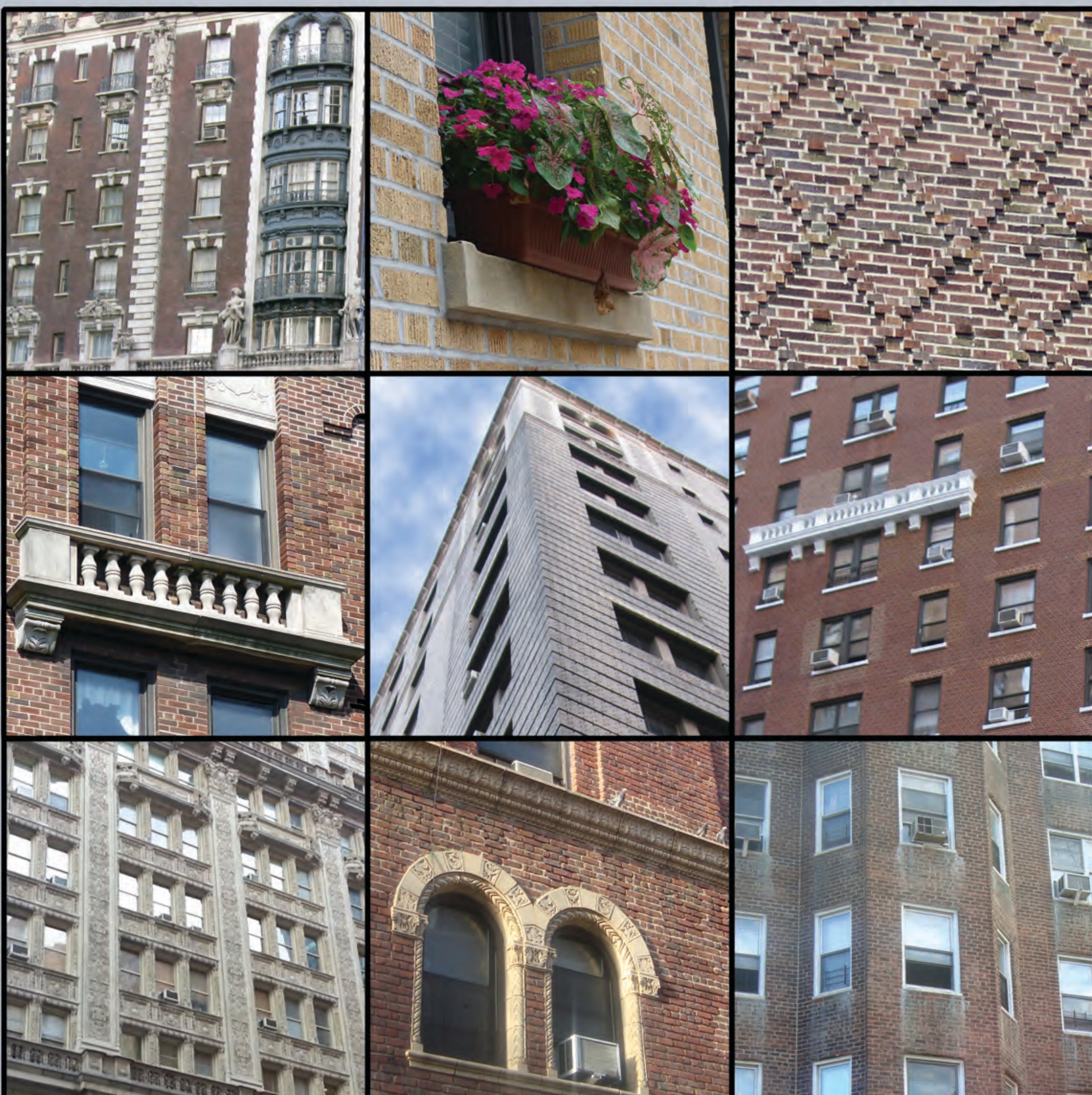
Housing NYC: Rents, Markets & Trends 2013



NYC Rent Guidelines Board

NYC Rent Guidelines Board
51 Chambers Street, Suite 202
New York, NY 10007
212-385-2934
www.nycrgb.org

Chair
Jonathan L. Kimmel, Esq.

Research and Reports
Andrew McLaughlin
Brian Hoberman
Danielle Burger

Design and Layout
Danielle Burger

Housing NYC: Rents, Markets & Trends 2013

Table of Contents

List of Appendices

(continued, next page)

Chairman's Acknowledgements

The New York City Rent Guidelines Board (RGB) sets annual renewal lease adjustments for nearly one million rent stabilized apartments, lofts and hotel units. This is a difficult task that impacts a very diverse group of households with varying social and economic concerns. As a result, there are always those who are disappointed with the Board's decision, especially marginal owners and poor tenants. Given the landscape of rent stabilized housing, it is not possible to guarantee an affordable rent for every tenant or to compensate owners for every expense incurred. However, at the end of the day, I believe that this Board's decision, which was not an easy one to reach, was fair and balanced based on the data analyzed by its members and the testimony offered.

The reports contained in this edition of *Housing NYC: Rents, Markets and Trends 2013* were an integral component in the guideline setting process, laying the foundation for the Board's deliberations. I commend the RGB staff for their hard work and dedication to this process. Year after year, the staff has produced high quality research that is not only valued by the members of the Board, but the public as well. These reports include, among other things, statistics on the cost of operating residential buildings; owner income; housing availability; tenant income; and changes to the housing stock. Such a thorough analysis of the NYC housing market and economy makes this publication a valuable tool for academics, housing professionals, government officials, housing advocates and the members of the public who have stakes in NYC rental housing. I am proud of the work done by our staff and their professionalism and knowledge is greatly appreciated.

I would also like to thank those who took the time to testify before this Board. The multitude of elected officials, representatives of tenant and owner groups, and members of the public who spoke at our public hearing and meetings provided insights to the rent stabilized universe that are unique and that could not be gleaned solely through the research presented to the RGB. This testimony continues to be an important component of the guideline setting process and I encourage continued participation.

Finally, I would like to thank the RGB members for their hard work and commitment this past year. They are a dedicated group of individuals, all of who brought unique and thoughtful perspectives to our deliberations. It has been a pleasure to work with such a knowledgeable group of professionals.

This book is a compilation of the data reviewed by the RGB and it is presented here as a valuable resource in navigating the complex issues of the NYC rental housing market.

Jonathan L. Kimmel
Chairman

Executive Director's Acknowledgements

Each year the NYC Rent Guidelines Board (RGB) publishes a compilation of its annual research reports entitled *Housing NYC: Rents, Markets and Trends*. The reports included in the 2013 edition served as vital resources used by members of the Board in establishing renewal lease guidelines for rent stabilized units in New York City. Over the years, we have found that the data contained in these reports have become useful and informative resources for many who are involved with the NYC rental housing market and I believe that this edition continues that tradition.

The RGB is fortunate to have a seasoned research staff that provides comprehensive data to the board members. Brian Hoberman, the RGB's Research Director, was the author of three reports: *2013 Income and Expense Study*, *2013 Mortgage Survey Report* and *Changes to the Rent Stabilized Housing Stock in New York City in 2012*. Senior Research Associate Danielle Burger authored both the *2013 Income and Affordability Study* and the *2013 Housing Supply Report* and was a significant contributor to the *2013 Price Index of Operating Costs*. The RGB is fortunate to have two talented and conscientious professionals, with whom both are a pleasure to work.

The Price Index of Operating Costs (PIOC), which measures the change in operating and maintenance costs for rent stabilized buildings, is the most time-intensive report that the staff undertakes each year. Each member of the research staff spends time working on the PIOC but because of the extensive nature of this report the Board hires a temporary staff to help collect prices for insurance, non-union labor, contractors, building supplies, and replacement items. My thanks go out to our team of data collectors, Charmaine Superville and Michael Taylor, for their dedication and hard work on this project. I would also like to recognize the efforts of Jim Hudson for his review of the PIOC spreadsheets and the final PIOC report. His extensive experience working on the Price Index ensures that the data the staff presents to the Board is accurate and concise. He remains an integral part of the PIOC team and we look forward to his contributions each year.

Although not directly involved with RGB research, I would also like to recognize the work of our Office Manager/Public Information Officer, Leon Klein. Mr. Klein ensures that the staff and bills are paid, invoices are processed, and that office supplies are purchased. He also assists in answering the myriad of housing questions our office receives each day.

The job of setting renewal lease guidelines thrust upon the members of this board is both difficult and thankless. As Executive Director I work closely with the members of the Board and I see first hand their commitment to public service. I would like to thank them for their efforts this past year and I commend them for their hard work. In particular, I would like to extend my gratitude to RGB Chairman Jonathan Kimmel for his continued support of the RGB staff. His commitment to the RGB and its mission is unwavering. His leadership and knowledge in matters of housing, government and running a City agency is extensive and is much appreciated.

Although RGB reports are produced entirely "in-house," our research efforts would not be possible without assistance from many others. For both the information and expertise they provided, our gratitude goes out to: Bill Sears at the Department of City Planning, for data on new housing completions; Farid Heydarpour at the NYC Comptroller's Office, who provides labor force data; Angela Orridge at the Department of Buildings, for City-wide demolition data; Floralba Paulino at the Bureau of City Marshals, for information on evictions and possessions; Juanita France at the NYS Attorney General's Office, for coop and condo plans; Eddy Valdez at the NYC Civil Court, for data on housing court proceedings; Martha Cruz at the NYC Loft Board, for data concerning loft conversions to rent stabilization; Eileen Lynch at the Department of Homeless Services, for help with homeless statistics; Emre Edev at the City Council's Finance Division for tax levy data; Kathleen McGee, Director, Mayor's Office of Special Enforcement for illegal hotel violations data; and Ana Champeny of the Independent Budget Office (IBO), for lending her expertise on real estate tax projections. At the Division of Housing and Community Renewal (DHCR), which is a division of New York State Homes and Community Renewal (HCR), we would like to thank Deputy Commissioner Woody Pascal, as well as Michael Berrios and Tracey Stock, for their assistance and expertise

regarding owner registration data and Richmond McCurnin for his assistance with Mitchell-Lama data. In addition, our thanks goes out to the following staff members of the NYC Department of Housing Preservation and Development (HPD): Barbara Flynn, Legislative Coordinator, for facilitating the collection of additional City-sponsored housing construction and sales data; Norma Gomez for information regarding cooperative and condominium developments; Sara Levenson, Deputy Director, Inclusionary Housing Program, for 421-a Affordable Housing Program data; Elaine R. Toribio of the Tax Incentives Program, who provided data on tax benefit programs; and Julie Walpert, Assistant Commissioner, Office of Housing Operations, who provides information regarding Mitchell-Lama units. We would like to thank the staff of NYC Department of Finance, in particular Leonard Linder, Director of Property Data Services, and Andreen McDonald, for providing summary data from the Real Property Income and Expense (RPIE) filings.

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

For many years, the RGB has maintained a strong working relationship with HPD. We are fortunate to have such dedicated group of people working on our behalf. In particular, we would like to recognize the exemplary efforts of both Moon Wha Lee and Sheree West on behalf of the RGB. The RGB looks forward to continuing and strengthening this partnership in the years to come.

Finally, we give special thanks to those who testified at RGB meetings this year: from HPD, Christopher Gonzalez, Assistant Commissioner for Government Affairs and Research; from the NYU Furman Center for Real Estate and Urban Policy, Data and Research Analyst Max Weselcouch; and from HCR's Office of Rent Administration, Deputy Commissioner Woody Pascal, Assistant Commissioner Michael Rosenblatt, Assistant Commissioner Guy Alba and Executive Assistant Michael Berrios.

Andrew McLaughlin
Executive Director

Income & Expense

2013 Price Index Of Operating Costs

What's New

- ✔ The Price Index of Operating Costs (PIOC) for Rent Stabilized Apartment Buildings increased 5.9% this year.
- ✔ Costs in natural-gas heated buildings increased 4.3% and costs in fuel-oil heated buildings rose 7.3%.
- ✔ The "core" PIOC, which excludes the erratic changes in fuel oil prices, natural gas, and electricity costs, is useful for analyzing inflationary trends. The core rose by 3.7% this year.
- ✔ Fuel Oil costs rose 20.0%.
- ✔ Real estate taxes increased 2.6% due to a rise in assessments for Class Two properties.
- ✔ Labor Costs rose 3.0%.
- ✔ The Utilities component increased by 6.3%, primarily due to an increase in water and sewer costs.
- ✔ Insurance Costs increased by 7.1%.
- ✔ The Price Index of Operating Costs for Rent Stabilized Apartment Buildings is projected to increase 2.6% next year.

Introduction

The Price Index of Operating Costs (PIOC) measures the price change in a market basket of goods and services used in the operation and maintenance of rent stabilized apartment buildings in New York City. The goods and services which make up the market basket were originally selected on the basis of the findings of a study of 1969 expenditure patterns by owners of rent stabilized apartment buildings. Changes in the specification of some of these goods and services have been carried out over time to maintain the representativeness of the market basket. The relative importance of the various goods and services in the market basket was updated in 1983 by means of a study of expenditure patterns of owners of rent stabilized apartment buildings. Additional updates to these expenditure patterns have been done throughout the years in order to present a current and relevant analysis of changes in owner expense.

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

Changes in the overall PIOC result from changes in the prices of individual goods and services, each weighted by its relative importance as a percentage of total operating and maintenance (O&M) expenditures. Because the market basket is fixed in the sense that the quantities of goods and services of each kind remain constant, the relative importance of the various goods and services will change when their prices increase either more quickly or more slowly than average. Thus, the relative importance, or weight, attached to each good or service changes from year to year to reflect the different rates of price change among the various index items. The expenditure weights used in the construction of the 2013 Price Index are based upon the 1983 Expenditure Study and relevant updates and are revised on the basis of annually measured price changes from 1982-2012.

Terms and Definitions

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

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

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

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

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

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

Apartments

Change In Costs for Rent Stabilized Apartment Buildings, March 2012 to March 2013

Taxes	2.6%
Labor Costs	3.0%
Fuel Oil	20.0%
Utilities	6.3%
Contractor Services	3.3%
Administrative Costs	2.4%
Insurance Costs	7.1%
Parts and Supplies	4.7%
Replacement Costs	2.0%
All Costs	**5.9%**

The importance of each index component is shown by its "expenditure weight" (see Appendix B.2). The measured 2012-13 price changes in each index component are also presented in this appendix. The expenditure weights and the 2012-13 price changes are then combined to provide the overall change in the PIOC over the period from 2012-13.

The PIOC consists of nine cost components, each designed to measure changes in a category of costs such as fuel oil, insurance, utilities, etc. The methodology for each component is described in the final section of this report.

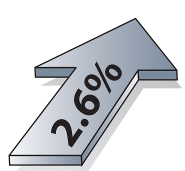
Overview

This year, the PIOC for all rent stabilized apartment buildings increased by 5.9%, 3.1 percentage points more than the PIOC percentage change from the year before (2.8% in 2012). Increases occurred in all nine of the PIOC components. The PIOC was driven upward by significant increases in Fuel Oil (20.0%), Insurance Costs (7.1%) and Utilities (6.3%).[1] More moderate increases were seen in Contractor Services (3.3%), Labor Costs (3.0%), Taxes (2.6%) and Administrative Costs (2.4%). The Parts and Supplies and Replacement Costs components, each of which carry very little weight in the PIOC, increased 4.7% and 2.0% respectively. The growth in the Consumer Price Index (CPI) during this same time period was lower than the PIOC, rising 1.9%.[2] See the adjacent table and Appendix B.2 for changes in costs and prices for all rent stabilized apartment buildings from 2012-13.

The "core" PIOC, which excludes erratic changes in fuel oil, natural gas, and electricity costs, is useful for analyzing long-term inflationary trends. The core PIOC rose by 3.7% this year and was lower than the overall PIOC due to the exclusion of the costs for fuel oil, which rose 20.0%, and natural gas used for heating.

Price Index Components

Taxes



The Taxes component of the PIOC is based entirely on real estate taxes and accounts for nearly thirty percent of the overall price index. The change in tax cost is estimated by comparing aggregate taxes levied on rent stabilized apartment buildings in Fiscal Year (FY) 2012 and FY 2013.

Real estate taxes rose this year by 2.6%. This is just over a third of the growth seen in last year's price index (7.5%). The growth in taxes was due almost exclusively to a rise in assessments. A significant decline in abatements also contributed to the rise in taxes, although its impact on tax growth was minor. While assessments rose, tax rates declined. The decrease in tax rates, along with an increase in the total value of exemptions, had the effect of dampening the growth in real estate taxes in FY 2013.

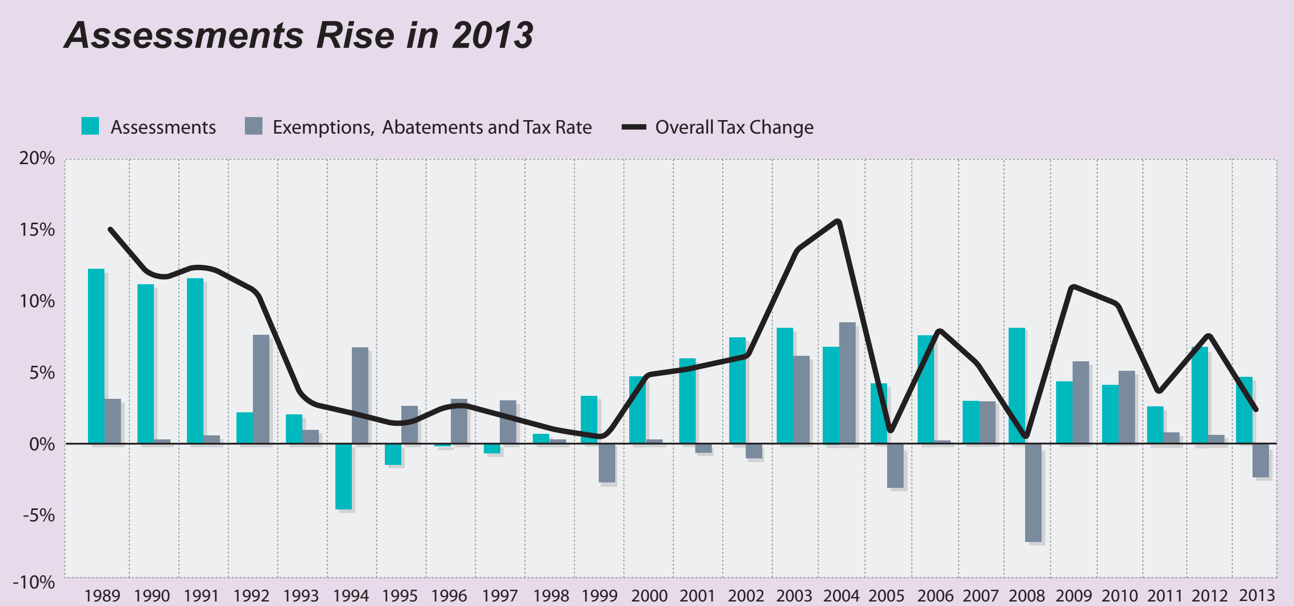
Tax Levy — The total tax levy for all properties in the City (commercial and residential) increased by 4.4% from FY 2012 to FY 2013. The Class Two property levy rose at a slower pace than that of the City as a whole, at a rate of 2.1%. The distribution of the levy among property classes tends to shift from year to year. From FY 2012 to FY 2013, the levy share for Class Two properties decreased, by 0.8 percentage points, from 37.8% to 37.0% of the total tax burden. Although the Class Two levy share declined, it is still significantly higher than the 26.3% share that was established at the inception of the four-class tax system in 1983.

Tax Rate — The average annual FY 2012 Class Two tax rate of 13.433 decreased by 1.88%, resulting in a new annualized rate of 13.181 for FY 2013. This is the first time in the last five years that the Class Two tax rate declined. For a historical perspective of changes in the tax rate, see the gray bars on the graph below.

Assessments — Assessed valuations of rent stabilized properties rose by 4.9% citywide in FY 2013, a smaller increase than the 7.1% witnessed in FY 2012. Assessments rose in all five boroughs, with Staten Island witnessing the highest growth at 13.2%. More moderate increases were seen in Brooklyn (5.5%), Manhattan (5.2%) and Queens (4.9%). The Bronx saw the lowest rise in assessments, at 1.3%. Buildings in Manhattan generally drive much of the change in assessed value Citywide. This was true in FY 2013, with 64% of all valuations emanating from this borough. For a historical perspective of changes in tax assessments, see the green bars on the graph on this page.

Abatements and Exemptions — This year, the number of rent stabilized buildings with tax abatements decreased by 26.5%. In addition, the average benefit value of the typical tax abatement also decreased, by 21.4%, from FY 2012 to FY 2013. The net impact of

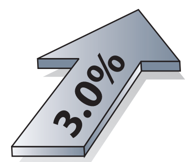
Percent Change in Taxes due to Assessments and Exemptions/Abatements/Tax Rate 1989-2013



Source: New York City Department of Finance the decreases in the number of abatements and the average abatement value was a negligible rise in the tax liability for rent stabilized buildings of 0.1%.

In FY 2013, 1.8% more rent stabilized buildings benefited from tax exemptions and the value of the average tax exemption also increased slightly, by 0.2%. These increases in the average value of tax exemptions and the number of buildings receiving exemptions resulted in owners' tax bills decreasing by 0.3%. (See Appendices B.5 and B.6)

Labor Costs

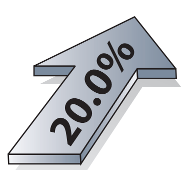


The Price Index measure of Labor Costs includes union and non-union salaries and benefits, in addition to Social Security and unemployment insurance. The cost of unionized labor makes up nearly two-thirds of the Labor Costs component. The entire Labor Costs component comprises 12.9% of the overall Price Index.

Labor Costs rose 3.0%, higher than the increase seen in last year's PIOC of 2.5%. The rise in Labor Costs was due to increases in union and non-union wages, as well as rises in healthcare and pension contributions.

Wages comprise three-quarters of the Labor Costs component. Non-union pay increased by 2.7%, half a percentage point higher than the increase seen in the 2012 PIOC (2.2%). Similarly, the unionized wage increase was 0.6 percentage points higher than the previous year, rising 2.4% in 2013, compared to 1.8% in 2012.

Fuel Oil



The Fuel Oil component comprises 13.2% of this year's Price Index (see Endnote 1). The change in cost measured in this component considers both the change in weather and the change in prices for the three types of heating oil used to heat multi-family buildings in New York City. This year the Fuel Oil component rose 20.0%, a significantly higher rise than witnessed in last year's index of 1.6%.

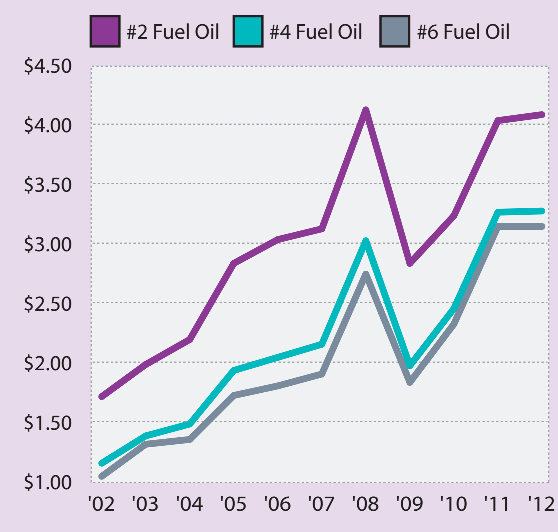
The PIOC measured fuel oil prices from April to March and then compared them to the same months from the previous year. Over the past 12 months, fuel oil prices, which do not take weather into account, increased by 2.9%. The price for #2 oil, which comprises about half of this component, increased 3.8%. Prices for #4 and #6 heating oil rose at a slower rate than #2 oil, rising 3.1% and 0.7%, respectively.

Over the past ten years the average prices per gallon for all fuel grades, which are pure prices that do not factor in weather, have risen substantially. The average price for all grades of fuel oil in calendar year 2012 was $3.80 a gallon. Adjusted for inflation, the average price in 2002 was $1.51. This is an annual rate of increase in the price of fuel oil of almost ten percentage points above the general rate of inflation. Adjusted for inflation, the price of #2 Fuel Oil (the most commonly used fuel oil) rose by 1.3% in 2012, following an increase of 24.7% in 2011. (See graph on this page.)

Along with measuring price, the PIOC also takes into account the effect of weather on the demand for

Average Inflation-Adjusted Fuel Oil Prices per Gallon, 2002-2012

Average Fuel Oil Prices Have Risen Over the Past Ten Years



Note: Prices are in constant 2012 dollars.
Source: NYC RGB Price Indices of Operating Costs, 2002-2013

Fuel Oil Cost Relatives vs. Change in Fuel Prices, 2004-2013

PIOC Year	*Fuel Oil Cost Relative**	*Change in Fuel Oil Price***
2013	20.0%	2.9%
2012	1.6%	20.8%
2011	23.1%	20.3%
2010	0.5%	6.7%
2009	-10.1%	-16.9%
2008	37.4%	38.4%
2007	0.5%	-3.0%
2006	22.8%	28.2%
2005	20.0%	26.5%
2004	-2.8%	0.6%

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

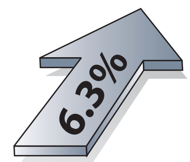
** Weighted change in #2, #4 and #6 fuel oil prices.

Source: NYC RGB Price Indices of Operating Costs, 2004-2013

fuel oil, especially during the heating season when a large majority of the fuel is burned. Since this year was colder than last year, weather increased the demand for fuel oil. The combination of the rise in heating oil prices and an increase in demand resulted in a rise in the cost for heating buildings with oil by 20.0%.[3]

In years that are colder than the prior year, the weather factor will place upward pressure on the Fuel Oil cost relative, enhancing pure price increases of fuel oil and dampening the effect of price declines. However, in years that are warmer than the prior year, the Fuel Oil component will be lower than pure price increases and will show larger declines if fuel oil prices decrease. For instance, the 2013 Price Index calculates an increase in fuel oil prices of 2.9%, but the rise in the Fuel Oil component is 20.0% due to the weather being significantly colder than the previous PIOC year. In contrast, in the 2012 PIOC, weather was significantly warmer than the prior year and thus less fuel oil was used, so although fuel oil prices rose by 20.8%, the price relative reported in last year's PIOC was 1.6%. See the table on this page for a comparison of the Fuel Oil component relatives and the change in fuel oil prices over the past ten years.

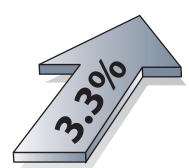
Utilities



The Utilities component consists primarily of electricity, natural gas, and water and sewer charges. In fact, water and sewer costs account for over 60% of the Utilities component. Telephone and steam costs are a small part of this component. In the case of most Utilities items, changes in costs are measured using the PIOC specifications (e.g. the quantity of electricity, steam, etc. being purchased) and the changes in rate schedules.

This year Utilities increased 6.3%, which is in contrast to last year's decrease of 4.0%. The growth in this component was driven by a 7.0% increase in water and sewer costs and a 5.8% rise in gas costs. The cost of electricity (0.7%) and steam (20.9%) also increased, but had only a minor impact on the growth of Utilities because these items carry very little weight in this component.

Contractor Services



The Contractor Services component rose 3.3%, almost the same amount as last year's growth of 3.2%. This is the fifth consecutive year in which the growth in this component was under four percent. Between the years 2003 and 2008 the growth in this component was more than four percent annually. Previously, Contractor Services costs rose above four percent only once from 1992 through 2002.

The most important items in this component by weight are repainting and plumbing rates, which comprise almost two-thirds of the Contractor Services component. Painters' rates rose 3.4%, nearly the same as last year's increase of 3.5%. Rates charged by plumbers increased by 1.2%, a lower increase than last year's growth of 2.8%. Painters and plumbers reported that increases in the cost of labor and materials were the primary factors that led to an increase in their rates.

Other items in this component witnessed changes in costs ranging from 1.1% to 10.3%. (See Appendix B.2)

Administrative Costs

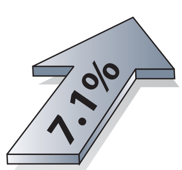
Administrative Costs rose 2.4%, 0.2 percentage points lower than last year's increase (2.6%) and the smallest growth in this component since the inception of the Price Index in 1969. Fees paid to management companies, accountants, and attorneys make up nearly this entire component.

A large portion of the growth in the Administrative Costs component can be attributed to a rise in management company fees (2.5%) that comprise nearly three-quarters of this component. Management fees are often tied to apartment buildings' rental income and are affected by changes in rents and vacancies. This year's growth is less than last year's (3.0%), indicating that management companies lowered their fees and/or rents increased at a slower rate than last year. In addition, the lower growth rate may also be the result of more vacancies and/or collection losses in the buildings they manage compared to the previous year.

Accounting fees increased in this year's PIOC by 1.3%, higher than last year's rise of 0.8%. Attorney fees rose 3.2%, 1.3 percentage points higher than last year's growth of 1.9%.

All other items in this component witnessed changes in price relatives from a decrease of 1.6% to an increase of 4.4%. (See Appendix B.2)

Insurance Costs

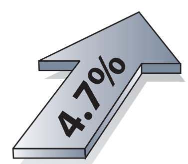


For the second consecutive year there was an increase in the Insurance Costs component, rising 7.1%, compared to last year's increase of 2.5%. These increases were preceded by three years of negative growth ranging from 0.4% to 2.9%.

Changes in insurance costs for owners varied by the amount of the policy. Policies that cost more than $4,666.45, which represent half of all verified insurance quotes, saw an average increase in cost of 8.2% upon renewal. Meanwhile, buildings with policies of $4,666.45 or less saw an increase of 2.3%.

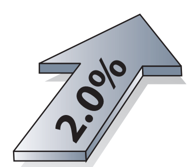
In recent years, the changes in Insurance Costs have been impacted by events outside of traditional market forces. These events have made changes in this component quite volatile. For example, in the three years following 911, the cost to insure multi-family buildings grew a cumulative 104%. With this in mind, RGB staff measured the impact that Superstorm Sandy had on insurance policies renewed after this hurricane hit at the end of October 2012. Prior to November, the average increase in insurance costs was 5.6%. The increase on policies renewed from November forward nearly doubled, rising 10.4%.

Parts and Supplies



The Parts and Supplies component accounts for less than two percent of the entire Price Index. The overall increase in the Parts and Supplies component was 4.7%, a full percentage point higher than the 3.7% increase in 2012 and the highest increase in this component since 2006.

Replacement Costs



The Replacement Costs component has the lowest weight of any component, with its weight being less than 1/100th of the PIOC. This year Replacement Costs rose 2.0%, a smaller rise than the 3.2% increase reported in the 2012 Price Index.

PIOC by Building Type

The 1983 Expenditure Study provides a basis for calculating separate sets of expenditure weights for different types of buildings that contain rent stabilized units. In addition to the all apartment PIOC, this report includes separate indices for buildings constructed before 1947 (pre-1947) and for buildings constructed in

1947 or later (post-1946) as well as gas-heated, oil-heated and master-metered buildings. Although the expenditure weights for all rent stabilized buildings and for each of the five subcategories of buildings differ, the price changes are the same for each of the six indices. (See Appendices B.2 and B.3)

Typically, buildings constructed before 1947 incur a lower percentage of operating and maintenance costs for property taxes, which rose 2.6%, than post-1946 buildings. However their fuel oil costs, which increased by 20.0%, represent a significantly higher percentage of total operating and maintenance costs. As a result, the PIOC for Pre-1947 buildings was 6.8%, higher than that for Post-1946 buildings (4.9%).

Indices were also calculated for different types of heating systems. Due to the moderate increase in natural gas costs of 5.9% for heating multi-family buildings in NYC, the Price Index for gas-heated buildings rose 4.3%. Buildings heated with fuel oil saw a rise in costs of 7.3%, three percentage points higher than gas-heated buildings. The PIOC for master-metered buildings was 6.0%.

Rent Stabilized Hotels

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

The Price Index for all stabilized Hotels rose 7.4% this year, a significantly higher increase than the 3.7% rise in 2012. The Price Index for Hotels was 1.5 percentage points higher than the increase in costs measured in the Apartment Price Index. Significant disparities between the Hotel Index and the Apartment Index were seen in the Taxes and Utilities components. Taxes for Hotels increased at a higher pace (5.8%) than the increase for apartments (2.6%). Furthermore, the increase in Utilities for all types of Hotels was 7.9%, versus the 6.3% rise for apartment buildings.

In addition to the changes in costs in Taxes and Utilities mentioned above, increases were seen in the remaining Hotel cost components. The highest increase was seen in Fuel Oil costs, which make up 16% of the PIOC for hotels, rising 19.8%. Insurance also witnessed a significant increase, with costs growing 7.1%. More moderate increases were seen in the remaining components. Contactor Services increased 3.5%, Labor by 3.1% and Administrative Costs rose 2.4%. Parts and Supplies and Replacement Costs, which carry very little weight in the Hotel Index, rose 4.1% and 0.1%, respectively. See the table on this page for changes in

Hotels

Change In Costs for Rent Stabilized Hotel Buildings, March 2012 to March 2013

Taxes	5.8%
Labor Costs	3.1%
Fuel Oil	19.8%
Utilities	7.9%
Contractor Services	3.5%
Administrative Costs	2.4%
Insurance Costs	7.1%
Parts and Supplies	4.1%
Replacement Costs	0.1%
All Costs	**7.4%**

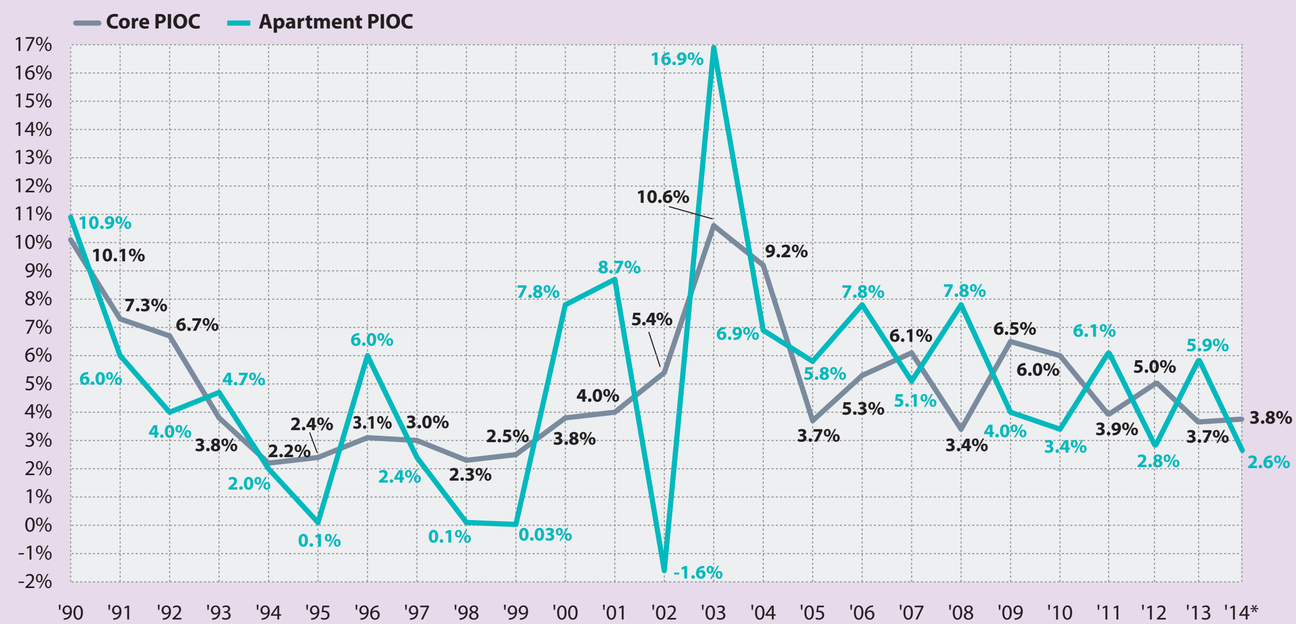
Lofts

Change In Costs for Rent Stabilized Loft Buildings, March 2012 to March 2013

Taxes	2.6%
Labor Costs	3.0%
Fuel Oil	20.1%
Utilities	6.4%
Contractor Services	3.3%
Admin Costs, Legal	3.2%
Admin Costs, Other	2.3%
Insurance Costs	7.1%
Parts and Supplies	4.7%
Replacement Costs	2.0%
All Costs	**5.8%**

Percent Change in the Price Index of Operating Costs and the Core PIOC, 1990-2014

The Apartment Index Rose More than "Core" PIOC in 2013



*Note: The percent change for 2014 is estimated.
Source: NYC RGB Price Indices of Operating Costs, 1990-2013, PIOC and Core PIOC projections for 2014

costs and prices for all rent stabilized hotels from 2012-2013.

