2024 Mortgage Survey Report

New York City Rent Guidelines Board

April 18, 2024

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New York City Rent Guidelines Board

2024 Mortgage Survey Report

What's New

- ☑ Average interest rates for new multifamily mortgages increased 98 basis points, to 7.00% this year.
- ☑ Average points for new loans rose from 0.29 points last year to 0.37 points this year.
- ☑ Average maximum loan-to-value ratios decreased from 72.5% last year to 71.8% this year.
- ☑ Vacancy and collection losses decreased from 3.40% last year to 3.31% this year.
- ☑ A total of 583 buildings containing rent stabilized units were sold Citywide in 2023, a 34% decrease from the prior year.
- ☑ The average per-unit sales price Citywide in 2023 was $343,217, an inflation-adjusted decrease of 24.3% 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. The survey provides details about New York City's multifamily lending market during the 2023 calendar year as well as the first few months of 2024.

The survey, which reports data solely for buildings containing rent stabilized units, is organized into three sections: financing availability and terms; 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

This year's Mortgage Survey of buildings containing stabilized units found that interest rates rose appreciably, and points rose as well. In addition, maximum loan-to-value ratios declined, but vacancy and collection losses among the surveyed lenders fell. Furthermore, our analysis of sales of buildings containing rent stabilized units found that sales volume decreased, as did the average sales price per unit, between 2022 and 2023.

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

Survey Respondents

Eight financial institutions completed our survey this year, two fewer than last year.[1] This year's respondents include 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 to the FDIC, including their multifamily real estate loan portfolios, which vary considerably among the respondents. Five surveyed lenders report their multifamily real estate loan portfolios to the FDIC, with values ranging between $367 million

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 (DSCR) - 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

Points - up-front service fees 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 and $37.4 billion.[2] Of those, three of this year's respondents reported multifamily holdings of over $4 billion, while two institutions held less than $600 million. The multifamily real estate loan portfolio of our survey respondents averaged $9.7 billion in 2023, an 18% increase from the prior year.

Mortgage Survey Analysis

Financing Availability and Terms

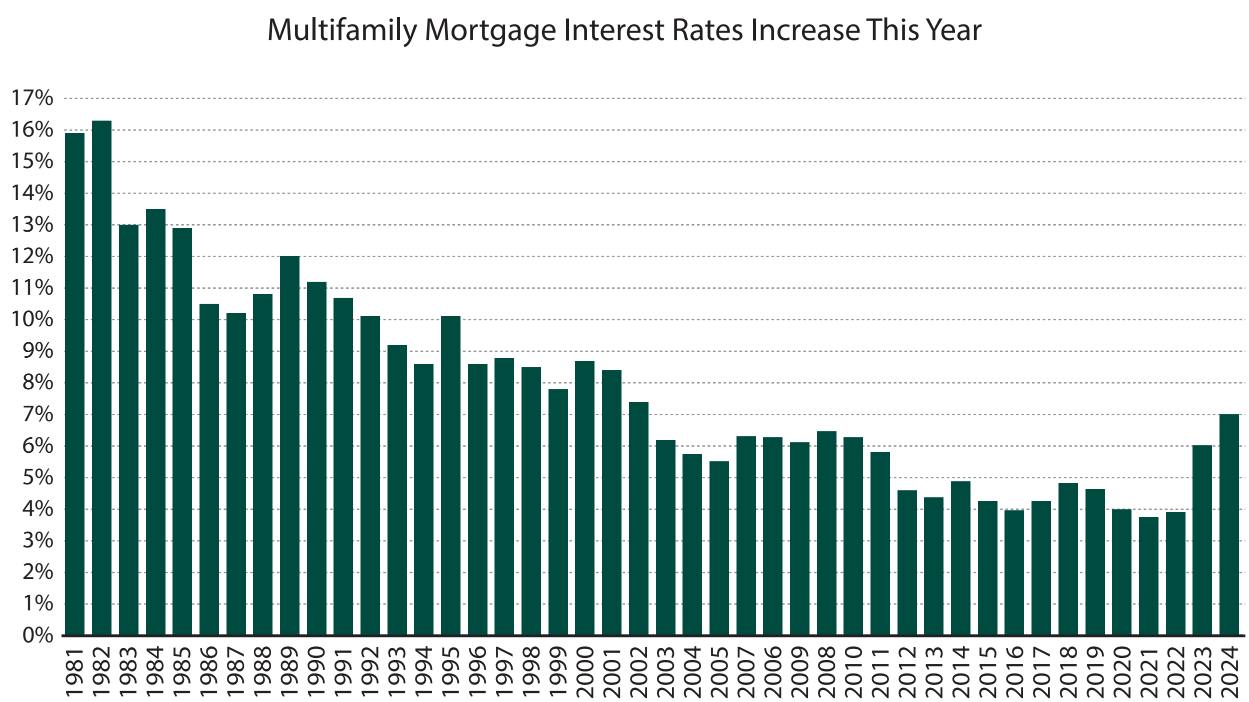
As of March 2024, the average interest rate for new multifamily mortgages was 7.00%, 98 basis points (or 16%) higher than a year earlier, the third consecutive yearly increase, and the highest interest rate since 2002 (see graph on this page and Appendices 1 and 5). The moving five-year average interest rate was 4.94%, up from 4.47% last year. In addition, the average interest rate reported by lenders for the full 2023 calendar year was 6.79%, a 199 basis points (or 41%) increase from 2022.

Average interest rates as of March 2024 increased from a year earlier among the institutions surveyed, corresponding with the Federal Reserve (The Fed) raising interest rates on two occasions since the release of last year's *Mortgage Survey Report*. The Discount Rate — the interest rate at which depository institutions borrow from a Federal Reserve Bank — rose 50 basis points over the past twelve months.

