4.3%	-17.1%	$46,184	$38,683	4.8%	4.1%	-16.2%
2016	$45,753	$37,264	5.8%	3.9%	-18.6%	$48,324	$39,694	4.6%	2.6%	-17.9%
2017	$47,116	$38,944	3.0%	4.5%	-17.3%	$48,808	$40,618	1.0%	2.3%	-16.8%
2018	$50,349	$40,531	6.9%	4.1%	-19.5%	$51,181	$41,265	4.9%	1.6%	-19.4%
2019	$54,759	$42,479	8.8%	4.8%	-22.4%	$54,759	$42,479	7.0%	2.9%	-22.4%

Source: 2006-2019 American Community Survey

Median Gross Rent as a Percent of Household Income and Proportion of Rent Burdened Households

	Median Gross Rent-to-Income Ratio			% of Households Paying 30% or more of Income Towards Rent			% of Households Paying 50% or more of Income Towards Rent		
Year	NYC	U.S.	Diff. U.S. vs. NYC*	NYC	U.S	Diff. U.S. vs. NYC*	NYC	U.S.	Diff. U.S. vs. NYC*
2006	30.5%	29.9%	-0.6 pp	50.9%	49.8%	-1.1 pp	27.9%	25.1%	-2.8 pp
2007	29.9%	29.7%	-0.2 pp	49.8%	49.3%	-0.5 pp	26.6%	24.6%	-2.0 pp
2008	30.1%	29.9%	-0.2 pp	50.1%	49.8%	-0.4 pp	26.9%	25.1%	-1.8 pp
2009	30.6%	30.8%	0.2 pp	51.0%	51.5%	0.5 pp	27.5%	26.4%	-1.2 pp
2010	31.9%	31.6%	-0.3 pp	53.5%	53.0%	-0.5 pp	29.1%	27.4%	-1.6 pp
2011	32.5%	31.9%	-0.6 pp	54.5%	53.4%	-1.1 pp	30.6%	28.0%	-2.6 pp
2012	32.2%	31.1%	-1.1 pp	54.1%	52.0%	-2.0 pp	30.0%	27.0%	-2.9 pp
2013	32.2%	30.8%	-1.4 pp	54.0%	51.5%	-2.5 pp	29.6%	26.5%	-3.1 pp
2014	32.7%	31.0%	-1.7 pp	55.1%	51.8%	-3.4 pp	30.2%	26.3%	-3.9 pp
2015	32.0%	30.3%	-1.7 pp	53.8%	50.6%	-3.2 pp	29.5%	25.5%	-4.0 pp
2016	31.9%	29.9%	-2.0 pp	53.4%	49.7%	-3.7 pp	29.3%	25.0%	-4.3 pp
2017	31.7%	29.8%	-1.9 pp	53.1%	49.5%	-3.6 pp	28.4%	24.7%	-3.7 pp
2018	31.4%	29.9%	-1.5 pp	52.6%	49.7%	-2.9 pp	28.1%	24.8%	-3.3 pp
2019	30.1%	29.3%	-0.8 pp	50.1%	48.4%	-1.7 pp	26.2%	23.7%	-2.4 pp

*expressed in percentage points (pp)

Source: 2006-2019 American Community Survey

Range of Gross Rent as a Percent of Household Income

	Less than 10%		10-19.9%		20-29.9%		30-39.9%		40-49.9%		50% or more	
Year	NYC	U.S.	NYC	U.S.	NYC	U.S.	NYC	U.S.	NYC	U.S.	NYC	U.S.
2006	5.5%	3.9%	21.1%	21.8%	22.6%	24.6%	14.9%	15.6%	8.0%	9.0%	27.9%	25.1%
2007	5.5%	4.0%	21.7%	21.9%	23.0%	24.8%	14.9%	15.7%	8.3%	9.1%	26.6%	24.6%
2008	6.0%	4.0%	21.0%	21.7%	22.9%	24.6%	15.0%	15.7%	8.2%	9.0%	26.9%	25.1%
2009	5.5%	3.6%	20.8%	20.4%	22.7%	24.4%	15.1%	15.9%	8.4%	9.3%	27.5%	26.4%
2010	4.8%	3.4%	19.3%	19.6%	22.3%	24.0%	15.8%	16.1%	8.6%	9.4%	29.1%	27.4%
2011	4.8%	3.4%	18.6%	19.4%	22.2%	23.8%	15.3%	15.9%	8.6%	9.5%	30.6%	28.0%
2012	4.6%	3.6%	18.6%	20.4%	22.7%	24.0%	15.2%	15.6%	8.9%	9.4%	30.0%	27.0%
2013	5.2%	3.8%	18.3%	20.6%	22.5%	24.1%	15.4%	15.7%	9.0%	9.3%	29.6%	26.5%
2014	4.8%	3.7%	18.3%	20.6%	21.8%	23.9%	15.8%	16.1%	9.2%	9.4%	30.2%	26.3%
2015	5.4%	3.9%	18.9%	21.2%	22.0%	24.3%	15.9%	15.9%	8.4%	9.3%	29.5%	25.5%
2016	5.5%	4.1%	19.2%	21.8%	21.8%	24.3%	15.5%	15.7%	8.6%	9.1%	29.3%	25.0%
2017	5.4%	4.1%	20.0%	21.9%	21.4%	24.5%	15.5%	15.8%	9.3%	9.1%	28.4%	24.7%
2018	5.6%	4.1%	20.0%	21.8%	21.8%	24.4%	16.0%	15.8%	8.5%	9.2%	28.1%	24.8%
2019	6.7%	4.4%	21.3%	22.5%	21.9%	24.7%	15.8%	15.8%	8.2%	9.0%	26.2%	23.7%

Source: 2006-2019 American Community Survey

E.10 American Community Survey Data, NYC and U.S., 2006-2019 (cont.)