Among the different categories of Hotels, the index for "traditional" hotels increased 7.5%, Rooming Houses by 6.1% and SROs by 7.7%. (See Appendices B.4 and B.7)

Rent Stabilized Lofts

The increase in the Loft Index this year was 5.8%, nearly the same increase seen in apartments (5.9%). Although the increases in the components for these indices were similar, there were disparities in the importance that the components hold in each index. Insurance Costs rose 7.1% in both indices but this rise in costs carried more weight in the Lofts Index, making up 17% of this index versus 7% for the Apartment Index. In contrast, the similar increases in Utilities, 6.3% for apartments versus 6.4% for lofts, carried more weight in the Apartment Index (16%) as compared to the Lofts Index (8%). These disparities in the weights for components that make up these two indices resulted in a Loft Index that was just 0.1 percentage points lower than the PIOC for Apartments. See the table on the previous page and Appendix B.8 for changes in costs and prices for all rent stabilized lofts from 2012-13.

The Core PIOC

The Core PIOC, which measures long-term local trends by factoring out shifts in fuel costs, gas, and electricity rates, rose 3.7% in 2013. The rise in the 2013 Core was 2.2 percentage points lower than the Apartment Index. The Core PIOC rose at a slower pace than the overall PIOC because fuel oil costs rose at a faster rate (20.0%) than the Index as a whole (5.9%). Furthermore, the Core Index excludes the cost for heating apartments with natural gas, which witnessed a rise in costs of 5.9%. (See graph on this page.)

PIOC Projections for 2014

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

It is important to note that changes in costs and prices after March 2013, the last month covered by this study, will be measured in next year's Price Index. The PIOC Projection is not used in the calculation of the 'Net Revenue' and 'CPI-Adjusted NOI' commensurate formulas (see the "Commensurate Rent Adjustment" section on the next page), which calculate one- and two-year guidelines that will compensate owners for the most recent change in costs measured by the Price Index. The PIOC Projection should not be considered in combination with these newer formulas in establishing guidelines.

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

This year, operating costs in rent stabilized apartment buildings increased by 5.9%, versus last year's projected PIOC increase of 7.0%. The components that showed the most variance between actual changes in costs versus projected changes were Insurance Costs, Taxes and Parts and Supplies. Insurance Costs were expected remain flat, but instead rose by 7.1% in 2013. Meanwhile, Taxes were anticipated to rise 6.4%, but actually rose just 2.6%. Parts and Supplies were projected to increase 2.0%, but instead rose 4.7%. The remaining 2013 projected components of the PIOC were within 1.4 percentage points of the actual measured changes.

Overall, the PIOC is expected to grow by 2.6% from 2013 to 2014. Costs are predicted to rise in each component except Fuel Oil, where costs are anticipated to decline 6.6%. The largest growth, of 10.4%, is projected to be in the Insurance Costs component. The Utilities component is anticipated to increase 6.1%, while more moderate increases are projected in Labor (4.0%), Administrative Costs (2.6%) and Contractor Services (3.1%). Taxes, the component that carries the most weight in the Index, is projected to increase 2.2%. The Parts and Supplies and Replacement Costs components are expected to rise 2.1% and 1.8%, respectively. The table on this page shows predicted changes in PIOC components for 2014. The core PIOC is projected to rise 3.8%, more than the overall projected Apartment PIOC.

2014 Projections

Projected Change In Costs for Rent Stabilized Apartment Buildings, March 2013 to March 2014

Taxes	2.2%
Labor Costs	4.0%
Fuel Oil	-6.6%
Utilities	6.1%
Contractor Services	3.1%
Administrative Costs	2.6%
Insurance Costs	10.4%
Parts and Supplies	2.1%
Replacement Costs	1.8%
All Projected Costs	**2.6%**

Commensurates

"Net Revenue" Commensurate Adjustment

1-Year Lease	2-Year Lease
5.0%	9.0%

"Net Revenue" Commensurate Adjustment with Vacancy Increase

1-Year Lease	2-Year Lease
3.25%	6.25%

"CPI-Adjusted NOI" Commensurate Adjustment

1-Year Lease	2-Year Lease
6.25%	9.75%

"CPI-Adjusted NOI" Commensurate Adjustment with Vacancy Increase

1-Year Lease	2-Year Lease
4.25%	7.25%

"Traditional" Commensurate Adjustment

1-Year Lease	2-Year Lease
4.0%	4.9%

Commensurate Rent Adjustments

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

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

The first commensurate method is called the "Net Revenue" approach. While this formula takes into consideration the types of leases actually signed by tenants, it does not adjust landlords' NOI for inflation. The "Net Revenue" formula is presented in two ways: First, adjusting for the mix of lease terms; and Second, adding an assumption for stabilized apartment turnover and the impact of revenue from vacancy increases. Under the "Net Revenue" formula, a guideline that would preserve NOI in the face of this year's 5.9% increase in the PIOC is 5.0% for a one-year lease and 9.0% for a two-year lease. Using this formula and adding assumptions for the impact of vacancy increases on revenues when apartments experience turnover result in guidelines of 3.25% for one-year leases and 6.25% 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 1.9% increase in the Consumer Price Index (see Endnote 2) and the 5.9% increase in the PIOC is 6.25% for a one-year lease and 9.75% for a two-year lease. Guidelines using this formula and adding the estimated impact of vacancy increases are 4.25% for one-year leases and 7.25% for two-year leases.[4]

The "traditional" commensurate adjustment is the formula that has been in use since the inception of the Rent Guidelines Board. The "traditional" commensurate yields 4.0% for a one-year lease and 4.9% for a two-year lease. This reflects the increase in operating costs of 5.9% found in the 2013 PIOC and the projection of a 2.6% increase next year.[5]

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

A second flaw of the "traditional" commensurate formula is that it does not consider the erosion of landlords' 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.[6]

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

Finally, it is important to note that only the "traditional" commensurate formula uses the PIOC projection and that this projection is not used in conjunction with or as part of the "Net Revenue" and "CPI-Adjusted NOI" formulas. As stated previously, all three formulas attempt to compensate owners for the adjustment in their operating and maintenance costs measured each year in the PIOC. The "Net Revenue" and the "CPI-Adjusted NOI" formulas attempt to compensate owners for the adjustment in O&M costs by using only the known PIOC change in costs (5.9%). 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 (2.6%). If the change in projected costs, which may not be an accurate estimate of owner's costs, is added to the "Net Revenue" and "CPI-Adjusted NOI" formulas, the resulting guidelines will likely over- or under-compensate for the change in costs.

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

Methodology

Owner Survey

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

The sample frame for the Owner Survey included over 39,000 stabilized buildings registered with the New York State Division of Housing and Community Renewal (DHCR). A random sampling scheme was used to choose 5,100 addresses from this pool for the owner mailing. The number of buildings chosen in each borough was nearly proportional to the share of stabilized buildings in that borough. Three successive mailings were sent at timed intervals to the owner or managing agent of each property selected in the survey sample.

Roughly 12.6% of the questionnaires mailed out were returned to the RGB, a similar rate to last year (12.5%). A total of 581 returned surveys contained usable information, from which quotes of owners' annual insurance costs (393), non-union labor quotes (136) and management fees (112) were validated. The number of verified prices in 2012 and 2013 for the Owner Survey is shown in Appendix B.1.

Utility Cost Computations

The Utilities component consists of costs for electricity, gas, steam, telephone, and water and sewer. 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. Where the component represents prices to heat a building, such as Spec 406 (gas), monthly price data is adjusted to account for changes in weather. Water and sewer price changes are based on annual rate adjustments set by the NYC Water Board. Telephone prices are determined by calculating a hypothetical bill based on rates provided by Verizon. The price relatives for the Utilities component were calculated using the most recent 12-month period from April-March and comparing it to the prior April-March period.

Fuel Oil

Fuel oil price information is gathered on a monthly basis via a telephone survey. A monthly survey makes it possible to keep in touch with fuel oil vendors and to gather the data on a consistent basis (i.e. on the same day of the month for each vendor). Vendors are called each month to minimize the likelihood of misreporting and also to reduce the reporting burden for the companies that do not care to look up a year's worth of prices. The number of fuel oil quotes gathered this year is similar to last year and are 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 3) is a measure of heating requirements.

Real Estate Tax Computations

The sample of buildings used to compute the 2013 tax price relative was drawn by providing a list of rent stabilized properties registered with DHCR to the NYC Department of Finance. Finance "matched" this list against its records to provide data on assessed value, tax exemptions, and tax abatements for over 36,000 buildings in FY 2012 and FY 2013. This data was used to compute a tax bill for each stabilized building in each of these fiscal years. The change computed for the PIOC is simply the percentage difference in aggregate tax bills for these buildings from FY 2012 to FY 2013.

Vendor Survey

The Vendor Survey is used to gather price quotes for Contractor Services (e.g., painting), Administrative Costs (e.g., accountant and attorney fees), Parts and Supplies (e.g., mops), and Replacement Costs (e.g., refrigerators). As in prior years, the vendor database was 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 the first time, from websites that carry items in the PIOC's market basket of goods. (Web prices were not used in calculating the Contractor Services component.) A total of 598 recorded price quotes were gathered. For a description of the items priced and the number of price quotations obtained for each item, refer to Appendix B.1.

Other Items

In addition to the items previously discussed, a number of other pieces of information are needed to complete the PIOC, including labor union contract and benefit information, Social Security rates, unemployment insurance rates and Heating Degree Days. These items are used in computing some of the labor components, and the cost-weighted changes in fuel oil and utility prices.

Price Index Projections

The PIOC Projections are estimated by using data from federal, state and local agencies; estimates from related industry experts; and trend forecasting using three-year or long-term averages. This year projections are based on the time period from April 2013 to March 2014.

Taxes were projected by using data from the Department of Finance's tentative assessment roll for FY 2013 along with estimates of how the final PIOC tax index has compared to the change in the tentative assessment roll over the last decade. These estimates produce a projected tax cost for the owners of rental properties. Labor costs are projected by calculating the average wage increase of the most recent labor contracts for apartment workers union Local 32-BJ and a ten-year geometric average of all other Labor items. Fuel oil costs are projected by using data and information from the U.S. Energy Information Administration's (EIA) current "Short-Term Energy Outlook" report, which includes assumptions about changes in usage according to a projected return to the average temperature over the last five years. Utility costs are projected by obtaining rate projections for the coming year from the New York City Water Board and EIA projections. Natural gas rate projections are combined with assumptions about usage if the coming year's weather had the five-year average number of Heating Degree Days.[7]

The other components — Administrative Costs, Contractor Services, Parts and Supplies, and Replacement Costs — are projected by using twenty-year geometric averages of the component price relatives.

The methodology for projecting Insurance Costs was altered this year due to Superstorm Sandy. In past years, staff used a geometric average of the changes in costs to this component as the projected Insurance Costs relative. Assuming that the effects of this storm will continue to impact insurance costs going forward, this year staff used the increase in the cost of insurance after October 2012, of 10.4%, as the projected change in this component for 2014.

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, methodology, and report review and Charmaine Superville and Michael Taylor for collecting owner and vendor data. ❐

Endnotes

1. Prior to the 2012 PIOC, the Fuel Oil component was entitled "Fuel" in previously PIOCs. This change was made to eliminate any confusion as to whether this component included other fuel types used for heating. The Fuel Oil component measures the cost of heating rent stabilized building with #2, #4, and #6 fuel oil.

2. The average CPI for All Urban Consumers, New York-Northeastern New Jersey for the year from March 2011 to February 2012 (248.8) compared to the average for the year from March 2012 to February 2013 (253.5) rose by 1.9%. This is the latest available CPI data and is roughly analogous to the 'PIOC year', which for the majority of components compare the most recent point-to-point figures from April to March, monthly cost-weighted figures from April to March, or the two most recent fiscal year bills.

3. Due to changes in methodology of the 2010 Price Index, the cost-weight relatives are now calculated on an April to March time period. The April 2012 to March 2013 time period was 16.3% colder than the previous April to March period. "Normal" weather refers to the typical number of Heating Degree Days measured at Central Park, New York City, over the 30-year period from 1981-2010. A Heating Degree Day is defined as, for one day, the number of degrees that the average temperature for that day is below 65 degrees Fahrenheit.

4. The following assumptions were used in the computation of the commensurates: (1) the required change in landlord revenue is 67.2% of the 2013 PIOC increase of 5.9%, or 4.0%. The 67.2% figure is the most recent ratio of average operating costs to average income in stabilized buildings; (2) for the "CPI-Adjusted NOI" commensurate, the increase in revenue due to the impact of inflation on NOI is 32.8% times the latest 12-month increase in the CPI ending February 2013 (1.9%) or 0.62%; (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 2011 Housing and Vacancy Survey; (5) for the commensurate formulae, including a vacancy assumption, the 8.33% median increase in vacancy leases found in the rent stabilized apartments that reported a vacancy lease in the 2012 apartment registration file from the Division of Housing and Community Renewal was used; and (6) the collectability of these commensurate adjustments are assumed.

5. Calculating the "traditional" commensurate rent adjustment requires an assumption about next year's PIOC. In this case, the 2.6% PIOC projection for 2014 is used.

6. 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.

7. Source: "Short-Term Energy Outlook," March 2013. U.S. Energy Information Administration, Department of Energy.

2013 Income and Expense Study

What's New

From 2010 to 2011, because income grew at a faster rate than expenses, net operating income (revenue remaining after operating expenses are paid) grew. This is the seventh consecutive year that net operating income has increased.

On average, in stabilized buildings, from 2010-2011:

✔ Rental income increased by **4.4%**.

✔ Total income rose by **4.5%**.

✔ Operating costs increased by **4.1%**.

✔ Net operating income (NOI) grew by **5.6%.**

Introduction

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

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

These findings examine the conditions that existed in New York's rent stabilized housing market in 2011, the year for which the most recent data is available, and also the extent by which these conditions changed from 2010.

Local Law 63

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

Since 1990, the RGB has received data on samples of rent stabilized properties that file RPIE forms. Samples in the first two studies (data for 1988 and 1989) were limited to 500 buildings, because RPIE files were not automated. Upon computerization of I&E filings in 1992 (for cross-sectional data from 1990 and longitudinal data from 1989-90), the size of the samples used in RGB I&E studies has grown and this year includes 14,669 properties containing 672,887 units.

Cross-Sectional Study

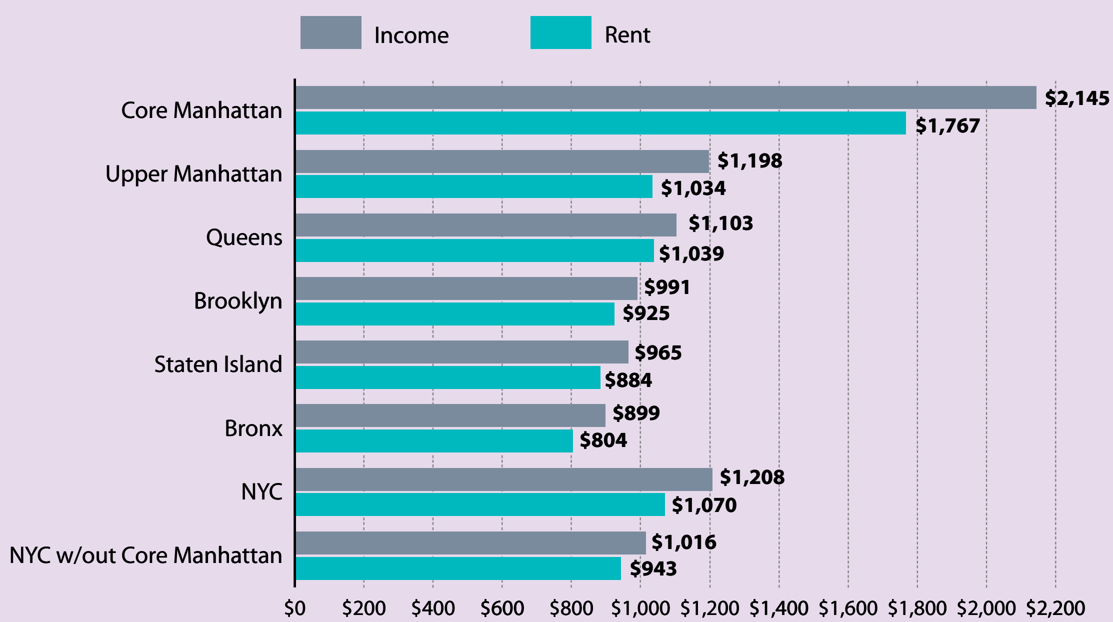
Rents and Income[1]

In 2011, rent stabilized property owners collected monthly rent averaging $1,070 per unit. Similar to prior years, units in pre-war buildings rented for less on average ($1,016 per month) than those in post-war buildings ($1,217 per month).[2] At the borough level, the average monthly rents in stabilized buildings were $1,458 in Manhattan ($1,767 in Core Manhattan and $1,034 in Upper Manhattan); $1,039 in Queens; $925 in Brooklyn; $884 in Staten Island; and $804 in the Bronx. Average monthly rent per unit in the City, excluding Core Manhattan, was $943. Looking at *median* figures, the median rent Citywide was $947. At the borough level, median monthly rent was $1,256 in Manhattan; $1,016 in Queens; $882 in Brooklyn; $818 in Staten Island; and $794 in the Bronx.

Many owners of stabilized buildings augment income from their apartment rents by selling services to their tenants as well as by renting commercial space. Current RPIE filings show an average monthly gross income of $1,208 per unit in 2011, with pre-war buildings earning $1,153 per unit and those in post-war properties earning $1,359 per unit. Gross income was highest in Core Manhattan, at $2,145 per unit per month, and lowest in the Bronx, at $899. Monthly income per unit in the City, excluding Core Manhattan, was $1,016. These gross income figures encompass rent from stabilized apartments as well as the sale of services (e.g., laundry, vending, parking) and commercial income. Such proceeds accounted for an 11.4% share of the total income earned by building owners in 2011, the same as the prior year. By borough, income earned from the sale of services was 16.5% in Manhattan (17.6% in Core Manhattan and 13.7% in Upper Manhattan); 10.5% in the Bronx; 8.4% in Staten Island; 6.6% in Brooklyn; and 5.8% in Queens. The graph on this page shows the average rent and income collected in 2011 by borough, and for the City as a whole.

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

Rent and Income Were Highest in Manhattan in 2011



* See endnote 1
Note: Core Manhattan represents the area south of W 110th and E 96th Streets.
Upper Manhattan is the remainder of the borough.
Source: NYC Department of Finance, 2011 RPIE Filings

Median Citywide income for owners in 2011 was $1,026. At the borough level, Manhattan had the highest median income, at $1,463; followed by Queens at $1,044; Brooklyn at $927; Staten Island at $911; and the Bronx at $872. (For rent and income averages and medians by borough and building age and size, see Appendices C.3 and C.4.)

Comparing Rent Measurements

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

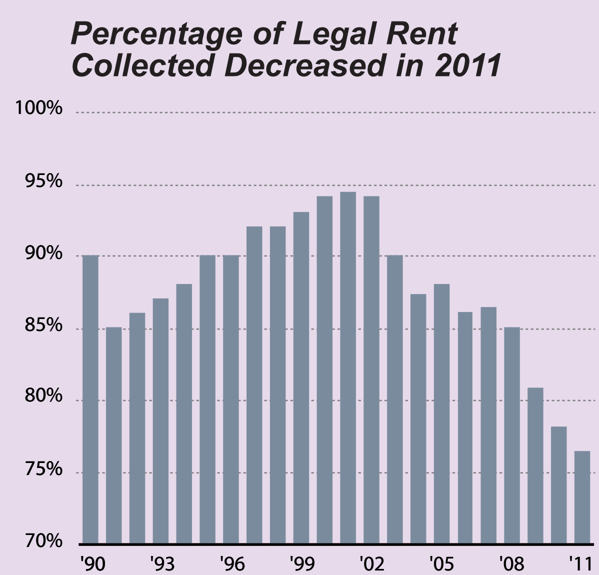
Rents included in RPIE filings are different than HVS and DHCR figures primarily because of differences in how average rents are computed. RPIE data reflects actual rent collections that account for vacancies or non-payment of rent. HVS data consists of contract rent (the amounts stated on leases, which includes both legal and preferential rents) while DHCR data consists of legal rents registered annually with the agency. Because HVS and DHCR rent data do not include vacancy and collection losses, in most years these rents are generally higher than RPIE rent collections data. Furthermore, RPIE information reflects rents collected over a 12-month period; DHCR data reflects rents registered on April 1, 2011; and 2011 HVS figures are contract rents in effect during the first four months of 2011. Because 2011 was the most recent year in which the HVS was conducted, it is possible to compare rent data from all three sources. In sum, despite the anomalies between the three rent indicators, the difference between RPIE rents and HVS or DHCR rents is a good estimate of vacancy and collection losses incurred by building owners, and the relative change in the gap is one way of estimating the change in such losses from year to year.

The latest RPIE and HVS data (2011) shows that the HVS average contract rent of $1,137 for all rent stabilized apartments was 6.2% greater than the RPIE average collected rent of $1,070 among buildings containing rent stabilized buildings.[3] In most years where the HVS and RPIE average rent figures could be compared, the HVS figure has generally exceeded the RPIE average. For instance, in 2005, the HVS average for all rent stabilized apartments was 6% greater than the RPIE average; in 1999, 2%; in 1996, 9%; in 1993, 6%; and in 1991, 4%. The only years when the average rent computed by the HVS did not exceed the RPIE average collected rent was in 2008, where they were virtually equal, and in 2002, when the RPIE rent exceeded the HVS rent by 5%.

However, rent by building age varies between the HVS and RPIE. The 2011 HVS average contract rent in older, pre-war apartments was $1,097, which was 7.9% higher than the RPIE average collected rent of $1,016. And the HVS average rent for units built after 1946, $1,260, was 3.5% higher than the 2011 RPIE average rent of $1,217.

In comparing annual RPIE and DHCR average rents from 1991 to 2001, the gap between the two contracted steadily during that time period. In fact, from 1991-2001, the difference between RPIE and

Average Monthly Citywide Collected Rents as a Share of Average Monthly DHCR Legal Registered Rents, 1990-2011



Source: DHCR Annual Rent Registrations; NYC Department of Finance, 1990-2011 RPIE Filings

DHCR rents decreased by almost two-thirds, from a difference of 15% between the two in 1991 to a difference of 5.6% in 2001. However, since that time, the gap has grown almost every year, to a current difference of 23.6%, as indicated by the average I&E rent of $1,070 and DHCR's average stabilized rent of $1,400.[4] This gap between collected and legal rent indicates that building owners are not collecting the full amount of their legal rent rolls (see graph on previous page).

At the borough level, the gap between collected and legal rent varies. In 2011, Manhattan property owners collected an average rent of $1,458, 22.5% lower than DHCR's average legal rent of $1,882 for Manhattan. In the other boroughs, the differences were also significant, with collected average rents that were 20.4% lower than legal rents in Queens; 23.1% lower in Brooklyn; and 26.7% lower in the Bronx. At least part of this differential in the boroughs is due to non-paying tenants or due to preferential rents, usually offered when the legal stabilized rent exceeds the market rate for the area.[5]

Another benchmark that can help place RPIE rent data in context is the RGB Rent Index, which measures the overall effect of the Board's annual rent increases on contract rents each year. As the table on this page shows, the RPIE reported that during most of the 1990's and 2000's, average rent collection increases were higher than the renewal lease increases allowed by the RGB's guidelines. However, this is the third consecutive year where allowable guideline increases were higher than increases actually taken, with the RGB rent index up 5.2% and RPIE rent collections up by 4.4% between 2010 and 2011 (adjusted to a calendar year).[6] This shift may be due to owners' inability to increase collectible renewal rents by the maximum guideline permitted; increases in vacancy and collection losses; and/or decreasing rents charged to unregulated tenants.

A longer view of the three indices shows that overall, RGB rent guidelines have grown faster than both collected rents and DHCR legal rents from 1990 to 2011. During that period, the RGB Rent Index increased 147.8%; DHCR adjusted legal rents increased 142.5%; and RPIE collected rents increased 135.2% (these figures are not adjusted for inflation).[7]

Rent Comparisons, 1990-2011

RGB Rent Index Grew Faster Than 2010-11 RPIE Collected Rents and DHCR Legal Rents

	RPIE Rent Growth	DHCR Rent Growth (Adjusted)§	RGB Rent Index (Adjusted)Ø
90-91	3.4%	4.1%	4.1%
91-92	3.5%	3.0%	3.7%
92-93	3.8%	3.0%	3.1%
93-94	4.5%	2.4%	2.9%
94-95	4.3%	3.1%	3.1%
95-96	4.1%	4.1%	4.5%
96-97	5.4%	4.6%	5.2%
97-98	5.5%	3.3%	3.7%
98-99	5.5%	3.7%	3.8%
99-00	6.2%	4.4%	4.2%
00-01	4.9%	5.3%	5.0%
01-02	4.0%	4.4%	4.5%
02-03	3.6%	6.9%	4.1%
03-04‡	-	1.6%	5.5%
04-05	4.6%	5.8%	4.6%
05-06	5.6%	7.2%	4.3%
06-07	6.5%	6.0%	4.2%
07-08	5.8%	5.9%	4.7%
08-09	1.2%	5.4%	7.5%
09-10	0.7%	5.4%	5.2%
10-11	4.4%	1.2%	5.2%
1990 to 2011*	135.2%	142.5%	147.8%

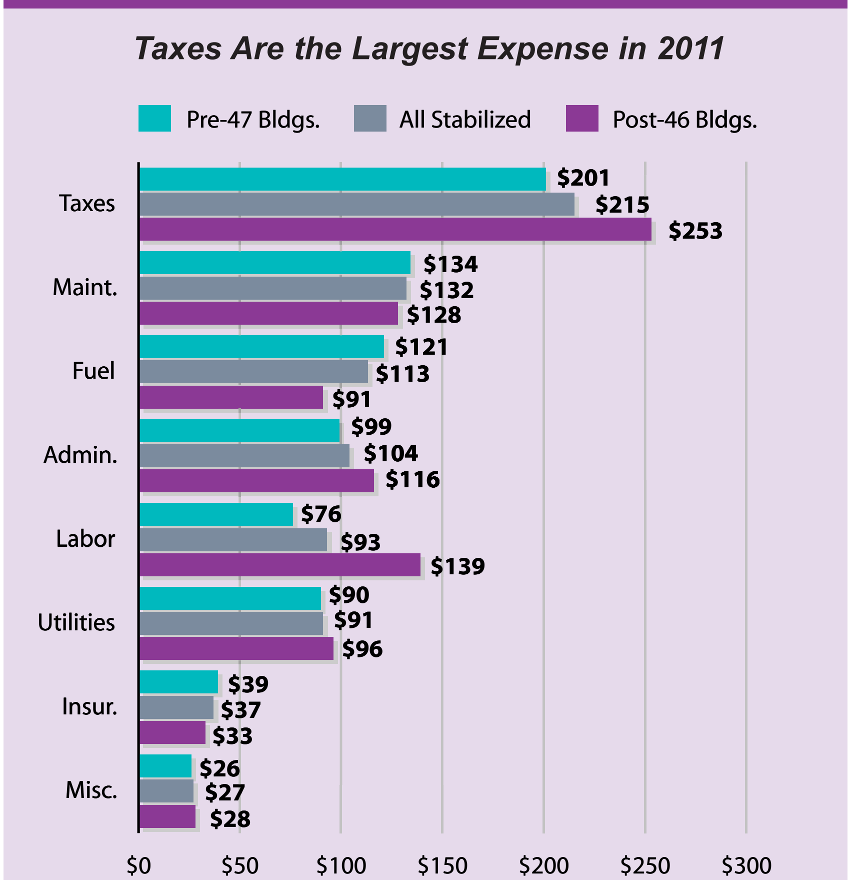
* Not adjusted for inflation
§ See endnote 4 Ø See endnote 6
‡ See endnote 7
Sources: NYS DHCR Annual Rent Registrations; NYC Department of Finance, 1990-2011 RPIE Filings

Operating Costs

Rent stabilized apartment buildings incur several types of expenses in order to operate efficiently. RPIE filings include data on eight categories of operating and maintenance (O&M) costs: taxes; labor; utilities; fuel; insurance; maintenance; administrative; and miscellaneous costs. However, in contrast to revenues, this data does not distinguish between expenses for commercial space and those for apartments, making the calculation of "pure" residential operating and maintenance costs impossible, except in a smaller sample of residential buildings. Thus, the operating costs reported are comparatively high because they include maintenance costs for commercial space.

The average monthly operating cost for units in stabilized buildings was $812 in 2011. Costs were lower in units in pre-war structures ($786), and higher among post-war buildings ($884). Geographically, average costs were lowest in Staten Island ($644); Brooklyn ($661); the Bronx ($670); and Queens ($731), and highest in Manhattan ($1,127). Looking more closely at Manhattan buildings, costs for units located in Core Manhattan averaged $1,322 a month, while the costs in Upper Manhattan were $860. The average monthly operating costs for stabilized building owners in New York City, excluding Core Manhattan, reduces the City average to $694. The graph on this page details average monthly expenses by cost category and building age for 2011. As the graph illustrates, taxes make up the largest share of expenses, averaging 26% of all costs.

Average Monthly Expense per Dwelling Unit per Month



Source: NYC Department of Finance, 2011 RPIE Filings

Median Citywide expenses in 2011 were $720. By borough, Manhattan had the highest median costs, at $944; followed by Queens at $684; the Bronx at $652; Staten Island at $621; and Brooklyn at $614. (Appendices C.1, C.2 and C.3 break down average costs by borough and building age; Appendix C.4 details *median* costs; and Appendix C.6 details distribution of costs.)

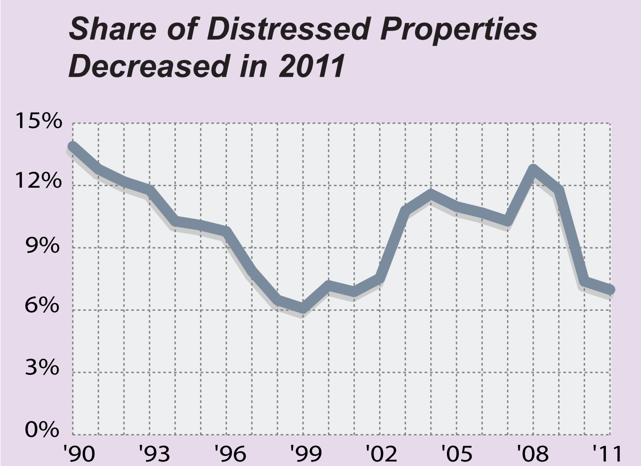
In 1992, the NYC Department of Finance and RGB staff tested RPIE expense data for accuracy. Initial examinations found that most "miscellaneous" costs were actually administrative or maintenance costs, while 15% were not valid business expenses. Further audits on the revenues and expenses of 46 rent stabilized properties discovered that O&M costs stated in RPIE filings were generally exaggerated by 8%. Costs tended to be less accurate in small (11-19 units) properties and more precise for large (100+ units) buildings. However, these results are somewhat inconclusive since several owners of large stabilized properties refused to cooperate with the NYC Dept. of Finance's assessors. Adjustment of the 2011 RPIE O&M cost ($812) by the results of the 1992 audit results in an average monthly O&M cost of $746 Citywide.

Just as buildings without commercial space typically generate less revenue than stabilized properties with commercial space, operating expenses in these buildings tend to be lower on average than in buildings with a mixture of uses. In 2011, unaudited average O&M costs for "residential-only" buildings were $748 per month and average audited O&M costs for these buildings were $687 per month.

"Distressed" Buildings

For the purposes of this study, buildings that have operating and maintenance costs greater than gross

Percent of Distressed Properties in Cross-Sectional Samples 1990-2011



Source: NYC Department of Finance, 1990-2011 RPIE Filings

income are considered distressed. Among the properties that filed RPIEs for 2011, 1,027 buildings, or 7.0% of the cross-sectional sample, had O&M costs in excess of gross income, down from 7.4% found the prior year. In 2011, only 84 (8.2%) of these distressed buildings were built after 1946. Since 1990, when 13.9% of the sample of stabilized properties were considered distressed, the proportion of distressed buildings declined each year until 1999, reaching a low of 6.1%. From 1999 until 2004, the proportion generally increased, but has declined for six of the last seven years, and in 2011 reached its lowest level since 2001 (see graph on this page). Most distressed stabilized properties (63%) contain 20 to 99 units. Further, most units are located in Manhattan (49%); the Bronx (27%); or Brooklyn (17%). (See Appendix C.7 for a breakdown of distressed buildings by borough, building size and building age.)

Net Operating Income

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

On average, apartments in rent stabilized buildings generated $396 of net income per month in 2011, with units in post-war buildings earning more ($475 per month) than those in pre-war buildings ($367 per month). Average monthly NOI tended to be greater for stabilized properties in Manhattan ($618) than for those in the other boroughs: $372 in Queens; $330 in Brooklyn; $321 in Staten Island; and $229 per unit per month in the Bronx. There was a sizable difference when looking at NOI on a sub-borough level in Manhattan. Core Manhattan properties earned on average $823 per unit per month in NOI, while properties in Upper Manhattan had an NOI of $338. The monthly NOI average calculated Citywide, excluding Core Manhattan, was $322. Looking at the NOI using audited expense figures, the Citywide NOI in 2011 was $462. Average monthly unaudited NOI in "residential-only" properties Citywide was $357 per unit in 2011, 9.8% lower than the average for all stabilized buildings.

NOI reflects the revenue available after payment of operating costs; that is, the money owners have for financing their buildings; making improvements; and for pre-income tax profits. While NOI should not be the only criteria to determine the ultimate profitability of a particular property, it is a useful exercise to calculate the annual NOI for a hypothetical "average stabilized building" with 11 units or more. Multiplying the average unaudited monthly NOI of $396 per unit by the typical size of buildings in this year's cross-sectional sample (an average of 45.9 units) yields an estimated average annual NOI of about $218,000 in 2011.

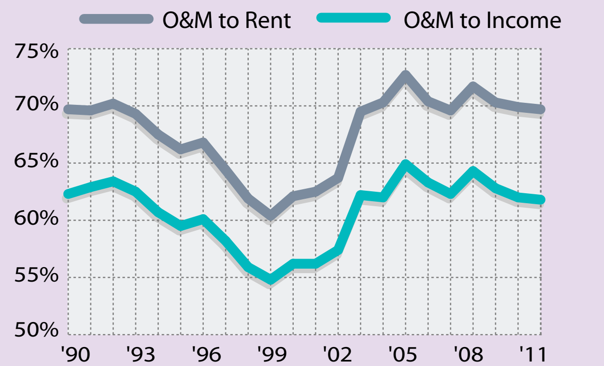
Operating Cost Ratios

Another way to evaluate the profitability of New York City's rent stabilized housing is by measuring the ratio of expenses to revenues. Traditionally, the RGB has used O&M Cost-to-Income and O&M Cost-to-Rent ratios to assess the overall health of the stabilized housing stock, presuming that buildings are better off by spending a lower percentage of revenue on expenses. The graph on this page shows how over the period from 1990 to 2011, the proportion of total income and rent collections spent on audited operating costs has fluctuated. The audited Cost-to-Income ratio in 2011 was 61.8%, a decrease of 0.2 percentage points from the prior year's 62.0%. This means that on average, owners of rent stabilized properties spent roughly 62 cents out of every dollar of revenue on operating and maintenance costs in 2011. Looking at unaudited expenses, the cost-to-income ratio in 2011 was 67.2%. The audited *median* cost-to-income ratio was 64.5% in 2011, a decrease of 0.3 percentage points from 64.8% in 2010.

Examining the ratio of costs to rent collections, audited operating costs in 2011 were 69.7% of revenues from rent, a decrease of 0.2 percentage points from the prior year. Using unaudited expenses, the cost-to-rent ratio in 2011 was 75.9%. Looking at the audited *median* cost-to-rent ratio, it was 69.8% in 2011, up from 69.7% in 2010.