Similarly, the Federal Funds Rate — the interest rate at which depository institutions lend balances at the Federal Reserve to other depository institutions — also rose 50 basis points over the same period.[3] Fed rates are at their highest level in 22 years.[4] Currently, the Fed is waiting on more evidence that inflation has moderated before cutting interest rates.[5]

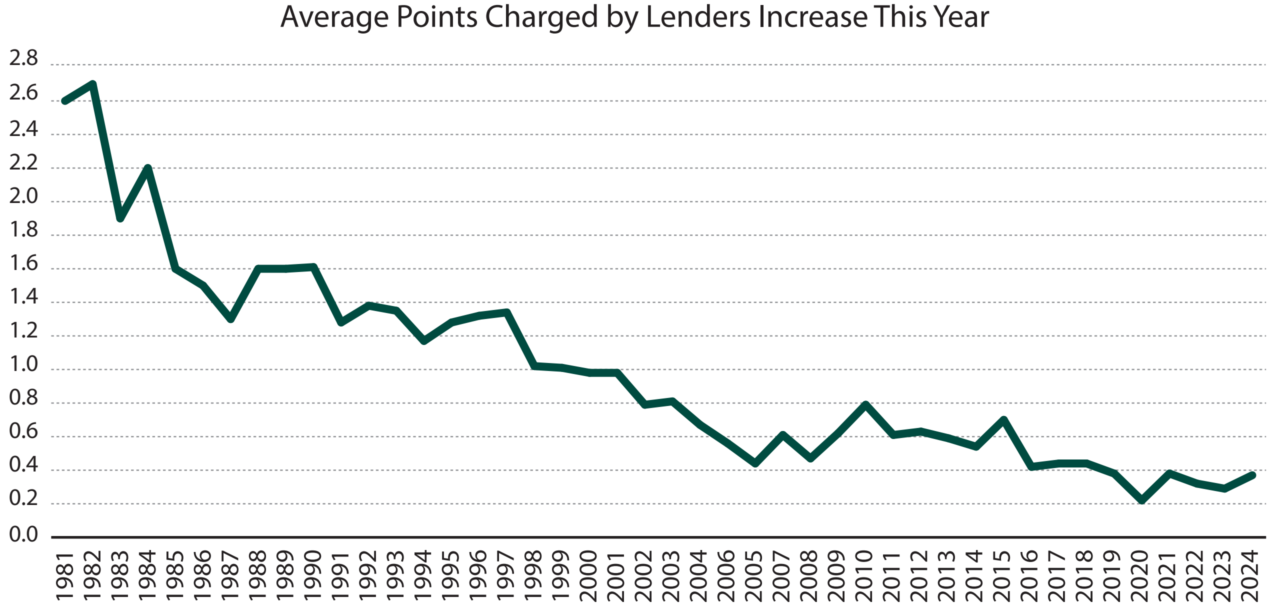
Some lenders charge a separate up-front fee, called points, as a direct cost to borrowers. The average service fee charged on new loans by lenders rose to 0.37 points, up from last year's 0.29 points. Among survey respondents, points ranged between zero and 1.1, with three surveyed lenders charging no points on new loans. Average points reported in the survey have remained around or below one point for over 25 years. (See graph on next page).

Average Interest Rates for New Loans, 1981-2024



Source: NYC Rent Guidelines Board, annual Mortgage Surveys

Points for New Loans, 1981-2024



Source: NYC Rent Guidelines Board, annual Mortgage Surveys

Surveyed lenders overall have become less 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. Most lenders offer mortgages that range from 5- to 10-years.

Lenders this year were asked what proportion of their loans require balloon payments at the end of a term. Five lenders reported balloon payments are required for at least 94% of their loans in their portfolios.

The average volume of new mortgage originations in our survey of buildings with stabilized units fell from the prior year, from 72 last year to 31 this year. The average number of refinanced loans decreased from 34 last year to 20 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. Lenders this year generally reported tighter lending standards compared to past years.

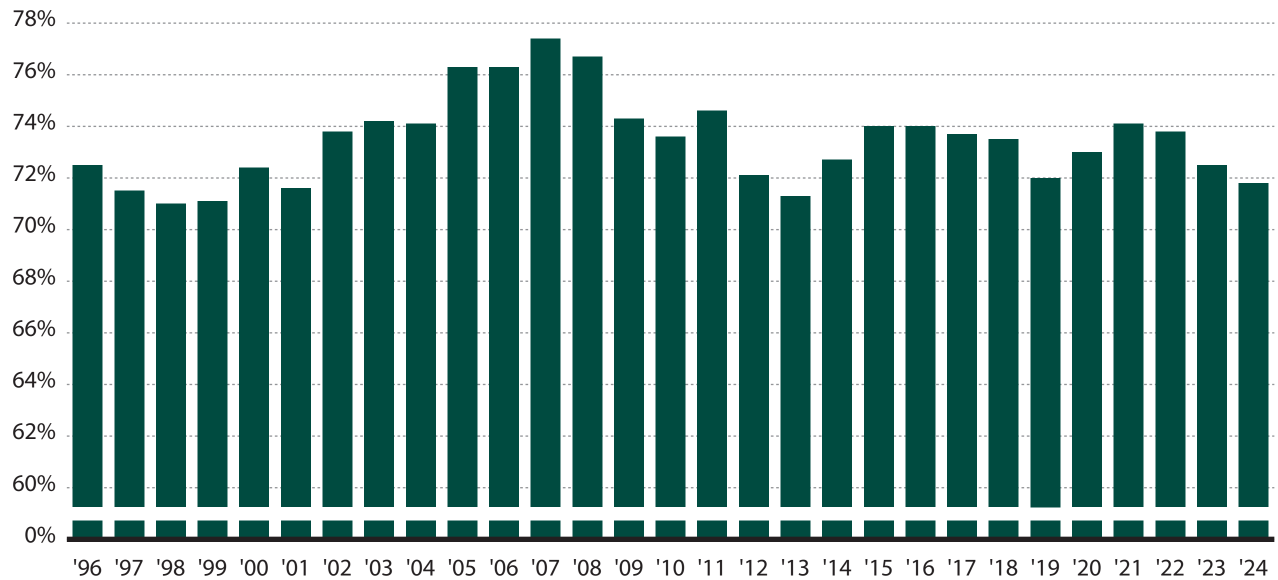
Among surveyed institutions, the typical maximum Loan-to-Value (LTV) ratio — the maximum amount respondents were willing to lend based on a building's value — ranged from 60% to 85%. This year's average, 71.8%, decreased 0.7 percentage points from last year's 72.5% (see graph on next page).