Median Contract Rent, Nominal and "Real" 2019 Dollars

	Nominal Contract Rent					"Real" Contract Rent (2019 Dollars)				
Year	NYC	U.S.	NYC Year-to Year Change	U.S. Year-to Year Change	% Diff. U.S. vs. NYC	NYC	U.S.	NYC Year-to Year Change	U.S. Year-to Year Change	% Diff. U.S. vs. NYC
2006	$860	$636	4.1%	3.6%	-26.0%	$1,084	$807	0.3%	0.3%	-25.6%
2007	$898	$661	4.4%	3.9%	-26.4%	$1,101	$815	1.5%	1.1%	-26.0%
2008	$939	$687	4.6%	3.9%	-26.8%	$1,108	$816	0.6%	0.1%	-26.4%
2009	$987	$702	5.1%	2.2%	-28.9%	$1,159	$837	4.6%	2.5%	-27.8%
2010	$1,022	$713	3.5%	1.6%	-30.2%	$1,180	$836	1.8%	-0.1%	-29.2%
2011	$1,063	$727	4.0%	2.0%	-31.6%	$1,194	$826	1.1%	-1.2%	-30.8%
2012	$1,094	$746	2.9%	2.6%	-31.8%	$1,205	$831	0.9%	0.5%	-31.1%
2013	$1,125	$766	2.8%	2.7%	-31.9%	$1,218	$841	1.1%	1.2%	-31.0%
2014	$1,160	$786	3.1%	2.6%	-32.2%	$1,240	$849	1.8%	1.0%	-31.5%
2015	$1,199	$812	3.4%	3.3%	-32.3%	$1,280	$876	3.2%	3.2%	-31.6%
2016	$1,235	$841	3.0%	3.6%	-31.9%	$1,304	$896	1.9%	2.3%	-31.3%
2017	$1,263	$868	2.3%	3.2%	-31.3%	$1,308	$905	0.3%	1.1%	-30.8%
2018	$1,337	$899	5.9%	3.6%	-32.8%	$1,359	$915	3.9%	1.1%	-32.7%
2019	$1,385	$941	3.6%	4.7%	-32.1%	$1,385	$941	1.9%	2.8%	-32.1%

Source: 2006-2019 American Community Survey

Median Gross Rent, Nominal and "Real" 2019 Dollars

	Nominal Gross Rent					"Real" Gross Rent (2019 Dollars)				
Year	NYC	U.S.	NYC Year-to Year Change	U.S. Year-to Year Change	% Diff. U.S. vs. NYC	NYC	U.S.	NYC Year-to Year Change	U.S. Year-to Year Change	% Diff. U.S. vs. NYC
2006	$945	$763	4.0%	4.8%	-19.3%	$1,191	$968	0.2%	1.5%	-18.8%
2007	$985	$789	4.2%	3.4%	-19.9%	$1,207	$973	1.4%	0.5%	-19.4%
2008	$1,044	$824	6.0%	4.4%	-21.1%	$1,232	$978	2.0%	0.6%	-20.6%
2009	$1,086	$842	4.0%	2.2%	-22.5%	$1,276	$1,003	3.6%	2.5%	-21.3%
2010	$1,129	$855	4.0%	1.5%	-24.3%	$1,304	$1,002	2.2%	-0.1%	-23.1%
2011	$1,168	$871	3.5%	1.9%	-25.4%	$1,312	$990	0.6%	-1.2%	-24.5%
2012	$1,196	$884	2.4%	1.5%	-26.1%	$1,317	$984	0.4%	-0.6%	-25.3%
2013	$1,228	$905	2.7%	2.4%	-26.3%	$1,330	$993	1.0%	0.9%	-25.3%
2014	$1,276	$934	3.9%	3.2%	-26.8%	$1,364	$1,009	2.6%	1.6%	-26.0%
2015	$1,317	$959	3.2%	2.7%	-27.2%	$1,406	$1,034	3.1%	2.6%	-26.4%
2016	$1,351	$981	2.6%	2.3%	-27.4%	$1,427	$1,045	1.5%	1.0%	-26.8%
2017	$1,379	$1,012	2.1%	3.2%	-26.6%	$1,429	$1,056	0.1%	1.0%	-26.1%
2018	$1,443	$1,058	4.6%	4.5%	-26.7%	$1,467	$1,077	2.7%	2.1%	-26.6%
2019	$1,483	$1,097	2.8%	3.7%	-26.0%	$1,483	$1,097	1.1%	1.8%	-26.0%

Source: 2006-2019 American Community Survey

E.11 2019 American Community Survey Data, Cities with 400,000 Persons or More

Population, Rental Vacancy Rate, Median Contract and Gross Rent, Median Gross Rent-to-Income Ratio, Median Renter Household Income, and Ratio of Highest Income Quintile to Lowest