Ratios of Citywide Average Monthly Audited O&M Costs to Average Monthly Gross Income and Rent 1990-2011

Cost-to-Income and Cost-to-Rent Ratios Decrease in 2011

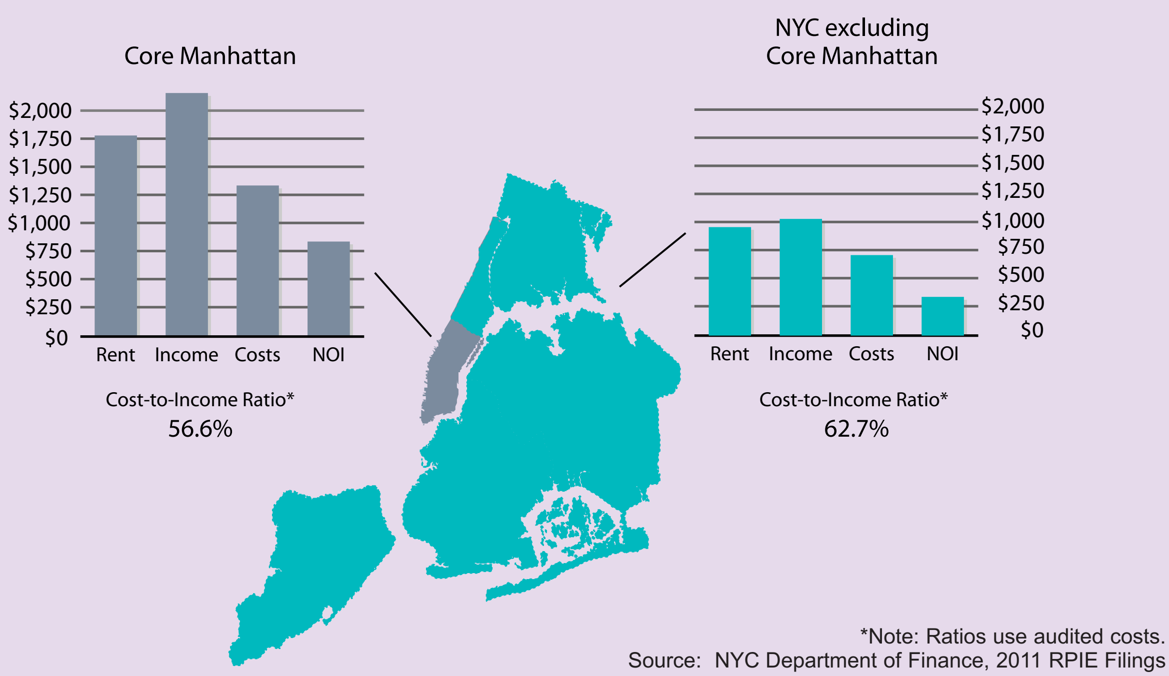


Source: NYC Dept. of Finance, 1990-2010 RPIE Filings

Rents, income, and costs per unit were on average highest in Core Manhattan in 2011 (see map and graphs on this page). When looking at the City with core Manhattan excluded, the average revenue and

Average Monthly Rent, Income, Operating Costs and Net Operating Income per Dwelling Unit and Cost-to-Income Ratios, Core Manhattan and the Rest of the City, 2011

Cost-to-Income Ratio Lower in Core Manhattan in 2011



*Note: Ratios use audited costs.
Source: NYC Department of Finance, 2011 RPIE Filings

costs figures are generally lower, resulting in expense to revenue ratios that are different. The audited Cost-to-Income Ratio for the rest of the City was 62.7%, higher than the Cost-to-Income Ratio for stabilized buildings in Manhattan's Core (56.6%). These figures indicate that on average, owners of stabilized properties outside of Core Manhattan spend about six cents more of every dollar of revenue on expenses, as compared to their counterparts in Core Manhattan.

Net Operating Income After Inflation

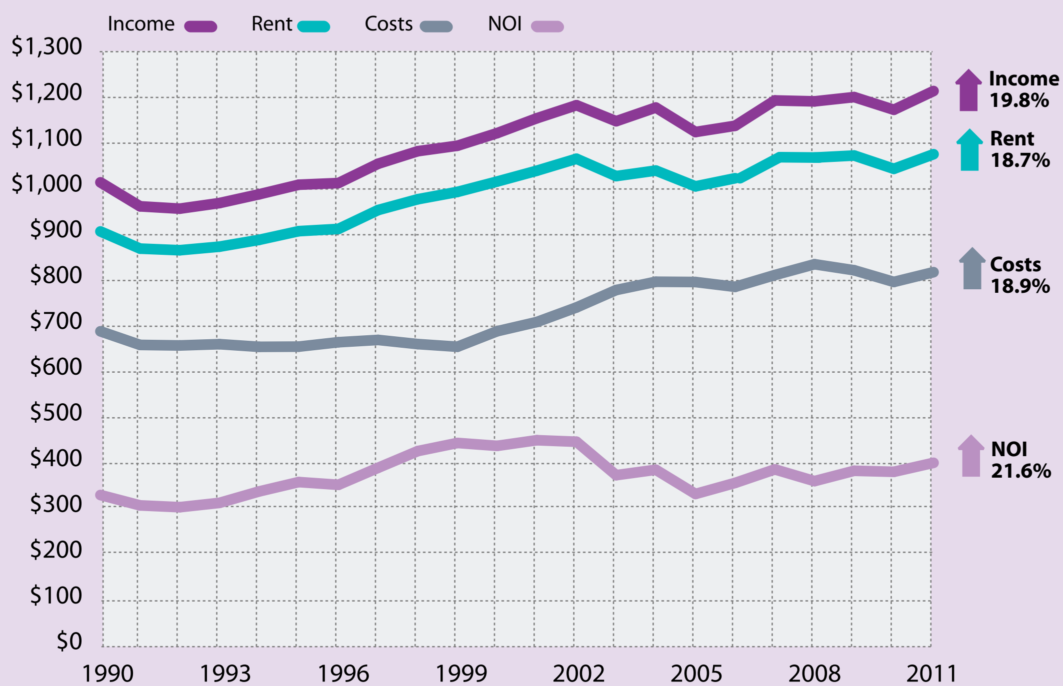
The amount of net operating income is a function of the level of expense and the level of revenue in a given year (revenues minus operating expenses equals net operating income). Adjusting NOI as well as rent, income and costs figures for inflation (in constant 2011 dollars) and comparing different base years to the latest data available is a useful way to assess the health of the stabilized housing stock and how well revenues have been meeting or exceeding expenses without erosion by inflation.

Point-to-point comparisons of average figures show that, from 1990 to 2011, after adjusting for inflation, NOI (the surrogate measure for profit) has increased 21.6% (see graph on this page). This indicates that revenues have outpaced expenses to the extent that average monthly NOI was worth 21.6% more in 2011 than it was in 1990, after adjusting for inflation.

Another way to look at how rent, income, costs and NOI have changed absent the effect of inflation is to graph inflation-adjusted monthly figures for each of the four components measured in the I&E studies. During the 1990 to 2011 period, inflation-adjusted rent increased a cumulative 18.7%, income by 19.8%, and

Citywide Income, Rent, Costs and NOI After Inflation, 1990-2011

After Inflation, NOI Up Since 1990
(Average Monthly Income, Rent, Operating Costs and Net Operating Income per Dwelling Unit in Constant 2011 Dollars)



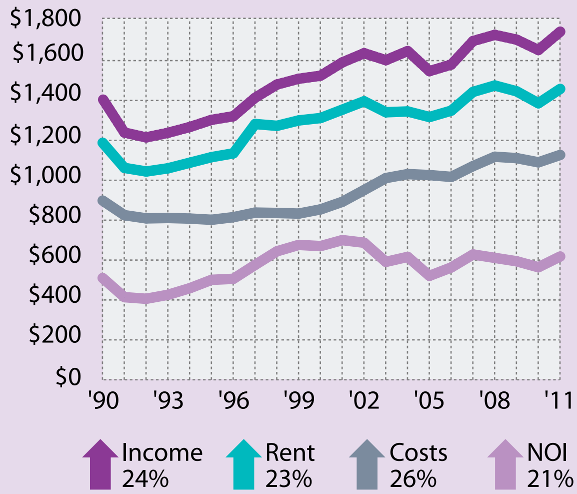
Note: Percent changes are point-to-point measurements and should not be considered cumulatively.
Sources: NYC Rent Guidelines Board *Income and Expense Studies*, 1992-2012.
NYC Department of Finance, 1990-2011 RPIE Filings.

Income, Rent, Costs and NOI After Inflation per Borough, 1990-2011

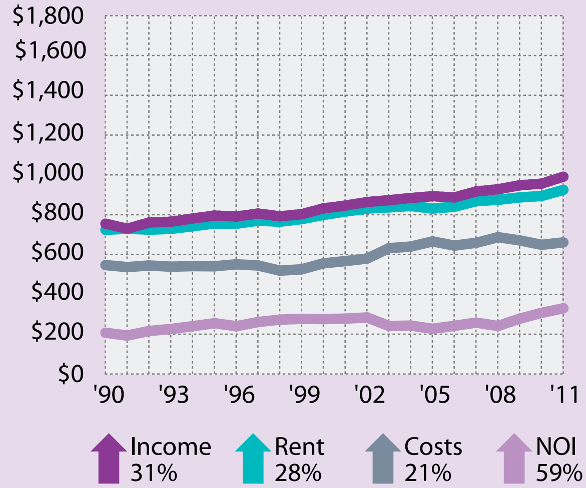
Since 1990, Inflation-Adjusted NOI Rises Citywide and in Each Borough

(Average Monthly Income, Rent, Operating Costs and Net Operating Income per Dwelling Unit in Constant 2011 Dollars)

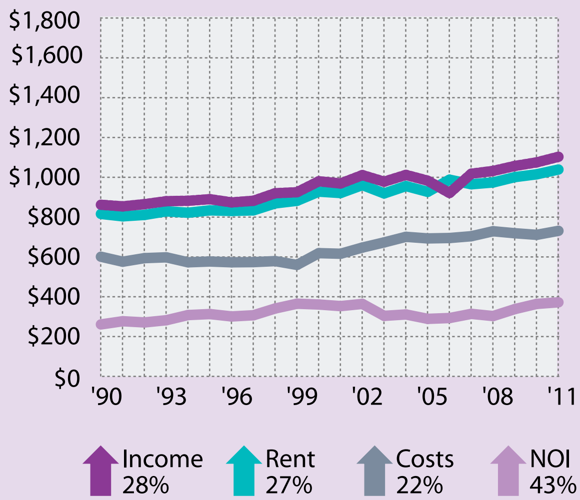
Manhattan 1990-2011



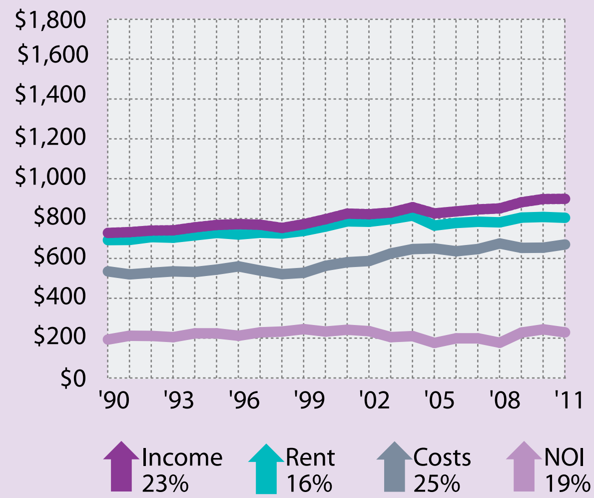
Brooklyn 1990-2011



Queens 1990-2011



Bronx 1990-2011



Note: Percent changes are point-to-point measurements and should not be considered cumulatively. Staten Island is excluded due to insufficient data from prior years.
Sources: NYC Rent Guidelines Board *Income and Expense Studies*, 1992-2012.
NYC Department of Finance, 1990-2011 RPIE Filings.

costs by 18.9%, resulting in an increase in NOI of 21.6%.

Examining the ratio of NOI to income, since 1990, the ratio has varied. From 1990-96 the ratio of NOI/income averaged 33%, while from 1997-2002, NOI's share of income averaged 39%. In the last nine years, the average ratio of NOI/income was about 32%. This means that on average, over the past nine years, 32 cents of every dollar earned is net operating income for the owner.

While the Citywide graph of inflation-adjusted revenue, expense and NOI figures is useful for demonstrating the overall stabilized rental housing market, disaggregating the same figures by borough shows how the market can differ from area to area (see graphs on the previous page). Looking at each of the boroughs individually, from 1990 to 2011, all boroughs saw double-digit increases in their net income, with Brooklyn seeing the largest increase, 59%; followed by Queens, up 43%; Manhattan, up 21%; and the Bronx, up 19%.

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 13,567 buildings from 2010 to 2011.

Rents and Income

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

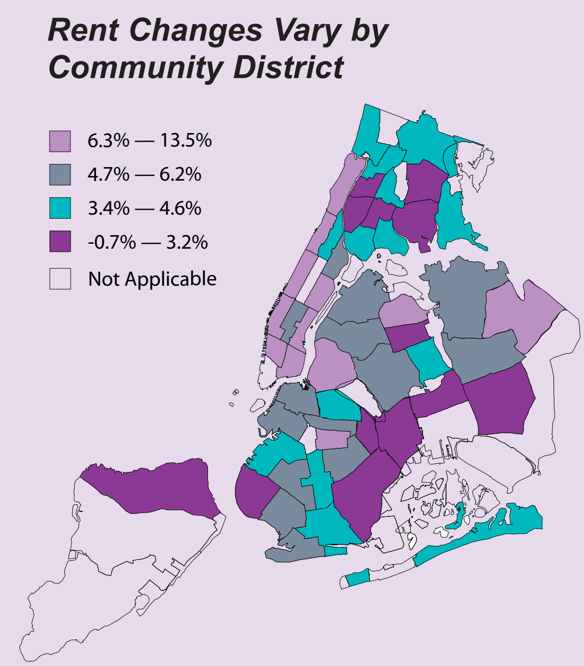
Average rent collections in stabilized buildings rose by 4.4% in 2011. Rent collections in post-war buildings grew at a greater rate, up 4.6%, than in pre-war buildings, which increased by 4.3%. Rent collections increased the most among large, 100+ unit buildings, up 5.0%; while rents grew 4.3% among smaller, 11-19 unit buildings; and rose 4.2% among mid-sized, 20-99 unit buildings. Examining rent collections by borough, Manhattan saw the largest increase, up 5.5%; followed by Brooklyn, up 4.5%; Queens, up 4.0%; and the Bronx, up 2.8%. However, in Staten Island, average rent fell 0.5%. Within Manhattan, Core Manhattan rents grew 6.1% and Upper Manhattan rents grew 4.0%. The growth in *median* rent Citywide was 3.5%.

Looking at rent collections throughout New York City, all but one community district saw increases in average rent from 2010 to 2011.[8]

Among the 52 neighborhoods seeing rent collections increase, the greatest rent growth was found in three Manhattan neighborhoods: Chelsea/Clinton, with an increase in rent of 13.5%; Morningside Heights/Hamilton Heights, up 10.8%; and Greenwich Village, up 9.3%. The next largest increase in rent was found in Williamsburg/Greenpoint, Brooklyn, up 9.1%. The largest rent growth in Queens was found in Bayside/Little Neck, up 6.9%. The largest rent growth in the Bronx was in Throgs Neck/Co-op City, up 4.5%.

The one neighborhood seeing a decline in rent was in Ocean Hill/Brownsville, Brooklyn, falling 0.7%. Neighborhoods seeing the smallest increases in rent growth include the North Shore of Staten Island, up 0.5%

Change in Rent by Community District, 2010-11



Source: NYC Department of Finance, 2010-11 RPIE Filings and Pelham Parkway in the Bronx, up 0.7%. See the map on the previous page for a breakdown of rent increases by community district throughout New York City.

The average total income collected in rent stabilized buildings, comprising apartment rents, commercial rents and sales of services, increased by 4.5% from 2010 to 2011. Revenues rose faster in pre-war buildings, up 4.6%, than in post-war buildings, up 4.4%. Manhattan saw the highest growth in income, rising 5.9%; followed by Brooklyn, up 4.3%; Queens, up 4.0%; and the Bronx, up 2.7%;. Meanwhile, in Staten Island, income remained unchanged. Within Manhattan, Core Manhattan income rose 6.3% while Upper Manhattan saw income rise 4.9%. The *median* growth in income Citywide was 4.2%.

Operating Costs

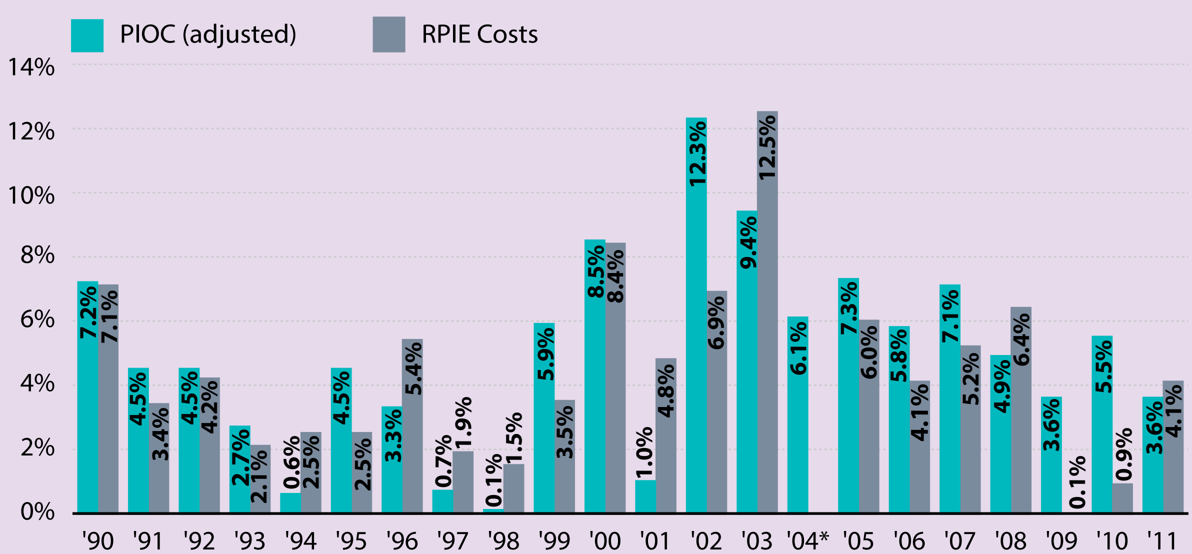
Average expenses in stabilized buildings Citywide increased from 2010 to 2011, up 4.1%. However, the change in operating costs varied by building age and by borough. Older, pre-war buildings saw expenses increase 4.7%, while newer, post-war buildings saw expenses increase 2.5%. Breaking down the change in costs by borough, costs rose the most in the Bronx, up 5.4%; while costs rose 4.2% in Manhattan; 3.7% in Queens; 2.8% in Brooklyn; and 1.5% in Staten Island. Citywide, *median* expenses rose 3.9%. For a detailed breakdown of the changes in rent, income and costs by building size, age and location, see Appendices C.9 and C.10.

RPIE Expenses and the PIOC

Data from the RPIE and the RGB's long-running survey, the Price Index of Operating Costs (PIOC), each provide a form of independent verification for the expense findings in the other. However, comparison of I&E and PIOC data is somewhat distorted due to differences in the way each instrument defines costs and time periods. For example, there is a difference between when expenses are incurred and actually paid by owners as

Change in Operating & Maintenance Costs, RPIE and the PIOC, 1990 to 2011

In 2011, Owner-Reported RPIE Costs Increased at a Greater Rate than the PIOC



*Longitudinal RPIE data for 2003-04 is unavailable (see endnote 7).
Sources: NYC Department of Finance, 1990-2011 RPIE Filings; NYC Rent Guidelines Board Price Index of Costs (PIOC) 1990-2011

reported in the RPIE, versus the price quotes obtained from vendors for specific periods as surveyed in the PIOC. In addition, the PIOC primarily measures prices on a March to March basis, while most RPIE statements filed by landlords are based on the calendar year. (See endnote 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 rose 3.6% from 2010 to 2011, the same period as the 4.1% increase in I&E costs, a 0.44 percentage point difference. (See graph on the previous page.)

From 1990-91 to 2010-11, cumulative growth in owners' costs as measured by the two indices varied. Overall nominal costs measured in the PIOC increased at a greater rate, 152.6%, compared to RPIE data, which grew 131.3%, over this period.[9]

Operating Cost Ratios

Between 2010 and 2011, the proportion of gross income spent on audited expenses (the O&M Cost-to-Income ratio) declined, falling by 0.3 percentage points. The proportion of rental income used for audited expenses (the O&M Cost-to-Rent ratio) also declined, down 0.2 percentage points.

Net Operating Income

Net Operating Income (NOI) refers to the earnings that remain after operating and maintenance (O&M) expenses are paid, but before payments of income tax and debt service. Since average collected income grew more than operating costs, Citywide net operating income in rent stabilized buildings increased by 5.6% in 2011, the seventh consecutive year that NOI has increased. The growth in *median* NOI Citywide was 4.7%.

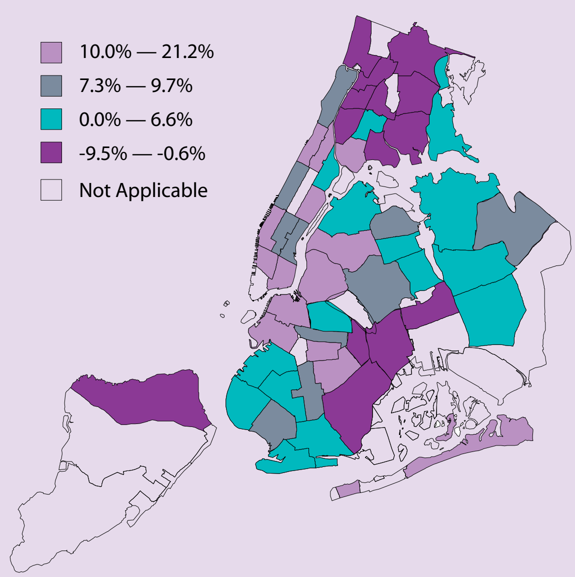
The average change in NOI from 2010 to 2011 differed throughout the City. Manhattan saw the largest increase in NOI, up 9.1%; while NOI rose 7.3% in Brooklyn and 4.5% in Queens. By contrast, NOI fell 4.6% in the Bronx and fell 3.1% in Staten Island. Within Manhattan, both core and upper Manhattan saw NOI rise, up 10.2% and 5.6%, respectively. See Appendices C.11 and C.12 for a breakdown of NOI by borough, building age and building size.

At the Community District level, change in NOI varied widely, with 72% of neighborhoods experiencing increases in NOI. The four neighborhoods seeing the largest increases in NOI were in Manhattan, with Morningside Heights/Hamilton Heights seeing the largest increase, up 21.2%. The largest increase in Brooklyn was in Williamsburg/Greenpoint, up 15.6%. In the Bronx, the largest increase was in Mott Haven/Port Morris, up 14.0%. And in Queens, the neighborhood seeing the largest increase was in Sunnyside/Woodside, up 10.2%.

On the other hand, a quarter of city neighborhoods saw NOI decline from 2010 to 2011. The largest was in Staten Island's North Shore neighborhood, with NOI declining 9.5%. Also seeing declines were nine Bronx neighborhoods, three Brooklyn neighborhoods and one neighborhood in Queens. The largest decline in

Change in NOI by Community District, 2010-11

Net Operating Income Changes Vary by Community District



Source: NYC Department of Finance, 2010-11 RPIE Filings the Bronx was in Williamsbridge/Baychester, down 8.4%; and the largest decline in Brooklyn occurred in Flatlands/Canarsie, down 4.7%. There were no Manhattan neighborhoods where NOI declined. The map on the previous page shows how change in NOI varied in each neighborhood. (See endnote 9.)

Conclusion

RPIE filings, from almost 14,700 rent stabilized buildings containing almost 673,000 units in the cross-sectional sample and from almost 13,600 buildings containing over 623,000 units in the longitudinal sample, were analyzed in this year's *Income and Expense Study*. Citywide, rent collected rose 4.4%; revenue collections increased 4.5%; and expenses rose by 4.1%. Since the average increase in revenue outpaced the increase in expenses from 2010 to 2011, Net Operating Income (NOI) Citywide increased by 5.6%, the seventh consecutive year that NOI has increased. Further, the proportion of distressed properties fell Citywide, down 0.4 percentage points.

Changes in Average Monthly Rents, Income, Operating Costs and Net Operating Income per Dwelling Unit, 1990-2011

Increase in Income Growth Outpaces Increase in Expenses Resulting in an Increase in NOI from 2010 to 2011

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

Source: NYC Department of Finance, 1990-2011 RPIE Filings
Note: Longitudinal data from 2003-04 is unavailable.

Finally, the cost-to-income ratio was 61.8%, down 0.2 percentage points from the prior year.

Methodology

The information in this report was generated by analyzing data derived from RPIE forms filed with the NYC Department of Finance in 2012 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 2011, was made available to NYC Rent Guidelines Board research staff in March, 2013 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 *2011 NYC Housing and Vacancy Survey*, the most recent comprehensive data available, to calculate averages that are representative of the population of residential buildings in New York City. In addition, medians were calculated and included in this report. The medians derived from the sample were also produced by the NYC Department of Finance and are unweighted.

Two types of summarized data, cross-sectional and longitudinal, were obtained for stabilized buildings. Cross-sectional data, which provides a "snapshot" or "moment-in-time" view, comes from properties that filed 2011 RPIE or alternatively, TCIE (Tax Commission Income & Expense) forms.[10] Data from the forms was used to compute average and median rents, operating costs, etc., that were typical of the year 2011. Longitudinal data, which provides a direct comparison of identical elements over time, encompasses properties that filed RPIE/TCIE forms for the years 2010 and 2011. The longitudinal data describes changing conditions in average rents, operating costs, etc., by comparing forms from the same buildings over two years. Thus, cross-sectional data in this report measures conditions in effect throughout 2011, while longitudinal data measures changes in conditions that occurred from 2010 to 2011.

This year, 14,669 buildings containing rent stabilized units were analyzed in the cross-sectional study and 13,567 buildings were examined in the longitudinal study. The sample of buildings was created by matching a list of properties registered with the DHCR against building data found in 2011 RPIE or TCIE statements (or 2010 and 2011 statements for the longitudinal sample). A building is considered rent stabilized if it contains at least one rent stabilized unit.

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

- Buildings containing fewer than 11 units. Owners of buildings with fewer than 11 apartments (without commercial units) are not required to file RPIE forms;
- Owners who did not file a 2011 RPIE or TCIE form for the cross-sectional study, or a 2010 and a 2011 RPIE or TCIE form for the longitudinal study;
- No unit count could be found in RPIE/TCIE records; and
- No apartment rent or income figures were recorded on the RPIE or TCIE forms. In these cases, forms were improperly completed or the building was vacant.

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

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

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

Endnotes

1. RPIE rent figures include money collected for apartments, owner-occupied or related space and government subsidies. Income encompasses all revenue from rents, sales of services, such as laundry, parking, and vending, and all other operating income.

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

3. Average rent stabilized contract rents for 2011 were computed using the 2011 NYC Housing and Vacancy Survey (HVS).

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

5. 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.

6. 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.

7. Longitudinal data from 2003-04 is excluded from this study because no longitudinal sample was available for 2003-04. Therefore, the growth in RPIE collected rents is understated.

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

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

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

2013 Mortgage Survey Report

What's New

- ✔ Average interest rates for new multifamily mortgages decreased 0.22 percentage points, or 4.8%, to 4.37%.
- ✔ Average refinancing interest rates fell by 0.21 percentage points, to 4.44%.
- ✔ In 2012, 1,135 buildings containing rent stabilized units were sold citywide, up 60.1% from the prior year.
- ✔ Vacancy and collection losses increased from 3.50% last year to 4.07% this year.
- ✔ Average service fees for both new and refinanced loans fell, to 0.59 points for new loans and 0.40 points for refinanced loans.
- ✔ Average maximum loan-to-value ratios fell from 72.1% last year to 71.3% this year.

Introduction

Section 26-510 (b)(iii) of the Rent Stabilization Law requires the NYC Rent Guidelines Board to consider the "costs and availability of financing (including effective rates of interest)" in its deliberations. To assist the Board in meeting this obligation, each winter the RGB research staff surveys lending institutions that underwrite mortgages for multifamily rent stabilized properties in New York City. (See Appendix E.7 for a reproduction of the survey.) The survey provides details about New York City's multifamily lending market during the 2012 calendar year as well as the first few months of 2013.

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

Overview

This year's Mortgage Survey illustrates another consecutive year of record low interest rates among both new and refinanced loans. In addition, the proportion of non-performing loans and foreclosures declined. However, vacancy and collection losses rose and maximum loan-to-value ratios fell. Furthermore, our analysis of rent stabilized building sales data showed an increase in rent stabilized building sales volume and median sales prices Citywide from 2011 to 2012, though they varied by borough and building size.

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

Survey Respondents

Fourteen financial institutions responded to this year's survey, the same number as last year. The survey sample is regularly updated to include only those institutions offering loans to multiple dwelling, rent stabilized properties in New York City. This year's respondents include a variety of traditional lending institutions, such as savings and commercial banks, as well as non-traditional lenders. The 14 responding lenders who make up the cross-sectional group will be discussed first, while the 11 lenders who completed the survey both this year and last make up the longitudinal group, and that analysis will be discussed later in this report.

Institutions holding deposits insured by the Federal Deposit Insurance Corporation (FDIC) supply details about their holdings on a quarterly basis, including their multifamily real estate holdings, and they vary considerably among the respondents. Eleven surveyed lenders report their multifamily real estate holdings to the FDIC, with values ranging between $20.3 million and $6.7 billion.[1] Five of this year's institutions reported multifamily holdings of over one billion dollars, while four institutions had holdings of less than $100 million. Compared with last year, the average multifamily real estate portfolio of our survey respondents increased by 7%, to $1.4 billion.

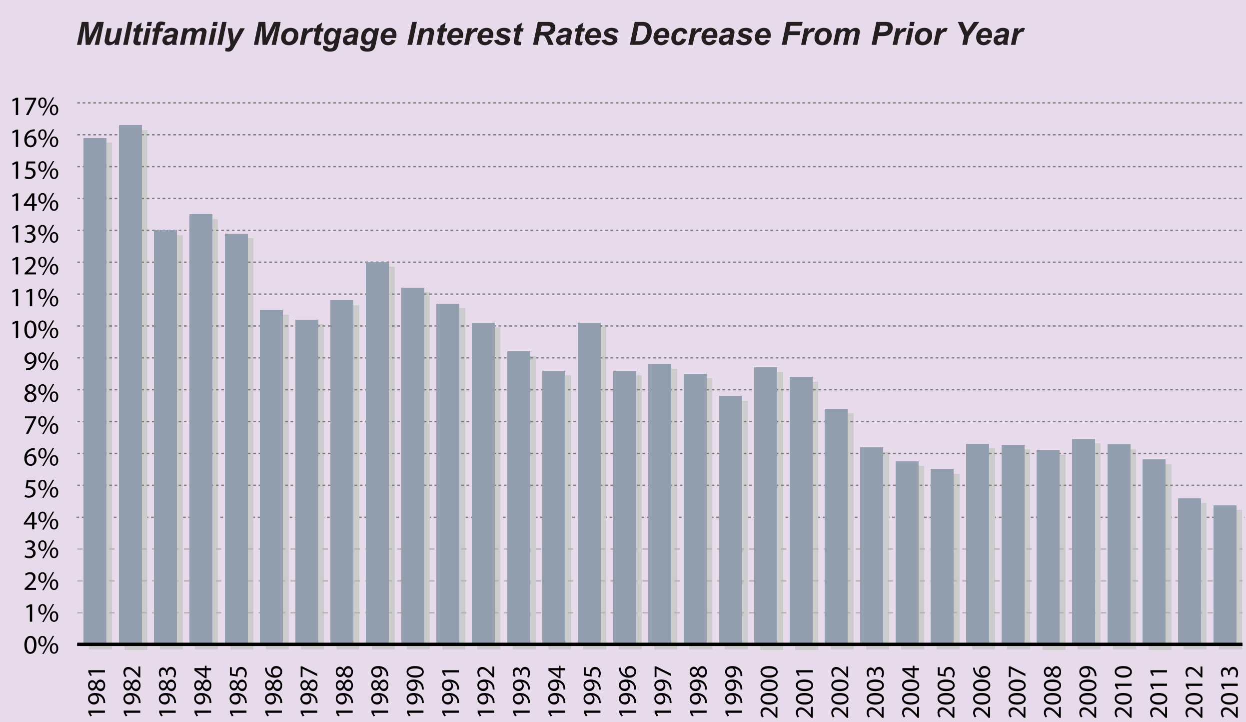
Cross-Sectional Analysis

Financing Availability and Terms

In February 2013, the average interest rate for new multifamily mortgages was 4.37%, a decrease of 0.22 percentage points, or 5%, from the previous February (see graph on this page and Appendix E.1), representing the lowest rate in the history of our survey.

Likewise, the average interest rate reported by lenders for the 2012 calendar year was 4.46%, a 0.55 percentage point (or 11%) decrease from calendar year 2011. As in prior years, a small number of large lenders provided the vast majority of the total volume of new and refinanced mortgages. Of all respondents, four lenders provided 89% of the total volume of new mortgages.

Average Interest Rates for New Loans to Rent Stabilized Buildings, 1981-2013



Source: NYC Rent Guidelines Board, annual Mortgage Surveys.

Average interest rates decreased during the year among the institutions surveyed, despite the fact that the Discount Rate — the interest rate at which depository institutions borrow from the Federal Reserve Bank of New York — hasn't changed since February, 2010, and the Federal Funds Rate — the interest rate at which depository institutions lend balances at the Federal Reserve to other depository institutions — hasn't changed since December, 2008.[2] The Fed stated late last year that it intended to keep the Federal Funds Rate near zero until the unemployment rate falls sufficiently or inflation becomes a concern.[3]

Surveying institutions regarding their refinanced mortgages found that virtually all of them offered identical or similar terms to those for new loans. The average current rate charged for refinanced mortgages as of February 2013, 4.44%, was similar to the average current rate charged on new originations, 4.37%, and 0.21 percentage points lower than in February 2012. (See Appendix E.1) In addition, at 4.55%, average 2012 refinancing rates were 0.55 percentage points lower than the prior year's refinancing rates.

In addition to falling interest rates, up-front service fees, called points, that were charged for new and refinanced loans also decreased from the prior year. Among survey respondents, they ranged from zero to 1.25 points, with six surveyed lenders charging no points on either new or refinanced loans.

The average service fee charged on new loans by lenders was 0.59 points, down from last year's average of 0.63. Average fees reported in the survey have remained around or below one point since the late 1990s (see graph on next page). Average points for refinanced mortgages were even lower, at 0.40, than that charged on new originations, and represent a drop from last year's average of 0.63.

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

For the sixth time in seven years, new loan volume decreased. An average of 30 new loans per institution were financed this past year, down from 43 in 2011.[4] While loan volume among all lenders on average decreased, the change in volume among each lender varied greatly. Among surveyed institutions, 43% said they saw loan volume increase; 36% reported that they saw no change in volume; and 21% reported a decrease from the prior year. There were too few institutions

Terms and Definitions

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

Debt Service - the repayment of loan principal and interest

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

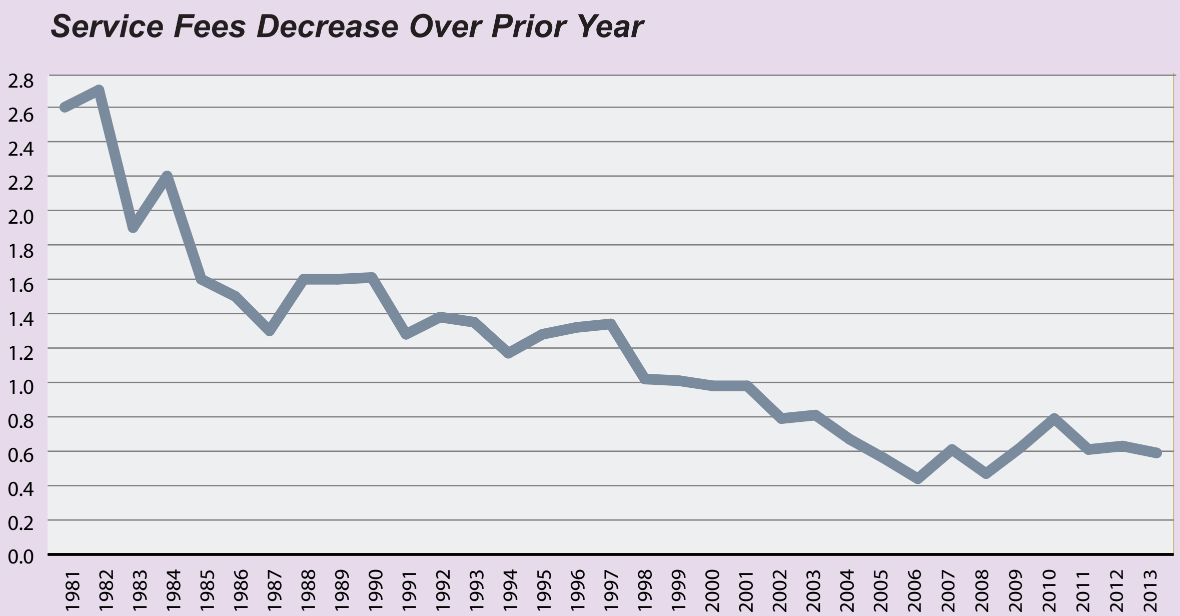
Loan-to-Value Ratio (LTV) - the dollar amount institutions are willing to lend based on a building's value; the lower the LTV, the lower the risk to the lender

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

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

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

Service Fees for New Loans to Rent Stabilized Buildings, 1981-2013



Source: NYC Rent Guidelines Board, annual Mortgage Surveys.

reporting refinanced loan volume to accurately report data.[5] New and refinanced loan volume averages remain far below the year 2004, when our survey found a peak in loan volume per institution, averaging 160 new loans and 173 refinanced loans.

Underwriting Criteria

The survey asked lenders for their typical underwriting standards when approving new and refinanced mortgages to rent stabilized building owners. This year lenders, on average, modestly adjusted lending standards. For all institutions, the typical maximum LTV ratio — the maximum dollar amount respondents were willing to lend based on a building's value — ranged from 60% to 80%. The average was 71.3%, down from 72.1% in 2012 (see graph on next page).