Another important lending criterion is the debt service coverage ratio (DSCR), which is Net Operating Income (NOI) divided by the debt service, reflecting an owner's ability to cover mortgage payments using its NOI. The higher the DSCR, the less money a lender is willing to loan given constant net income. The average minimum DSCR of 1.26 was little changed from last year's average of 1.25. (See Appendix 2). Overall, DSCR at all institutions ranged between 1.15 and 1.50. Two of the eight surveyed lenders reported that they adjusted their underwriting standards over the past year.

Lenders also noted additional standards they use when evaluating loan applications. The most cited standard is good building maintenance,

Average Loan-to-Value Standards, 1996-2024

Maximum Loan-to-Value Ratios Decrease This Year



Source: NYC Rent Guidelines Board, annual Mortgage Surveys

with five lenders indicating that it is an important consideration when reviewing a loan application. Two 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; LTV ratios; and DSCR for properties containing rent stabilized units were higher, lower, or the same as for other properties. This year, all but one lender (86%) reported that their standards for stabilized lending were no different than their other residential properties, compared to 80% of lenders last year.

Non-Performing Loans & Foreclosures

The number of lenders reporting that they had non-performing loans among their portfolio of buildings with stabilized units rose from four lenders last year to six this year. Lenders on average reported that about 1.2% of their portfolios were non-performing, up from 0.5% last year. In addition, three lenders reported foreclosures this year, compared to none last year. Of those lenders reporting foreclosures, they represent 0.2% of their portfolios.

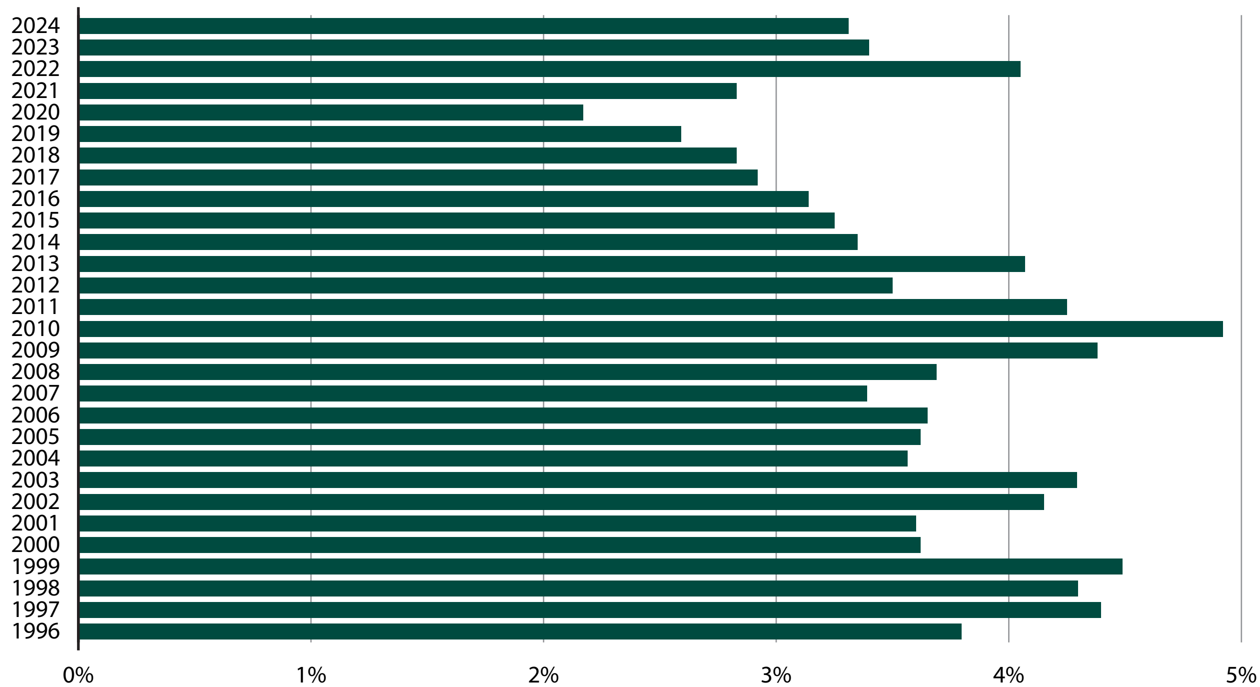
Building Characteristics

The average size of buildings varied widely among lenders. Three lenders report a typical building in their portfolios contain 100+ units; two lenders report 50-99 units; one lender reports building with fewer than 11 units; one lender reports 11-19 units; and a final lender reports a typical building in their portfolio has 20-49 units.

Average vacancy and collection (V&C) losses declined slightly this year, falling from 3.40% last year to 3.31% this year. Note that change in V&C losses was impacted by one lender who reported comparatively large losses in last year's survey but did not complete this year's survey. (See graph on the next page.) Most lenders reported comparatively small levels of rent collection issues

Average Vacancy and Collection Losses, 1996-2024

Vacancy and Collection Losses Decrease This Year



Source: NYC Rent Guidelines Board, annual Mortgage Surveys

among their borrowers, with lenders reporting collection issues of no more than 2% of their portfolios.

The survey asks lenders whether they retain their mortgages or sell them in the secondary market. Five lenders reported retaining all their mortgages, two lenders sell all their mortgages, and one sells some of them.