	Population	Rental Vacancy Rate	Median Contract Rent	Median Gross Rent	Median Gross Rent-to-Income Ratio	Median Renter Household Income	Ratio of Highest Income Quintile to Lowest
New York City, NY	8,336,817	3.3%	$1,385	$1,483	30.1%	$54,759	28.7
Los Angeles, CA	3,979,537	4.6%	$1,436	$1,554	33.8%	$51,027	22.9
Chicago, IL	2,693,959	4.5%	$992	$1,134	28.5%	$42,327	25.1
Houston, TX	2,316,797	8.4%	$946	$1,095	30.7%	$41,231	21.8
Phoenix, AZ	1,680,988	3.7%	$943	$1,107	28.3%	$45,080	14.0
Philadelphia, PA	1,584,064	4.6%	$906	$1,079	32.5%	$36,417	24.9
San Antonio, TX	1,547,250	7.4%	$876	$1,029	30.3%	$39,780	14.6
San Diego, CA	1,423,852	5.0%	$1,707	$1,806	31.4%	$64,638	16.0
Dallas, TX	1,343,565	9.9%	$979	$1,128	28.6%	$46,240	21.9
San Jose, CA	1,021,786	3.6%	$2,131	$2,223	30.4%	$80,708	15.8
Austin, TX	979,263	5.2%	$1,189	$1,334	28.2%	$56,037	17.0
Fort Worth, TX	913,656	12.7%	$924	$1,110	30.4%	$43,374	13.2
Jacksonville, FL	911,528	8.2%	$936	$1,099	29.9%	$40,842	14.4
Columbus, OH	902,073	5.6%	$827	$984	26.8%	$43,191	13.0
Charlotte, NC	885,707	7.7%	$1,030	$1,174	28.8%	$47,933	16.6
San Francisco, CA	881,549	3.0%	$1,889	$1,959	22.3%	$105,320	25.3
Indianapolis, IN	870,340	5.8%	$731	$908	31.2%	$33,833	17.5
Seattle, WA	753,655	4.0%	$1,648	$1,744	27.4%	$73,959	18.6
Denver, CO	727,211	3.3%	$1,352	$1,433	28.6%	$56,399	17.0
Washington, DC	705,749	7.0%	$1,514	$1,603	27.1%	$63,744	26.3
Boston, MA	694,295	3.9%	$1,641	$1,735	29.5%	$56,291	33.1
El Paso, TX	681,729	12.2%	$724	$847	30.5%	$33,555	15.0
Detroit, MI	670,052	3.8%	$657	$866	33.1%	$27,246	22.7
Nashville, TN	668,580	9.7%	$1,040	$1,191	28.8%	$47,539	14.2
Oklahoma, OK	655,158	8.7%	$721	$874	28.2%	$36,973	16.3
Portland, OR	653,467	4.0%	$1,214	$1,312	28.9%	$51,946	16.6
Las Vegas, NV	651,297	6.4%	$995	$1,141	33.2%	$40,340	19.6
Memphis, TN	651,088	9.8%	$703	$923	33.0%	$30,866	21.3
Louisville, KY	617,630	6.9%	$728	$878	27.9%	$33,931	15.6
Baltimore, MD	593,490	7.6%	$923	$1,090	31.2%	$34,094	24.3
Milwaukee, WI	590,157	6.5%	$740	$865	29.8%	$32,320	15.3
Albuquerque, NM	560,504	7.6%	$819	$905	29.4%	$36,959	16.4
Tucson, AZ	548,082	6.1%	$722	$846	30.8%	$33,066	14.1
Fresno, CA	531,581	4.2%	$874	$1,058	34.4%	$33,344	16.7
Mesa, AZ	517,981	4.3%	$971	$1,128	30.1%	$45,245	11.4
Sacramento, CA	513,620	2.1%	$1,225	$1,370	31.6%	$47,783	14.4
Atlanta, GA	506,804	8.2%	$1,127	$1,257	30.3%	$42,911	37.4
Kansas, MO	495,278	5.5%	$767	$979	28.4%	$40,492	15.7
Colorado Springs, CO	478,215	3.2%	$1,093	$1,212	30.5%	$49,283	11.8
Omaha, NE	478,203	9.2%	$792	$940	28.0%	$40,697	14.4
Raleigh, NC	474,708	6.1%	$1,019	$1,163	28.8%	$44,776	13.9
Miami, FL	467,968	6.7%	$1,174	$1,298	35.6%	$36,731	24.1
Long Beach, CA	462,645	4.6%	$1,384	$1,460	33.6%	$51,632	15.7
Virginia Beach, VA	449,974	4.6%	$1,195	$1,363	27.6%	$60,827	9.7
Oakland, CA	433,044	4.2%	$1,499	$1,600	29.8%	$60,283	24.1
Minneapolis, MN	429,605	2.7%	$981	$1,068	27.6%	$44,444	17.7
Tulsa, OK	401,760	9.6%	$674	$827	29.4%	$32,708	20.7

Source: 2019 American Community Survey

E.12 Selected I&A Statistics by Quarter

	1st Quarter			2nd Quarter			3rd Quarter			4th Quarter		
	2019	2020	Change	2019	2020	Change	2019	2020	Change	2019	2020	Change
Unemployment Rates												
NYC	4.4%	3.9%	-0.5 pp	3.7%	18.1%	14.4 pp	3.9%	16.1%	12.3 pp	3.4%	11.7%	8.3 pp
Bronx	6.0%	5.4%	-0.6 pp	5.0%	22.1%	17.1 pp	5.4%	21.1%	15.7 pp	4.7%	15.9%	11.2 pp
Brooklyn	4.6%	4.0%	-0.5 pp	3.9%	18.3%	14.5 pp	4.0%	16.5%	12.4 pp	3.5%	11.9%	8.4 pp
Manhattan	3.9%	3.5%	-0.5 pp	3.3%	13.7%	10.4 pp	3.4%	12.6%	9.2 pp	3.0%	9.1%	6.1 pp
Queens	3.9%	3.5%	-0.4 pp	3.3%	19.5%	16.2 pp	3.4%	16.2%	12.8 pp	3.0%	11.5%	8.5 pp
Staten Island	4.3%	3.7%	-0.6 pp	3.6%	16.3%	12.7 pp	3.9%	13.5%	9.6 pp	3.2%	9.7%	6.5 pp
Employment (in 000s)												
Total Employment	4,584	4,648	1.4%	4,650	3,801	-18.3%	4,629	3,973	-14.2%	4,737	4,111	-13.2%
Manufacturing	68.7	64.8	-5.7%	68.8	43.4	-37.0%	67.7	51.3	-24.2%	67.4	52.5	-22.1%
Construction	157.2	156.9	-0.2%	162.0	109.0	-32.7%	163.5	143.3	-12.4%	162.3	142.6	-12.1%
Trade, Transport & Utilities	632.6	629.1	-0.6%	633.3	457.9	-27.7%	627.5	509.7	-18.8%	652.3	540.5	-17.1%
Leisure & Hospitality	453.6	447.4	-1.4%	473.8	177.5	-62.5%	471.4	221.8	-52.9%	473.6	240.5	-49.2%
Financial Activities	479.8	483.3	0.7%	482.9	463.5	-4.0%	490.8	467.6	-4.7%	487.0	464.9	-4.5%
Information	213.8	226.3	5.8%	220.3	197.9	-10.1%	223.5	197.6	-11.6%	224.7	205.3	-8.6%
Professional & Business Svcs.	756.1	770.5	1.9%	770.3	682.1	-11.4%	776.9	685.6	-11.8%	786.1	699.4	-11.0%
Educational & Health Svcs.	1,049.2	1,086.0	3.5%	1,054.4	954.2	-9.5%	1,028.8	958.2	-6.9%	1,089.1	1,018.8	-6.5%
Other Services	194.1	192.8	-0.7%	196.0	132.5	-32.4%	195.0	152.3	-21.9%	197.6	154.8	-21.6%
Government	579.3	591.4	2.1%	588.4	583.4	-0.9%	583.9	585.9	0.3%	596.8	591.3	-0.9%
GCP (Billions, in 2012$, annualized)	876.9	875.0	-0.2%	881.7	783.7	-11.1%	885.3	820.0	-7.4%	890.5	832.0	-6.6%
Homelessness	60,749	58,864	-3.1%	58,458	56,673	-3.1%	58,838	54,806	-6.9%	59,990	53,644	-10.6%
Cash Assistance Caseloads	342,942	325,871	-5.0%	333,463	357,790	7.3%	332,034	389,516	17.3%	330,464	381,453	15.4%
SNAP Caseloads (in 000s)	1,566	1,484	-5.2%	1,536	1,594	3.8%	1,512	1,684	11.4%	1,492	1,658	11.2%
Medicaid Enrollees (in 000s)	1,637	1,502	-8.2%	1,604	1,526	-4.9%	1,567	1,552	-1.0%	1,533	1,551	1.2%
Non-Payment Filings	43,846	32,107	-26.8%	39,070	8	-100.0%	19,203	6,849	-64.3%	43,093	24,367	-43.5%
Calendared Cases	23,669	17,368	-26.6%	20,076	84	-99.6%	11,967	508	-95.8%	24,144	11,854	-50.9%