Another important lending criterion is the debt service ratio — an investment's ability to cover mortgage payments using its net operating income (NOI). The higher the debt service coverage requirements, the less money a lender is willing to loan given constant net income. The debt service ratio (or NOI divided by the debt service) decreased this year, with an average debt service requirement of 1.25, down from 1.29 in 2011. Because the average debt service ratio fell, lenders have increased the amount of money they are willing to lend in relation to the net operating income of buildings. (See Appendix E.2) Overall, debt service coverage at all institutions ranged between 1.15 and 1.35, and about a quarter of all surveyed lenders reported making changes in their underwriting standards since last year.

Lenders also noted additional standards they use when evaluating loan applications. The most commonly cited standards are good building maintenance and the size of the building, with 57% of lenders indicating each an important component when considering offering a mortgage.

Our survey asked lenders whether their lending standards differ for rent stabilized buildings as opposed to non-stabilized multifamily properties. Respondents were asked whether their new financing rates; refinancing rates; loan-to-value ratios; and debt service coverage requirements for rent stabilized properties were higher, lower, or the same as for other properties. Almost all lenders (85%) reported that standards were

1996-2013 Cross-Sectional Average Loan-to-Value Standards

Maximum Loan-to-Value Ratios Decrease

Source: NYC Rent Guidelines Board, annual Mortgage Surveys.

no different in all categories for rent stabilized buildings, a proportion little changed from last year.

Non-Performing Loans & Foreclosures

Fewer lenders reported that they had non-performing loans this year. Thirty-three percent of lenders reported having non-performing loans, down from 45% the prior year. In addition, those with non-performers saw them make up a lower proportion in their portfolios. Of those lenders with non-performers, they represented on average 1.3% of their lending portfolio this year, down from 4.0% the prior year.

Similarly, the proportion of institutions reporting foreclosures declined this year, from last year's 17% to 15% this year. Of those that did report foreclosures this year, they represented 0.5% of their portfolios, down from 1.3% the prior year.

Characteristics of Rent Stabilized Buildings

The typical sizes of buildings in surveyed lenders' portfolios vary. The most commonly reported building size in portfolios is either 11-19 units or 20-49 units, with 29% of lenders reporting each; while the remaining lenders reported an average of either 1-10 units (14%); 50-99 units (21%); or 100+ units (7%).

Vacancy and collection (V&C) losses increased after declining the previous two years, up from 3.50% last year to 4.07% this year. (See graph on next page.) Similarly, a higher proportion of lenders reported losses of 5% or more this year, up from 38% last year to 50% this year.

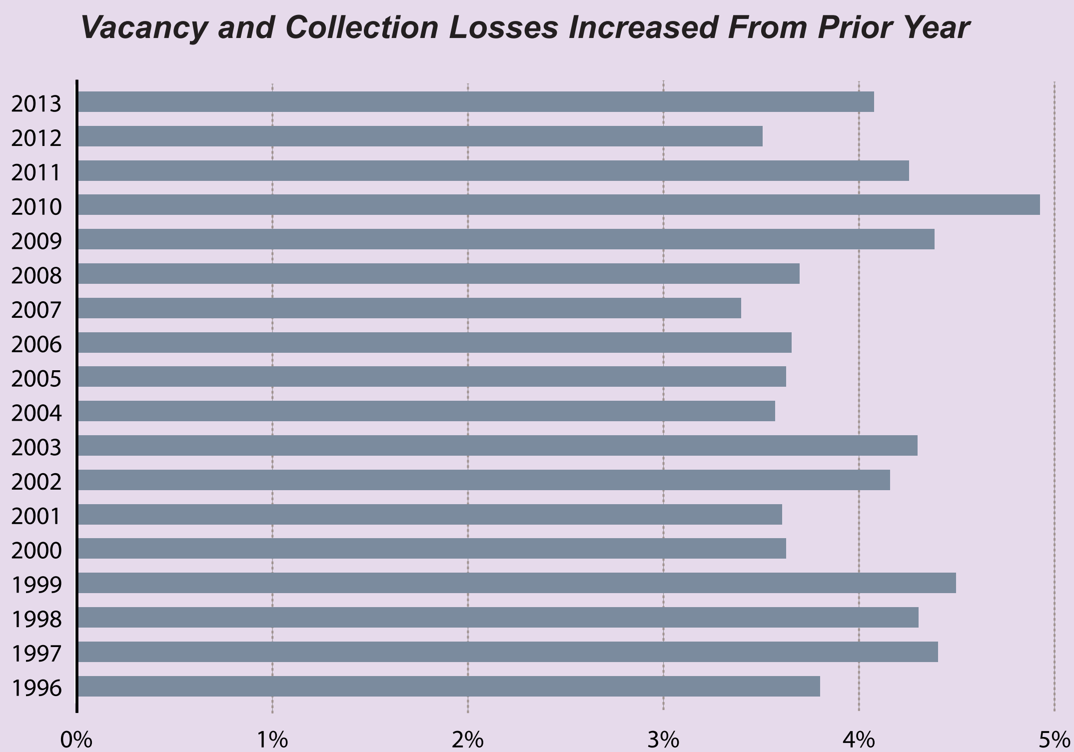
Average operating and maintenance (O&M) expenses and average rents among buildings in lenders' portfolios both rose, though rent rose at a faster rate. Expenses rose 8.4%, to $650 per unit, and average rents rose 12.5%, to an average of $1,261 per unit per month. (See Appendix E.2) Because average rents rose faster than average expenses, the average O&M cost-to-rent ratio declined from 53.47% last year to 51.52% this year.[6]

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. However, its findings should *not* be compared to the cost-to-rent ratio reported in this Mortgage Survey because both the sources and sample sizes are very different and the data studied in each report are from different time periods. In the 2012 *I&E Study*, which reported on data from the year 2010, the average O&M cost-to-rent ratio was 76.1%.[7]

The survey asks lenders whether they retain their mortgages or sell them to secondary markets. Among the lenders, 79% of respondents retain all their mortgages and 21% sell all their mortgages. Freddie Mac and Fannie Mae are the most frequent purchasers.

Lenders are asked whether the rent stabilized buildings which are offered mortgage financing contain commercial space. This is helpful so as to understand the extent of income for owners from sources other than residential tenants. This year, all surveyed lenders reported that buildings in their portfolio contain commercial space, though the average amount varies depending on the lender. On average, lenders report that 27% of their portfolio contain commercial space, up from 23% reported the prior year.

Average Vacancy and Collection Losses, 1996-2013



Source: NYC Rent Guidelines Board, annual Mortgage Surveys.

Loan Expectations

The survey asks lenders about their portfolio's performance, compared with expectations at the time of initial loan origination, with regard to net operating income (NOI), debt service coverage, and O&M expenses. Little changed from last year, with the vast majority of lenders (77%) reporting that their expectations had been met or exceeded in all three areas among their rent stabilized portfolio. By contrast, 23% felt that not all of their expectations were met in 2012.

Specifically, 92% said NOI expectations were equaled or exceeded; another 92% said debt service expectations were met or exceeded; and 77% said O&M expenses were either equaled or better than expected.

Longitudinal Analysis

Information regarding rent stabilized buildings can be examined longitudinally to more accurately assess changes in the lending market, since many respondents reply to the Mortgage Survey in at least two successive years. This longitudinal comparison helps to clarify whether changes highlighted in the cross-sectional analysis reflect actual variations in the lending market or simply the presence of a different group of lenders from year to year. Among the fourteen respondents that completed the survey this year, eleven also responded last year. These eleven make up the longitudinal group, and their responses from both this year and last are compared in this section to illustrate changes between the two years.

Financing Availability and Terms

This year's longitudinal analysis reveals data that is similar to this year's cross-sectional sample.[8] The average interest rate among the longitudinal group for new loans, as of February 2013, was 4.20%, down 0.50 percentage points from February 2012, when the

Selected 2013 Cross-Sectional Data Compared to 2013 Longitudinal Data

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

(Averages)	NF Interest Rate	RF Interest Rate	NF Loan Volume	RF Loan Volume	NF Points	RF Points	Max LTV Ratio	Debt Service Ratio	V&C Losses
2013 Cross-Sectional Data	4.37%	4.44%	30	NA	.0.59	.0.40	71.3%	1.25	4.07%
2013 Longitudinal Data	4.20%	4.28%	37	NA	0.60	0.42	72.0%	1.26	3.91%

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

Source: NYC Rent Guidelines Board, Annual Mortgage Surveys NA: See endnote 5

average interest rate was 4.70% for new financing. Likewise, the refinancing rate fell from 4.79% last year to 4.28% this year, a 0.51 percentage point decline (See Appendices E.3 and E.4).

Among the longitudinal group, average points offered by lenders fell for both new and refinanced loans. This sample reports an average of 0.60 points for new loans and 0.42 for refinanced loans, both down from last year's 0.68 for both types of loans.

Underwriting Criteria and Loan Performance

The average maximum loan-to-value (LTV) ratio changed little this year, increasing to 72.0% among the longitudinal group, compared to 71.8% last year. Likewise, the average debt service ratio changed little, at 1.26 this year versus 1.27 last year. (See Appendix E.5) And like the cross-sectional analysis, vacancy and collection (V&C) losses among the longitudinal group rose, from 3.41% last year to 3.91% this year.

Looking at the rate of delinquencies among the longitudinal group, non-performing loans fell to 1.0% among the three lenders reporting them, down from 4.0% last year. Foreclosure rates also fell, down from 1.3% last year to 0.5% this year among the two lenders reporting foreclosures in their portfolios. For additional comparisons between the cross-sectional and longitudinal groups, see table on this page.

Sales Data Analysis

For several years, the NYC Department of Finance has offered online public property sales information. Similar to prior years, we examined sales data from 2012 and compared it with 2011 data. This year's sales data analysis include buildings listed as sold in 2012 in the Department of Finance database. These are matched to buildings that have filed 2011 DHCR building registrations; have not converted to co-ops/condos; and have sold for at least $1,000.

Building Sales Volume

In 2012, 1,135 buildings containing rent stabilized units were sold in New York City, 60% more than in the prior year. Sales volume increased the most in Manhattan, up 86%; followed by the Bronx, up 57%; Brooklyn, up 53%; and Queens, up 21%. As in prior years, Staten Island was not included in this analysis because there were too few rent stabilized building sales to meaningfully measure change from year to year.[9] (See the table on the next page for a numerical breakdown in the change in the number of buildings sold in each borough and Citywide.)

Among the smallest rent stabilized buildings sold in 2012 (6-10 units), sales volume was up 50% Citywide, and rose in each borough. Sales rose the most in the Bronx, up 79%; followed by Manhattan, up 65%; Brooklyn, up 59%, and Queens, up 8%.

Comparison of Building Sales in 2011 vs. 2012

Sales Volume Change Varied by Borough from the Prior Year

	2011	2012	Change
Bronx	130	204	57%
Brooklyn	258	396	53%
Manhattan	225	419	86%
Queens	96	116	21%
Citywide	**709**	**1,135**	**60%**

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

Sales volume also increased Citywide among 11-19 unit buildings, up 55%. By borough, it rose 87% in Brooklyn and 74% in Manhattan. In the Bronx, sales remained unchanged.[10]

Among 20-99 unit buildings, sales volume rose Citywide by 73%. Sales volume also rose in all boroughs, more than doubling in Queens and Manhattan. Sales also increased 63% in the Bronx and 26% in Brooklyn.

Among the largest buildings, which contain 100 or more units, sales volume increased 50% Citywide. However, we are unable to analyze sales data by borough because of the small number of buildings sold each year. However, these buildings sales are included in the totals by borough and Citywide.[11]

Building sales data shows that for the period from 2003 to the present, sales volume reached its peak in 2005, but by 2009, sales Citywide were at their lowest level of the ten-year period for which we have data. Since then, sales volume Citywide has increased each year, reaching its highest level Citywide this year since 2007. See the graph on this page and Appendix E.8 for annual sales volume Citywide since 2003.

Building Sales Prices

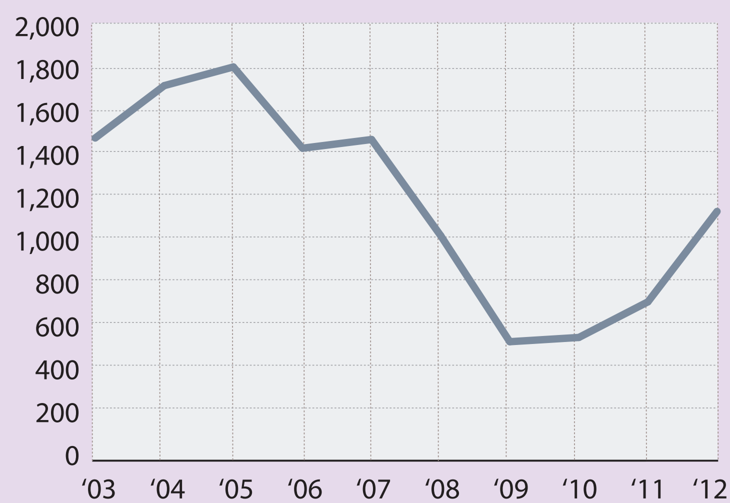
Examining the change in rent stabilized building sales prices, the median Citywide sales price was $2,380,000 in 2012. The highest median sales price was in Manhattan ($4,325,650), followed by the Bronx ($2,410,177), Queens ($1,125,000) and Brooklyn ($1,060,000).

In order to compare sales prices from one year to the next, staff examined sales by building size as well as by borough. This analysis takes into account the borough and size of the building that was sold. It does not take into consideration the condition of the building being sold or the specific neighborhood within each borough, important factors that cannot be accurately studied using this data set. Nevertheless, this analysis does reveal the general trends in building sale prices Citywide and throughout the boroughs between 2011 and 2012.

Examining the smallest buildings (6-10 residential units), median sales prices rose slightly, up 1% Citywide. Median sales prices increased 6% in the Bronx and 4% in Brooklyn. In Manhattan, median prices remained unchanged, and in Queens, they fell 5%.

Rent Stabilized Building Sales, 2003-2012

Building Sales Citywide Up 60% from Prior Year



Source: NYC Dept. of Finance;
Note: Figures exclude Staten Island

Among 11-19 unit buildings, median prices rose 76% Citywide. By borough, median prices rose the most in Manhattan, up 68%; followed by Brooklyn, up 31%; and in the Bronx, up 3%. Data for Queens is not available. (See Endnote 10.)

Among 20-99 unit buildings, median prices rose Citywide, up 8%, and were up in each borough except the Bronx. Median prices rose the most in Brooklyn, rising 31%; followed by Queens, up 22%; and Manhattan, up 2%. By contrast, the Bronx saw median prices fall 10%.

And as was stated in the building sales volume section above, there were too few sales among buildings containing 100 or more residential units to accurately measure changes in building prices from year to year. See Appendix E.9 for the median sales prices in each borough as well as the change from the prior year among different sized buildings.

Summary

In conclusion, interest rates charged for new and refinanced loans declined to the lowest levels since our survey began in 1981, and terms remained favorable to borrowers. Concurrently, rent stabilized building sales volume increased Citywide to its highest level in five years. ❐

Endnotes

1. Federal Deposit Insurance Corporation (FDIC) website: http://www3.fdic.gov/sdi/main.asp
2. Federal Reserve Bank of New York website: http://www.newyorkfed.org/markets/statistics/dlyrates/fedrate.html
3. "The Fed Drives Best at Higher Speeds," by Christina D. Romer, *New York Times*. January 13, 2013.
4. The total volume of loans reported by lenders who participated in this survey was 300. However, three participants whose portfolios each exceed a billion dollars did not provide the number of new loans.
5. Only five institutions reported refinanced loan volume. Therefore, average loan volume may not accurately reflect volume at a majority of institutions in the survey. Of the five institutions, average refinanced loan volume was 57.
6. The per unit, per month O&M expense and rent figures reported in the Mortgage Survey reflect a very small, non-random sample of the City's regulated stock and are included for informational purposes only. The rent and expense figures in the NYC Rent Guidelines Board's *Income and Expense Study* are derived from a much larger sample of stabilized buildings and can be viewed as more authoritative.
7. The O&M cost-to-rent ratio from the 2013 Mortgage Survey reflects estimates by lenders of expenses and rents for rent stabilized buildings as of approximately February 2013. The average ratio is calculated from just ten respondents. By comparison, the latest available O&M cost-to-rent ratio from the *Income and Expense Study (I&E)*, in which average rent was $1,037 and average unaudited cost was $790, reflects rents and expenses reported by owners for calendar year 2010. Average monthly costs per unit in the Mortgage Survey this year are lower than those reported in the I&E. This may be due to differences in the two data sources: Lenders' estimated average of buildings in an institution's portfolio vs. a weighted average of a large sample of owner-reported data; the large variance between the two sample sizes; and the difference between the buildings studied in each analysis. (Buildings required to file Real Property Income and Expense (RPIE) forms must have an assessed value greater than $40,000 and eleven or more units, while the Mortgage Survey does not exclude these buildings).
8. The cross-sectional and longitudinal groups are very similar because all but three lenders responded both years.
9. The data reflects sales prices for buildings that are registered with the New York State Division of Housing and Community Renewal (DHCR) as containing rent stabilized units. It excludes those buildings where the sales price was listed as less than $1,000. It also excludes those buildings listed as co-ops. Furthermore, all of Staten Island is excluded from all analysis due to the small number of buildings sold.
10. There were too few 11-19 unit buildings sold in Queens to accurately report data.
11. All 100+ unit building borough categories are excluded due to the small number of buildings sold in their respective categories. However, while these categories are not discussed, these buildings are included in the overall statistics and analysis.

Income and Affordability

2013 Income and Affordability Study

What's New

- ✔ Results from the *2011 Housing and Vacancy Survey* show that the NYC vacancy rate is 3.12%, median renter income is $38,447, median gross rent is $1,204, and the median gross rent-to-income ratio is 33.6%.
- ✔ New York City's economy grew by 2.2% in 2012, compared to a 2.0% increase during 2011.
- ✔ The City gained 79,500 jobs in 2012, resulting in a 2.1% increase from 2011 in total employment levels.
- ✔ The unemployment rate rose slightly in 2012, to an average of 9.2% last year, up from 9.0% in 2011.
- ✔ Inflation averaged 2.0% in the metro area in 2012, down from 2.8% in the prior year.
- ✔ Inflation-adjusted wages decreased 4.5% during the most recent 12-month period, following a 1.2% increase in the preceding 12 months.
- ✔ In 2012, an average of 43,295 people were staying in Dept. of Homeless Services shelters each night, up 14.6% from 2011.
- ✔ The number of non-payment filings decreased 1.5% in 2012, while those actually heard in Housing Court increased 5.2%, and the number of evictions increased 4.0%.

Introduction

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

Overview

Results from the *2011 Housing and Vacancy Survey* were released last year, and showed that the vacancy rate for New York City is 3.12%. Approximately 45% of renter households in NYC are rent stabilized, with a vacancy rate of 2.63%. The survey also shows that the median household income in 2010 was $37,000 for rent stabilized tenants, versus $38,447 for all renters. The median gross rent for rent stabilized tenants was also lower than that of all renters, at $1,160 versus $1,204 for all renters. And rent stabilized tenants saw a median gross rent-to-income ratio of 34.9% in 2011, compared to 33.6% for all renters.

Looking at New York City's economy during 2012, it showed both strengths and weaknesses as compared with the preceding year. Positive indicators include growing employment levels, which rose for the third consecutive year, increasing 2.1% in 2012. Gross City Product also increased for the third consecutive year, rising in real terms by 2.2% in 2012. In addition, the rate of inflation also slowed, down to 2.0% from 2.8% in 2011, and housing court non-payment filings fell 1.5%.

Negative indicators included a 4.0% increase in evictions, despite the number of non-payment filings in Housing Court declining. In addition, cash assistance levels increased for the fourth consecutive year, increasing by 0.9% between 2011 and 2012. The number of Supplemental Nutrition Assistance Program (SNAP) recipients also rose, increasing for the tenth consecutive year, by 0.7% in 2012. In addition, homelessness rose over 2011 levels, increasing to an average of more than 43,000 persons a night, a 14.6% increase. Inflation-adjusted wages also decreased 4.5% during the most recent 12-month period (the fourth quarter of 2011 through the third quarter of 2012). And the unemployment rate rose slightly, following a decrease in the prior year, rising 0.2 percentage points, to 9.2%.

The most recent numbers, from the fourth quarter of 2012 (as compared to the fourth quarter of 2011), show that homeless levels were up 19.0%, SNAP recipients were up 2.3%, and cash assistance levels were up 1.6%. However, both non-payment housing court filings and calendared court cases[1] fell, by 4.8% and 2.7% respectively, employment levels were up 1.6%, unemployment rates fell by 0.43 percentage points, and real GCP rose by 2.8%.

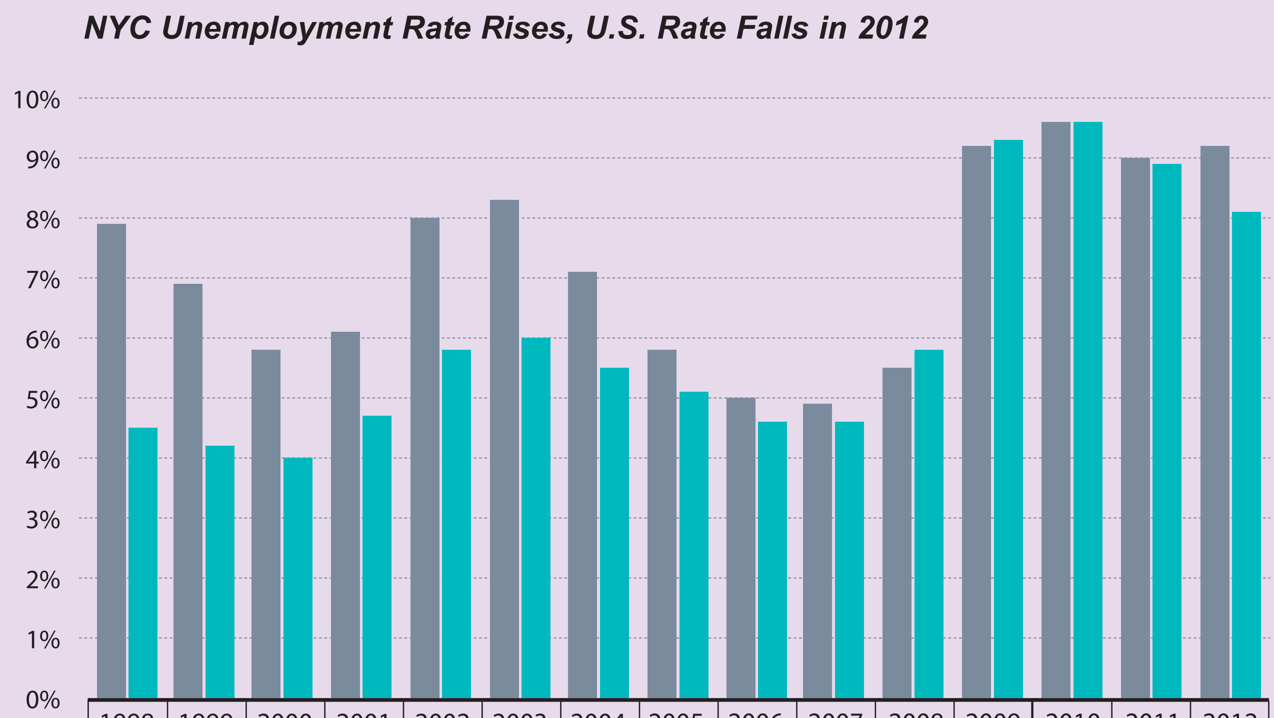
Economic Conditions

Economic Output and Consumer Prices

New York City's economy expanded during 2012, rising for the third consecutive year. New York City's Gross City Product (GCP), which measures the total value of goods and services produced, increased by 2.2% during 2012.[2] There has been positive economic growth in all but two quarters since the first one of 2010, reaching a 2012 high of 3.5% growth during the third quarter. Prior to the growth in the first quarter of 2010, GCP had decreased in each of the preceding eight quarters, and also fell slightly during the second and third quarters of 2011. For comparison, GCP increased by an average of 3.0% during the 1990s and 1.4% during the 2000s. The analogous national number, United States Gross Domestic Product (GDP), increased 2.2% during 2012, following a 1.8% increase during 2011. On a quarterly basis, GDP has increased every quarter since the third one of 2009, including a 2012 high of 3.1% during the third quarter.[3]

The Consumer Price Index (CPI), which measures the change in the cost of typical household goods, increased 2.0% in the NYC metropolitan area during

NYC and U.S. Unemployment Rates, 1998-2012



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
NYC	7.9%	6.9%	5.8%	6.1%	8.0%	8.3%	7.1%	5.8%	5.0%	4.9%	5.5%	9.2%	9.6%	9.0%	9.2%
US	4.5%	4.2%	4.0%	4.7%	5.8%	6.0%	5.5%	5.1%	4.6%	4.6%	5.8%	9.3%	9.6%	8.9%	8.1%

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

2012, a lower rate of inflation than seen in the previous year, when prices rose on average 2.8%.[4] The U.S. CPI for urban consumers rose at a slightly faster rate than the metropolitan area between 2011 and 2012, increasing 2.1%, following an increase of 3.2% during 2011.

Unemployment Statistics

Following a 0.6 percentage point decrease in 2011, unemployment rates rose in 2012, rising 0.2 percentage points, to 9.2%.[5] This is the fourth rate increase in the past five years. While the NYC unemployment rate rose slightly, the U.S. unemployment rate fell for the second consecutive year, declining from 8.9% in 2011 to 8.1% in 2012.[6] (See graph on previous page and Appendix F.1) The 1.1 percentage point difference between the NYC and U.S. rates is the largest gap between the two figures since 2004.

In January of 2013, the most recently available data, the unemployment rate for New York City was 9.9%, 0.1 percentage point higher than the previous January. The analogous national figure was 8.5% in January of 2013, 0.3 percentage points lower than January of 2012.

For all of 2012, Manhattan had the lowest unemployment rate of the boroughs, 7.7%, while Queens and Staten Island had virtually identical unemployment rates in 2012, at 8.3% and 8.5%, respectively. Brooklyn had the second-highest unemployment rate, at 9.9%, while the Bronx once again had the highest rate of the boroughs, 12.7%. Unemployment rates rose in every borough during 2012, from between 0.2 and 0.4 percentage points. The Citywide unemployment rate is now at the same level it was in 2009.

Employment Statistics

Two other employment indices are tracked in the *I&A Study*. The New York City labor force participation rate measures the proportion of all non-institutionalized people, age 16 and older, who are employed or actively looking for work. This ratio increased slightly in 2012, to 59.9%, up from 59.7% in 2011.[7] This remained lower than the U.S. rate, which decreased to 63.7% from 64.1% in 2011.[8] A related statistic, the New York City employment/population ratio, measures the proportion of those who are actually employed as a ratio of all non-institutionalized people age 16 or older. This ratio has remained virtually unchanged for the past four years, at 54.4% in 2012, up 0.1 percentage point from 2011. For comparison, the U.S. employment/population ratio increased slightly over the same period, up from 58.4% in 2011 to 58.6% in 2012, the first increase since 2006.

Despite rising unemployment rates, the number of people employed in New York City increased for the third consecutive year (see graph on next page). Overall, among both city residents as well as those commuting into the city, New York City gained 79,500 jobs in 2012, a 2.1% increase from 2011.[9]

Employment levels rose in almost every industry, rising by the greatest proportion in the Leisure and Hospitality sector, which grew by 6.1% (20,900 jobs) during 2012. Professional and Business Services also grew significantly, rising by 3.6% (21,700 jobs) during 2012, and the Information sector grew by 3.3% (5,700 jobs). Notably, the manufacturing sector grew by 0.9% in 2012, the first rise in this industry in fifteen years. All other sectors that experienced growth rose from between 2.1% and 3.0%. See Appendix F.2 for more detailed employment information.

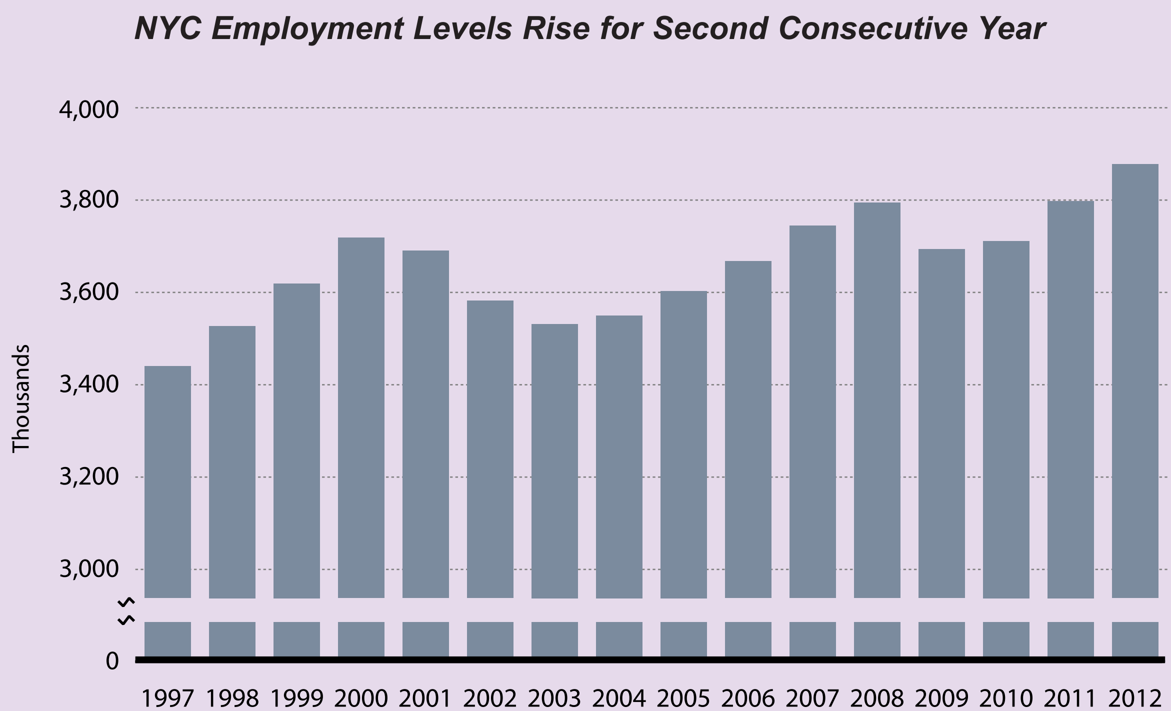
In 2011, the largest proportional drop in employment was in the Government sector, which fell 0.9%, shedding 5,100 jobs. A little less than half of the jobs lost were at the local government level. The only other industry to decline, the Financial Activities sector, fell by 0.2%, a loss of 900 jobs.

During the first month of 2013, total employment levels were up as compared to 2012, with levels 1.8% higher in January 2013 as compared with January 2012. As with 2012 yearly averages, January data showed further declines in the Government and Financial Activities sectors, along with the Information and Manufacturing sectors, while Professional and Business Services and Other Services rose by the greatest proportionally.

Wage Data

This report also examines wage data of employees working in New York City (regardless of where they

Average Annual Payroll Employment, NYC, 1997-2012



Source: NYS Dept. of Labor

live), though the analysis is limited by the fact that there is a significant lag time in the reporting of income data. The most recent annual numbers, which cover the 2011 calendar year, reveal an increase in nominal wages, but a decrease in "real" wages (wages adjusted for inflation) for almost all job sectors. After increasing by 3.8% in 2010, real wages for all sectors declined by 0.3% in 2011, falling from $80,216 (in 2011 dollars) to $79,968.[10] Nominal wages (wages in current dollars) increased by 2.5% over the same time period, following a 5.5% increase in the prior year.

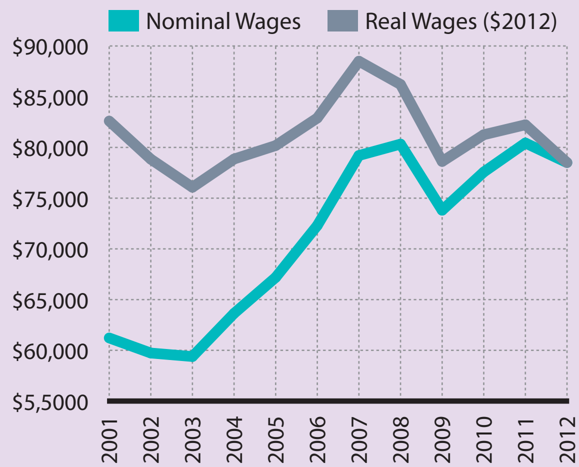
Due to the six-month lag time in reporting of wage data, in order to present the most recent statistics possible, staff has formulated a "year" that comprises the most recent 12-month period (in this case, the fourth quarter of 2011 through the third quarter of 2012). This "year" was then compared with the equivalent period of the preceding "year," which in this most recent time period showed that overall wages decreased by 4.5% in real terms and by 2.4% in nominal terms (note that 2012 data is preliminary). This compares to increases from the preceding 12-month period of 1.2% in real terms and 3.7% in nominal terms. (See graph on next page)

Real wages in the Finance and Insurance sector, which accounts for more than a quarter of all wages in New York City (and therefore carries more weight than any other single sector), fell by a real 9.3% during the most recent 12-month time period. This compares to 0.8% and 13.0% increases in the prior two 12-month periods. The sector with the second greatest weight, Administrative, Waste, Educational, and Health Services (accounting for more than 15% of all wages), fell by a real 1.6% during this time period. Professional and Technical Services (accounting for 13% of all wages) fell by a real 2.1%.

Only three sectors increased in real terms during the most recent 12-month period, including Utilities, which rose a real 10.2%, but accounts for only 0.6% of all wages; the Real Estate sector, which rose a real 0.5%, and accounts for 2.6% of all wages, and the Information sector, which rose a real 0.4% and

Real and Nominal Wages, 2001-2012

Both Real and Nominal Wages Decrease in 2012



Source: NYS Dept. of Labor

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

accounts for 6.3% of all wages. Of the sectors not specially mentioned herein, they fell in real terms anywhere from 0.8% to 9.4%. Note that if the Finance and Insurance sector, the sector with the highest wages and the most weight, were taken out of the analysis for this time period, real wages would have fallen by a real 2.0% instead of 4.5%. For detailed information on real and nominal wage increases for this time period, see Appendices F.3 and F.4.

Looking at 2012 wage data on a quarterly basis, compared to the same quarters of 2011 wages fell in real terms in every quarter, by 7.3% in the first quarter, 1.8% in the second, and 2.8% in the third.

Bankruptcy Statistics

Staff also examined bankruptcy filings for New York City residents from 2000-2012. Between 20,000 and 30,000 persons filed for personal bankruptcy annually between 2000 and 2004, before surging to 42,852 in 2005 as bankruptcy laws were set to change. In the following year, with new laws in place making it more difficult to file for bankruptcy, only 7,961 persons filed for personal bankruptcy, an 81.4% decline. Filings then increased every year through 2010, reaching a high of 17,685. Rates dropped for both New York City and the nation as a whole fell for the second consecutive year, by 20.6% (to 12,625) and 13.3%, respectively.[11]

Poverty Statistics

The Census Bureau reports that the New York City poverty rate for all individuals was 20.9% in 2011, an increase from 20.1% in 2010, 18.7% in 2009 and 18.2% in 2008. This compares to 15.9% for the nation as a whole in 2011.[12] Poverty rates vary widely depending on borough. Rates range from a low of 11.7% in Staten Island, to 15.8% in Queens, 18.3% in Manhattan, 23.6% in Brooklyn, and 30.4% in the Bronx, consistently the highest rate of the boroughs. In all boroughs but Staten Island, rates increased as compared to the prior year.

Also reported is the poverty rate for persons under the age of 18 in New York City, which was 29.8% in 2011. The rate was 18.4% for individuals 18 to 64 and 19.0% for persons 65 years and over. Furthermore, 18.0% of all families were living under the poverty line in 2011. For families containing related children under the age of 18, this figure rises to 24.8%. For married-couple families, the overall poverty rate was 10.8% in 2011, while for female- and male-headed families (i.e., no spouse present) it was 31.6%. and 17.4%, respectively. With the exception of families with children under the age of 18 and individuals under the age of 18 (each of which declined by 0.2 percentage points), all statistics rose as compared with the prior year.