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. All 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 33% of their portfolios have commercial space, up from 27% last year.[6]

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.

Selected 2024 Mortgage Survey Data Compared to 2023 Mortgage Survey Data							
Average Interest Rates, Loan Volume, Points, Loan-to-Value Ratios, Debt Service Coverage Ratios, and Vacancy & Collection Losses							
(Averages)	NF Interest Rate	NF Loan Volume Avg	NF Points	RF Loan Volume Avg	Max LTV Ratio	DSCR	V&C Losses
2024 Mortgage Survey Data	7.00%	31	0.37	20	71.8%	1.26	3.31%
2023 Mortgage Survey Data	6.02%	72	0.29	34	72.5%	1.25	3.40%

NF= New Financing RF= Refinancing LTV=Loan-to-Value DSCR=Debt Service Coverage Ratio V&C=Vacancy and Collection

Source: NYC Rent Guidelines Board, Annual Mortgage Surveys

Financing Availability and Terms

Like the main survey analysis, the longitudinal group saw interest rates rise. As of March 2024, interest rates were reported as 7.00%, up from 6.10% a year earlier (see Appendix 3).

Among the longitudinal group, average points offered by lenders also rose, from 0.35 last year to 0.37 this year.

Underwriting Criteria and Loan Performance

The average maximum loan-to-value (LTV) ratio declined among the longitudinal group, falling from 72.5% last year to 71.8% this year. The average debt service ratio rose slightly, up from 1.24 last year to 1.26 this year. And unlike the main mortgage survey analysis, vacancy and collection (V&C) losses among the longitudinal group increased, to 3.31% this year, from 3.00% last year. As mentioned above, the change in V&C losses over the last two years was impacted by one lender who reported comparatively large losses in last year's survey but did not complete this year's survey. (See Appendix 4).

Examining delinquencies among the longitudinal group, six lenders reported non-performing loans, up from three last year. And three lenders reported foreclosures this year, compared to none 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 2023 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 2023, 583 buildings containing rent stabilized units were sold in New York City, a decline of 34% from 889 buildings sold the prior year. Sales fell the most in Brooklyn, down 48%; followed by the Bronx, down 44%; Queens, down 29%; and Manhattan, down 18%. (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.)[7] See table on the next 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 2023 fell 38% from the prior year. Sales fell the most in the Bronx, down 67%;

followed by Brooklyn, down 42%; and both Queens and Manhattan, down 26%.

Sales volume among 11-19 unit buildings fell 21% Citywide in 2023. Sales fell the most in Brooklyn, down 54%; followed by Queens, down 22%; and Manhattan, down 9%. However, sales remained unchanged in the Bronx.

Among 20-99 unit buildings, sales volume Citywide declined 33% in 2023. Sales fell the most in Brooklyn, down 58%; followed by the Bronx, down 41%; Queens, down 38%; and Manhattan, down 12%.

Among the largest buildings, which contain 100 or more units, sales volume Citywide fell from 27 buildings in 2022 to 11 buildings in 2023. 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.[8]

Over a period of more than two decades for which we have collected building sales data, Citywide sales were at their peak in 2005, with 1,816 buildings sold. By contrast, sales reached their lowest point in 2020, with 470 buildings sold. Sales volume then rose for two years but declined again in the most recent year. See the graph on next page and Appendix 6 for annual sales volume Citywide. See Appendix 7 for a list since 2003 of the total number of buildings sold; the total number of residential units located in buildings containing stabilized units sold each year; and the average number of residential units per building containing stabilized units sold each year.

Comparison of Building Sales in 2022 vs. 2023

Sales Volume Fell Citywide

	2022	2023	Change
Bronx	134	75	-44%
Brooklyn	316	164	-48%
Manhattan	280	231	-18%
Queens	159	113	-29%
Citywide	**889**	**583**	**-34%**

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

Building Sales Prices

We also examine sales prices of buildings containing rent stabilized units Citywide and by borough. However, in reporting median building 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 in 2023 was $3.4 million. The highest median sales price was found in Manhattan ($6.5 million); followed by the Bronx ($4.4 million); Brooklyn ($2.0 million); and Queens ($1.8 million).

Looking at the smallest buildings (containing 6-10 residential units), the median sales price Citywide was $1.7 million. By borough, prices were highest in Manhattan, at $3.8 million; followed by Queens, at $1.6 million; Brooklyn, at $1.3 million; and the Bronx, at $900 thousand.

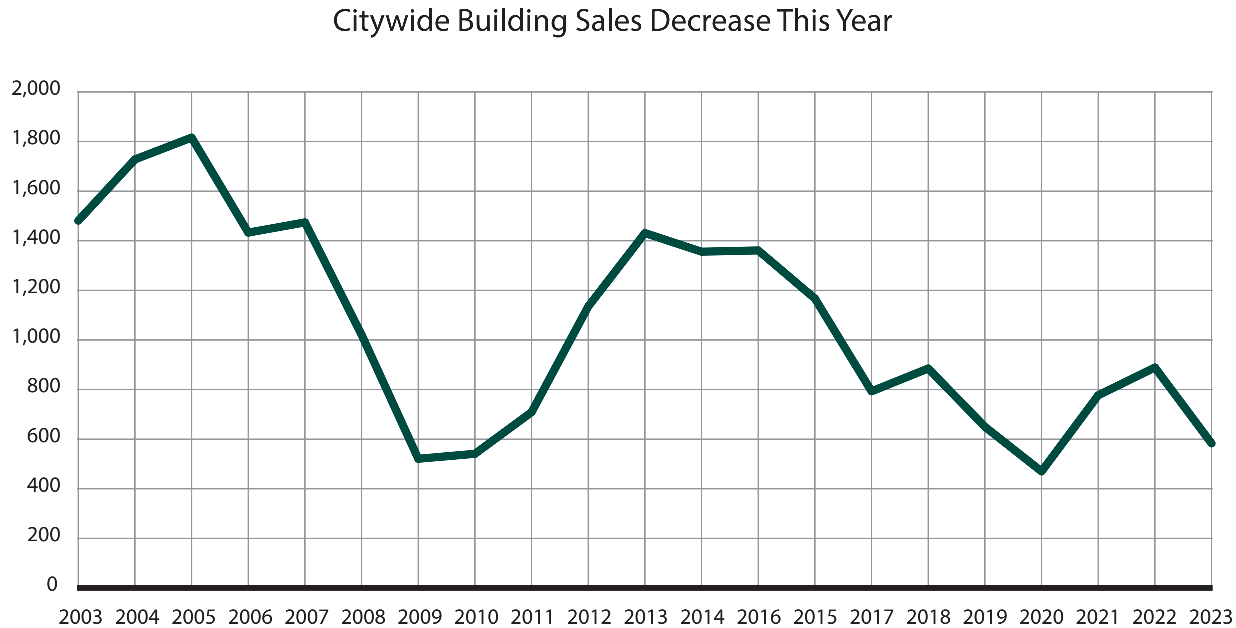
Among 11-19 unit buildings, the median Citywide price was $3.9 million. By borough, prices were highest in Manhattan, at $6.5 million; followed by Brooklyn and the Bronx, both at $3.0 million. (There were too few Queens buildings to report its median price.)