Source: NYS Dept. of Labor; NYC Dept. of Homeless Services; NYC Human Resources Administration; Civil Court of NYC; and NYC Dept. of Investigation

NOTE: "pp" in reference to a change from quarter to quarter refers to percentage point change.

E.13 NYC QCEW Wages and Employment (2nd and 3rd Quarters of 2019 vs. 2020)

Industry	% Change Average "Real" Wages	% Change Average Nominal Wages	% Change Total "Real" Wages	% Change Total Nominal Wages	% Change Average Employment
Construction	2.5%	4.1%	-20.4%	-19.2%	-22.4%
Manufacturing	7.4%	9.0%	-24.6%	-23.5%	-29.8%
Transportation	0.4%	1.9%	-24.0%	-22.9%	-24.4%
Wholesale Trade	3.0%	4.6%	-16.4%	-15.1%	-18.8%
Retail Trade	8.8%	10.4%	-19.0%	-17.8%	-25.6%
Finance and Insurance	3.9%	5.4%	1.7%	3.2%	-2.1%
Real Estate	1.6%	3.1%	-7.8%	-6.5%	-9.3%
Admin and Waste Services	0.5%	2.0%	-27.9%	-26.9%	-28.3%
Educational Services	8.8%	10.4%	-1.8%	-2.3%	-9.7%
Health and Social Services	5.8%	7.4%	-2.3%	-40.9%	-7.7%
Arts, Entertainment & Rec	23.9%	25.8%	-40.9%	-40.0%	-52.3%
Accomm & Food Svcs.	-8.6%	-7.3%	-62.8%	-62.3%	-59.3%
Other Svcs.	18.9%	20.7%	-12.6%	-11.3%	-26.5%
Professional & Tech Svcs.	2.9%	4.4%	-1.4%	0.0%	-4.2%
Management of Companies	4.4%	5.9%	-13.8%	-12.6%	-17.5%
Information	12.7%	14.4%	5.3%	6.9%	-6.5%
Utilities	0.7%	2.2%	-4.7%	-3.3%	-5.4%
Unclassified/Agri/Mining*	19.8%	21.5%	15.0%	16.7%	-4.0%
Private Sector	12.0%	13.7%	-9.1%	-7.8%	-18.9%
Government	0.9%	2.4%	0.7%	2.2%	-0.2%
Total Industries	**10.2%**	**11.9%**	**-7.9%**	**-6.5%**	**-16.5%**

Source: New York State Department of Labor, Research and Statistics Division

Notes: 2020 data is preliminary. "Real" wages reflect average inflation from April 2020-September 2020 over the same period of 2019.

*The Unclassified; Agriculture, Forestry, Fishing Hunting; and Mining sectors have been combined into one category.

F.1 Permits Issued For Housing Units in New York City, 1963-2020

Year	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Total
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	4,003	4,503	4,024	2,838	901	**16,269**
2017	5,401	6,130	4,811	5,104	685	**22,131**
2018	3,698	8,445	3,584	4,577	606	**20,910**
2019	5,541	9,696	5,512	5,137	661	**26,547**
2020	**4,632**	**6,802**	**1,896**	**5,840**	**408**	**19,578**

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

F.2 Permits Issued by Building Size & Borough (In Percentages), 2012-2020

Year/Borough	1-Family	2-Family	3/4 Family	5 or More-Family	Total Buildings
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					
Bronx	2.9%	26.3%	9.5%	61.3%	137
Brooklyn	5.3%	7.0%	14.7%	73.0%	812
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*
2016					
Bronx	1.8%	25.2%	17.1%	55.9%	111
Brooklyn	30.6%	14.6%	14.0%	40.9%	487
Manhattan	6.3%	3.2%	3.2%	87.3%	63
Queens	39.8%	38.4%	10.3%	11.5%	477
Staten Island	52.2%	46.4%	0.0%	1.4%	414
Citywide	*36.1%*	*30.7%*	*8.9%*	*24.3%*	*1,552*
2017					
Bronx	6.4%	22.1%	13.6%	57.9%	140
Brooklyn	16.7%	17.1%	13.2%	53.0%	491
Manhattan	5.3%	6.6%	3.9%	84.2%	76
Queens	23.1%	43.5%	15.7%	17.8%	490
Staten Island	57.8%	41.6%	0.4%	0.2%	476
Citywide	*28.9%*	*31.7%*	*9.9%*	*29.5%*	*1,673*
2018					
Bronx	5.6%	21.0%	6.5%	66.9%	124
Brooklyn	11.0%	10.6%	17.7%	60.7%	453
Manhattan	0.0%	5.1%	0.0%	94.9%	59
Queens	30.4%	39.1%	10.7%	19.7%	391
Staten Island	57.5%	42.0%	0.0%	0.5%	419
Citywide	*28.8%*	*28.1%*	*9.0%*	*34.1%*	*1,446*
2019					
Bronx	1.6%	15.0%	11.8%	71.7%	127
Brooklyn	8.6%	8.3%	14.4%	68.7%	409
Manhattan	1.6%	1.6%	1.6%	95.2%	63
Queens	23.3%	38.2%	11.2%	27.3%	403
Staten Island	51.0%	47.2%	1.5%	0.3%	392
Citywide	*37.3%*	*34.2%*	*8.8%*	*19.8%*	*2,045*
2020					
Bronx	**4.1%**	**9.1%**	**9.1%**	**77.7%**	**121**
Brooklyn	**15.0%**	**12.9%**	**9.5%**	**62.6%**	**294**
Manhattan	**0.0%**	**2.6%**	**2.6%**	**94.7%**	**38**
Queens	**22.1%**	**38.6%**	**7.1%**	**32.1%**	**280**
Staten Island	**47.7%**	**47.7%**	**0.0%**	**4.5%**	**222**
Citywide	***22.7%***	***27.6%***	***6.3%***	***43.4%***	***955***