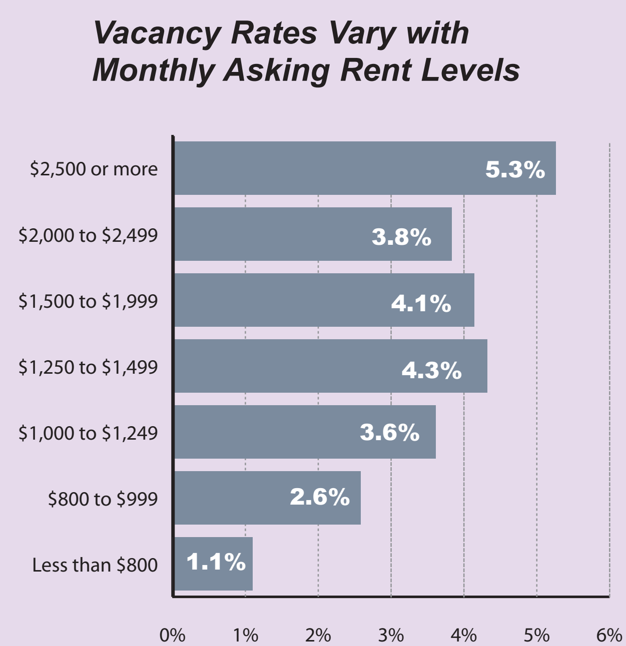
For comparison, overall rates were as high as 26.4% in the mid-nineties.[13] The Census Bureau is also beginning work on a "Supplemental Poverty Measure," an additional measure of poverty that will include more factors in estimating income resources.[14] Using this new methodology, the NYC Center for Economic Opportunity (CEO) calculated household poverty rates from 2005-2010 and found poverty rates higher than those officially released by the Census Bureau.[15] For instance, the official household poverty rate in 2010 was 18.8% and the CEO estimate was 21.0%. The gap between official and CEO estimates has been as high as 3.0 percentage points over the six years studied by this City agency.

2011 Housing & Vacancy Survey

Vacancy Rates

Results from the *2011 Housing and Vacancy Survey* (*HVS*) were released last year, and they revealed the continuation of a very tight New York City housing market.[16] This triennial survey of the housing and demographic characteristics of the City's residents found that the citywide vacancy rate was 3.12% in 2011, well below the 5% threshold required for rent regulation to continue under state law.[17] Brooklyn had the lowest vacancy rate in the city, at 2.61%, translating into the availability of just 18,011 rentals in a borough with 691,177 rental apartments. Queens, by contrast, had the highest vacancy rate in 2011, at 3.79%. Of the remaining boroughs, the Bronx had a vacancy rate of 3.22%, Manhattan was at 2.80%, and the small sample size in Staten Island made the rate too inaccurate to report.

Vacancy Rate by Monthly Asking Rent Level, 2011



Source: 2011 NYC Housing and Vacancy Survey

The *HVS* found vacancy rates varying significantly among different asking rents. As might be expected, apartments renting for the least had the lowest vacancy rates, while those apartments renting at the high end had substantially higher vacancy rates. Apartments with an asking rent of less than $800 had a vacancy rate of just 1.1%, while those renting for at least $2,500 had a vacancy rate of 5.3%. (See graph on this page for a further breakdown.)

Income

According to the *2011 HVS*, which reflects household income for 2010, the median income for all rental households was $38,447.[18] Owner households earned substantially higher income, which in 2010 was $74,992, almost double the average income of renters.

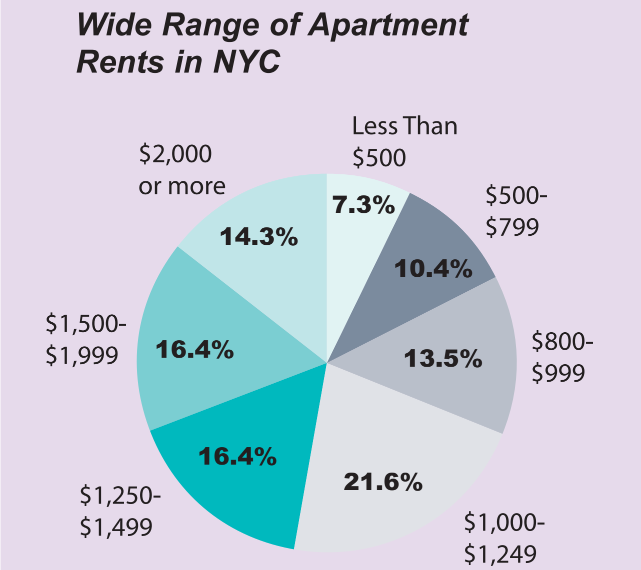
The *2011 HVS* found different income levels among those living in units that were rent controlled, rent stabilized, or unregulated. Rent controlled tenants continued to have the lowest household income, earning a median of $28,000 in 2010. Tenants living in stabilized buildings built prior to 1947 ("pre-war") had a median income of $36,000, and post-46 ("post-war") tenants earned a median income level of $40,000. Stabilized tenants on the whole had a median income of $37,000, while those tenants in unregulated apartments[19] earned a median of $52,003 in 2010.

Rent

The HVS also examines rent levels, and it revealed that in 2011 the median monthly contract rent, which excludes any additional tenant payments for fuel and utilities, for all rental units was $1,100 a month. Rent stabilized tenants paid, on average, slightly less than the typical rental tenant, with a median contract rent of $1,050 for all rent stabilized tenants in 2011, $1,030 for pre-war rent stabilized apartments, and $1,100 for post-war rent stabilized apartments. Rent controlled tenants paid the least in contract rent, a median of $800, and tenants living in private, nonregulated rentals paid $1,369.

Median gross rent, which includes fuel and utility payments, was $1,204 a month for all renters. Rent

Gross Rent Levels of Apartments, 2011



Source: 2011 NYC Housing and Vacancy Survey

stabilized tenants on the whole paid a median gross rent of $1,160 in 2011, including $1,150 for pre-war rent stabilized apartments, and $1,200 for post-war rent stabilized apartments. Rent controlled tenants also paid the least in gross rent, a median of $895, and tenants living in private, nonregulated rentals paid $1,510.

The *HVS* also breaks down the distribution of renter occupied housing by gross rent level. Of the more than two million rental units in New York City that report cash rent, just over 7% rent for less than $500 a month, and a quarter rent for between $500-$999. Slightly more than two-thirds of rental units rent for over $1,000, including more than 30% that rent for $1,500 or more.[20] (See graph on this page for a further breakdown.)

Affordability of Rental Housing

Examining affordability of rental housing, the *2011 HVS* reported that the median gross rent-to-income ratio for all renters was 33.6%, meaning that half of all households residing in rental housing pay more than 33.6% of their income in gross rent, and half pay less. This is the highest ratio in the history of the *HVS*. Furthermore, a third (32.5%) of rental households pay 50% or more of their household income in gross rent. Generally, housing is considered affordable when a household pays no more than 30% of their income in rent.[21] The contract rent-to-income ratio was 30.8% for all renters in 2011, the highest ratio ever reported by the *HVS*, and the first time this ratio has been above 30%.

Rent stabilized tenants are facing a higher financial burden than tenants on the whole, with a median gross rent-to-income ratio of 34.9%, meaning a majority of rent stabilized tenants are not able to afford their apartments, based on the HUD benchmark for housing affordability. Looking at these figures more closely, rent stabilized tenants in pre-war apartments are facing a median rent burden of 35.5%, while tenants in post-war units had a median ratio of 33.8% in 2011. For comparison, unregulated tenants had a median gross rent-to-income ratio of 33.4% and rent controlled tenants faced a median burden of 30.5%.

Other Measures of Affordability

American Community Survey

Despite ongoing efforts by a number of government agencies and non-profit groups, housing affordability remains an issue in a city ranked 33rd highest among 75 big cities in the Census Bureau's nationwide *2011 American Community Survey* of gross rent-to-income ratios.[22] At 32.5%, the median gross rent-to-income ratio in New York City increased 0.6 percentage points as compared to 2010. This is the fourth consecutive year of increase in the gross rent-to-income ratio. By borough, rates ranged from a low of 28.5% in Manhattan, to 29.7% in Staten Island, 33.6% in Brooklyn, 34.0% in Queens, and 35.8% in the Bronx. The percentage of households Citywide paying 50% of more of their income towards rent in 2011 also increased, up to 30.6% from 29.1% in 2010.

This survey also reports that between 2010 and 2011, median monthly contract rents for all apartments in New York City increased a nominal 4.0% and median gross rents increased by 3.5% (and by 1.1% and 0.6%, respectively, in real terms). In addition, during 2011 median household income for renters dropped both nominally and in real terms, by 0.2%

and 3.0% respectively, to $37,891. Since the inception of this survey in 2005, renter income has fluctuated in "real" 2011 dollars from a low of $37,891 in 2011 to a high of $41,417 in 2008. Real income has fallen in each year since this 2008 high.

The survey also provides mean household income for cities in quintiles. In New York City the top quintile (i.e., the top 20%) in mean household income makes 25.25 times more than the lowest quintile (i.e., the lowest 20%), the sixth highest ratio among big cities, and an increase from 23.79 in 2010. While New York's income disparity ratio does rank near the top nationwide, it lags notably behind Atlanta, with a ratio of 38.55, the highest disparity among big cities. Other major cities, such as Los Angeles (21.68), Chicago (22.25), Houston (20.92), and Philadelphia (21.34), all have smaller differentials between income levels than New York City. Among the cities ranking higher than New York City are Boston (30.40) and Washington, DC (28.97). The smallest disparity among big cities is in Santa Ana, California, with a ratio of 9.16. While the ratio between the upper and lower quintiles was 25.25 for all of New York City, it was 40.39 in Manhattan, where the top quintile makes an average of over $380,000 more annually than the lowest quintile.

Consumer Price Index

One of the many prices tracked in the federal Consumer Price Index (CPI) is the cost of rental housing. While not specific to New York City (the local CPI area extends into the suburbs of New York City), the CPI can provide a useful comparison of the rise of housing costs to those of other components of the price index.[23] For the 44-year period since the inception of rent stabilization (from 1968 to 2012) the cost of rental housing in New York rose 677% and overall prices rose more slowly, at 600%. This is the converse of nationwide averages, where the cost of rental housing rose at a slower pace than overall costs (501% and 560%, respectively).

Between 2011 and 2012, rental costs rose 2.4% in the NYC area, versus an overall increase in prices of 2.0%. This is just slightly higher than the 2011 rent increase of 2.2%. This is the third consecutive year that rental prices rose less than 3%, a threshold below which hadn't been seen since 1996. And while the rate of inflation of rents did increase during 2012, it was still lower than many other recent years, including rates of 4.5% in 2007, 5.1% in 2008, and 3.9% in 2009.

In the U.S. as a whole, rental costs rose at a faster pace than the New York City area, rising by 2.7% in 2012. Rental costs in the area also rose slower than four of the seven cities selected for comparison, including the metropolitan areas of Philadelphia, Boston, San Francisco, and Washington, DC, which rose at rates of between 2.5% to 4.1% in 2012. But rental rates in the NYC metropolitan area did rise faster than the other three cities selected for comparison, including Atlanta, which saw rents rise 1.5% following three years of decline, Chicago, which rose by 1.9%, and Los Angeles, which rose by 2.1%.

Section 8 Housing Availability

Following increased funding in 2007 to the Section 8 housing voucher program (which allows recipients to live in privately owned housing, paying 30% of their income towards rent), the New York City Housing Authority (NYCHA) opened the waiting list for the first time since 1994.[24] These expanded funding levels led to significant increases in the number of Section 8 occupied units funded by NYCHA (which increased from 82,801 in FY 2007 to a recent high of 100,570 in FY 2010, a 21.5% increase), as well as significant increases in the number of people placed through Section 8 vouchers during those years. The number of Section 8 apartments has since fallen, to less than 93,000 units.[25] NYCHA also tracks the number of applicants newly placed through the Section 8 program. This data is not available for Fiscal Year 2011 as a whole, but fell from 7,523 during FY 2010, to 421 in FY 2012. In the first four months of FY 2012 and 2013, respectively, placements rose from 216 to 249. There are approximately 124,000 people currently on the NYCHA Section 8 waiting list.

The NYC Dept. of Housing Preservation and Development (HPD) also maintains a Section 8 program, although as opposed to NYCHA, applicants must fall within specific HPD preference categories or special admission programs, and applications are not accepted from the general public.[26] As of the beginning of FY 2013, HPD was funding 37,460

Section 8 vouchers, up 3.3% from the same period of the previous year.[27] Notably, more than 43% of HPD's Section 8 vouchers are utilized by tenants with disabilities. And among all HPD Section 8 rentals, the average tenant share of rent is $334, with an average income level of $15,221.[28]

Non-Government Sources of Affordability Data

Staff also calculated electricity costs for a typical rental household. Assuming usage of 300 kWh and supply via Con Edison, the average renter's bill would have increased by 1.3% during 2012, following a 1.0% decrease during 2011. During the most recent 12-month period (April of 2012 through March of 2013), due to double-digit increases during January and February of 2013, costs rose 3.7% as compared to the prior "year." For comparison, during the previous 12-month period, costs decreased 0.2%.[29]

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 more than 300 urban areas, including Manhattan, Brooklyn, and Queens (the Bronx and Staten Island were not included in this survey). Based on 60 different items, the survey collects more than 90,000 prices for housing, utilities, groceries, transportation, health care, and miscellaneous goods and services. In each of the first three quarters of 2012, Manhattan, Brooklyn, and Queens ranked as numbers one, two, and six/seven respectively on the list of most expensive urban areas.[30] The study calculated that Manhattan was approximately 2.3 times as expensive to live in as the national average, while Brooklyn was approximately 1.8 times more expensive, and Queens was roughly 1.5 times more expensive.

This same study found that someone moving from Boston who makes $49,081 a year (the 2011 median household income in Boston) would need to make $80,132 to achieve the same standard of living in Manhattan, while paying 26% more for groceries, 16% more for transportation, and 164% more for housing (including 119% more for renters). Moving to either Brooklyn or Queens would be somewhat more economical, requiring a salary of $64,099 in Brooklyn and $52,966 in Queens to achieve the same standard of living. As with Manhattan, the most inflated component in these outer boroughs is housing, which is approximately 103% more expensive in Brooklyn than in Boston (with rental apartments 38% more expensive), and 36% more expensive in Queens (with rental apartments 21% more expensive). Per this survey, housing costs rose at a slower pace than Boston in both Brooklyn and Queens during 2012, and rose more quickly in Manhattan. In nominal terms, the survey found that apartment rents did not change in Brooklyn between 2011 and 2012, but rose 12.4% in Queens and 17.2% in Manhattan. Housing costs overall rose 2.6% in Brooklyn and 8.2% in Manhattan, and fell 2.0% in Queens.[31]

While the study found that significantly more income is required to live in New York City with the same standard of living as in Boston (see prior paragraph), actual incomes fell short of what the study determined was required in both Manhattan and Brooklyn. Actual 2011 median household incomes were $66,299 in Manhattan and $42,752 in Brooklyn, a difference of 17.3% and 33.3% respectively.[32] The median household income in Queens (where the study found that overall prices dropped 1.8% in 2012), was approximately $600 more than required to move from Boston (where the study found that overall prices rose 2.0%).

Another quarterly index, the Housing Opportunity Index (HOI), showed that during the third quarter of 2012 the New York metropolitan area was the least affordable area to buy a home for the eighteenth straight quarter.[33] In the fourth quarter of 2012, the New York area was ranked as the second least affordable home buying area.[34] The survey found that 29.6% of owner-occupied housing in the metropolitan area was affordable to households earning the median income. Although it was one of the least affordable buyer's markets, substantially more homes were affordable than in recent years, such as in the fourth quarter of 2006, when only 5.1% of homes were considered affordable.[35] The fourth quarter of 2012 marks the second highest ratio of affordable owner housing since 2002.

Every year the National Low Income Housing Coalition (NLIHC) issues a study to determine whether rents are affordable to the lowest wage earners.[36] Per their 2013 study, in order to afford a two-bedroom apartment at the City's Fair Market Rent, ($1,474 a month, as determined by the U.S. Department of Housing and Urban Development) a full-time worker must earn $28.35 per hour, or $58,960 a year. Alternately, those who earn minimum wage would have to work 156 hours a week (or two persons would each have to work 78 hours a week) to be able to afford a two-bedroom unit priced at Fair Market Rent. This is a 3.5% increase in necessary wages as compared to the previous year. If legislation currently pending in Albany is passed raising the minimum wage from $7.25 to $9.00[37], the number of hours required to work to afford a two-bedroom apartment falls to 126 hours, a drop of 16.6% from 2012 levels.[38]

In March of 2013, the Community Service Society released data from their annual survey, "The Unheard Third,"[39] a survey of 1,468 New York City residents conducted in July of 2012. Per the methodology of their study, approximately one-third of respondents surveyed are considered "poor" (making less than 100% of the poverty line). Another one-third are "near-poor" (earning between 100% and 200% of the poverty line). And the remaining one-third are "moderate-income" and "higher-income," who make more than 200% of the poverty line. The federal poverty line in 2012 was $15,130 for a family of two, $19,090 for a family of three, and $23,050 for a family of four.[40]

When asked if being able to afford rent, mortgage, or maintenance costs was a serious problem, 48% of poor and near-poor respondents cited it as a "very serious" or "somewhat serious" problem, while 30% of the moderate- and higher-income respondents stated the same. For the subcategory of low-income ("poor" and "near-poor") tenants in non-subsidized rentals, this figure rises to 54%. In addition, when asked what issues the respondents want the next administration to focus on, "making housing more affordable" was the fourth most popular answer among both the lower- and the higher-income groups, with 26% of low-income respondents naming it as one of their top two priorities, and 18% of higher-income respondents doing the same.

In addition, 23% of the low-income respondents reported that they had fallen behind in their rent or mortgage over the past year, 15% had a utility turned off for non-payment, 12% moved in with other people because of financial problems, and 12% had been threatened with eviction or foreclosure. Approximately one-third of these "poor" and "near-poor" respondents reported at least one housing hardship in the past year.

The rates of housing hardship were lower across the board for the higher-income group, with 8% reporting they had fallen behind in their rent or mortgage over the past year, 5% having a utility turned off for non-payment, 5% moving in with other people because of financial problems, and 3% being threatened with eviction or foreclosure. Among these "moderate-" and "higher-income" respondents, 13% reported at least one housing hardship in the past year.

Cash Assistance Programs

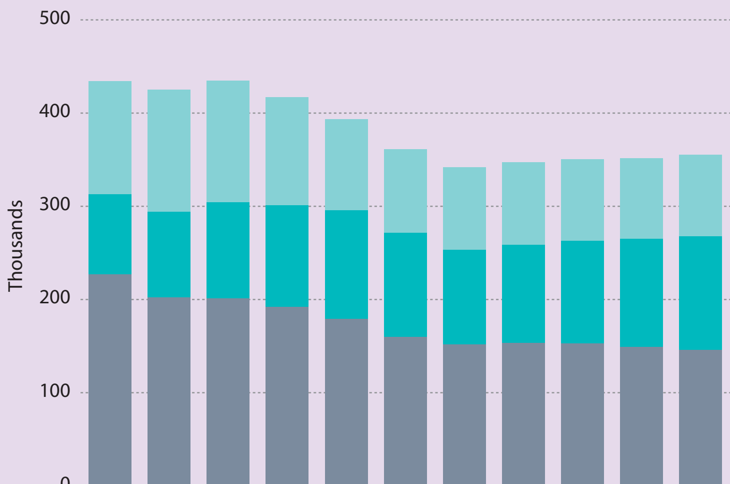
For the fourth consecutive year, the total number of cash assistance cases in New York City increased, rising by 0.9% between 2011 and 2012.[41] This follows an increase of 0.4% in the prior year, 1.0% in 2010, and 1.5% during 2009 (see graph on the next page). Despite increases in the past four years, over the last 18 years the number of cash assistance recipients has dropped significantly, falling 68.7% since March 1995, when the City's welfare reform initiative began and 1,161,000 recipients were on the rolls.

The number of applications for cash assistance also increased during 2012, rising 2.6% over 2011 levels, including an increase of 4.0% in denied applications, and 1.7% in approved applications.[42] At the same time, the number of reported job placements among cash assistance recipients decreased during 2012, falling by 2.8%, or 2,222 jobs.[43]

The number of Supplemental Nutrition Assistance Program (SNAP, formerly known as food stamps) recipients also increased for the tenth straight year, rising 0.7% to an average of 1.84 million in 2012. While the rate of growth in SNAP recipients was the lowest since 2006, levels have more than doubled over the past nine years, rising from an average of close to

Cash Assistance Programs, 2002-2012, in Thousands

Cash Assistance Caseloads Rise Slightly



	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
FAP	227.1	202.4	201.2	192.2	179.2	160.2	151.7	153.3	152.8	148.9	145.6
SNA	85.6	91.8	103.0	108.7	116.7	111.5	101.4	105.5	109.9	116.1	122.2
FAP-SNA	121.4	130.6	130.6	116.1	97.3	89.4	88.6	88.1	87.7	86.7	87.2

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

900,000 in 2003 to more than 1.8 million in 2012.[44] The number of Medicaid enrollees also increased by 3.1% during 2012, to more than three million.[45]

Housing Policy

New York City receives funding for a variety of housing programs from the U.S. Department of Housing and Urban Development (HUD). These programs include the Community Development Block Grant, which funds housing and community development programs; the HOME Investment Partnership Program, which helps preserve existing housing stock; the Emergency Shelter Grant program, which is used for homeless programs; and Housing Opportunities for Persons with AIDS. Other funds are used by NYCHA for capital modernization, and another major funding source, HUD Competitive Funds, have most recently have been used largely for homeless housing services. In FY 2011, federal funding for New York City housing programs exceeded $940 million.[46]

Final funding level data for FY 2012 was not released by the NYC Dept. of City Planning either in time for the initial publication of this report (in April of 2013), or before the final vote of the Board.

Evictions & Homelessness

Homelessness & Emergency Assistance

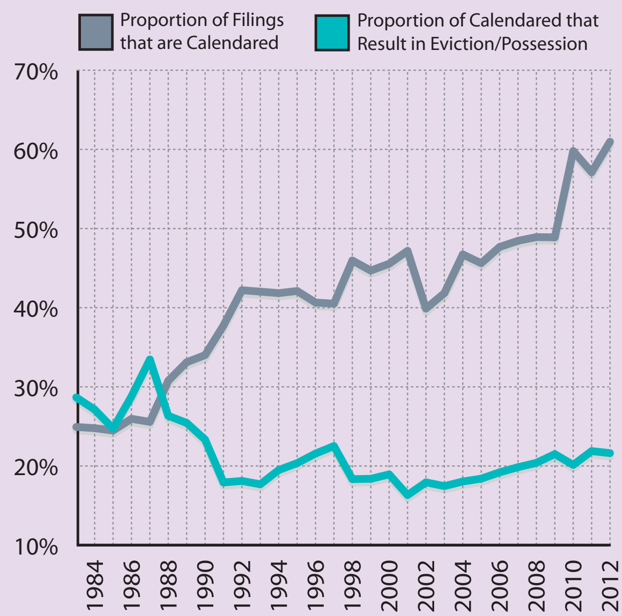
Homelessness in the City, based on data from the Dept. of Homeless Services (DHS), increased for the fourth consecutive year during 2012, rising by 14.6%.[47] Each night, an average of 43,295 persons stayed in DHS shelters during 2012, up 5,531 persons from a year earlier, and up considerably from the average of 20,000-25,000 found in the 1990s. While levels rose on the whole, so did the subcategory of the number of families sheltered each day, by an average of 11.8%.[48] The figure for families includes the number of families with children sheltered each night, which rose 10.3% during 2012 (to reach an average of 9,094), and the number of adult families sheltered each night, which increased 20.9% over the year (to an average of 1,611). The number of single adults sheltered also rose during 2012, increasing 5.9%, to an average of 9,047 persons. While overall homeless rates increased more than 14% during 2012, looking at the data on a quarterly level shows that rates increased at a faster pace as the year went on. Rates rose by 8.0%, 12.6%, 18.7%, and 19.0% in the first, second, third and fourth quarters respectively, as compared to the same quarters of the previous year. On a monthly basis, the greatest increase was seen in December of 2012, when 7,638 more persons stayed in City shelters than the previous December.

Fewer people were also being relocated to permanent housing during 2012. Following large drops in 2011 (coinciding with the end of the Advantage program, which provided homeless families with rent subsidies for up to two years), permanent housing placements for families with children, adult families, and single adults all fell again during 2012. For families with children, placement dropped by approximately 7.5% (an exact figure cannot be provided because December, 2011 statistics are unavailable), to 4,677 placements.[49] For adult families, rates dropped by 26.8%, to 492 placements. And for single adults, the majority of whom are placed with family members or return to independent living, placements fell by approximately 19.9% during 2012, to 6,980 placements.

Other homeless indicators include the average amount of time spent in temporary housing, which increased among all categories for the second consecutive year, rising by 59 days for families with children (to 356 days), by 61 days for adult families (to 442 days), and by 16 days for single adults (to 275 days). While homeless individuals were spending more time in temporary housing during 2012, those placed in permanent housing were also returning to the system in greater numbers, with approximately 7.3% of families with children returning to DHS within one year (up from approximately 2.9%) and approximately 9.0% returning within two years (up from approximately 8.1%). However, the number individuals or families who have never before utilized a City shelter decreased during 2012, falling approximately 20.0%, to an average of 1,203 per month.

Housing Court Statistics, 1983-2012

Non-Payment Cases Heard and Proportion of Evictions both Increase



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

Housing Court

Another useful way to assess the impact of economic conditions on New York City's renters is to examine housing court data.[50] Specifically, Housing Court actions are reviewed to determine the proportion of tenants who are unable to meet their rental payments. To measure the number of households experiencing the most severe affordability problems, evictions are also tracked.

Following an increase of 3.8% in non-payment filings in Housing Court during 2011, filings fell by 1.5% in 2012 (to 217,914), the second lowest level recorded since at least 1983 (the first year data is available).[51] While the number of non-payment filings decreased, the number of cases resulting in an actual court appearance ("calendared") rose by 5.2%, so the proportion of cases which resulted in an appearance increased by 3.9 percentage points. At 61.0%, this proportion is the highest the RGB has ever recorded (see graph on this page and Appendix F.6). During the mid-to-late 1980s, an average of 27.1% of non-payment filings were calendared.

The proportion of non-payment proceedings Citywide that resulted in an eviction/possession ruling in 2012 decreased by 0.24 percentage points, falling from 21.9% to 21.6%. This translates to 28,743 court decisions ruled for the tenant's eviction from a total of 132,860 non-payment proceedings calendared.[52] The decrease was due to the fact that the number of cases calendared increased at a faster rate, 5.2%, than evictions, which rose by 4.0% (to the highest level in the history of the *I&A Study*). This proportion remains lower than that found in the mid- to late-1980s, when typically a quarter to a third of cases reaching court resulted in an order of eviction or possession.

Conclusion

In 2012, economic indicators for New York City were mixed, including increased evictions, cash assistance levels, and homelessness, but rising Gross City Product, and employment levels. Results from the *2011 Housing and Vacancy Survey* show that the City's vacancy rate is now 3.12% and the median gross rent-to-income ratio is 33.6%.

Looking forward, various City agencies have made predictions about the future health of the New York City economy. Among their predictions, they estimate that in 2013 the City will gain anywhere between 41,000 and 65,000 jobs, unemployment will fall to 8.4%, GCP growth will potentially grow anywhere from 0.0% to 2.6%, and wages will rise from 1.5% to 1.8%. They also see the economy brightening even more during the next few years, with decreasing unemployment rates (to as low as 6.8% by 2017), job gains, and a rise in both wage growth and GCP.[53] ❐

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 second week of September through the end of the year. It is compared to the same period of the prior year.

2. Data from the NYC Comptroller's Office as of March, 2013. GCP figures are adjusted annually by the New York City Comptroller's Office. The figures in this report are the latest available estimate from that office, based on inflation adjusted 2005 chained dollars.

3. US Bureau of Economic Analysis. http://www.bea.gov/national/index.htm#gdp; Data accessed March, 2013.

4. US Bureau of Labor Statistics; http://www.bls.gov; Data accessed February, 2013.

5. NYS Dept. of Labor; http://www.labor.state.ny.us; Data accessed March 2013. Data is revised annually and may not match data reported in prior years.

6. US Bureau of Labor Statistics; http://www.bls.gov; Data accessed March, 2013.

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

8. Bureau of Labor Statistics; http://www.bls.gov; Data accessed March, 2013.

9. New York State Dept. of Labor; http://www.labor.state.ny.us; Data accessed March 2013. Data is revised annually and may not match data reported in prior years.

10. New York State Dept. of Labor; http://www.labor.state.ny.us; Data accessed March 2013.

11. Data obtained from The Administrative Office of the U.S. Courts in March, 2013.

12. Poverty statistics were researched on the US Census Bureau's Factfinder Site: http://factfinder2.census.gov in February of 2013.

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

14. "Census Bureau to Develop a Supplemental Poverty Measure." March 2, 2010. U.S. Dept. of Commerce Press Release.

15. "Working Paper: The CEO Poverty Measure, 2005-2010." April, 2012. New York City Center for Economic Opportunity. Note that the CEO poverty rates are adjusted periodically and may not match figures found in prior reports.

16. The *New York City Housing and Vacancy Survey (HVS)* is sponsored by the NYC Department of Housing Preservation and Development (HPD) and conducted by the U.S. Census Bureau. All HVS data reported herein is either taken directly from the tables on the HVS website or derived from the raw data posted there: www.census.gov/hhes/www/housing/nychvs/2011/nychvs11.html.

17. State law requires the City to formally extend rent stabilization every three years, after publication of vacancy rates from the triennial *Housing and Vacancy Survey*. Local Law 016 of 2012 was signed into law by Mayor Bloomberg on March 26, 2012, extending rent stabilization until April 1, 2015.

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

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

20. There were 46,188 units which did not report a cash rent because they were being occupied rent-free.

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

22. 2011 American Community Survey, U.S. Census Bureau. http://factfinder2.census.gov (Based on places with a population of more than 250,000).

23. US Bureau of Labor Statistics; http://www.bls.gov; Data accessed February, 2013.

24 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.

25. Preliminary FY 2013 Mayor's Management Report, NYC Housing Authority section.

26. Eligibility guidelines per the NYC Housing Preservation and Development website: http://www.nyc.gov/html/hpd/html/section8/section8-intro.shtml.

27. Preliminary FY 2013 Mayor's Management Report, NYC Housing Preservation and Development section.

28. DTR Section 8 General Program Indicators, NYC Housing Preservation and Development website: http://www.nyc.gov/html/hpd/downloads/pdf/Section8-Program-Statistics.pdf (dated 12/17/2012).

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

30. ACCRA Cost of Living Index Press Release. First, Second, and Third Quarters of 2012. The Council for Community and Economic Research. http://www.coli.org/PressClippings.asp

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

32. 2011 American Community Survey, U.S. Census Bureau. http://factfinder2.census.gov

33. "Nationwide Housing Affordability Improves in Third Quarter." Press Release from the National Association of Home Builders, November 15, 2012.

34. "Nationwide Housing Affordability Increases at Year-End 2012." Press Release from the National Association of Home Builders, February 21, 2012.

35. National Association of Home Builders. Various tables on website: http://www.nahb.com/reference_list.aspx?sectionID=135; Data accessed February 2013.

36. "Out of Reach 2012," National Low Income Housing Coalition. http://nlihc.org/oor/2013

37. "Minimum Wage Hike Sails Through NY Assembly," *The Business Review*. March 6, 2013. Also see NYS Assembly Bill A38-A and Senate Bill S1835-A.

38. Data is derived by using the methodology that the National Low Income Housing Coalition uses: http://nlihc.org/sites/default/files/oor/2013_OOR_Appendix-A.pdf.

39. "The Race for Mayor: What's in it for Low-Income New Yorkers?." Community Service Society. March 2013. http://www.cssny.org/publications/entry/the-race-for-mayor

40. 2012 Federal Poverty Guidelines can be found at: http://aspe.hhs.gov/poverty/12poverty.shtml

41. New York City Human Resources Administration. Cash Assistance Recipients Trend Chart: http://www.nyc.gov/html/hra/html/statistics/trend_charts.shtml

42. Data directly from the NYS Office of Temporary and Disability Assistance, March, 2013.

43. New York City Human Resources Administration. Job Placements (FA & SNA) Trend Chart: http://www.nyc.gov/html/hra/html/statistics/trend_charts.shtml

44. New York City Human Resources Administration. Food Stamp Recipients Trend Chart: http://www.nyc.gov/html/hra/html/statistics/trend_charts.shtml

45. New York City Human Resources Administration. Medicaid Enrollees Trend Chart: http://www.nyc.gov/html/hra/html/statistics/trend_charts.shtml

46. Consolidated Plan Annual Performance Report, 2011. NYC Dept. of City Planning.

47. Figures prior to July, 2011 from the NYC Dept. of Homeless Services Critical Activities Reports: http://www.nyc.gov/html/dhs/html/communications/car.shtml. Data from July, 2011 through December of 2012 directly from the Policy & Planning Office of the NYC Dept. of Homeless Services. Note that the NYC Department of Housing Preservation and Development, the NYC Department of Youth and Community Development, and the NYC Human Resources Administration also operate emergency shelters, which house approximately 5,000 persons per night.

48. Beginning three years ago, the Dept. of Homeless Services (DHS) now splits families into two groups – families with children and adult families (generally spouses and domestic partners). Approximately 85% of "families" are families with children.

49. Certain statistics were not available for December of 2011 and/or January of 2012. In the case of permanent housing placements, where December 2011 data is not available for either Families with Children or Single Adults, an average for January-November of 2011 was used as a proxy for December data. To obtain the average number of families who return to DHS within either one or two years, an 11-month average for used for both 2011 and 2012 (January-November and February-December, respectively). The same methodology was used to obtain an average for the number of individuals who have never before utilized a DHS shelter.

50. After the publication of the *2013 I&A Study* on April 4, we were informed that data originally reported to the RGB by the Civil Court of the City of New York was incomplete. Specifically, both the number of non-payment filings and the number of non-payment cases calendared were in fact higher than those that were originally reported to us. Corrected data was provided to the Rent Guidelines Board on April 10, 2013, which is reflected in this version of the report.

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

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

53. "Testimony...On the Mayor's Preliminary Budget for Fiscal Year 2014 and Financial Plan through 2017" NYC Independent Budget Office, March 4, 2013. And "Comment on New York City's Preliminary Budget for FY 2014 and Financial Plan for Fiscal Years 2013-2017." NYC Comptroller's Office, March 4, 2013.

Housing Supply

2013 Housing Supply Report

What's New

- ✔ Permits for 10,334 new dwelling units were issued in New York City in 2012, a 15.6% increase over the prior year and the third consecutive year of increase.
- ✔ The number of new housing units completed in 2012 decreased 32.4% over the prior year, to 9,455.
- ✔ City-sponsored residential construction spurred 16,819 new housing starts in FY 2012, 85% of which were rehabilitations.
- ✔ The number of housing units newly receiving 421-a exemptions decreased 1.4% in 2012, to 10,856.
- ✔ The number of housing units newly receiving J-51 abatements and exemptions decreased 16.2% in 2012 to 45,886.
- ✔ There was a 1.9% increase in the number of co-op or condo units accepted in 2012, to 160 plans containing 4,552 units.
- ✔ Demolitions were down in 2012, decreasing by 0.6%, to 1,122 buildings.
- ✔ The City-owned *in rem* housing stock rose for the second time since FY 1989, rising 1.9% during FY 2012, to 861 units.
- ✔ The number of stalled construction sites fell from 698 in May of 2012 to 647 in May of 2013.

Overview

Between 2011 and 2012 there was a 15.6% increase in the number of permits issued for new dwelling units, rising to 10,334, the third consecutive year of increase. But the number of units receiving 421-a benefits fell, decreasing 1.4% over 2011 levels, and rehabilitation of residential units under the J-51 tax abatement and exemption program also decreased during 2012, falling 16.2%. The number of completed housing units also fell during 2012, decreasing 32.4% from 2011 levels, as did the number of accepted co-op and condo plans, which fell 25.9% (although the number of units rose by 1.9%). A tight housing market also remains, with a Citywide rental vacancy rate of 3.12% and 11.5% of all rental housing considered overcrowded as of 2011. And following the first increase in five years, demolitions decreased again, with a 0.6% decline in the number of buildings demolished during 2012.