Buildings with 20-99 units sold Citywide at a median price of $6.2 million. By borough, these buildings sold for the most in Manhattan, at a median price of $7.0 million; followed by Queens, at $6.4 million; the Bronx, at $6.1 million; and Brooklyn, at $4.5 million.

Among the largest buildings, which contain 100 or more units, too few buildings were sold Citywide to accurately report building prices. See Appendix 8 for a breakdown of median sales prices in each borough among different sized buildings.

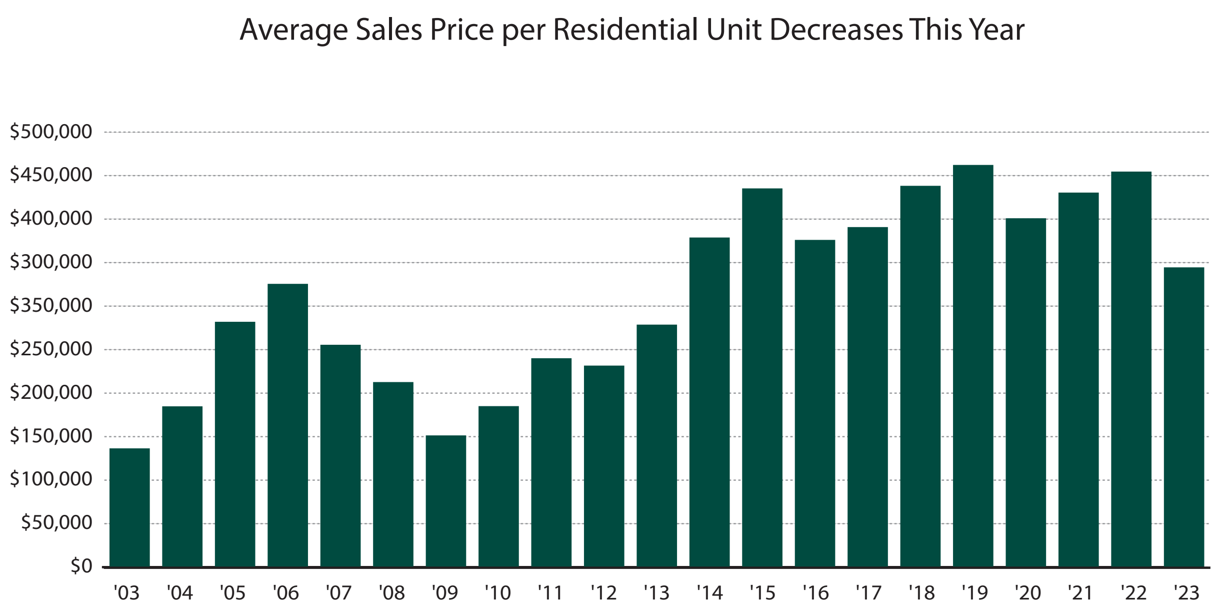
Examining average sales prices per residential unit in buildings containing stabilized units, in 2023, the average sales price per unit Citywide

Sales of Buildings Containing Rent Stabilized Units, 2003-2023



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

Average Sales Price per Residential Unit in Buildings Containing Rent Stabilized Units, Adjusted for Inflation, 2003-2023 (In 2023 dollars)



Notes: Figures exclude Staten Island. Average prices based on total number of residential units in a building.
Inflation adjustment based on Consumer Price Index for All Urban Consumers, NY-Northeastern NJ.
Source: NYC Department of Finance

was $343,217, an inflation-adjusted decrease of 24.3% from the prior year. Around the City, average sales price per unit was highest in Manhattan, at $484,474, down 26.6%; followed by Brooklyn, at $259,505, down 26.5%; the Bronx, at $208,136, down 21.2%; and Queens, at $180,491, down 48.2%. See the graph on previous page for the average sales price per residential unit in NYC since 2003, adjusted for inflation. See Appendices 9 and 10 for average sales price per unit Citywide and by borough since 2003, in both nominal and real dollars.

Building Sales by Proportion of Stabilized Units and Building Age

Examining building sales by the proportion of stabilized units in a building, of the 583 buildings containing rent stabilized units sold in 2023, 395 buildings contained at least 50% stabilized units and sold for a median price of $2,613,000; 330 buildings with 80%+ stabilized units sold for a median price of $2,550,000; and 174 100% stabilized buildings sold for a median price of $1,750,000.

As discussed above, the average sales price per unit Citywide in 2023 was $343,217, an inflation-adjusted decrease of 24.3% from the prior year. Among buildings with at least 50% stabilized units, the average sales price per unit was $240,174, a 42.4% inflation-adjusted decline from the prior year. Among 80%+ stabilized buildings, the average price per unit was $237,857, an inflation-adjusted 38.3% decline. And among 100% stabilized buildings, the average price per unit was $270,492, an inflation-adjusted decline of 38.2%.