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

F.3 Permits Issued For Housing Units by Quarter, 2010-2021

Year	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Total
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
2016						
Q1	866	482	297	368	145	2,158
Q2	1,060	912	506	854	476	3,808
Q3	764	1,666	1,776	931	145	5,282
Q4	1,313	1,443	1,445	685	135	5,021
2017						
Q1	1,124	2,097	1,486	1,434	202	6,343
Q2	1,267	1,454	1,004	1,801	154	5,680
Q3	1,050	1,000	1,183	1,033	170	4,436
Q4	1,960	1,579	1,138	836	159	5,672
2018						
Q1	1,181	1,737	1,326	794	132	5,170
Q2	1,403	1,768	673	1,465	167	5,476
Q3	562	2,346	647	735	171	4,461
Q4	552	2,594	938	1,583	136	5,803
2019						
Q1	839	2,271	1,037	2,010	172	6,329
Q2	1,228	1,882	1,170	1,249	128	5,657
Q3	1,558	1,759	741	1,129	149	5,336
Q4	1,916	3,784	2,564	749	212	9,225
2020						
Q1	**773**	**1,721**	**664**	**2,439**	**51**	**5,648**
Q2	**365**	**1,673**	**425**	**1,157**	**63**	**3,683**
Q3	**1,491**	**1,406**	**507**	**1,600**	**105**	**5,109**
Q4	**2,003**	**2,002**	**300**	**644**	**189**	**5,138**
2021						
Q1	**1,502**	**1,271**	**1,268**	**747**	**114**	**4,902**

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

F.4 New Housing Units Completed in New York City, 1965-2020

Year	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Total
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	1,390	1,635	5,057	2,206	3,384	**13,672**
2001	1,581	2,465	5,859	1,599	2,809	**14,313**
2002	1,554	2,384	6,866	2,388	1,894	**15,086**
2003	1,450	4,783	4,718	3,000	3,482	**17,433**
2004	3,156	4,601	6,279	2,836	2,319	**19,191**
2005	2,945	4,957	5,281	4,702	1,930	**19,815**
2006	4,236	6,162	7,105	5,858	1,866	**25,227**
2007	4,469	7,083	7,584	5,883	1,435	**26,454**
2008	4,144	7,242	6,047	5,468	1,014	**23,915**
2009	2,905	7,525	6,901	4,674	874	**22,879**
2010	4,192	7,256	6,956	3,677	796	**22,877**
2011	3,346	4,765	5,730	2,782	611	**17,234**
2012	1,882	3,558	1,078	2,573	598	**9,689**
2013	1,483	4,562	3,641	4,152	605	**14,443**
2014	1,780	4,399	3,430	3,080	524	**13,213**
2015	2,574	5,621	3,701	3,154	544	**15,594**
2016	2,457	8,945	7,338	3,457	1,250	**23,447**
2017	2,737	11,256	5,494	5,300	687	**25,474**
2018	4,757	9,428	7,261	6,326	861	**28,633**
2019	4,316	10,263	4,884	4,639	654	**24,756**
2020	**4,433**	**8,757**	**3,802**	**2,689**	**504**	**20,185**

Source: NYC Department of City Planning; Data from 2010 forward from DCP Housing Database Project-Level Files

Note: Housing unit count is based on the number of Certificates of Occupancy issued by NYC Department of Buildings (DOB), or equivalent action by the Empire State Development Corporation or NYS Dormitory Authority. Prior years' data may be adjusted and may not match prior reports.

Updated data from 2010-2019 was derived from DCP Housing Database Project-Level Files, as updated in February of 2021. Data is updated periodically and may not match that presented in earlier reports.

F.5 Number of Residential Co-op and Condo Plans Accepted for Filing By the NYS Attorney General's Office, 2015-2020

	2015	2016	2017	2018	2019	2020
	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)
Private Plans						
New Construction	212 (6,118)	206 (4,726)	224 (4,731)	233 (7,155)	227 (5,358)	186 (3,511)
Rehabilitation	43 (460)	45 (301)	33 (507)	42 (792)	43 (480)	37 (180)
Conversion (Non-Eviction)	28 (2,261)	27 (1,311)	18 (717)	11 (545)	11 (745)	12 (760)
Conversion (Eviction)	0	0	0	0	0	0
Private Total	**283 (8,839)**	**278 (6,338)**	**275 (5,955)**	**286 (8,492)**	**281 (6,583)**	**235 (4,451)**
	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)
HPD Sponsored Plans						
New Construction	0	0	0	0	0	0
Rehabilitation	0	0	0	1 (12)	0	0
Conversion (Non-Eviction)	1 (70)	0	0	0	0	0
Conversion (Eviction)	0	0	0	0	0	0
HPD Total	**1 (70)**	**0**	**0**	**1 (12)**	**0**	**0**
Grand Total	**284 (8,909)**	**278 (6,338)**	**275 (5,955)**	**287 (8,504)**	**281 (6,583)**	**235 (4,451)**

Source: NYS Attorney General's Office, Real Estate Financing Bureau

Note: Figures exclude "Homeowner," "Other," and "No Action" plans/units. Data from 2014-2018 was updated in 2020 to reflect only residential housing units. Prior data relied on "total units," which includes residential, commercial and storage units, as well as parking spaces (in addition to other categories with very few units).