New York City's Housing Inventory

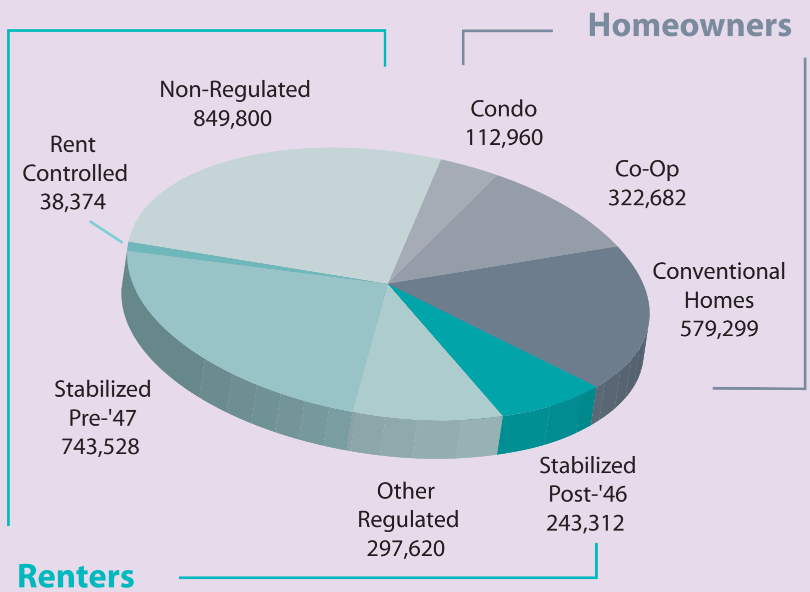
In contrast to the rest of the country, most New Yorkers do not own the homes in which they live. According to the *2011 Housing and Vacancy Survey (HVS)*,[1] rental units comprised 68.2% of New York City's available housing stock in 2011, almost twice the proportion of rental units as the nation as a whole.[2] New York City in 2011 had a total of 3,352,042 housing units, the largest housing stock since the first *HVS* was conducted in 1965. New York City's housing is not only dominated by the size of its rental housing stock, but unlike most cities, the bulk of rental units are rent regulated. Of the 2,172,634 occupied and vacant rental units reported in the most recent HVS, 39.1% were unregulated, or "free market." The majority were either pre-war (pre-47) rent stabilized (34.2%) or post-war (post-46) rent stabilized (11.2%), and the rest were rent controlled (1.8%) or part of various other[3] types of regulated apartment programs (13.7%). (See pie chart on following page)

The *HVS* also indicated that New York City's housing market remains tight, finding a Citywide vacancy rate of 3.12% in 2011, below the 5% threshold required for rent regulation to continue under State law. This translates into the availability of just 67,818 vacant units out of more than 2.1 million rental units Citywide. Brooklyn had the lowest vacancy rate in the city, at 2.61%. Queens had the highest vacancy rate in 2011, at 3.79%. Of the remaining boroughs, the Bronx had a vacancy rate of 3.23%, Manhattan was at 2.80%, and the small sample size in Staten Island made the rate too inaccurate to report.[4]

Vacancy rates also vary by rent regulation status. The tightest market for non-income based housing was found among pre-war stabilized units, with a vacancy rate of 2.54% in 2011. Post-war stabilized units also maintained

Number of Renter and Owner Units

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



Source: U.S. Bureau of the Census, *2011 New York City Housing and Vacancy Survey*
Note: Above figures exclude vacant units that are not available for sale or rent.

a low vacancy rate, at 2.91%, while private, non-regulated units were vacant at a 4.43% rate.

The frequency of crowding also varied by rent regulation status. Overall, 11.5% of all rental housing in New York City in 2011 was overcrowded (defined as more than one person per room, on average) and 4.3% was severely overcrowded (defined as an average of more than 1.5 persons per room). Pre-war stabilized housing was most crowded, with 14.7% of units overcrowded and 5.9% severely overcrowded, while 11.5% of post-war units were overcrowded, and 4.8% of units were severely overcrowded. Overall, 13.9% of rent stabilized housing was overcrowded and 5.6% was severely overcrowded. In non-regulated housing, 10.9% was overcrowded and 3.8% severely overcrowded.

Changes in the Housing Inventory

Housing Permits

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

Following a dramatic decrease in 2009, the City issued more housing permits in each of the ensuing three years for single- and multi-family buildings than in the year prior. In 2012, permits were issued for 10,334 units of new housing, an increase of 15.6% from the 8,936 units in 2011 (see graph on following page). While the third consecutive year of increase, levels are still more than 23,000 units below where they were in 2008.[5]

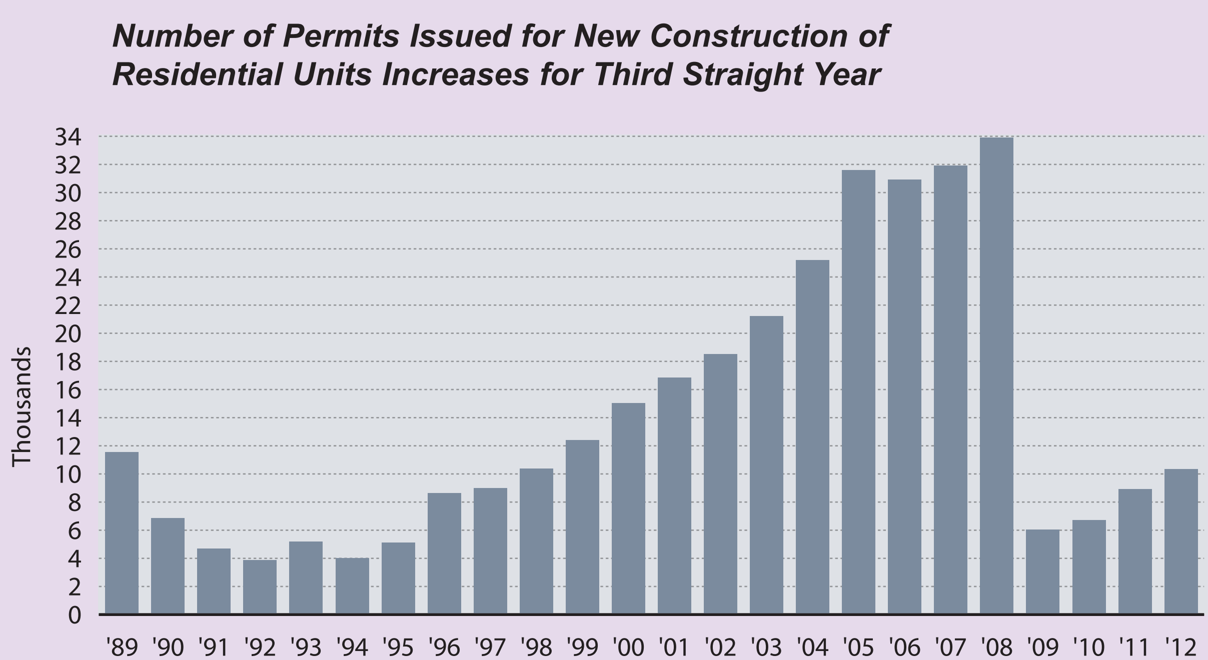
Permits increased Citywide in 2012, despite a double-digit decrease in Queens. (See Appendix G.1 and the map on Page 74) Bronx permits increased by the greatest proportion, rising 128.7%, to 2,552 units. Permits issued in Brooklyn also increased significantly, rising by 120.3%, to 3,353 permits, while permits issued in Staten Island grew at a significantly slower pace, increasing by 15.8%, to 673 permits. But issued permits decreased in both Queens and Manhattan, with levels falling 55.1% in Queens, to 1,428, and by 8.2% in Manhattan, to 2,328.

Despite the rise in permits issued during 2012, as compared to the relatively high number issued in recent years, permits are down considerably. Compared to 2008, permits are down 81.5% in Queens, 76.0% in Manhattan, 73.7% in Brooklyn, 46.4% in the Staten Island, and 69.5% Citywide. Permits in the Bronx, due to the large increase during 2012, are up as compared to 2008, by 2.8%

Permits issued in the first quarter of 2013 were also up as compared to the same period of the prior year. The number of permits issued in New York City increased from 2,110 in the first quarter of 2012 to 2,556 during the first quarter of 2013, a 21.1% increase. Permits issued increased significantly in both Queens and Brooklyn, by 117.3% and 97.3%, respectively, and were nearly flat in Manhattan, rising by 2.2%. But permits issued fell in both the Bronx and Staten Island, by 62.1% and 16.1%, respectively. In Queens and Brooklyn, where permits issued in the first quarter of 2013 doubled, the increase had less to do with the number newly permitted buildings, and more to do with the average sizes of the buildings, which more than doubled in Queens, and almost doubled in Brooklyn. Conversely, in the Bronx, where permits issued fell by more than half, the number of buildings newly permitted fell by only three, but both the number of buildings five units and over fell, as well as the average size of those buildings.

Permit data can also be analyzed more deeply by looking at the reported size of the buildings applying for permits. In 2012, a total of 1,008 buildings received permits (containing a total of 10,334 housing units). Citywide, 27.8% of these buildings were single-family, 32.5% were two-family, 16.2% were three- or four-family structures, and 23.5% were buildings with five or more units. More than 85% of all permits Citywide were for units in five-family or greater buildings, with the average five-family or greater building containing 37 units for the City as a whole, and 64 units in Manhattan (both decreases from the prior year). As the graph on the following 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 the other boroughs. (See Appendix G.2)

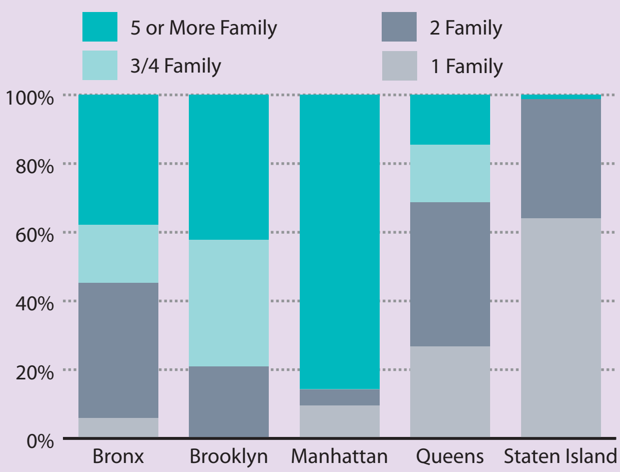
Units Issued New Housing Permits, 1989-2012, in Thousands



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

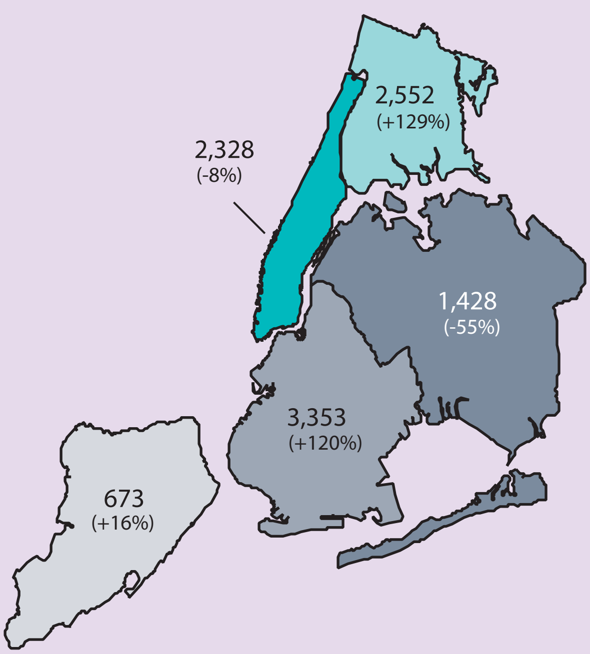
Residential Building Permits, 2012

Permits by Building Size:
Most New Buildings in Manhattan are Five Family or More, in Staten Island One- and Two-Family Homes Predominate



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

Total Number of Permits Issued in 2012 and Percentage Change From 2011 by Borough



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

Housing Completions

This report also examines the number of units completed in the City each year, illustrating what housing actually enters the market in a particular year.[6] In 2012, approximately 9,455 new housing units were completed, a 32.4% decrease over 2011.[7] Completions were down in every borough but Staten Island, falling by the greatest proportion in the Bronx, which fell by 58.6% (to 1,413), followed closely by Manhattan, which dropped 51.2% (to 1,159). Falling at a slower rate was Brooklyn, which fell 23.6% (to 3,611) and Queens, which fell by 7.7% (to 2,632). Completions rose only in Staten Island in 2012, increasing 4.6% (to 640 units). (See Appendix G.3 for historical breakdown)

City-Sponsored Construction

Housing is also created through publicly funded sources, including programs sponsored by the NYC Department of Housing Preservation and Development (HPD) and the New York City Housing Development Corporation (HDC). HPD's Office of Development operates a number of programs that develop affordable housing for low- and moderate-income New Yorkers. Programs include the Cornerstone program, which is HPD's multi-family new construction housing initiative, financed principally through private sources; the Neighborhood Redevelopment Program, which gives City-owned buildings to non-profits to rehabilitate and operate as affordable housing; and the Neighborhood Entrepreneurs Program, which enables neighborhood-based private property managers to manage and own clusters of occupied and vacant City-owned buildings as affordable housing. HDC operates programs such as the Low-Income Affordable Marketplace Program, which provides financing for apartments that rent to tenants with income no more than 60% of the area median income, and the New Housing Opportunities Program, which helps finance housing for middle-income New Yorkers.

HPD- and HDC-sponsored programs spurred a total of 16,819 housing starts[8] in FY 2012, an 8.1% increase over the prior fiscal year.[9] Of these starts, 14,298 were rehabilitation starts, and 2,521 were new construction starts. HPD and HDC collectively expect to start an additional 14,350 units of new construction and rehabilitation in FY 2013, and 14,500 in FY 2014. During the first three quarters of FY 2013 there were 6,542 starts by HPD and HDC, a 2.2% increase over the corresponding period of the previous year.[10]

HPD and HDC starts are part of Mayor Michael R. Bloomberg's New Housing Marketplace Plan, first announced in 2006. The original five-year, $3 billion commitment of 65,000 units is now an 11-year commitment to build and preserve 165,000 units of affordable housing by 2014. This $8.5 billion plan will ultimately provide affordable homes for 500,000 New Yorkers.[11] As of March 2013, HPD and HDC have financed almost 145,000 units of housing under the New Housing Marketplace Plan, almost 88% of the total planned. The City has also shifted from its priority on new construction, and now anticipates that 68% of units by 2014 will be preservations, up from the 44% anticipated in the initial plan. Approximately 80% of planned units will be affordable to low-income households (making no more than 80% of HUD Income Limits), and 70% will be rental units.[12]

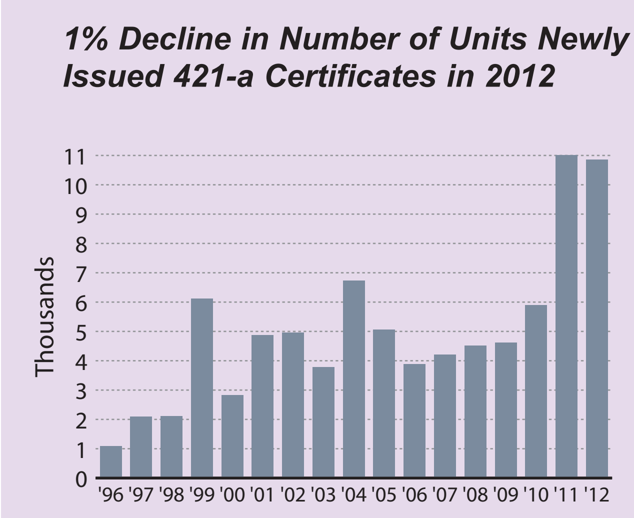
As part of this program, HPD has also been working with the NYC Housing Authority (NYCHA) to build affordable housing on underutilized NYCHA property. The latest project announced will provide 88 units of affordable housing (in addition to a charter school and office space for not-for-profit organizations) on land at the Washington Houses in Manhattan. As of February of 2013, the partnership between NYCHA and HPD has produced 2,000 units of affordable housing, with another 2,000 in development.[13] Earlier this year, NYCHA also announced plans to offer 99-year ground leases to private, market-rate developers at eight of its sites in Manhattan. Developers will build a total of approximately 4,000 units on these sites, with 20% set aside for affordable housing. Under this plan, NYCHA retains ownership of the land, and no public housing will be lost.[14]

The City is also encouraging new housing creation by altering the zoning code to allow apartments less than 400 square feet (known as "micro-units"). The first approved development will create 55 pre-fabricated units, ranging in size from between 250 and 370 square feet, on a City-owned site in Manhattan, 40% of which will qualify as affordable housing.[15] While the project is currently awaiting approval through the Uniform Land Use Review Procedure process,[16] the City has already announced that they are considering issuing two to three more Request for Proposals for additional micro-unit projects.[17]

Tax Incentive Programs

The City helps promote development of new housing by offering various tax incentive programs. One such program, for new renter- and owner-occupied multifamily properties containing three or more rental units is the 421-a tax incentive program. The program allows for a reduction in the taxable assessed value of eligible properties. That is, owners are exempt from paying additional real estate taxes due to the increased value of the property resulting from the improvements made. Eligible projects must be new construction of multiple dwellings on lots that are vacant, predominantly vacant, or improved with a non-conforming use three or more years before the new construction commenced. Rental apartments built

Units Newly Receiving 421-a Certificates, 1996-2012, in Thousands



Source: NYC Department of Housing Preservation and Development with 421-a tax exemptions are subject to the provisions of the Rent Stabilization Laws during the exemption period. Initial rents are first approved by HPD and are then subject to increases 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. Properties receive an exemption for 10 to 25 years depending on location, the number of units reserved for low- and moderate-income tenants, and whether they are located in a neighborhood preservation area. Longer exemption periods apply in northern Manhattan and boroughs outside Manhattan, and to projects that receive governmental assistance or contain not less than 20% low-income units.[18]

The *2007 Housing Supply Report* outlined major changes in the 421-a program which took effect on July 1, 2008, including a major expansion of the Geographic Exclusion area (the area which requires 20% of units in any given building to be set aside for affordable housing), new limits on the amount of assessed value that is exempt from taxes, and on-site affordability requirements extended to a length of 35 years.

Through the 421-a program, the number of housing units newly receiving exemptions decreased for the first time in six years, down 1.4%, to 10,856 (see graph on the previous page), including decreases in three of the five boroughs.[19] These decreases were offset by double digit increases in both Manhattan and the Bronx, of 46.8% and 37.6%, respectively. But the number of units decreased 42.9% in Queens, 23.3% in Brooklyn, and fell from 40 to four units in Staten Island, resulting in an overall decline of more than 1%. Citywide, the largest proportion of units receiving benefits in 2012 were in buildings located in Manhattan, which contained 44.8% of the total units in the City. Brooklyn had 27.9% of these units, Queens had 14.0%, the Bronx had 13.3%, and Staten Island, with only four units, had 0.04% of units Citywide. Because buildings in Manhattan are so much larger than buildings in the outer boroughs, nearly half of units were in Manhattan, despite having only 52 of the 477 buildings newly approved for 421-a benefits Citywide. Notably, while the number of units newly approved in 2012 was nearly flat, the number of buildings containing these units fell by more than 40%. (See Appendices G.6 and G.7)

Historically, tax-incentive housing has also been developed through the 421-a Affordable Housing Program, which allowed developers to build within Manhattan's "Exclusion Zone" as long as they provided either 20% of housing on-site to be affordable, or they financed affordable housing elsewhere in the City (at the rate of approximately one affordable unit for every five units built in Manhattan). With changes to the 421-a program that now require all developers in the newly expanded Exclusion Zone to build affordable housing on-site, the off-site portion of this program is being phased out and no new units have begun construction since 2008. However, some units did complete construction in 2012 — 130 new affordable units, producing 676 certificates for market-rate housing, were completed, a 47.6% decrease in affordable units from last year.[20]

Another program that has offered affordable housing, the New York State Mitchell-Lama program, has suffered from a loss of housing since "buyouts" from the program began in 1985. Between 1955 and 1978, approximately 140,000 units of low- and middle-income housing were built in New York City through this tax-break and mortgage subsidy program. Since buyouts began in 1985, the City has lost approximately 43,000 units of Mitchell-Lama housing, although some has transitioned to rent stabilization. After averaging an annual loss of more than 5,000 units between 2004 and 2007, the pace slowed considerably, and no Mitchell-Lama units were lost in the City in 2010 or 2011, although two developments, containing a total of 532 units, did buy out in 2012.[21]

Conversions and Subdivisions

New housing units are also brought onto the market through subdivisions and conversions. Subdivisions involve the division of existing residential space into an increased number of units. Non-residential spaces, such as offices or other commercial spaces, can also be converted for residential use. As chronicled in prior *Housing Supply Reports*, during the mid-2000s, with a tight housing market and high demand for luxury apartments, there were an increasing number of conversions in neighborhoods Citywide. Conversions occurred in facilities as diverse as hospitals, recording studios, power plants, office buildings, and churches.

One indicator of conversions is the number of non-residential buildings newly receiving J-51 benefits for conversion to residential use. In 2012, 11 formerly non-residential buildings, containing 196 units, received J-51 benefits for conversion. Just over 55% of these were rental units. Overall, this is 74% fewer units than in 2011, when 743 units (the majority being rental units) in formerly non-residential buildings converted using J-51 benefits. The number of non-residential units in downtown Manhattan that converted with the aid of 421-g benefits also decreased, down from one building containing 124 units in 2011 to no buildings in 2012.[22]

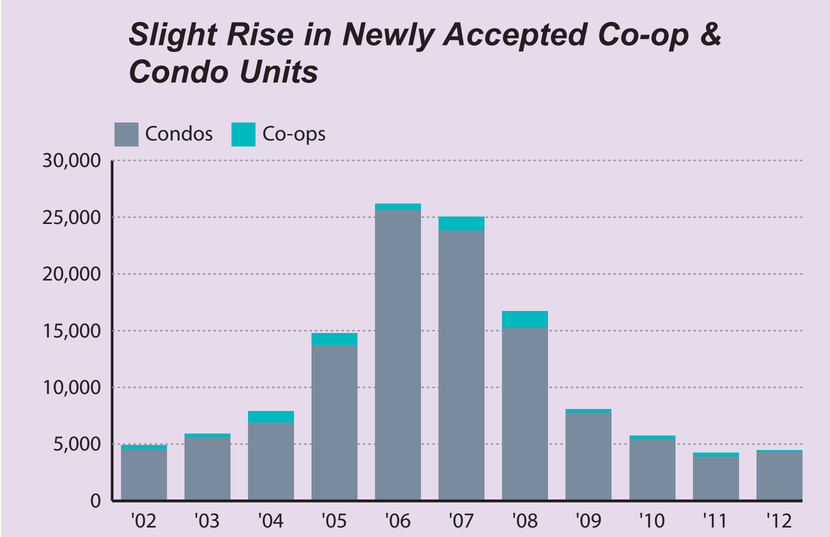
Conversion of single room occupancy (SRO) buildings also continued over the past year. SRO owners may convert SRO housing to other uses after obtaining a "Certificate of No Harassment" (CONH) from HPD. After seven consecutive years of decline, approved CONH applications rose in 2012, up 23.0% from 100 CONH in 2011 to 123 in 2012.[23]

Efforts are also underway to ensure that SROs are used for permanent housing rather than as transient hotels. As of May 1, 2011, laws were newly passed strengthening the City's ability to crack down on housing being used illegally for transient occupancy. Transient occupancy is now clearly defined as stays of less than 30 days, and between May of 2011 and April of 2012 1,820 violations (ranging from $800 to $2,000) were issued to illegal hotel operators.[24] Approximately 2,415 violations have been issued since,[25] and late last year, the City Council strengthened this law even further, increasing fines to up to $25,000 for repeat offenders.[26] Among the illegal hotel operators that the City has targeted is a company that it accused of offering short-terms stays in permanent residential apartments in nearly 50 different locations in Manhattan and Brooklyn.[27] While the lawsuit continues, in February of 2013 the Supreme Court of New York County preliminarily ruled in favor of the City and issued an injunction against the company, barring it from operating or advertising hotel units.[28]

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.[29] In 2012, the Attorney General accepted 160 co-op and condo plans, a 25.9% decrease from the number accepted in 2011. These 160 plans encompassed 4,552 housing units, 1.9% more than in 2011 and the first increase in units since 2006 (see graph on this page). More than 50% of all plans, 84, were accepted for buildings located in Brooklyn; 50 were located in Manhattan; 23 plans were accepted for Queens; three plans were accepted in the Bronx; and there were no plans in Staten Island. Because Manhattan buildings tend to be larger than the outer boroughs, more units were located in Manhattan (2,330), with Brooklyn (1,160) and Queens (935)

New Co-op and Condo Units, 2002-2012



Source: NYS Attorney General's Office

trailing, and only 127 units in the Bronx. (See Appendices G.4 and G.5)

The majority of the plans accepted Citywide in 2012 were for new construction, comprising 121 of 160 plans, and a total of 2,810 of 4,552 units. This is similar to the prior year, when new construction accounted for 185 of the 216 accepted plans. The second largest source of co-op and condo units were units located in non-eviction conversions (with 25 plans and 1,539 units), and 11 plans, with 106 units, were rehabilitations. An additional three plans, containing 97 units, were eviction plan conversions, all sponsored by HPD.

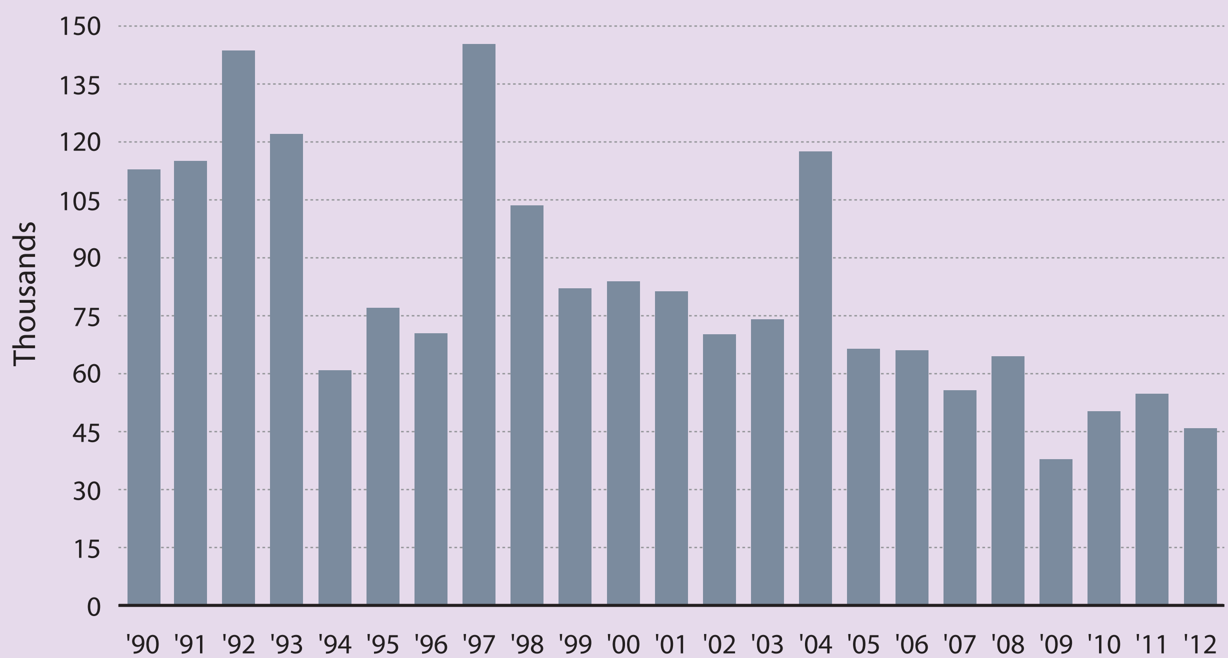
While the conversion of rental housing into co-op and condo units increases the housing inventory for sale, it simultaneously reduces the total number of housing units for rent. Conversions represented 35.9% of the total number of units in 2012 co-op and condo plans, a much larger share than the 14.9% share in 2011. Because most conversion plans are non-eviction plans (including all private plans in 2012), only when the original rental tenant moves out, or opts to buy the apartment, does the apartment become owner-occupied and removed from the rental universe.

Rehabilitation

Another method for adding (or keeping) residential units to the City's housing stock is through rehabilitation of old buildings. As buildings age, they must undergo renovation and rehabilitation to remain in habitable condition. This is particularly relevant to NYC's rental housing stock, where more than 62% of units are in buildings constructed prior to 1947.[30] Through tax abatement and exemption subsidy programs offered by the City for rehabilitation, units are able to remain in, or be readmitted to, the City's housing stock. The most recent incarnation of the J-51 tax abatement and exemption program, which expired at the end of 2011, was intended to encourage the

Units Receiving Initial J-51 Benefits, 1990-2012, in Thousands

2012 Saw Decrease in Number of Units Newly Receiving J-51 Benefits



Source: NYC Department of Housing Preservation and Development periodic renovation of New York City's stock of both renter- and owner-occupied housing.

The J-51 tax relief program was similar to the 421-a program in that it required that those rental units not already rent stabilized be subject to rent regulation for the duration of the benefits. Apartment units in many high-rent neighborhoods were not allowed to enter the program because the apartment unit tax assessment generally could not exceed $38,000-$40,000 after completion. Rehabilitation activities that were eligible for tax abatements and exemptions included Major Capital Improvements (MCIs), substantial rehabilitation, conversion from non-residential uses, and moderate rehabilitation, which requires significant improvement to at least one major building-wide system. Enriched exemption and abatement benefits were also available for conversion to Class A multiple dwellings (which are permanent residential dwellings) and rehabilitation of Class A buildings that are not entirely vacant.[31]

Although the program expired in 2011, because the program grants benefits for work completed through the end of that year, thousands of units newly received benefits in 2012. In 2012, 45,886 units newly received J-51 benefits, a decrease of 16.2% from the previous year, and the second lowest level in the history of this report (see graph on the prior page and Appendix G.7).[32] All of the applications approved in 2012 were for work completed prior to the sunset of the program in 2011, and reflect eligibility requirements in effect during that time period.

These units were contained in 1,181 buildings, a decrease of 24.1% from 2011 levels. The location of the units newly receiving benefits ranged from 34.9% located in Queens; to 27.1% in the Bronx; 26.5% in Brooklyn; 11.5% in Manhattan; and none in Staten Island. Units newly receiving benefits fell in every borough but the Bronx, which rose 3.8%. Units newly receiving benefits fell by the greatest proportion in Brooklyn, which fell 31.4%, followed by Queens, which fell 17.4% and Manhattan, which fell 6.4%. Staten Island units also fell, from 52 units to zero units. (See Appendices G.6 and G.7)

In Fiscal Year 2013, the J-51 tax program will cost the City $251.3 million in lost tax revenue for all housing types, including almost 334,000 rental units and more than 214,000 owner units.[33] While the program has technically lapsed, the NYS Legislature passed an amended version of the J-51 legislation in January of 2013, which will allow for retroactive J-51 benefits from January of 2012 and continuing through June 30, 2015. It is currently awaiting approval from the NYC Council before it can be officially enacted into law.[34]

While J-51 is owner-initiated, a City-initiated program will also help rehabilitate NYC's housing stock. In January, 2011, HPD began their "Proactive Preservation Initiative (PPI)," which identifies those buildings in need of rehabilitation, regardless of whether there are complaints from tenants in the building. HPD works to identify distressed buildings that are actively declining and in danger of becoming blighted and those buildings that exhibit levels of distress that warrant further action are placed on the PPI list. HPD works with these buildings to reduce housing code violations, and once violations have been reduced by at least 80%, buildings are removed from the list.[35] Through October 31, 2012, a total of 305 buildings were added to the PPI list, and 88 (29%) of these buildings were subsequently released from the program due to improvements in the buildings. Approximately 49% of the total PPI buildings have shown improvements in violations of at least 35%. Of the 217 buildings remaining on the PPI list (as of October 31, 2012), 67% have shown improvements, and violations have dropped an average of 34%.[36]

HPD is also continuing rehabilitation work through its "Alternative Enforcement Program (AEP)," now in its sixth year of identifying the 200 "worst" buildings in the City, based on housing code violations. The latest group of 200 buildings (containing 2,552 units of housing) have a combined total of more than 26,000 housing code violations, including almost 4,500 immediately hazardous C-Class violations. If landlords in this program do not make repairs to their buildings, the City steps in to do so, and then charges the landlords. Through the first five rounds of the program, the City has recovered $26.2 million for AEP repairs to 1,000 buildings containing more than 10,000 units of housing. Just over half of those buildings have since been discharged from the program after sufficiently lowering the number of outstanding violations in their buildings.[37]

Tax-Delinquent Property

In Rem Housing

For two decades, the City foreclosed on thousands of tax-delinquent residential properties, becoming the owner and manager of these buildings, known as *in rem* properties. By its peak in 1986, the City owned and managed 4,000 occupied buildings containing 40,000 units of housing and almost 6,000 vacant buildings containing 55,000 units of housing. Most of these were dilapidated multi-family buildings occupied by a predominantly low-income population. To counter this trend, HPD developed multiple disposition programs over time to manage, rehabilitate and sell many of these *in rem* buildings. HPD's Alternative Management Programs began in 1994 with the goal of returning City-owned properties to private owners and stimulating neighborhood development. While the number of *in rem* units in FY 2012 did increase for the second consecutive year (the second increase since FY 1989), by 1.9%, HPD has successfully reduced the number of occupied and vacant *in rem* units in central management to 861 through June 2012, a 98.0% decline since FY 1994. Seven buildings, containing a total of 116 units, were sold in FY 2012.[38]

Anti-Abandonment Strategies

The City has also been able to significantly reduce its share of *in rem* buildings by identifying buildings at risk and helping owners. Key initiatives to prevent abandonment include the Third Party Transfer Program, which targets distressed and other buildings with tax arrears,[39] and Housing Education Courses, which teach owners and superintendents basic management, maintenance, and finance skills to improve their properties.[40]

Since the mid-1990s, the City has not taken title (i.e., vesting) of properties that are tax delinquent. Instead, the City has developed a comprehensive anti-abandonment strategy. First, tax liens for properties that are not distressed are sold in bulk to private investors. After the lien is sold, the lien holder is entitled to collect the entire lien amount, plus other interest and charges, from the property owner. In addition, the property owner must continue to pay current taxes to the City. If the owner has not paid the lien or entered into a payment plan, the lien holder can file for foreclosure on the property.[41]

An additional facet of the City's anti-abandonment strategy is third party transfer. For buildings that are distressed and in tax arrears, the City can initiate an *in rem* tax foreclosure action against property owners. The policy, authorized under Local Law 37 of 1996, transfers the title of *in rem* properties directly to new owners (qualified third parties) without the City ever taking title itself. The properties are temporarily transferred to Neighborhood Restore, a nonprofit corporation, and upon the judgment of the court, are transferred to a qualified third party.[42] Since it began in 1996, the program has collected $536 million in back taxes, and more than 450 buildings have been transferred to responsible for-profit and non-profit owners.[43]

In 2010, the City announced plans to spend $750 million to rescue multi-family apartment buildings in financial and/or physical distress. The program aims to transfer distressed properties in foreclosure; in danger of foreclosure; or owned by HUD after a foreclosure; to pre-qualified developers and assist these new owners in making the building financially competitive, as well as physically sound.[44] As of June, 2012, 65 developers have prequalified to be part of this program.[45]

Demolitions and Stalled Construction

While in the early 1990s relatively few residential buildings in New York City were demolished, this began to change in 1996, the same year that the number of building permits issued began to increase significantly. In fact, the number of buildings demolished between 2005 and 2007 alone was almost triple the number demolished in all the years from 1990 to 1999 combined. But demolitions have declined in five of the last six years, including 2012.

A total of 1,122 buildings were demolished in 2012, a 0.6% decrease over the prior year, following declines of 8% to 39% between 2007 and 2010, and a rise of 1% in 2011. Queens accounted for 38.7% of all the buildings demolished in 2012, Brooklyn had 25.3%, Manhattan had 12.8%, Staten Island had 12.4%, and the Bronx had the lowest proportion, 10.8%. Demolitions rose in the Bronx and Manhattan (by 30.1% and 16.1%, respectively), but fell in Brooklyn, Queens, and Staten Island (by 7.8%, 6.3%, and 1.4%, respectively).[46] (See Appendix G.8)

Beginning in mid-July 2009, the NYC Dept. of Buildings began releasing a weekly "snapshot" of stalled construction sites throughout the City.[47] Inclusive of data through mid-May, 2013, stalled construction sites grew from a low of 395 sites on July 26, 2009 to a high of 709 on November 7, 2010. Following that high in November, 2010, rates generally declined, falling as low as 586 sites in February of 2012 before climbing again, reaching just shy of 700 sites in May of 2012, and remaining between roughly 650 and 700 sites since then. Similar to the results of a year ago, the bulk of these stalled sites (as of May, 2013) are located in Brooklyn (45.7%), with significant shares also located in Queens (27.0%) and Manhattan (15.8%). Within Brooklyn, almost 41% of stalled construction sites are located in Community Districts that abut the East River waterfront, including areas such as Williamsburg, Greenpoint, Red Hook, and DUMBO. Conversely, the East River-adjacent Community Districts of Queens (Astoria and Long Island City) contain 13% of all stalled construction sites, with more than 45% located in The Rockaways and Jamaica.