Considering building sales based on whether they were constructed before 1974 or after 1973: 36 buildings (6%) were built post-1973, and their median sales price was $5,377,500, and the remaining 547 pre-1974 buildings sold for a median price of $3,250,000.

Examining per-unit sales prices by building age, post-1973 buildings sold for an average of $621,754 per unit in 2023, an inflation-adjusted 21.6% decline from the prior year. Among pre-1974 buildings, a unit sold for an average of $292,452, down an inflation-adjusted 19.4% from the prior year.

Summary

Due to additional rate hikes by the Federal Reserve over the last twelve months, average interest rates increased this year. In addition, maximum loan-to-value ratios decreased. Further, average points charged rose, but vacancy and collection losses declined among the surveyed lenders. Finally, the number of buildings containing rent stabilized units sold decreased, as did the average per-unit sales price. ❒

Endnotes

1. One lender who completed the survey last year did not do so this year because they did not newly finance any buildings containing rent stabilized units. A second lender who did not complete the survey saw a recent change in management, who did not want to participate in this year's survey.
2. Federal Deposit Insurance Corporation (FDIC) website: https://fdic.gov.
3. Federal Reserve Board website: https://federalreserve.gov/monetarypolicy/openmarket.htm and https://frbdiscountwindow.org.
4. "Fed Raises Rates After a Pause and Leaves Door Open to More," by Jeanna Smialek, New York Times, July 26, 2023.
5. "Fed Chair Awaits More Inflation Cooling as Path Proves 'Bumpy,'" by Jeanna Smialek and Santul Nerkar, New York Times, April 3, 2024.
6. The Building Characteristics section of this report in past years included lenders' estimates of average rents, expenses, and cost-to-income ratios for buildings in their portfolios. However, too few lenders in this year's survey reported these figures for data to be reliable.
7. 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 2022, 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.
8. 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.

Appendices

1. Mortgage Interest Rates and Terms, 2024

Lending Institution	Interest Rates	Points	Terms	Type	New Volume	Refi Volume
5	NR	0.75	Ω	Both	5	15
7	6.00%	0.00	Ω	Both	10	5
28	NR	NR	Ω	Both	64	44
30	7.00%	1.10	NR	Both	3	4
35	7.75%	0.00	Ω	Both	50	31
37	NR	0.38	Ω	Adj	8	8
107	7.50%	0.00	Ω	Both	80	41
401	6.75%	NR	NR	Fixed	29	10
AVERAGE	**7.00%**	**0.37**	**†**	**†**	**31**	**20**

† No average compute **NR** no response **BPS** Basis Points
Fixed Interest rate remains unchanged **Adj** Adjustable interest rate **Both** Fixed and adjustable rates offered

Ω #5 = Up to 5 years #7 = 200 bps #28 = 5, 7, 10 over comparable treasury. No fee.
#35 = No swap rate consideration, 5/5/5 at 7.25%, 10 yr balloon at 7.5%, both based on 25 yr amort., 15 yr fixed at 8.25%
#37 = Most loans 3 or 5 year terms - 5+5 or 3+3
#107 = 5 and 7 year fixed with 5 years option

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: 2024 NYC Rent Guidelines Board Mortgage Survey

2. Typical Lending Portfolio Characteristics of Buildings Containing Rent Stabilized Units, 2024

Lending Institution	Maximum Loan-to-Value Standard	Debt Service Coverage	Vacancy & Collection Losses	Typical Building Size Range	Average Monthly O&M Cost/Unit	Average Monthly Rent/Unit
5	65.0%	1.20	3.0%	100+	NR	$2,000
7	65.0%	1.50	3.0%	50-99	$1,000	$2,500
28	80.0%	1.20	2.0%	20-49	$607	$955
30	79.5%	1.20	8.0%	100+	NR	NR
35	60.0%	1.30	3.0%	1-10	NR	$1,750
37	65.0%	1.30	3.0%	11-19	NR	NR
107	75.0%	1.20	0.5%	50-99	NR	$1,500
401	85.0%	1.15	4.0%	100+	$975	$1,796
AVERAGE	**71.8%**	**1.26**	**3.31%**	**†**	**†**	**†**

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 Service Coverage refers to Net Operating Income (NOI) divided by the first mortgage debt (loan) amount, times 100. Lending institution numbers reflect anonymized lenders. There were too few lenders to report average costs and rents.

Source: 2024 NYC Rent Guidelines Board Mortgage Survey

3. Interest Rates and Terms for New Financing, Longitudinal Study, 2023-2024

	Interest Rates		Points		Terms		Type	
Lending Inst.	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
5	NR	NR	0.75	0.50	Ω	◆	Both	Both
7	6.00%	5.40%	0.00	0.00	Ω	◆	Both	Fixed
28	NR	NR	NR	NR	Ω	NR	Both	Both
30	7.00%	NR	1.10	1.10	NR	NR	Both	Both
35	7.75%	6.00%	0.00	0.00	Ω	◆	Both	Both
37	NR	6.35%	0.38	0.50	Ω	◆	Adj	Adj
107	7.50%	6.25%	0.00	0.00	Ω	◆	Both	Both
401	6.75%	6.50%	NR	NR	NR	NR	Fixed	Fixed
AVERAGE	**7.00%**	**6.10%**	**0.37**	**0.35**	**†**	**†**	**†**	**†**

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

Ω #5 = Up to 5 years #7 = 200 bps #28 = 5, 7, 10 over comparable treasury. No fee.
#35 = No swap rate consideration, 5/5/5 at 7.25%, 10 yr balloon at 7.5%, both based on 25 yr amort., 15 yr fixed at 8.25%
#37 = Most loans 3 or 5 year terms - 5+5 or 3+3
#107 = 5 and 7 year fixed with 5 years option