F.6 Number of Units in Co-op and Condo Plans Accepted for Filing By the NYS Attorney General's Office, 1993-2020

Year	New Construction	Conversion Eviction	Conversion Non-Eviction	Rehabilitation	Total New Construction Conversion & Rehab	Units in HPD Sponsored Plans
1993	775	41	134	--	950	455
1994	393	283	176	807	1,659	901
1995	614	426	201	1,258	2,499	935
1996	83	16	196	284	579	0
1997	1,417	38	131	852	2,438	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*	14,159	45	4,832	56	19,092	87
2008*	10,520	188	2,286	90	13,084	188
2009*	5,327	50	618	208	6,203	205
2010*	3,493	161	746	0	4,400	218
2011*	2,765	106	208	14	3,093	0
2012*	1,943	19	1,164	75	3,201	19
2013*	2,849	0	693	406	3,948	95
2014*	4,277	0	3,821	385	8,483	0
2015*	6,118	0	2,331	460	8,909	70
2016*	4,726	0	1,311	301	6,338	0
2017*	4,731	0	717	507	5,955	0
2018*	7,155	0	545	804	8,504	12
2019*	5,358	0	745	480	6,583	0
2020*	**3,511**	**0**	**760**	**180**	**4,451**	**0**

Source: NYS Attorney General's Office, Real Estate Financing Bureau

*2007-2020 data is based on residential units. Prior years data relies on "total units," which includes residential, commercial and storage units, as well as parking spaces (in addition to other categories with very few units). On average, over this 13-year period, the number of residential units is 23.1% lower than total units.

Note: Rehabilitated units were tabulated separately from 1994 on. NYC Dept. of Housing Preservation and Development (HPD) Plans are a subset of all plans.

F.7 Tax Incentive Programs, 2018-2020

Buildings Newly Receiving Certificates for 421-a Exemptions, 2018-2020

	2018			2019			2020		
	Certificates	Buildings	Units	Certificates	Buildings	Units	Certificates	Buildings	Units
Bronx	139	204	1,874	147	179	1,504	120	138	3,437
Brooklyn	458	594	11,841	365	453	10,178	130	136	3,722
Manhattan	63	64	8,884	35	36	4,214	20	21	944
Queens	373	516	5,114	239	308	6,858	47	51	2,136
Staten Island	4	33	579	0	0	0	3	5	73
TOTAL	**1,037**	**1,411**	**28,292**	**786**	**976**	**22,754**	**320**	**351**	**10,312**

Buildings Newly Receiving J-51 Tax Abatements and Exemptions, 2018-2020

	2018			2019			2020		
	Buildings	Units	Certified Cost ($1,000s)	Buildings	Units	Certified Cost ($1,000s)	Buildings	Units	Certified Cost ($1,000s)
Bronx	134	7,915	$16,993	79	4,555	$10,250	12	532	$2,035
Brooklyn	154	7,116	$21,274	91	3,292	$10,236	23	589	$3,195
Manhattan	50	1,578	$11,351	6	409	$1,166	4	138	$439
Queens	190	13,028	$8,705	593	5,231	$8,083	96	681	$275
Staten Island	1	178	$1,039	0	0	$0	0	0	$0
TOTAL	**529**	**29,815**	**$59,362**	**769**	**13,487**	**$29,735**	**135**	**1,940**	**$5,945**

Source: NYC Department of Housing Preservation and Development, Office of Development, Tax Incentive Programs

F.8 Tax Incentive Programs – Units Receiving Initial Benefits, 1981-2020

Year	421-a	J-51	Year	421-a	J-51
1981	3,505	--	2001	4,870	81,321
1982	3,620	--	2002	4,953	70,145
1983	2,088	--	2003	3,782	74,005
1984	5,820	--	2004	6,738	117,503
1985	5,478	--	2005	5,062	66,370
1986	8,569	--	2006	3,875	66,010
1987	8,286	--	2007	4,212	55,681
1988	10,079	109,367	2008	4,521	64,478
1989	5,342	64,392	2009	4,613	37,867
1990	980	113,009	2010	5,895	50,263
1991	3,323	115,031	2011	11,007	54,775
1992	2,650	143,593	2012	10,856	45,886
1993	914	122,000	2013	7,890	55,659
1994	627	60,874	2014	6,945	40,787
1995	2,284	77,072	2015	5,468	44,259
1996	1,085	70,431	2016	4,493	34,311
1997	2,099	145,316	2017	20,804	22,877
1998	2,118	103,527	2018	28,292	29,815
1999	6,123	82,121	2019	22,754	13,487
2000	2,828	83,925	**2020**	**10,312**	**1,940**

Source: NYC Department of Housing Preservation and Development, Office of Development, Tax Incentive Programs

F.9 Building Demolitions in New York City, 1985-2020

	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
2016	-	139	-	642	-	178	-	655	-	235	-	1,849
2017	-	136	-	573	-	114	-	579	-	320	-	1,722
2018	-	190	-	661	-	146	-	624	-	267	-	1,888
2019	-	245	-	741	-	246	-	663	-	214	-	2,109
2020	**-**	**231**	**-**	**450**	**-**	**130**	**-**	**406**	**-**	**188**	**-**	**1,405**

Source: U.S. Bureau of the Census, Manufacturing and Construction Division, Building Permits Branch; New York City Department of Buildings

Note: The Census Bureau discontinued collecting demolition statistics in December, 1995. The New York City Department of Buildings (DOB) began supplying the total number of buildings demolished from 1996 forward, but does not specify whether buildings are residential or whether they have 5+ units. Demolition statistics from 1985 though 1995 are solely for residential buildings. Data from 1996 through 2018 was received directly from DOB, while data from 2019 forward was derived from published DOB data on the NYC Open Data portal, per criteria set by the DOB FOIL office.

G.1 Additions to the Stabilized Housing Stock, 1994-2020

			Mitchell-Lama Buyouts					Article	Formerly	
Year	421-a	J-51	State	City	Lofts	421-g	420-c	11/14/15	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
2016	4,921	59	0	716	5	0	0	828	377	6,906
2017	9,376	208	143	90	10	0	0	1,283	142	11,252
2018	9,452	309	0	0	43	0	0	1,900	141	11,845
2019	5,723	196	0	353	22	0	0	2,164	361	8,819
2020	4,030	67	0	0	36	0	0	0	146	4,279
Total	**98,248**	**4,245**	**4,957**	**6,789**	**918**	**2,484**	**5,500**	**6,175**	**39,340**	**168,656**

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 Real Property Asset Database (RPAD) 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 HCR, 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.

Article 11, 14 and 15 Notes: Data prior to 2016 not available.