Conclusion

In 2012, housing permits increased for the third consecutive year, rising by 15.6%, while the number of completed housing units fell, by 32.4%. The number of units newly receiving 421-a tax benefits fell 1.4% in 2012, while J-51 tax abatements and exemptions fell by 16.2%. And after five consecutive years of decline in the number of units accepted in new or converted co-op and condo buildings, units rose, by 1.9%, even while the number of accepted plans fell by 25.9%. Rental housing availability remains tight, with a Citywide vacancy rate of just 3.12% in 2011, and overcrowding remains a problem. Mayor Bloomberg's ten-year housing initiative has financed 145,000 units, helping to reduce the affordable housing shortage. ❐

Endnotes

1. The New York City Housing and Vacancy Survey (HVS) is done triennially, sponsored by the NYC Department of Housing Preservation and Development (HPD) and conducted by the U.S. Census Bureau.
2. The U.S. housing stock was comprised of 37% renter-occupied units, according to the 2011 American Community Survey, conducted by the U.S. Census Bureau. To calculate the ratio of renter-occupied units in New York City, staff did not include vacant units that are not for sale or for rent in the total number of housing units.
3. Other units include public housing, Mitchell-Lama, *In Rem*, HUD-regulated, Article 4 and Loft Board units.
4. Since the number of vacant units available for rent in Staten Island is small, and the HVS is a sample survey, the sampling error of the vacancy rate is likely to be large, and thus, the Census Bureau could not calculate an accurate vacancy rate.
5. U.S. Census Bureau web site. <http://censtats.census.gov/bldg/bldgprmt.shtml>.
6. NYC Dept. of City Planning data. Note that the data is continually updated and is subject to change, including data from prior years.
7. Beginning with the *2006 Housing Supply Report,* the RGB defines a housing completion as any unit receiving either a final or a temporary Certificate of Occupancy in the stated year. The Department of City Planning provided this information for the 2004 calendar year and beyond, and believes it is a more accurate representation of new housing in New York City than previous methodologies which only counted final Certificates of Occupancy.
8. Starts refer to the number of units beginning construction or rehabilitation in a given period.
9. Preliminary Fiscal 2013 Mayor's Management Report (MMR). <http://home2.nyc.gov/html/ops/html/data/mmr.shtml>
10. Citywide Performance Reporting website: <http://www.nyc.gov/html/ops/cpr/html/home/home.shtml>; Accessed May 2013
11. "Mayor Bloomberg Outlines Steps the City is Taking to Achieve Affordable Housing Goal of 165,000 Units to House 500,000 New Yorkers Despite Historic Economic Challenges." *HPD Press Release*. February 22, 2010.
12. Testimony of the NYC Dept. of Housing Preservation and Development before the NYC Rent Guidelines Board. March 14, 2013.
13. "NYCHA, HPD, HDC, and DOE join Harlem RBI, Jonathan Rose Companies, Dream Charter School, and NY Yankee Mark Teixeira to Break Ground on Mixed-Use Development in East Harlem," *HPD Press Release*. February 7, 2013.
14. http://www.nyc.gov/html/nycha/html/preserving/leasing-land-sites.shtml

15. "Mayor Bloomberg Announces Winner of adAPT NYC Competition to Develop Innovative Micro-Unit Apartment Housing Model," *Mayor's Office Press Release*. January 22, 2013.

16. "Micro-apts. take one (small) step forward," *Crain's New York Business.* April 9, 2013.

17. "More Micro-Apartments! City Seeking Developers for New Sites," *New York Observer.* April 4, 2013.

18. Program information available at: <http://nyc.gov/html/hpd/html/developers/421a.shtml>

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

20. Data obtained from the NYC Dept. of Housing Preservation and Development, Inclusionary Housing/421-a Affordable Housing Program. Each affordable housing unit financed or built under the Affordable Housing Program creates between four and six certificates for market rate housing.

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

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

23. NYC Department of Housing Preservation and Development.

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

25. Office of the Criminal Justice Coordinator, Mayor's Office of Special Enforcement. Inclusive of data through April 30, 2013.

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

27. "Mayor Bloomberg Announces Suit Against Major Operator of Illegal Hotels as Part of the City's Crackdown on Unsafe and Illegal Tourist Accommodations in New York City," *Mayor's Office Press Release*. October 23, 2012.

28. http://law.justia.com/cases/new-york/other-courts/2013/2013-ny-slip-op-23054.html. February 13, 2013.

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

30. *2011 NYC Housing and Vacancy Survey*, U.S. Census Bureau.

31. Landlord Information/Tax Incentives: J-51, NYC Department of Housing Preservation and Development web site. <http://www.nyc.gov/html/hpd/html/developers/j51.shtml>.

32. NYC Dept. 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 newly built renter- and owner-occupied units, which are included in the figures given in this report.

33. "Annual Report on Tax Expenditures," NYC Dept. of Finance publication, February, 2013 (Revised March 2013).

34. NYS Legislature Bill A03354/S02320

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

36. At-Risk Buildings List as of October 31, 2012. <http://www.nyc.gov/html/hpd/html/owners/Proactive-Preservation.shtml>

37. "HPD Commissioner Wambua Announces List of 200 Buildings with 2,552 Units in Latest Round of Alternative Enforcement Program." *HPD Press Release.* February 1, 2013.

38. NYC Dept. of Housing Preservation and Development.

39. NYC Department of Housing Preservation and Development website. <http://www.nyc.gov/html/hpd/html/homeowners/tax.shtml>

40. NYC Department of Housing Preservation and Development website. <http://www.nyc.gov/html/hpd/html/buyers/courses.shtml>

41. NYC Department of Finance, General Information on the City's Tax Lien Sale Process. <http://www.nyc.gov/html/dof/html/property/property_bill_taxlien.shtml#general>

42. "New York City Case Study: Third Party Transfer Initiative: A Solution To Property Abandonment," by Lisa Mueller, Local Initiative Support Corporation report, January 14, 2003. <http://www.lisc.org/content/publications/detail/794/>

43. Most recent figures obtained from NYC Dept. of Housing Preservation and Development, May, 2013.

44. "HPD Commissioner Cestero Announces New Initiative to Rescue Severely Distressed Residential Buildings and Keep New Yorkers in Their Homes." *HPD Press Release.* June 17, 2010.

45. Multifamily Preservation Program, Qualified Developer List (as of June 2012). <http://www.nyc.gov/html/hpd/html/developers/rfp.shtml>

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

47. NYC Department of Buildings Snapshot Reports: <http://www.nyc.gov/html/dob/html/codes_and_reference_materials/snapshot_report.shtml>. Data covers the period through May 12, 2013.

Changes to the Rent Stabilized Housing Stock in New York City in 2012

What's New

- ✔ The study finds a minimum net estimated loss of 2,539 rent stabilized units in 2012, 58% fewer than in the prior year.
- ✔ Most of the additions to the rent stabilized stock in 2012 were due to two tax incentive programs: the 420-c and 421-a programs.
- ✔ In 2012, High Rent/ Vacancy Deregulation made up the largest category of subtractions from the stabilized stock, accounting for 71% of the subtractions.
- ✔ Since 1994, New York City's rent stabilized housing stock has seen a minimum net loss of 105,242 units.

Overview

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

The figures in this study represent additions and subtractions of dwelling units to and from the rent stabilization system in 2012. These statistics are gathered from various City and State agencies.

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

Additions to the Rent Regulated 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 "voluntarily" placing these new units under rent stabilization in exchange for tax benefits. These owners choose to place units under rent stabilization because of cost/benefit analyses concluding that short-term regulation with tax benefits is more profitable than free market rents without tax benefits. According to the NYS Division of Housing and Community Renewal (DHCR), the median legal rent of initially registered rent stabilized apartments as of the date of initial registration in 2012 was $1,775. Events that lead to the addition of stabilized units include:

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

Section 421-a and J-51 Programs

The New York City Department of Housing Preservation and Development (HPD) administers programs to increase the supply of rental housing. Two of these programs have a significant impact on the inventory of stabilized housing: the Section 421-a Program and the J-51 Program. Under Section 421-a of the Real Property Tax Law, newly constructed dwellings in New York City can elect to receive real estate tax exemptions. For the duration of the benefits, at least, the newly built apartments are subject to rent stabilization. In 2012, an estimated total of 2,509 units were added to the rent stabilized stock through the 421-a program, 20% fewer than the 3,155 units added in 2011. The largest number of units were in Brooklyn (874), followed by Manhattan (747), Queens (477), the Bronx (319), and 92 units on Staten Island. According to DHCR, the median rent of registered rent stabilized apartments receiving 421-a tax abatements in 2012 was $3,106.

The J-51 Program provides real estate tax exemptions and abatements to existing residential buildings which are renovated or rehabilitated. This program also provides these benefits to residential buildings converted from commercial structures. In consideration of receiving these benefits, owners of these buildings agree to place under rent stabilization those apartments which otherwise would not be subject to regulation. The apartments remain stabilized, at a minimum, until the benefits expire. The J-51 program added 108 units to the rent stabilized stock in 2012, 78% fewer than in the prior year. These newly renovated units were located in six buildings in Brooklyn and one building in the Bronx. (See Appendices H.1 and H.2.)

Mitchell-Lama Buyouts

Where rents in a building are regulated directly by the Federal, State or City government, these apartments are exempt from rent stabilization and control laws. However, when these government-aided developments are no longer directly administered by a governmental entity, they may become subject to rent stabilization laws. These federally regulated projects include Section 236 financed buildings and project-based Section 8 buildings.

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

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

In 2012, 132 Mitchell-Lama rental units, all in Queens, became rent stabilized. Since 1994, 10,126 rental units have left the Mitchell-Lama system and became a part of the rent stabilized housing stock. (See Appendices H.1 and H.2.)

Loft Units

The New York City Loft Board, under Article 7-C of the Multiple Dwelling Law, regulates rents in buildings originally intended as commercial loft space that have been converted to residential housing. When the units are brought up to code standard, they become stabilized. Seventeen units entered the rent stabilization system in 2012, compared to six added in 2011. (See Appendix H.1 and H.2.)

Other Additions to the Stabilized Housing Stock

Additionally, several other events can increase the rent stabilized housing stock: tax incentive programs such as 420-c and 421-g, "deconversion," returned losses, and the sub-division of large units into two or more smaller units. At least 3,834 units were added to the rent stabilized stock from these programs in 2012. (See Appendix H.1.)

The 420-c program, a tax exemption program for low income housing projects that are developed in conjunction with the Low Income Housing Tax Credit program, accounted for the greatest number of additions to the rent stabilized stock. An estimated 3,834 units were added to the rent stabilized stock in 2012 through this program, a 4% decrease from the number added the prior year. Of the total 420-c units that were added, 39% (1,486) were located in the Bronx; 31% (1,181) were in Manhattan; 16% (605) were in Brooklyn; 12% (457) were in Queens; and 3% (105) were in Staten Island.[1]

The 421-g tax incentive program was designed for conversion of units in Lower Manhattan from non-residential to residential use. The 421-g program added no rent stabilized units to the housing stock in 2012, the same as in the prior year.[2]

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

Changes in Regulatory Status

Chapter 371 of the Laws of 1971 provided for the decontrol of rent controlled units that were voluntarily vacated on or after July 1, 1971. Since the enactment of Vacancy Decontrol, the number of rent controlled units has fallen from over one million to roughly 38,000.[3] When a rent controlled unit is vacated, it either becomes rent stabilized or leaves the regulatory system. A rent controlled unit becomes rent stabilized when it is contained in a rental building with six or more units and the incoming tenant pays a legal regulated rent less than $2,500 per month.[4] This process results in a diminution of the rent controlled stock and an increase in the rent stabilized stock. Otherwise, the apartment is subject to deregulation and leaves the rent regulatory system entirely.

According to rent registration filings with the NYS Division of Housing and Community Renewal (DHCR), 360 units in 2012 were decontrolled and became rent stabilized, down 18% from the prior year. This represents 6% of the additions to the rent stabilization stock. By borough, 51% of the decontrolled units were in Manhattan; 21% were in Brooklyn; 19% were in Queens; 9% were in the Bronx; and there were none in Staten Island. (See Appendices H.1 and H.2.)

Subtractions from the Rent Regulated Housing Stock

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

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

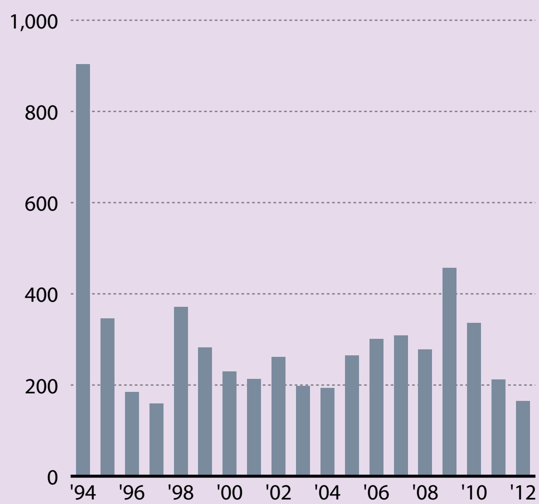
High Rent/High Income Deregulation

Since enactment of the Rent Regulation Reform Act (RRRA) of 1993, occupied apartments may be deregulated under certain circumstances. Beginning with the RRRA of 1993, apartments renting for $2,000 or more in which the tenants in occupancy had a combined household income in excess of $250,000 in each of the immediately two preceding years could be deregulated. In 1997, that year's RRRA reduced the income threshold to $175,000. Two years ago, the Rent Act of 2011, effective for proceedings filed on or after July 1, 2011, raised the rent threshold to $2,500 and the income requirement to $200,000.

Deregulation occurs upon application by the owner and upon the expiration of the rent stabilized lease. This income-based deregulation process, which is administered by DHCR, relies upon data furnished to the NYS Department of Taxation and Finance as part

High Rent/High Income Deregulation, 1994-2012

Number of Units Deregulated due to High Rent/Income Decreases in 2012



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

of the verification process. Note that both the rent level and household income criteria have to be met for deregulation to take place. For example, if a household earning at least $200,000 paid less than $2,500 per month, rent regulation would remain in effect. Also note that the owner must apply to DHCR in order to deregulate the unit. If the owner did not submit a deregulation application, the occupying tenant would remain regulated regardless of rent level and household income. Because DHCR has to approve the orders of deregulation, an exact accounting exists of units leaving regulation as a result of High Rent/High Income Deregulation.

Based on DHCR processing records, High Rent/High Income Deregulation removed a total of 165 apartments from rent regulation in 2012, a 22% decrease from the prior year.[5] Of these units, 72% were located in Manhattan; 19% in Brooklyn; 6% in Queens; and the remaining 3% in the Bronx.

Since 1994, 5,671 units have been deregulated due to High Rent/High Income Deregulation, of which 89% have been located in Manhattan. (See graph on this page and Appendix H.3.)

High Rent/Vacancy Deregulation

Similar to the provisions of High Rent/High Income Deregulation, High Rent/Vacancy Deregulation has also changed several times since 1993. In 1993, the New York State legislature instituted High Rent/Vacancy Deregulation.[6] RRRA-93 permitted the deregulation of vacant apartments and occupied regulated apartments that subsequently were vacated between July 7, 1993 and October 1, 1993 if the last tenant paid $2,000 or more per month.

Next, the New York City Council allowed for the deregulation of apartments upon vacancy on or after April 1, 1994 if these units rented for $2,000 or more. DHCR interpreted the $2,000 rent threshold as follows: if, upon vacancy, the owner undertook individual apartment improvements that increased the legal regulated rent to $2,000 or more, and the incoming tenant agreed to pay $2,000 or more, the unit would be deregulated.

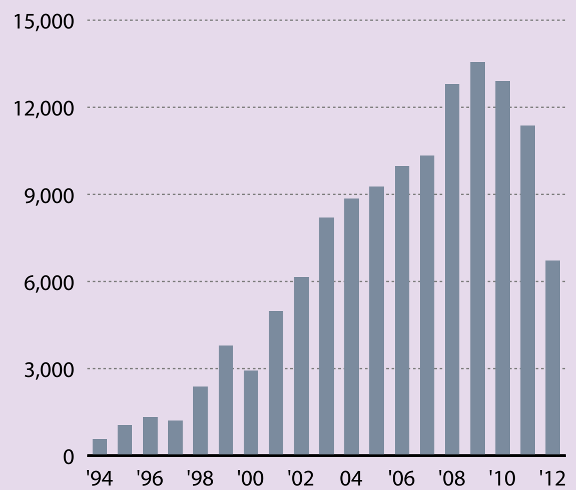
Then, in early 1997, the City Council amended the Rent Stabilization Law to only allow for vacancy deregulation of the apartment if the vacating tenant's legal regulated rent was $2,000 or more.

Later, in June of 1997, with the passage of the RRRA of 1997, the state overrode the new City regulation. The determining factor was no longer the outgoing tenant's legal regulated rent but the incoming tenant's calculated legal regulated rent. Owners, upon a vacancy, could now apply a combination of allowable increases to reach the $2,000 deregulation level: standard vacancy increases, special vacancy increases and individual apartment improvement increases. This calculated rent for a hypothetical incoming tenant was the determining factor, not the rent the incoming tenant actually paid. In fact, after a stabilized unit is deregulated by this calculation, the actual deregulated rent the new tenant pays can be less than $2,000 per month.

Finally, the Rent Act of 2011 changed the threshold to $2,500, effective June 24, 2011. Other than changing the rent threshold, the method used to calculate whether a vacated apartment could be deregulated based on high rent remained the same.

High Rent/Vacancy Deregulation, 1994-2012

Decrease in 2012 in Number of Units Deregulated due to High Rent/Vacancy



Note: Registration of deregulated units with DHCR is voluntary and not required. These totals represent a 'floor' or minimum count of the actual number of deregulated units in these years. (see Endnote 8).

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

According to DHCR rent registration records, 6,713 units were deregulated in 2012 under the High Rent/Vacancy Deregulation provisions of the RRRA, down 41% from the number deregulated the prior year. Of these deregulated units, 63.9% were in Manhattan; 17.7% were in Brooklyn; 13.7% were in Queens; 4.2% were in the Bronx; and 0.5% were in Staten Island. Since 1994, a total of 128,372 units were registered with the DHCR as being deregulated due to High Rent/Vacancy Deregulation, 73% of which have been located in Manhattan.[7]

Since 2001, the first year owners were asked, but not required, to file High Rent/Vacancy Deregulation registrations, the rate at which they have changed over the prior year has varied.[8] From 2001 to 2002, High Rent/Vacancy Deregulation registrations increased by 23%, and from 2002 to 2003, they increased by 34%. From 2004 to 2009, the rate of increase was between 4% and 8% each year, with the exception of 2008, when the number of units registering as deregulated due to High Rent/Vacancy Deregulation increased 24% over the prior year. However, over the last three years, the number of units subject to High Rent/Vacancy Deregulation declined from the prior year, with the number falling 41% between 2011 and 2012. (See graph on this page and Appendices H.4-H.6.)

Co-operative & Condominium Conversions

When rent regulated housing is converted to ownership status, there is a small immediate decrease in the rental stock, but over time there is a significantly larger decrease. Apartments are immediately removed from rent regulation if the tenant chooses to purchase their unit after a rent stabilized building is converted to cooperatives or condominiums. These units are no longer rentals.

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 many cases becomes deregulated, regardless if the incoming tenant purchases or rents.

In 2012, 924 units located in co-ops or condos left the stabilized housing stock, 16% fewer than left the system the prior year. By borough, the largest proportion of units leaving rent stabilization and becoming co-op/condo was in Queens and Manhattan, with 34% of the units in each borough; followed by Brooklyn, with 23%; and the Bronx, with 9% (there were no units on Staten Island). An estimated total of 46,122 co-op or condo units have left the stabilized stock since 1994. (See Appendices H.5 and H.6.)

Expiration of Section 421-a and J-51 Benefits

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

In 2012, expiration of 421-a benefits resulted in a total of 336 units removed from the rent stabilization system, 19% fewer units than the number removed the prior year. By contrast, the expiration of J-51 benefits resulted in a total of 244 units removed, 6% more than in 2011, when 230 units were removed from rent stabilization. Since 1994, 20,166 421-a units have left the rent stabilization system and 14,781 J-51 units are no longer rent regulated. (See Appendices H.5 and H.6.)

Substantial Rehabilitation

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

In 2012, 481 units were removed from stabilization through substantial rehabilitation, compared to 174 in the prior year. A total of 8,229 units have been removed from the rent stabilization system through substantial rehabilitation since 1994. (See Appendix H.5.)

Conversion to Commercial or Professional Status

Space converted from residential use to commercial or professional use are no longer subject to rent regulation. In 2012, 74 units were converted to nonresidential use, compared to 29 in the prior year. Since 1994, 2,231 residential units have been converted to nonresidential use. (See Appendix H.5.)

Other Losses to the Housing Stock

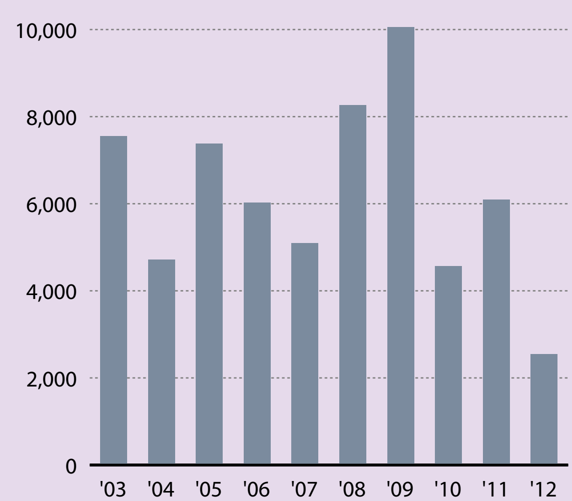
Owners may register units as permanently exempt when smaller units are merged into larger ones, or when the building is condemned, demolished or boarded-up/burnt-out. DHCR annual registration data shows that 562 units were removed from the stabilized housing stock in 2012 due to these reasons, down 14% from 2011. Since 1994, 23,783 units have been removed from rent stabilization due to these other types of losses. (See Appendix H.5.)

Summary

At least 9,499 housing units left rent stabilization and approximately 6,960 units initially entered the stabilization system in 2012.

Net Loss in Rent Stabilized Units, 2003-2012

Decrease in Net Loss of Number of Units under Rent Stabilization in 2012



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

The built-in fluidity of the system resulted in a minimum net loss of an estimated 2,539 units to the rent stabilized housing stock in 2012, 58% fewer than in 2011, when rent stabilization saw a minimum net estimated loss of 6,096 units.[9] (See graph on the previous page and Summary Table on Page 90.)

The vast majority of additions to the stabilized stock in 2012 were the result of tax incentive programs. The creation of 420-c units equaled 55% of the additions and 421-a units resulted in 36%. By borough, Manhattan saw the most additions (2,123); followed by the Bronx (1,867); Brooklyn (1,638); Queens (1,135); and Staten Island (197). (See Appendix H.2.)

Meanwhile, High Rent/Vacancy Deregulation was the largest source of measured subtractions from the rent stabilized housing stock in 2012, accounting for 71% of the total number of subtractions. By borough, 61.3% of all units leaving rent stabilization in 2012 were located in Manhattan, a total of 5,824 units. Second largest was Brooklyn, representing 18.1% (1,721 units) removed; followed by Queens, 15.0% (1,423 units); the Bronx, 5.3% (499 units); and Staten Island, representing 0.3% (32 units) of the total number of units removed from rent stabilization in 2012. (See Appendix H.6.)

Since 1994, the first year for which we have data, a total of 144,113 units have been added to the rent stabilization system, while a minimum of 249,355 rent stabilized units have been deregulated, for a minimum net loss to the rent stabilization system of 105,242 units between 1994 and 2012. ❐

Endnotes

1. The 420-c tax incentive program provides a complete exemption from real estate taxes for the term of the regulatory agreement (up to 30 years). Eligible projects are owned or controlled by a not-for-profit Housing Development Fund Company, subject to an HPD regulatory agreement which requires use as low-income housing and are financed in part with a loan from the City or State in conjunction with federal low-income housing tax credits.

2. The 421-g tax incentive program provides 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. In 2012, no units created were deemed rent stabilized; nor were any condo units created under this tax incentive program. Since the program required building permits be dated on or before June 30, 2006, it is expected to add few, if any, units in the future. NYC Department of Housing Preservation and Development website: http://www.nyc.gov/html/hpd/html/developers/421g.shtml

3. The 2011 Housing and Vacancy Survey reported a total of 38,374 rent controlled units in New York City.

4. The Rent Act of 2011, contained within Chapter 97 of the Laws of 2011, raised the threshold for deregulation upon vacancy from $2,000 to $2,500 effective June 24, 2011.

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

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

7. An October 2009 court decision, Roberts v Tishman Speyer Props., L.P., found that about 4,000 apartments in the Stuyvesant Town and Peter Cooper Village complexes in Manhattan were improperly deregulated because the buildings were receiving J-51 tax benefits. This ruling may affect other apartments deregulated elsewhere in the city. A settlement between tenants and the landlord has been reached but the reregulation of the units hadn't yet been completed as of the 2012 calendar year. See "$68.7 Million Settlement on Stuyvesant Town Rents," by Charles V. Bagli, *New York Times*, November 29, 2012.

8. In March 2000, New York City enacted Local Law No. 12 (2000), which amended the administrative code of the City of New York in relation to extending the rent stabilization laws with certain amendments to such laws and the rent control law. However, NYC cannot supersede State law on these matters. Therefore, it is not binding, in particular with regard to filing a High Rent/Vacancy Deregulation form.

9. Almost the entire number of the estimated net loss of units to the rent stabilized housing stock will remain as housing units in New York City. These units would convert from rent stabilization to either forms of ownership or to non-regulated rental units unless they are demolished.

Summary Table of Additions and Subtractions to the Rent Stabilized Housing Stock in 2012

Program	Number of Units
ADDITIONS	
421-a	+ 2,509
J-51 conversions	+ 108
Mitchell-Lama buyouts	+ 132
Loft conversions	+ 17
420-c	+ 3,834
421-g	+ 0
CHANGES	
Rent control to rent stabilization	+ 360
Subtotal Additions & Changes	**+ 6,960**
SUBTRACTIONS	
Co-op and Condo subtractions	- 924
High Rent/Vacancy Deregulation	- 6,713
High Rent/High Income Deregulation	- 165
421-a Expiration	- 336
J-51 Expiration	- 244
Substantial Rehabilitation	- 481
Commercial/Professional Conversion	- 74
Other Subtractions	- 562
Subtotal Subtractions	**- 9,499**
NET TOTAL	
Net Estimated Loss	***- 2,539***

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

Appendices

Appendix A: Guidelines Adopted by the Board

A.1 Apartments & Lofts - Order #45

On June 20, 2013, the Rent Guidelines Board (RGB) set the following maximum rent increases for leases commencing or being renewed on or after October 1, 2013 and on or before September 30, 2014 for rent stabilized apartments:

One-Year Lease	Two-Year Lease
4.0%	7.75%

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

No vacancy allowance is permitted except as provided by sections 19 and 20 of the Rent Regulation Reform Act of 1997 and the Rent Act of 2011.

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, 2013 and on or before September 30, 2014:

One-Year Increase Period	Two-Year Increase Period
4.0%	7.75%

Leases for units subject to rent control on September 30, 2013, which subsequently become vacant and then enter the stabilization system, are not subject to the above adjustments. The rents for these newly stabilized units are subject to review by the New York State Division of Housing and Community Renewal (DHCR). In order to aid DHCR in this review, the RGB has set a special guideline. For rent controlled units which become vacant after September 30, 2013, the special guideline shall be the greater of the following:

(1) 30% above the maximum base rent or

(2) The Fair Market Rent for existing housing as established by the United States Department of Housing and Urban Development (HUD) for the New York City Primary Metropolitan Statistical Area pursuant to Section 8(c) (1) of the United States Housing Act of 1937 (42 U.S.C. section 1437f [c] [1]) and 24 C.F.R. Part 888, with such Fair Market Rents to be adjusted based upon whether the tenant pays his or her own gas and/or electric charges as part of his or her rent as such gas and/or electric charges are accounted for by the New York City Housing Authority.

Such HUD-determined Fair Market Rents will be published in the Federal Register, to take effect on October 1, 2013.

A.2 Hotel Units - Order #43

On June 20, 2013, the Rent Guidelines Board (RGB) set the following maximum rent increases for leases commencing or being renewed on or after October 1, 2013 and on or before September 30, 2014 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, 2012 vs. 2013

Spec	Description	2012	2013
211	Apartment Value	104	101
212	Non-Union Super	102	86
216	Non-Union Janitor/Porter	52	50
	LABOR COSTS	**258**	**237**
301	Fuel Oil #2	22	21
302	Fuel Oil #4	5	5
303	Fuel Oil #6	5	5
	FUEL OIL	**32**	**31**
501	Repainting	126	112
502	Plumbing, Faucet	33	33
503	Plumbing, Stoppage	32	32
504	Elevator #1, 6 fl., 1 e.	12	10
505	Elevator #2, 13 fl., 2 e.	12	10
506	Elevator #3, 19 fl., 3 e.	11	10
507	Burner Repair	11	10
508	Boiler Repair, Tube	10	10
509	Boiler Repair, Weld	7	5
510	Refrigerator Repair	5	6
511	Range Repair	10	7
512	Roof Repair	23	20
513	Air Conditioner Repair	6	4
514	Floor Maint. #1, Studio	5	5
515	Floor Maint. #2, 1 Br.	5	6
516	Floor Maint. #3, 2 Br.	5	6
518	Linen/Laundry Service	5	5
	CONTRACTOR SERVICES	**318**	**291**
601	Management Fees	72	112
602	Accountant Fees	27	27
603	Attorney Fees	21	20
604	Newspaper Ads	18	18
605	Agency Fees	5	5
606	Lease Forms	7	5
607	Bill Envelopes	10	10
	ADMINISTRATIVE COSTS	**150**	**197**

Spec	Description	2012	2013
701	INSURANCE COSTS	**534**	**393**
801	Light Bulbs	13	8
802	Light Switch	12	8
803	Wet Mop	11	8
804	Floor Wax	11	6
805	Paint	12	10
806	Pushbroom	14	8
807	Detergent	7	7
808	Bucket	11	10
809	Washers	12	10
810	Linens	10	13
811	Pine Disinfectant	13	8
812	Window/Glass Cleaner	13	6
813	Switch Plate	12	8
814	Duplex Receptacle	13	8
815	Toilet Seat	14	10
816	Deck Faucet	13	10
	PARTS & SUPPLIES	**191**	**138**
901	Refrigerator #1	8	7
902	Refrigerator #2	10	10
903	Air Conditioner #1	8	7
904	Air Conditioner #2	5	7
905	Floor Runner	8	11
906	Dishwasher	8	7
907	Range #1	8	7
908	Range #2	6	7
909	Carpet	11	11
910	Dresser	5	5
911	Mattress & Box Spring	5	5
	REPLACEMENT COSTS	**82**	**84**
	ALL ITEMS	**1,565**	**1,371**

B.2 Expenditure Weights, Price Relatives, Percent Changes and Standard Errors, All Apartments, 2013

Spec #	Item Description	Expenditure Weights	Price Relative	% Change	Standard Error
101	TAXES	**0.2963**	**1.0258**	**2.58%**	**0.1156**
201	Payroll, Bronx, All (Union)	0.1003	1.0138	1.38%	0.0000
202	Payroll, Other, Union, Supts.	0.1012	1.0263	2.63%	0.0000
203	Payroll, Other, Union, Other	0.2514	1.0272	2.72%	0.0000
204	Payroll, Other, Non-Union, All	0.2918	1.0266	2.66%	1.1893
205	Social Security Insurance	0.0430	1.0250	2.50%	0.0000
206	Unemployment Insurance	0.0064	1.0840	8.40%	0.0000
207	Private Health & Welfare	0.2060	1.0453	4.53%	0.0000
	LABOR COSTS	**0.1288**	**1.0296**	**2.96%**	**0.3471**
301	Fuel Oil #2	0.5072	1.2101	21.01%	0.8727
302	Fuel Oil #4	0.2550	1.2030	20.30%	0.4466
303	Fuel Oil #6	0.2378	1.1752	17.52%	0.5348
	FUEL OIL	**0.1316**	**1.2000**	**20.00%**	**0.4744**
401	Electricity #1, 2,500 KWH	0.0074	1.0715	7.15%	0.0000
402	Electricity #2, 15,000 KWH	0.0877	1.0017	0.17%	0.0000
403	Electricity #3, 82,000 KWH	0.0000	1.2308	23.08%	0.0000
404	Gas #1, 12,000 therms	0.0029	0.9068	-9.32%	0.0000
405	Gas #2, 65,000 therms	0.0459	1.0665	6.65%	0.0000
406	Gas #3, 214,000 therms	0.1987	1.0578	5.78%	0.0000
407	Steam #1, 1.2m lbs	0.0147	1.2197	21.97%	0.0000
408	Steam #2, 2.6m lbs	0.0049	1.1777	17.77%	0.0000
409	Telephone	0.0074	1.0191	1.91%	0.0000
410	Water & Sewer	0.6304	1.0700	7.00%	0.0000
	UTILITIES	**0.1634**	**1.0633**	**6.33%**	**0.0000**
501	Repainting	0.3824	1.0338	3.38%	0.7319
502	Plumbing, Faucet	0.1441	1.0118	1.18%	0.9409
503	Plumbing, Stoppage	0.1253	1.0126	1.26%	1.0116
504	Elevator #1, 6 fl., 1 e.	0.0548	1.0138	1.38%	0.7205
505	Elevator #2, 13 fl., 2 e.	0.0350	1.0115	1.15%	0.6300
506	Elevator #3, 19 fl., 3 e.	0.0196	1.0137	1.37%	0.7158
507	Burner Repair	0.0374	1.0652	6.52%	2.6966
508	Boiler Repair, Tube	0.0513	1.0382	3.82%	2.1211
509	Boiler Repair, Weld	0.0409	1.0436	4.36%	2.4848
510	Refrigerator Repair	0.0120	1.1218	12.18%	5.1324
511	Range Repair	0.0112	1.1031	10.31%	4.1398
512	Roof Repair	0.0737	1.0758	7.58%	2.4837
513	Air Conditioner Repair	0.0077	1.0796	7.96%	5.1799
514	Floor Maint. #1, Studio	0.0003	1.0192	1.92%	1.9494
515	Floor Maint. #2, 1 Br.	0.0004	1.0121	1.21%	1.2742
516	Floor Maint. #3, 2 Br.	0.0039	1.0145	1.45%	1.4956
	CONTRACTOR SERVICES	**0.1196**	**1.0327**	**3.27%**	**0.4341**

Spec #	Item Description	Expenditure Weights	Price Relative	% Change	Standard Error
601	Management Fees	0.7436	1.0253	2.53%	0.9630
602	Accountant Fees	0.1304	1.0129	1.29%	0.5714
603	Attorney Fees	0.1002	1.0321	3.21%	2.6118
604	Newspaper Ads	0.0039	1.0252	2.52%	1.2168
605	Agency Fees	0.0050	1.0055	0.55%	0.3293
606	Lease Forms	0.0084	1.0439	4.39%	4.8014
607	Bill Envelopes	0.0085	0.9839	-1.61%	3.2052
	ADMINISTRATIVE COSTS	**0.0716**	**1.0241**	**2.41%**	**0.7677**
701	INSURANCE COSTS	**0.0682**	**1.0711**	**7.11%**	**1.1211**
801	Light Bulbs	0.0339	1.1063	10.63%	4.6985
802	Light Switch	0.0419	1.0468	4.68%	3.8184
803	Wet Mop	0.0366	1.0187	1.87%	1.3150
804	Floor Wax	0.0443	0.9957	-0.43%	0.7147
805	Paint	0.2498	1.0919	9.19%	3.5759
806	Pushbroom	0.0315	1.0090	0.90%	0.6027
807	Detergent	0.0339	0.9943	-0.57%	5.2372
808	Bucket	0.0357	1.0705	7.05%	2.2939
809	Washers	0.0928	1.0037	0.37%	0.3731
811	Pine Disinfectant	0.0559	1.0399	3.99%	6.1388
812	Window/Glass Cleaner	0.0517	1.0243	2.43%	2.6346
813	Switch Plate	0.0421	1.0514	5.14%	3.9558
814	Duplex Receptacle	0.0304	1.0297	2.97%	2.2586
815	Toilet Seat	0.0947	1.0556	5.56%	4.3333
816	Deck Faucet	0.1247	1.0239	2.39%	1.1787
	PARTS AND SUPPLIES	**0.0144**	**1.0468**	**4.68%**	**1.1184**
901	Refrigerator #1	0.0955	0.9886	-1.14%	3.1363
902	Refrigerator #2	0.4655	0.9998	-0.02%	1.4639
903	Air Conditioner #1	0.0164	1.0406	4.06%	3.5072
904	Air Conditioner #2	0.0204	1.0166	1.66%	1.1501
905	Floor Runner	0.0877	1.0432	4.32%	2.8116
906	Dishwasher	0.0496	1.0000	0.00%	4.5459
907	Range #1	0.0489	1.0340	3.40%	3.5845
908	Range #2	0.2159	1.0688	6.88%	6.8415
	REPLACEMENT COSTS	**0.0061**	**1.0201**	**2.01%**	**1.6977**
	ALL ITEMS	**1.0000**	**1.0594**	**5.94%**	**0.1378**

B.3 Price Relative by Building Type, Apartments, 2013

Spec #	Item Description	Pre-1947	Post-1946	Gas Heated	Oil Heated	MASTER METERED BLDGS
101	TAXES	3.0%	1.9%	2.6%	2.6%	2.6%
201-207	LABOR COSTS	2.8%	3.1%	3.0%	2.9%	3.0%
301-303	FUEL OIL	20.1%	19.4%	21.0%	19.8%	21.0%
401-410	UTILITIES	6.1%	6.6%	6.1%	6.1%	10.8%
501-516	CONTRACTOR SERVICES	3.2%	3.4%	3.2%	3.3%	3.1%
601-607	ADMINISTRATIVE COSTS	2.4%	2.4%	2.5%	2.4%	2.2%
701	INSURANCE COSTS	7.1%	7.1%	7.1%	7.1%	7.1%
801-816	PARTS AND SUPPLIES	4.7%	4.7%	4.9%	4.6%	4.3%
901-908	REPLACEMENT COSTS	2.2%	1.6%	2.0%	2.0%	2.5%
	ALL ITEMS	**6.8%**	**4.9%**	**4.3%**	**7.3%**	**6.0%**

B.4 Price Relative by Hotel Type, 2013

Spec #	Item Description	Hotel	Rooming House	SRO
101	TAXES	6.7%	1.8%	6.4%
205-206, 208-216	LABOR COSTS	3.1%	3.0%	3.0%
301-303	FUEL OIL	19.9%	21.0%	18.6%
401-407, 409-410	UTILITIES	9.1%	2.9%	7.8%
501-516, 518	CONTRACTOR SERVICES	3.5%	2.8%	3.8%
601-607	ADMINISTRATIVE COSTS	2.5%	2.3%	2.4%
701	INSURANCE COSTS	7.1%	7.1%	7.1%
801-816	PARTS AND SUPPLIES	3.6%	5.5%	4.4%
901-904, 907-911	REPLACEMENT COSTS	-0.1%	0.5%	0.7%
	ALL ITEMS	**7.5%**	**6.1%**	**7.7%**

B.5 Percentage Change in Real Estate Tax Sample by Borough and Source of Change, Apartments and Hotels, 2013

	% Change Due to Assessments	% Change Due to Exemptions	% Change Due to Abatements	% Change Due to Tax Rates	% Change Due to Interactions	Total % Change
APARTMENTS						
Manhattan	5.17%	-0.17%	-0.01%	-1.92%	-0.10%	2.98%
Bronx	1.31%	-0.59%	-0.04%	-1.82%	-0.01%	-1.15%
Brooklyn	5.50%	-1.61%	0.24%	-1.94%	-0.08%	2.12%
Queens	4.93%	0.39%	0.10%	-1.94%	-0.10%	3.37%
SI	13.16%	-8.66%	0.12%	-1.94%	-0.09%	2.59%
All Apartments	**4.87%**	**-0.34%**	**0.06%**	**-1.92%**	**-0.09%**	**2.58%**
HOTELS						
Hotel	6.02%	0.19%	0.00%	0.52%	-0.01%	6.72%
Rooming House	3.42%	-0.03%	0.08%	-1.64%	-0.08%	1.75%
SRO	7.23%	-0.36%	0.02%	-0.49%	-0.04%	6.36%
All Hotels	**6.11%**	**-0.06%**	**0.02%**	**-0.21%**	**-0.03%**	**5.83%**

Note: Totals may not add due to rounding.