◆ #5 = 1.50-2.50% over swaps #7 = 5 yr, 7 yr, 10 yr - 150 bps
#35 = 5 or 10 yr balloon #37 = 5+5 or 3+3 with a 25 or 30 year amortization
#107 = 5 and 7 yrs Fixed with 5 Years Option

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: 2023 and 2024 NYC Rent Guidelines Board Mortgage Surveys

4. Lending Standards and Vacancy & Collection Losses, Longitudinal Study, 2023-2024

	Max Loan-to-Value		Debt Service Coverage		Vacancy & Collection Losses	
Lending Inst.	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
5	65.0%	70.0%	1.20	NR	3.0%	3.0%
7	65.0%	60.0%	1.50	NR	3.0%	3.0%
28	80.0%	75.0%	1.20	1.25	2.0%	0.5%
30	79.5%	75.0%	1.20	1.20	8.0%	8.0%
35	60.0%	65.0%	1.30	1.35	3.0%	3.0%
37	65.0%	75.0%	1.30	1.30	3.0%	3.0%
107	75.0%	75.0%	1.20	1.20	0.5%	0.5%
401	85.0%	85.0%	1.15	1.15	4.0%	3.0%
AVERAGE	**71.8%**	**72.5%**	**1.26**	**1.24**	**3.31%**	**3.00%**

NR no response

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

Source: 2023 and 2024 NYC Rent Guidelines Board Mortgage Surveys

5. Interest Rates for New Mortgages, 1981-2024

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%
2022	3.9%
2023	6.0%
2024	7.0%

Source: NYC Rent Guidelines Board Mortgage Surveys

6. Sales Volume of Buildings Containing Rent Stabilized Units, Citywide and by Borough, and Percent Change, 2010-2023

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Citywide	**541**	**709**	**1,135**	**1,431**	**1,356**	**1,361**	**1,167**	**793**	**885**	**650**	**470**	**777**	**889**	**583**
% Change from Prior Yr	**3.8%**	**31.1%**	**60.1%**	**26.1%**	**-5.2%**	**0.4%**	**-14.3%**	**-32.0%**	**11.6%**	**-26.6%**	**-27.7%**	**65.3%**	**14.4%**	**-34.4%**
Bronx	131	130	204	245	302	262	234	156	195	102	70	141	134	75
% Change from Prior Yr	31.0%	-0.8%	56.9%	20.1%	23.3%	-13.2%	-10.7%	-33.3%	25.0%	-47.7%	-31.4%	101.4%	-5.0%	-44.0%
Brooklyn	185	258	396	472	494	499	378	292	281	220	161	255	316	164
% Change from Prior Yr	-7.0%	39.5%	53.5%	19.2%	4.7%	1.0%	-24.2%	-22.8%	-3.8%	-21.7%	-26.8%	58.4%	23.9%	-48.1%
Manhattan	144	225	419	466	393	438	407	233	289	228	172	262	280	231
% Change from Prior Yr	-1.4%	56.3%	86.2%	11.2%	-15.7%	11.5%	-7.1%	-42.8%	24.0%	-21.1%	-24.6%	52.3%	6.9%	-17.5%
Queens	81	96	116	248	167	162	148	112	120	100	67	119	159	113
% Change from Prior Yr	6.6%	18.5%	20.8%	113.8%	-32.7%	-3.0%	-8.6%	-24.3%	7.1%	-16.7%	-33.0%	77.6%	33.6%	-28.9%

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

Source: NYC Department of Finance

7. Sales of Buildings Containing Rent Stabilized Units, by Building and Residential Unit Counts, 2003-2023

			Average Number of Residential Units per Building Sold				
Year	Number of Residential Units Sold Citywide	Number of Residential Buildings Sold Citywide	Citywide	Manhattan	Brooklyn	Bronx	Queens
2003	30,980	1,481	20.9	29.9	12.7	31.2	19.6
2004	45,025	1,728	26.1	29.1	20.3	34.1	28.4
2005	50,168	1,816	27.6	37.2	19.3	38.1	16.5
2006	52,557	1,433	36.7	60.9	22.2	36.6	31.2
2007	42,567	1,474	28.9	30.5	19.5	41.4	29.3
2008	29,232	1,021	28.6	36.8	20.8	35.9	29.2
2009	12,827	521	24.6	28.2	18.9	37.9	15.1
2010	16,565	541	30.6	41.6	15.8	46.9	18.6
2011	18,628	709	26.3	33.8	17.3	37.9	16.9
2012	28,912	1,135	25.5	29.0	16.8	37.8	21.0
2013	37,855	1,431	26.5	31.7	15.4	38.5	25.8
2014	45,534	1,356	33.6	57.4	16.5	37.2	21.4
2015	44,847	1,361	33.0	51.0	20.0	35.0	20.0
2016	36,150	1,167	31.0	43.4	16.6	33.9	29.0
2017	18,370	793	23.2	27.6	14.5	28.6	28.9
2018	23,932	885	27.0	29.0	20.2	28.9	35.3
2019	15,278	650	23.5	26.4	15.9	31.6	25.3
2020	11,950	470	25.4	26.7	23.3	34.9	17.6
2021	16,657	777	21.4	21.2	17.9	33.5	15.2
2022	23,279	889	26.2	31.8	20.7	32.1	22.3
2023	13,272	583	22.8	27.3	13.1	34.8	19.5

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

Source: NYC Department of Finance

8. Median Sales Price and Sales Volume of Buildings Containing Rent Stabilized Units, by Borough and Building Size, and Percent Change in Sales, 2022-2023