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. No additional units will be added since the program required that 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 Homes and Community Renewal (HCR), Office of Rent Administration, annual registration data, and Office of Housing Operations; and NYC Loft Board

G.2 Additions to the Stabilized Housing Stock by Borough, 2020

	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Total
421-a	1,174	2,174	213	469	0	4,030
J-51	0	67	0	0	0	67
Mitchell-Lama Buyouts (City & State)	0	0	0	0	0	0
Lofts	0	17	19	0	0	36
Article 11, 14 & 15	0	0	0	0	0	0
Formerly Controlled	22	39	57	28	0	146
Total Additions	**1,196**	**2,297**	**289**	**497**	**0**	**4,279**

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

G.3 Median and Average Rent of Initially Registered Rent Stabilized Apartments by Borough, 2015-2020

	2015	2016	2017	2018	2019	2020
Median Rent						
Bronx	$1,434	$1,480	$1,533	$1,579	$1,557	$2,147
Brooklyn	$2,500	$3,285	$2,595	$2,975	$2,550	$2,200
Manhattan	$4,378	$2,878	$4,868	$4,300	$6,432	$2,468
Queens	$2,395	$3,005	$3,000	$3,617	$2,400	$2,100
Staten Island	-	$2,160	$1,561	-	-	-
NYC	**$2,167**	**$2,750**	**$2,685**	**$3,000**	**$4,798**	**$2,200**
Average Rent						
Bronx	$1,452	$1,544	$1,592	$1,574	$1,603	$2,122
Brooklyn	$2,690	$3,419	$3,214	$3,309	$3,034	$2,307
Manhattan	$4,878	$3,503	$5,821	$4,550	$5,848	$4,745
Queens	$2,490	$3,159	$3,304	$3,999	$2,675	$2,194
Staten Island	-	$2,162	$1,553	-	-	-
NYC	**$2,766**	**$2,971**	**$3,606**	**$3,490**	**$4,463**	**$2,916**

Note: Rent figures not available for Staten Island in some years due to too few or no initially registered apartments.

Source: NYS Homes and Community Renewal (HCR), Office of Rent Administration, annual registration data

G.4 Subtractions from the Stabilized Housing Stock Due to High-Rent High-Income Deregulation by Borough, 1994-2020

Year	Bronx	Brooklyn	Manhattan	Queens	Staten Island	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
2016	1	30	92	23	0	146
2017	6	32	49	20	0	107
2018	7	29	54	19	0	109
2019	3	63	78	16	0	160
2020	0	14	29	4	0	47
Total	**119**	**610**	**5,642**	**291**	**0**	**6,662**

Note: Figures reflect 12 months' worth of data from April 1 to March 31 of the following year, as shown above.

Source: NYS Homes and Community Renewal (HCR), Office of Rent Administration, annual registration data

G.5 Subtractions from the Stabilized Housing Stock Due to High-Rent Vacancy Deregulation by Borough, 1994-2020

Year	Bronx	Brooklyn	Manhattan	Queens	Staten Island	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
2016	179	1,132	2,522	824	33	4,690
2017	186	870	1,738	695	28	3,517
2018	175	1,197	2,276	941	39	4,628
2019	310	1,638	4,773	1,111	46	7,878
2020	96	583	1,018	509	10	2,216
Total	**5,506**	**25,531**	**116,953**	**21,561**	**835**	**170,386**

Note: Figures reflect 12 months' worth of data from April 1 to March 31 of the following year, as shown above. Prior to 2014, registration of deregulated units with HCR was voluntary. These totals therefore 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 107 for more information.

Source: NYS Homes and Community Renewal (HCR), Office of Rent Administration, annual registration data

G.6 Subtractions from the Stabilized Housing Stock, 1994-2020

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
2016	146	4,690	665	749	460	216	160	438	7,524
2017	107	3,517	672	1,363	363	211	24	400	6,657
2018	109	4,628	791	1,016	375	209	7	333	7,468
2019	160	7,878	600	892	423	260	12	1,038	11,263
2020	47	2,216	481	1,885	355	175	2	1,471	6,632
Total	**6,662**	**170,386**	**51,512**	**28,918**	**17,369**	**10,122**	**2,493**	**28,859**	**316,321**

Note: Figures reflect 12 months' worth of data from April 1 to March 31 of the following year, as shown above.

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 HCR was voluntary. These totals therefore 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 107 for more information.

Source: NYS Homes and Community Renewal (HCR), Office of Rent Administration, annual registration data

G.7 Subtractions from the Stabilized Housing Stock by Borough, 2020

	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Total
High Rent/High Income Deregulation	0	14	29	4	0	47
High Rent/Vacancy Deregulation	96	583	1,018	509	10	2,216
Co-op/Condo Conversion	50	131	173	127	0	481
421-a Expirations	9	240	1,537	84	15	1,885
J-51 Expirations	4	71	265	15	0	355
Substantial Rehabilitation	30	84	22	39	0	175
Commercial/Professional Conversion	0	0	2	0	0	2
Other	24	398	952	96	1	1,471
Total Subtractions	**213**	**1,521**	**3,998**	**874**	**26**	**6,632**

Note: Figures reflect 12 months' worth of data from April 1 to March 31 of the year shown above.

Source: NYS Homes and Community Renewal (HCR), Office of Rent Administration, annual registration data

Glossary & Index

Glossary of Rent Regulation

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.

Affordable New York Housing Program: See "421-a Tax Incentive Program"

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."

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. See also Division of Housing and Community Renewal.

Deregulation: Also known as "Decontrol" or "Destabilization." Prior to 2019, deregulation occurred by action of the owner when an apartment under either rent control or rent stabilization legally met the criteria for leaving regulation. When an apartment was deregulated, the rent was able to 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. With the passage of the Rent Laws of 2019, deregulation was repealed. Refer to the NYS Division of Housing and Community Renewal for the thresholds that applied prior to 2019.

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 Rent (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.

421-a Tax Incentive Program (a.k.a. Affordable New York Housing Program): Created in 1970 and amended periodically by the NYS Legislature. 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.

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 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. 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. Although in the past the RGB customarily set separate increases for vacancy leases, this responsibility shifted to the State for the period between the passage of the Rent Regulation Reform Act of 1997, which established statutory vacancy increases, and the passage of the Rent Laws of 2019, which repealed these allowances. Commencing with the Rent Laws of 2019, these guidelines apply to all leases and increase periods. Therefore, consistent with guidance from New York State Homes and Community Renewal (HCR), the Board may authorize the guidelines to apply to vacant apartment and loft units that become occupied during the term of the Order, as well as to renewal leases or periods. No more than one guideline adjustment may be added during any guideline year.

High-Rent/High-Income Deregulation ("Luxury Decontrol"): Starting with the Rent Regulation Reform Act of 1993, 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 exceeded a certain threshold AND the rent of the apartment exceeded a certain threshold. These guidelines were modified periodically with the passage of various Rent Laws/Acts through 2015. In 2019, with the passage of the Rent Laws of 2019, deregulation was repealed indefinitely. Refer to the NYS Division of Housing and Community Renewal for the thresholds that applied prior to 2019.

High-Rent/Vacancy Deregulation ("Vacancy Decontrol"): Starting with the Rent Regulation Reform Act of 1993, a process by which a rent regulated unit became deregulated upon the vacancy of the prior tenant, when the rent of the apartment exceeded a certain threshold. These guidelines were modified periodically with the passage of various Rent Laws/Acts through 2015. In 2019, with the passage of the Rent Laws of 2019, deregulation was repealed indefinitely. Refer to the NYS Division of Housing and Community Renewal for the thresholds that applied prior to 2019.

Homes and Community Renewal (HCR): See "Division of Housing and Community Renewal."

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 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, HCR and other housing officials to formulate policy.

Housing Stability and Tenant Protection Act of 2019 (HSTPA): See "Rent Laws of 2019."

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): 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 a portion of the cost of qualifying improvements to the legal rent of those units. Owners must get the tenant's written consent to pay the increase and an order from HCR 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. Prior to the passage of the Rent Laws of 2019, the increase remained permanently in the monthly rent, even after the cost of the improvement was recouped. Going forward, the new law caps the amount of reimbursable IAI spending at $15,000 over a 15 year period, for up to three separate IAIs; removes IAI increases and RGB increases based on the IAI after 30 years, instead of allowing them to remain permanent; lowers increases by lengthening the IAI formula's amortization period; and strengthens enforcement by requiring HCR to randomly audit and inspect at least 10 percent of IAIs annually.

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 HCR, which has not been challenged pursuant to regulation, or if challenged, has been determined by HCR.

***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 HCR.

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 HCR'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 2019 to the same data in 2018.

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 HCR. Prior to the passage of the Rent Laws of 2019, the increase remained permanently in the monthly rent, even after the cost of the improvement was recouped. Going forward, the new law caps the annual MCI rent increase at two percent statewide, down from the current six percent in New York City and 15 percent in other counties currently covered by ETPA; caps any MCI rent increases approved within the last seven years at the lower percentage beginning in September 2019; removes MCI increases and RGB increases based on an MCI after 30 years, instead of allowing them to remain in effect permanently; tightens the rules governing the spending that qualifies for an MCI increase; strengthens enforcement by requiring that 25 percent of MCIs be inspected and audited by DHCR annually.; and lowers rent increases by lengthening the MCI formula's amortization period.

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 or the average of the previous five-year Rent Guidelines Board (RGB) increases for each year of the two-year MBR cycles unless there are Major Capital Improvements or individual apartment rent increases. For example, if a tenant's rent (MCR) on 1/1/2019 was $1,000 and the MBR was $1,200, then on 1/1/2020 (effective date of MBR) the rent (MCR) would rise by not more than 7.5%, to $1,075, or the last five years of RGB increases, whichever is less. And the MBR ceiling would rise by the Standard Adjustment Factor (SAF). On 1/1/2021 the MBR would remain the same (since MBRs cover a two-year period), but the MCR would rise by another 7.5%, or the average of the last five years of RGB increases, whichever is lowest.

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 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."

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.

Order: See "Rent Guidelines Order."

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. Starting with the Rent Law of 2003, and continuing through the passage of the Rent Laws of 2019, owners were not required to base renewal lease increases on the preferential rent. Going forward, the new law requires renewal leases to be based on the previously charged preferential rent, if there is one, as was the law prior to 2003.

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 HCR 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 adjust 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 becomes rent 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 Order: Rent guideline orders are issued by the rent guidelines boards annually, usually before July 1. For the most part, they establish the percentage change that may be given to rent stabilized/ETPA apartments upon lease renewal. These adjustments are based on the review of operating expenses and other cost of living data.

Rent Laws of 2019: The law passed by the New York State Legislature on June 14, 2019 which promulgated many new provisions for rent regulated units. Among these changes, deregulation of rent stabilized units is no longer permitted, as are vacancy allowances for vacant units. In addition, preferential rents are considered the base rent of the apartment until the unit is vacated; the formulas for IAIs, MCIs and rent controlled rent increases are reformed; and HCR will look back six years when processing overcharge complaints. The law does not have a sunset date. This law is also referred to as the Housing Stability and Tenant Protection Act of 2019.

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 "High-Rent/ High Income Deregulation", "Vacancy Allowance", and "High-Rent/Vacancy Deregulation". 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 HCR 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 HCR to amend the Rent Stabilization Code for New York City. The current Rent Stabilization Code became effective on May 1, 1987, with the latest revision in 2014.

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 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, 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.

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 NYS 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.

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 Laws/Acts, prior to the Rent Laws of 2019) allowing owners of rent stabilized units to raise by a certain percentage the legal rent of a vacant unit. For an incoming tenant who opted for a two-year lease, the vacancy allowance was 20%. For an incoming tent who opted for a one-year lease, the vacancy allowance was 20% minus the percentage difference between the RGB's current guidelines for a two-year and a one-year lease. Other factors affected these percentages as well (see also the "Vacancy Bonus" and the "Special Low Rent Increase" definitions in prior editions of this book). Changes to the formula for those apartments previously paying a preferential rent were also enacted in the Rent Act of 2015. For the 2018-2019 guideline period, the one-year vacancy guideline was 19% and the two-year guideline was 20%. With the passage of the Rent Act of 2011, as of June 24, 2011, landlords were permitted only one vacancy allowance per calendar year, regardless of the number of vacancies. With the passage of the Rent Laws of 2019, vacancy allowances are now repealed in their entirety.

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. With the passage of the Rent Laws of 2019, vacancy allowances are no longer part of the calculation of the rent charged with a vacancy lease.

Index