Year	2022 Median Sale Price	2023 Median Sale Price	2022 # of Sales	2023 # of Sales	Change in Sales from 2022-2023
Citywide					
All buildings	$4,000,000	$3,375,000	889	583	-34.4%
6-10 units	$2,000,000	$1,650,000	434	270	-37.8%
11-19 units	$4,682,755	$3,875,000	137	108	-21.2%
20-99 units	$8,250,000	$6,187,500	291	194	-33.3%
100+ units	$105,000,000	-	27	11	-59.3%
Bronx					
All buildings	$3,650,000	$4,400,000	134	75	-44.0%
6-10 units	$1,905,000	$900,000	45	15	-66.7%
11-19 units	$2,167,500	$3,000,000	18	18	0.0%
20-99 units	$6,224,000	$6,101,919	68	40	-41.2%
Brooklyn					
All buildings	$3,100,000	$1,965,000	316	164	-48.1%
6-10 units	$1,999,950	$1,291,429	202	117	-42.1%
11-19 units	$3,675,000	$3,020,000	35	16	-54.3%
20-99 units	$8,500,000	$4,500,000	73	31	-57.5%
Manhattan					
All buildings	$7,025,000	$6,500,000	280	231	-17.5%
6-10 units	$4,462,500	$3,800,000	88	65	-26.1%
11-19 units	$6,712,500	$6,500,000	66	60	-9.1%
20-99 units	$8,900,000	$7,000,000	113	100	-11.5%
Queens					
All buildings	$1,900,000	$1,800,000	159	113	-28.9%
6-10 units	$1,500,000	$1,590,000	99	73	-26.3%
11-19 units	$2,770,000	-	18	14	-22.2%
20-99 units	$6,300,000	$6,400,000	37	23	-37.8%

Notes: All Staten Island buildings; Queens 11-19 unit buildings (2023 sales price only); Citywide 100+ unit buildings (2023 sales price 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.

Citywide figures do not contain Staten Island building sales.

Source: NYC Department of Finance

9. Average Nominal Sales Price per Residential Unit in Buildings Containing Stabilized Units, 2003-2023

Year	Citywide	Citywide % Change from Prior Year	Manhattan	Brooklyn	Bronx	Queens
2003	$83,045	-	$110,206	$67,867	$56,009	$72,276
2004	$116,708	40.5%	$212,436	$63,422	$76,597	$90,834
2005	$185,391	58.9%	$307,938	$86,814	$85,810	$97,610
2006	$222,249	19.9%	$363,644	$108,714	$78,737	$101,671
2007	$179,185	-19.4%	$336,394	$110,843	$89,463	$101,250
2008	$154,775	-13.6%	$235,822	$109,138	$99,792	$157,871
2009	$110,381	-28.7%	$186,374	$81,488	$60,747	$96,433
2010	$137,423	24.5%	$219,117	$114,123	$72,807	$120,857
2011	$183,699	33.7%	$303,934	$108,757	$85,519	$123,973
2012	$180,659	-1.7%	$284,297	$124,352	$83,535	$123,457
2013	$221,258	22.5%	$354,949	$159,569	$100,353	$160,829
2014	$305,100	37.9%	$442,488	$217,822	$118,186	$226,207
2015	$351,161	15.1%	$484,793	$274,766	$150,075	$247,184
2016	$306,529	-12.7%	$370,252	$323,031	$171,887	$269,124
2017	$324,820	6.0%	$482,826	$289,763	$198,631	$231,190
2018	$371,313	14.3%	$554,657	$313,533	$190,210	$326,780
2019	$398,181	7.2%	$556,067	$334,907	$224,653	$330,784
2020	$351,149	-11.8%	$520,700	$291,321	$183,406	$229,240
2021	$389,581	10.9%	$526,570	$447,515	$216,955	$272,660
2022	$436,603	12.1%	$635,794	$340,220	$254,303	$335,645
2023	$343,217	-21.4%	$484,474	$259,505	$208,136	$180,491

Note: All Staten Island buildings excluded due to the small number of buildings sold.
Source: NYC Department of Finance

10. Average Real Sales Price per Residential Unit in Buildings Containing Stabilized Units, 2003-2023 (2023 dollars)

Year	Citywide	Citywide % Change from Prior Year	Manhattan	Brooklyn	Bronx	Queens
2003	$135,188	-	$179,404	$110,481	$91,176	$117,658
2004	$183,494	35.7%	$334,003	$99,716	$120,430	$142,814
2005	$280,657	53.0%	$466,175	$131,424	$129,905	$147,767
2006	$324,259	15.5%	$530,552	$158,612	$114,876	$148,336
2007	$254,240	-21.6%	$477,298	$157,271	$126,937	$143,661
2008	$211,371	-16.9%	$322,053	$149,045	$136,282	$215,598
2009	$150,079	-29.0%	$253,402	$110,795	$82,595	$131,115
2010	$183,713	22.4%	$292,925	$152,565	$97,332	$161,567
2011	$238,783	30.0%	$395,071	$141,368	$111,163	$161,147
2012	$230,304	-3.6%	$362,420	$158,523	$106,490	$157,383
2013	$277,397	20.4%	$445,008	$200,055	$125,815	$201,635
2014	$377,519	36.1%	$547,517	$269,525	$146,239	$279,899
2015	$433,966	15.0%	$599,108	$339,556	$185,463	$305,470
2016	$374,771	-13.6%	$452,681	$394,947	$210,154	$329,039
2017	$389,511	3.9%	$578,985	$347,472	$238,190	$277,234
2018	$436,931	12.2%	$652,674	$368,940	$223,824	$384,527
2019	$460,928	5.5%	$643,694	$387,683	$260,054	$382,910
2020	$399,651	-13.3%	$592,621	$331,560	$208,739	$260,904
2021	$429,158	7.4%	$580,064	$492,978	$238,995	$300,360
2022	$453,295	5.6%	$660,101	$353,226	$264,025	$348,477
2023	$343,217	-24.3%	$484,474	$259,505	$208,136	$180,491

Notes: All Staten Island buildings excluded due to the small number of buildings sold. Inflation adjustment based on Consumer Price Index for All Urban Consumers, NY-Northeastern NJ.
Source: NYC Department of Finance