B.6 Tax Change by Borough and Community Board, Apartments, 2013

Borough	Community Board	Number of Buildings	Tax Relative
Manhattan		**12,073**	**2.98%**
	1	75	3.48%
	2	1,073	4.76%
	3	1,506	4.65%
	4	940	-3.39%
	5	267	4.68%
	6	785	3.33%
	7	1,687	4.54%
	8	1,928	1.94%
	9	720	3.03%
	10	953	6.36%
	11	707	2.45%
	12	1,394	2.16%
Lower		**7,837**	**2.95%**
Upper		**4,236**	**3.20%**
Bronx		**5,458**	**-1.15%**
	1	408	-0.46%
	2	250	-3.80%
	3	372	-23.72%
	4	729	0.18%
	5	659	-1.08%
	6	530	-1.72%
	7	933	-0.34%
	8	340	0.06%
	9	286	0.33%
	10	187	-1.53%
	11	310	-1.54%
	12	427	-0.54%
Brooklyn		**11,976**	**2.12%**
	1	1,492	4.53%
	2	555	3.93%
	3	886	-4.54%
	4	1,223	4.15%
	5	400	-6.09%
	6	872	3.46%
	7	799	2.88%
	8	882	2.17%
	9	529	2.80%
	10	754	1.64%
	11	659	1.27%
	12	578	1.01%
	13	165	3.29%
	14	847	1.24%
	15	353	1.81%
	16	331	28.41%
	17	558	1.43%
	18	78	-0.90%
Queens		**6,374**	**3.37%**
	1	1,788	4.62%
	2	822	3.40%
	3	432	1.76%
	4	425	5.28%
	5	1,139	3.26%
	6	318	2.44%
	7	441	3.39%
	8	207	6.52%
	9	209	2.04%
	10	57	1.63%
	11	113	4.39%
	12	170	3.49%
	13	48	-1.55%
	14	111	1.28%
Staten Island		**169**	**2.59%**
	1	111	3.28%
	2	30	-0.45%
	3	24	0.00%
ALL		**36,050**	**2.58%**

Note: No Community Board (CB) could be assigned to the following number of buildings for each borough: Manhattan (10), Bronx (27), Brooklyn (15), Queens (94), Staten Island (4). The number of buildings in the category “All” for each borough includes these buildings which 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 Weights, Price Relatives, Percent Changes and Standard Errors, All Hotels, 2013

Spec #	Item Description	Expenditure Weights	Price Relative	% Change	Standard Error
101	TAXES	**0.3448**	**1.0583**	**5.83%**	**0.6558**
205	Social Security Insurance	0.0508	1.0250	2.50%	0.0000
206	Unemployment Insurance	0.0133	1.0840	8.40%	0.0000
208	Hotel Private Health/Welfare	0.0500	1.0355	3.55%	0.0000
209	Hotel Union Labor	0.3187	1.0341	3.41%	0.0000
210	SRO Union Labor	0.0125	1.0336	3.36%	0.0000
211	Apartment Value	0.1192	1.0336	3.36%	0.5701
212	Non-Union Superintendent	0.3095	1.0291	2.91%	1.6961
213	Non-Union Maid	0.0000	0.0000	NA	0.0000
214	Non-Union Desk Clerk	0.0000	0.0000	NA	0.0000
215	Non-Union Maint. Worker	0.0000	0.0000	NA	0.0000
216	Non-Union Janitor/Porter	0.1260	1.0212	2.12%	0.8749
	LABOR COSTS	**0.1449**	**1.0311**	**3.11%**	**0.5407**
301	Fuel Oil #2	0.6251	1.2101	21.01%	0.8727
302	Fuel Oil #4	0.0172	1.2030	20.30%	0.4466
303	Fuel Oil #6	0.3578	1.1752	17.52%	0.5348
	FUEL	**0.1599**	**1.1975**	**19.75%**	**0.5781**
401	Electricity #1, 2,500 KWH	0.0698	1.0715	7.15%	0.0000
402	Electricity #2, 15,000 KWH	0.0701	1.0017	0.17%	0.0000
403	Electricity #3, 82,000 KWH	0.1953	1.2308	23.08%	0.0000
404	Gas #1, 12,000 therms	0.0427	0.9068	-9.32%	0.0000
405	Gas #2, 65,000 therms	0.0322	1.0665	6.65%	0.0000
406	Gas #3, 214,000 therms	0.1440	1.0578	5.78%	0.0000
407	Steam #1, 1.2m lbs	0.0003	1.2197	21.97%	0.0000
409	Telephone	0.1823	1.0191	1.91%	0.0000
410	Water & Sewer	0.2633	1.0700	7.00%	0.0000
	UTILITIES	**0.1146**	**1.0787**	**7.87%**	**0.0000**
501	Repainting	0.2128	1.0338	3.38%	0.7319
502	Plumbing, Faucet	0.0911	1.0118	1.18%	0.9409
503	Plumbing, Stoppage	0.0838	1.0126	1.26%	1.0116
504	Elevator #1, 6 fl., 1 e.	0.0375	1.0138	1.38%	0.7205
505	Elevator #2, 13 fl., 2 e.	0.0330	1.0115	1.15%	0.6300
506	Elevator #3, 19 fl., 3 e.	0.0302	1.0137	1.37%	0.7158
507	Burner Repair	0.0273	1.0652	6.52%	2.6966
508	Boiler Repair, Tube	0.0337	1.0382	3.82%	2.1211
509	Boiler Repair, Weld	0.0318	1.0436	4.36%	5.1324
511	Range Repair	0.1315	1.1031	10.31%	4.1398
512	Roof Repair	0.0332	1.0758	7.58%	2.4837
513	Air Conditioner Repair	0.0396	1.0796	7.96%	5.1799
514	Floor Maint. #1, Studio	0.0008	1.0192	1.92%	1.9494
515	Floor Maint. #2, 1 Br.	0.0017	1.0121	1.21%	1.2742
516	Floor Maint. #3, 2 Br.	0.0150	1.0145	1.45%	1.4956
518	Linen/Laundry Service	0.1970	1.0000	0.00%	0.0000
	CONTRACTOR SERVICES	**0.0725**	**1.0346**	**3.46%**	**0.6349**

Spec #	Item Description	Expenditure Weights	Price Relative	% Change	Standard Error
601	Management Fees	0.6812	1.0253	2.53%	0.9630
602	Accountant Fees	0.0769	1.0129	1.29%	0.5714
603	Attorney Fees	0.1062	1.0321	3.21%	2.6118
604	Newspaper Ads	0.0920	1.0252	2.52%	1.2168
605	Agency Fees	0.0225	1.0055	0.55%	0.3293
606	Lease Forms	0.0096	1.0439	4.39%	4.8014
607	Bill Envelopes	0.0116	0.9839	-1.61%	3.2052
	ADMINISTRATIVE COSTS	**0.0768**	**1.0243**	**2.43%**	**0.7248**
701	INSURANCE COSTS	**0.0372**	**1.0711**	**7.11%**	**1.1211**
801	Light Bulbs	0.0152	1.1063	10.63%	4.6985
802	Light Switch	0.0172	1.0468	4.68%	3.8184
803	Wet Mop	0.0470	1.0187	1.87%	1.3150
804	Floor Wax	0.0599	0.9957	-0.43%	0.7147
805	Paint	0.1491	1.0919	9.19%	3.5759
806	Pushbroom	0.0390	1.0090	0.90%	0.6027
807	Detergent	0.0493	0.9943	-0.57%	5.2372
808	Bucket	0.0473	1.0705	7.05%	2.2939
809	Washers	0.0504	1.0037	0.37%	0.3731
810	Linens	0.2672	1.0393	3.93%	2.3302
811	Pine Disinfectant	0.0237	1.0399	3.99%	6.1388
812	Window/Glass Cleaner	0.0217	1.0243	2.43%	2.6346
813	Switch Plate	0.0542	1.0514	5.14%	3.9558
814	Duplex Receptacle	0.0398	1.0297	2.97%	2.2586
815	Toilet Seat	0.0513	1.0556	5.56%	4.3333
816	Deck Faucet	0.0677	1.0239	2.39%	1.1787
	PARTS AND SUPPLIES	**0.0346**	**1.0408**	**4.08%**	**0.9491**
901	Refrigerator #1	0.0212	0.9886	-1.14%	3.1363
902	Refrigerator #2	0.1026	0.9998	-0.02%	1.4639
903	Air Conditioner #1	0.0606	1.0406	4.06%	3.5072
904	Air Conditioner #2	0.0716	1.0166	1.66%	1.1501
907	Range #1	0.0096	1.0340	3.40%	3.5845
908	Range #2	0.0432	1.0688	6.88%	6.8415
909	Carpet	0.3466	1.0104	1.04%	2.3675
910	Dresser	0.1774	1.0003	0.03%	0.0318
911	Mattress & Box Spring	0.1672	0.9470	-5.30%	4.4923
	REPLACEMENT COSTS	**0.0146**	**1.0015**	**0.15%**	**1.1854**
	ALL ITEMS	**1.0000**	**1.0737**	**7.37%**	**0.2723**

B.8 Expenditure Weights and Price Relatives, Lofts, 2013

Spec #	Item Description	Weights	Price Relative
101	TAXES	**0.2943**	**2.58%**
201	Payroll, Bronx, All	0.0000	1.38%
202	Payroll, Other, Union, Supts.	0.2442	2.63%
203	Payroll, Other, Union, Other	0.0000	2.72%
204	Payroll, Other, Non-Union, All	0.5362	2.66%
205	Social Security Insurance	0.0410	2.50%
206	Unemployment Insurance	0.0068	8.40%
207	Private Health & Welfare	0.1718	4.53%
	LABOR COSTS	**0.0874**	**3.01%**
301	Fuel Oil #2	0.2802	21.01%
302	Fuel Oil #4	0.5927	20.30%
303	Fuel Oil #6	0.1271	17.52%
	FUEL	**0.1126**	**20.15%**
401	Electricity #1, 2,500 KWH	0.0085	7.15%
402	Electricity #2, 15,000 KWH	0.1011	0.17%
403	Electricity #3, 82,000 KWH	0.0000	23.08%
404	Gas #1, 12,000 therms	0.0033	-9.32%
405	Gas #2, 65,000 therms	0.0357	6.65%
406	Gas #3, 214,000 therms	0.0985	5.78%
407	Steam #1, 1.2m lbs	0.0168	21.97%
408	Steam #2, 2.6m lbs	0.0055	17.77%
409	Telephone	0.0085	1.91%
410	Water & Sewer - Frontage	0.7221	7.00%
	UTILITIES	**0.0816**	**6.39%**
501	Repainting	0.3823	3.38%
502	Plumbing, Faucet	0.1441	1.18%
503	Plumbing, Stoppage	0.1253	1.26%
504	Elevator #1, 6 fl., 1 e.	0.0548	1.38%
505	Elevator #2, 13 fl., 2 e.	0.0351	1.15%
506	Elevator #3, 19 fl., 3 e.	0.0196	1.37%
507	Burner Repair	0.0374	6.52%
508	Boiler Repair, Tube	0.0512	3.82%
509	Boiler Repair, Weld	0.0410	4.36%
510	Refrigerator Repair	0.0120	12.18%
511	Range Repair	0.0112	10.31%
512	Roof Repair	0.0737	7.58%
513	Air Conditioner Repair	0.0077	7.96%
514	Floor Maint. #1, Studio	0.0002	1.92%
515	Floor Maint. #2, 1 Br.	0.0005	1.21%
516	Floor Maint. #3, 2 Br.	0.0039	1.45%
	CONTRACTOR SERVICES	**0.0666**	**3.27%**

Spec #	Item Description	Weights	Price Relative
	ADMINISTRATIVE COSTS, LEGAL	**0.0646**	**3.21%**
601	Management Fees	0.8350	2.53%
602	Accountant Fees	0.1352	1.29%
604	Newspaper Ads	0.0045	2.52%
605	Agency Fees	0.0059	0.55%
606	Lease Forms	0.0088	4.39%
607	Bill Envelopes	0.0105	-1.61%
	ADMINISTRATIVE COSTS - OTHER	**0.0933**	**2.33%**
701	INSURANCE COSTS	**0.1716**	**7.11%**
801	Light Bulbs	0.0338	10.63%
802	Light Switch	0.0419	4.68%
803	Wet Mop	0.0366	1.87%
804	Floor Wax	0.0443	-0.43%
805	Paint	0.2498	9.19%
806	Pushbroom	0.0316	0.90%
807	Detergent	0.0339	-0.57%
808	Bucket	0.0357	7.05%
809	Washers	0.0928	0.37%
811	Pine Disinfectant	0.0558	3.99%
812	Window/Glass Cleaner	0.0518	2.43%
813	Switch Plate	0.0421	5.14%
814	Duplex Receptacle	0.0305	2.97%
815	Toilet Seat	0.0947	5.56%
816	Deck Faucet	0.1248	2.39%
	PARTS AND SUPPLIES	**0.0156**	**4.68%**
901	Refrigerator #1	0.0955	-1.14%
902	Refrigerator #2	0.4655	-0.02%
903	Air Conditioner #1	0.0164	4.06%
904	Air Conditioner #2	0.0204	1.66%
905	Floor Runner	0.0877	4.32%
906	Dishwasher	0.0496	0.00%
907	Range #1	0.0488	3.40%
908	Range #2	0.2160	6.88%
	REPLACEMENT COSTS	**0.0122**	**2.01%**
	ALL ITEMS	**1.0000**	**5.77%**

B.9 Changes in the Price Index of Operating Costs, Expenditure Weights and Price Relatives, Apartments, 2003-2013

	2003		2004		2005		2006		2007	
	Item Weight	Price Relative	Item Weight	Price Relative	Item Weight	Price Relative	Item Weight	Price Relative	Item Weight	Price Relative
All Buildings										
Taxes	0.266	14.8%	0.261	16.2%	0.283	1.2%	0.271	7.8%	0.271	5.8%
Labor Costs	0.170	3.5%	0.150	4.5%	0.147	3.5%	0.144	2.5%	0.136	8.1%
Fuel	0.076	66.9%	0.108	-2.8%	0.098	20.0%	0.111	22.8%	0.136	8.1%
Utilities	0.149	21.7%	0.155	0.8%	0.146	8.4%	0.150	7.9%	0.150	6.3%
Contractor Services	0.153	4.8%	0.137	4.1%	0.133	4.5%	0.132	5.9%	0.129	5.6%
Administrative Costs	0.087	5.4%	0.078	4.0%	0.076	4.0%	0.075	6.5%	0.074	6.9%
Insurance Costs	0.071	40.5%	0.085	14.7%	0.091	8.9%	0.094	2.5%	0.089	1.9%
Parts and Supplies	0.021	0.4%	0.018	1.2%	0.017	2.6%	0.017	5.5%	0.016	3.0%
Replacement Costs	0.009	1.4%	0.008	1.0%	0.007	3.1%	0.007	4.5%	0.007	1.6%
All Items		**16.9%**		**6.9%**		**5.8%**		**7.8%**		**5.1%**
Pre '47										
Taxes	0.183	14.8%	0.178	16.8%	0.195	1.3%	0.185	8.6%	0.185	6.1%
Labor Costs	0.150	3.6%	0.131	4.7%	0.129	3.5%	0.125	2.5%	0.118	7.3%
Fuel	0.095	64.3%	0.132	-2.3%	0.122	20.9%	0.138	21.9%	0.155	1.3%
Utilities	0.172	22.2%	0.177	2.4%	0.171	8.4%	0.173	9.6%	0.175	5.3%
Contractor Services	0.187	4.9%	0.166	4.1%	0.162	4.5%	0.159	5.9%	0.155	5.7%
Administrative Costs	0.080	5.2%	0.071	3.9%	0.070	3.8%	0.068	6.1%	0.066	6.6%
Insurance Costs	0.094	40.5%	0.112	14.7%	0.121	8.9%	0.123	2.5%	0.116	1.9%
Parts and Supplies	0.025	0.4%	0.021	1.2%	0.020	2.6%	0.019	5.4%	0.019	3.1%
Replacement Costs	0.014	1.4%	0.012	1.0%	0.011	3.1%	0.011	4.6%	0.010	1.5%
All Items		**18.4%**		**6.4%**		**6.8%**		**8.4%**		**4.7%**
Post '46										
Taxes	0.345	14.8%	0.341	15.2%	0.368	1.1%	0.355	6.6%	0.353	5.4%
Labor Costs	0.203	3.3%	0.181	4.3%	0.177	3.5%	0.175	2.5%	0.167	9.0%
Fuel	0.056	77.7%	0.085	-5.0%	0.076	16.3%	0.084	26.2%	0.099	-2.8%
Utilities	0.121	24.9%	0.131	-1.7%	0.120	8.9%	0.124	7.8%	0.125	6.3%
Contractor Services	0.104	4.7%	0.094	3.9%	0.091	4.3%	0.091	5.9%	0.089	5.4%
Administrative Costs	0.098	5.7%	0.089	4.0%	0.087	4.2%	0.086	6.9%	0.086	7.3%
Insurance Costs	0.048	40.5%	0.059	14.7%	0.063	8.9%	0.065	2.5%	0.062	1.9%
Parts and Supplies	0.017	0.4%	0.015	1.2%	0.014	2.6%	0.014	5.6%	0.013	3.0%
Replacement Costs	0.007	1.4%	0.006	1.0%	0.006	3.0%	0.006	4.3%	0.006	1.7%
All Items		**16.2%**		**6.9%**		**4.7%**		**7.4%**		**5.2%**

2008		2009		2010		2011		2012		2013	
Item Weight	Price Relative	Item Weight	Price Relative	Item Weight	Price Relative	Item Weight	Price Relative	Item Weight	Price Relative	Item Weight	Price Relative
0.273	0.3%	0.254	11.7%	0.273	10.1%	0.290	3.5%	0.283	7.5%	0.296	2.6%
0.140	4.0%	0.135	2.9%	0.134	3.1%	0.134	2.7%	0.129	2.5%	0.129	3.0%
0.121	37.4%	0.154	-10.1%	0.133	0.5%	0.130	23.1%	0.133	1.6%	0.132	20.0%
0.152	8.9%	0.153	10.9%	0.164	-1.7%	0.155	7.7%	0.175	-4.0%	0.163	6.3%
0.130	4.6%	0.126	2.8%	0.124	2.3%	0.123	2.7%	0.119	3.2%	0.120	3.3%
0.075	5.3%	0.073	4.1%	0.073	4.1%	0.074	2.9%	0.072	2.6%	0.072	2.4%
0.087	2.3%	0.083	-2.9%	0.077	-2.0%	0.073	-0.4%	0.068	2.5%	0.068	7.1%
0.016	2.3%	0.015	2.6%	0.015	1.7%	0.015	3.7%	0.014	3.7%	0.014	4.7%
0.007	4.0%	0.006	6.1%	0.007	0.9%	0.006	0.6%	0.006	3.2%	0.006	2.0%
			0								
	7.8%		**4.0%**		**3.4%**		**6.1%**		**2.8%**		**5.9%**
0.188	1.7%	0.175	12.9%	0.191	10.5%	0.207	4.7%	0.204	7.5%	0.214	3.0%
0.121	4.2%	0.116	3.0%	0.115	3.0%	0.117	2.6%	0.112	2.4%	0.113	2.8%
0.150	36.0%	0.187	-9.5%	0.163	-1.2%	0.158	22.5%	0.171	1.6%	0.170	20.1%
0.176	8.1%	0.175	12.1%	0.189	-3.9%	0.178	6.3%	0.189	-4.6%	0.176	6.1%
0.156	4.7%	0.150	2.8%	0.149	2.5%	0.150	2.7%	0.144	3.3%	0.146	3.2%
0.067	5.2%	0.065	4.0%	0.065	3.9%	0.067	2.8%	0.064	2.5%	0.064	2.4%
0.113	2.3%	0.106	-2.9%	0.100	-2.0%	0.096	-0.4%	0.090	2.5%	0.090	7.1%
0.018	2.3%	0.017	2.7%	0.017	1.7%	0.017	3.7%	0.017	3.7%	0.017	4.7%
0.010	4.0%	0.010	6.1%	0.010	0.9%	0.010	0.7%	0.009	3.3%	0.009	2.2%
	9.1%		**3.4%**		**1.9%**		**6.6%**		**2.2%**		**6.8%**
0.353	-1.7%	0.327	10.0%	0.346	9.5%	0.362	1.6%	0.350	7.4%	0.365	1.9%
0.173	3.7%	0.169	2.8%	0.167	3.3%	0.164	2.7%	0.161	2.6%	0.160	3.1%
0.092	43.1%	0.123	-12.7%	0.104	7.2%	0.106	25.3%	0.099	2.0%	0.098	19.4%
0.127	9.3%	0.130	9.4%	0.137	-2.4%	0.128	7.9%	0.159	-6.2%	0.145	6.6%
0.090	4.5%	0.088	2.7%	0.087	1.9%	0.085	2.5%	0.083	3.1%	0.083	3.4%
0.087	5.4%	0.087	4.2%	0.087	4.3%	0.087	3.0%	0.085	2.7%	0.085	2.4%
0.060	2.3%	0.058	-2.9%	0.054	-2.0%	0.051	-0.4%	0.048	2.5%	0.048	7.1%
0.013	2.2%	0.012	2.5%	0.012	1.7%	0.012	3.6%	0.012	3.7%	0.012	4.7%
0.005	3.9%	0.005	5.9%	0.005	1.0%	0.005	0.6%	0.005	3.1%	0.005	1.6%
	6.2%		**3.9%**		**4.7%**		**5.2%**		**2.9%**		**4.9%**

C.1 Cross-Sectional Income and Expense Study, Estimated Average Operating & Maintenance Cost (2011) 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	**$201**	**$76**	**$121**	**$64**	**$26**	**$134**	**$99**	**$39**	**$26**	**$786**
11-19 units	$232	$71	$122	$64	$30	$141	$104	$43	$38	$845
20-99 units	$180	$66	$123	$65	$24	$130	$96	$39	$25	$747
100+ units	$338	$181	$103	$57	$36	$154	$126	$34	$23	$1,051
Bronx	$109	$63	$137	$69	$23	$124	$86	$39	$21	$672
11-19 units	$102	$67	$139	$68	$30	$121	$82	$42	$37	$688
20-99 units	$110	$61	$138	$70	$23	$123	$86	$39	$20	$670
100+ units	$109	$87	$132	$65	$23	$138	$88	$32	$15	$688
Brooklyn	$140	$54	$100	$61	$23	$122	$79	$37	$24	$640
11-19 units	$150	$56	$106	$58	$23	$132	$82	$38	$33	$680
20-99 units	$136	$51	$100	$62	$23	$120	$78	$37	$22	$628
100+ units	$157	$80	$81	$62	$27	$123	$91	$32	$28	$681
Manhattan	$341	$110	$126	$64	$32	$158	$137	$42	$32	$1,042
11-19 units	$352	$87	$132	$70	$39	$163	$145	$49	$44	$1,082
20-99 units	$303	$87	$129	$64	$28	$153	$129	$41	$29	$964
100+ units	$544	$282	$97	$49	$50	$176	$169	$34	$27	$1,429
Queens	$181	$65	$115	$57	$20	$120	$77	$36	$30	$701
11-19 units	$160	$60	$116	$54	$20	$114	$54	$37	$32	$647
20-99 units	$181	$58	$116	$57	$20	$119	$82	$35	$32	$699
100+ units	$213	$118	$110	$62	$18	$142	$87	$35	$15	$799
Core Man	$478	$133	$105	$56	$36	$168	$157	$41	$36	$1,209
11-19 units	$457	$84	$119	$65	$37	$172	$156	$51	$45	$1,186
20-99 units	$443	$95	$103	$55	$30	$161	$149	$40	$36	$1,112
100+ units	$608	$309	$93	$48	$55	$182	$179	$34	$22	$1,529
Upper Man	$196	$86	$149	$72	$28	$147	$115	$42	$28	$863
11-19 units	$197	$92	$151	$79	$41	$148	$127	$47	$43	$923
20-99 units	$193	$81	$150	$72	$26	$147	$112	$41	$24	$847
100+ units	$242	$153	$118	$56	$27	$144	$118	$34	$50	$943
City w/o Core	$146	$64	$124	$65	$24	$127	$88	$38	$25	$701
11-19 units	$157	$66	$123	$63	$27	$130	$86	$41	$35	$728
20-99 units	$142	$61	$126	$66	$23	$126	$88	$38	$23	$694
100+ units	$168	$101	$109	$62	$24	$135	$92	$33	$24	$747

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

Source: NYC Department of Finance, RPIE Filings.

C.2 Cross-Sectional Income and Expense Study, Estimated Average Operating & Maintenance Cost (2011) 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	**$253**	**$139**	**$91**	**$56**	**$40**	**$128**	**$116**	**$33**	**$28**	**$884**
11-19 units	$155	$73	$74	$49	$34	$125	$98	$36	$33	$676
20-99 units	$180	$91	$89	$58	$35	$121	$104	$34	$25	$736
100+ units	$331	$190	$93	$56	$44	$134	$129	$32	$30	$1,039
Bronx	$108	$88	$107	$62	$41	$102	$101	$32	$20	$660
11-19 units	-	-	-	-	-	-	-	-	-	-
20-99 units	$105	$76	$106	$61	$38	$102	$97	$34	$20	$640
100+ units	$113	$106	$107	$63	$44	$98	$107	$28	$15	$682
Brooklyn	$165	$95	$77	$58	$34	$125	$98	$35	$34	$720
11-19 units	-	-	-	-	-	-	-	-	-	-
20-99 units	$163	$85	$76	$58	$34	$125	$101	$36	$34	$711
100+ units	$168	$126	$78	$57	$38	$120	$90	$34	$38	$748
Manhattan	$580	$274	$101	$48	$54	$164	$182	$36	$37	$1,475
11-19 units	$495	$116	$91	$49	$52	$176	$201	$54	$32	$1,265
20-99 units	$375	$136	$95	$46	$43	$142	$150	$35	$22	$1,044
100+ units	$649	$321	$102	$49	$57	$170	$192	$37	$41	$1,618
Queens	$197	$116	$85	$57	$34	$122	$97	$29	$23	$760
11-19 units	$141	$78	$68	$45	$36	$98	$95	$33	$35	$628
20-99 units	$185	$91	$89	$58	$31	$123	$93	$30	$18	$720
100+ units	$214	$139	$84	$58	$36	$124	$100	$28	$24	$807
St. Island	$163	$111	$82	$46	$24	$108	$78	$31	$10	$653
11-19 units	-	-	-	-	-	-	-	-	-	-
20-99 units	-	-	-	-	-	-	-	-	-	-
100+ units	-	-	-	-	-	-	-	-	-	-
Core Man	$671	$302	$100	$47	$54	$171	$190	$37	$42	$1,614
11-19 units	$495	$116	$91	$49	$52	$176	$201	$54	$32	$1,265
20-99 units	$488	$145	$82	$42	$39	$155	$153	$32	$29	$1,164
100+ units	$718	$345	$104	$48	$58	$174	$199	$38	$45	$1,730
Upper Man	$169	$142	$103	$54	$50	$130	$141	$32	$13	$834
11-19 units	-	-	-	-	-	-	-	-	-	-
20-99 units	$154	$119	$121	$54	$51	$116	$143	$39	$8	$806
100+ units	-	-	-	-	-	-	-	-	-	-
City w/o Core	$165	$104	$88	$58	$36	$119	$100	$32	$25	$727
11-19 units	$143	$71	$73	$49	$33	$123	$95	$35	$33	$655
20-99 units	$154	$86	$89	$59	$35	$118	$100	$34	$25	$700
100+ units	$180	$130	$88	$58	$38	$118	$101	$29	$24	$767

Notes: The sum of the lines may not equal the total due to rounding. Totals in this table may not match those in Appendix Table C.3 due to rounding. Data in this table is NOT adjusted for the results of the 1992 NYC Dept. of Finance audit on I&E reported operating costs. The category "Utilities" used in the I&E Study is the sum of "Water & Sewer" and "Light & Power." The number of Post-46 rent stabilized buildings with 11-19 units in the Bronx, Brooklyn, Staten Island and Upper Manhattan; 20-99 unit buildings on Staten Island; as well as 100+ unit buildings on Staten Island and Upper Manhattan, was too small to calculate reliable statistics. Owners are not required to report tax expenses; therefore, tax figures used in this report were calculated by the NYC Dept. of Finance.

Source: NYC Department of Finance, RPIE Filings.

C.3 Cross-Sectional Income and Expense Study, Estimated Average Rent, Income and Costs (2011) per Apartment per Month by Building Size and Location

	Post-46			Pre-47			All		
	Rent	Income	Costs	Rent	Income	Costs	Rent	Income	Costs
Citywide	**$1,217**	**$1,359**	**$884**	**$1,016**	**$1,153**	**$786**	**$1,070**	**$1,208**	**$812**
11-19 units	$1,018	$1,109	$676	$1,035	$1,245	$845	$1,033	$1,231	$828
20-99 units	$1,033	$1,112	$736	$972	$1,086	$747	$983	$1,090	$745
100+ units	$1,405	$1,609	$1,039	$1,394	$1,619	$1,051	$1,402	$1,612	$1,043
Bronx	$876	$955	$660	$788	$885	$672	$804	$899	$670
11-19 units	-	-	-	$764	$875	$688	$764	$877	$690
20-99 units	$867	$918	$640	$785	$883	$670	$793	$887	$667
100+ units	$896	$1,008	$682	$853	$935	$688	$873	$969	$685
Brooklyn	$993	$1,073	$720	$901	$962	$640	$925	$991	$661
11-19 units	-	-	-	$892	$972	$680	$893	$973	$681
20-99 units	$985	$1,050	$711	$891	$947	$628	$900	$957	$636
100+ units	$1,018	$1,140	$748	$1,056	$1,123	$681	$1,032	$1,134	$723
Manhattan	$2,008	$2,378	$1,475	$1,324	$1,591	$1,042	$1,458	$1,745	$1,127
11-19 units	$1,536	$1,967	$1,265	$1,254	$1,645	$1,082	$1,257	$1,647	$1,083
20-99 units	$1,493	$1,704	$1,044	$1,252	$1,463	$964	$1,271	$1,482	$970
100+ units	$2,180	$2,602	$1,618	$1,837	$2,238	$1,429	$2,043	$2,456	$1,542
Queens	$1,081	$1,158	$760	$997	$1,047	$701	$1,039	$1,103	$731
11-19 units	$1,073	$1,139	$628	$906	$962	$647	$920	$977	$646
20-99 units	$1,044	$1,111	$720	$1,001	$1,048	$699	$1,012	$1,064	$704
100+ units	$1,107	$1,193	$807	$1,121	$1,183	$799	$1,110	$1,191	$805
St. Island	$898	$996	$653	-	-	-	$884	$965	$644
11-19 units	-	-	-	-	-	-	-	-	-
20-99 units	-	-	-	-	-	-	$849	$897	$642
100+ units	-	-	-	-	-	-	-	-	-
Core Man	$2,186	$2,602	$1,614	$1,605	$1,968	$1,209	$1,767	$2,145	$1,322
11-19 units	$1,536	$1,967	$1,265	$1,415	$1,899	$1,186	$1,419	$1,901	$1,188
20-99 units	$1,673	$1,926	$1,164	$1,554	$1,844	$1,112	$1,563	$1,850	$1,116
100+ units	$2,321	$2,777	$1,730	$1,968	$2,419	$1,529	$2,176	$2,630	$1,648
Upper Man	$1,183	$1,341	$834	$1,021	$1,185	$863	$1,034	$1,198	$860
11-19 units	-	-	-	$1,010	$1,257	$923	$1,011	$1,254	$920
20-99 units	$1,135	$1,261	$806	$1,013	$1,162	$847	$1,017	$1,165	$845
100+ units	-	-	-	$1,205	$1,361	$943	$1,212	$1,381	$909
City w/o Core	$1,009	$1,092	$727	$919	$988	$681	$943	$1,016	$694
11-19 units	$1,000	$1,079	$655	$882	$950	$658	$897	$967	$657
20-99 units	$980	$1,044	$700	$903	$970	$669	$917	$984	$674
100+ units	$1,045	$1,150	$767	$1,050	$1,122	$752	$1,046	$1,142	$763

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

Source: NYC Department of Finance, RPIE Filings.

C.4 Cross-Sectional Income and Expense Study, Estimated Median Rent, Income and Costs (2011) per Apartment per Month by Building Size and Location

	Post-46			Pre-47			All		
	Rent	Income	Costs	Rent	Income	Costs	Rent	Income	Costs
Citywide	**$1,044**	**$1,117**	**$744**	**$932**	**$1,012**	**$718**	**$947**	**$1,026**	**$720**
11-19 units	$1,009	$1,091	$726	$978	$1,116	$779	$980	$1,116	$777
20-99 units	$990	$1,043	$698	$913	$985	$697	$921	$991	$697
100+ units	$1,112	$1,211	$870	$1,084	$1,188	$809	$1,109	$1,207	$839
Bronx	$860	$914	$630	$787	$867	$654	$794	$872	$652
11-19 units	-	-	-	$747	$824	$668	$747	$824	$668
20-99 units	$853	$890	$624	$790	$867	$650	$795	$871	$649
100+ units	$911	$989	$660	$873	$957	$689	$888	$975	$679
Brooklyn	$977	$1,044	$664	$870	$914	$608	$882	$927	$614
11-19 units	-	-	-	$854	$897	$638	$857	$898	$638
20-99 units	$970	$1,022	$660	$870	$915	$599	$880	$925	$603
100+ units	$1,003	$1,110	$684	$973	$1,053	$646	$999	$1,087	$670
Manhattan	$1,679	$1,923	$1,227	$1,230	$1,432	$930	$1,256	$1,463	$944
11-19 units	$1,443	$1,570	$1,090	$1,269	$1,576	$1,019	$1,276	$1,576	$1,024
20-99 units	$1,469	$1,594	$970	$1,191	$1,335	$880	$1,206	$1,352	$885
100+ units	$2,197	$2,595	$1,589	$1,735	$2,093	$1,331	$2,040	$2,421	$1,458
Queens	$1,066	$1,130	$725	$987	$1,012	$655	$1,016	$1,044	$684
11-19 units	$976	$1,026	$568	$914	$932	$611	$917	$940	$611
20-99 units	$1,050	$1,099	$704	$1,016	$1,028	$668	$1,021	$1,046	$681
100+ units	$1,095	$1,160	$795	$1,094	$1,158	$762	$1,095	$1,160	$789
St. Island	$802	$899	$621	-	-	-	$818	$911	$621
11-19 units	-	-	-	-	-	-	-	-	-
20-99 units	-	-	-	-	-	-	$859	$897	$648
100+ units	-	-	-	-	-	-	-	-	-
Core Man	$1,936	$2,278	$1,360	$1,447	$1,674	$1,043	$1,470	$1,708	$1,067
11-19 units	$1,466	$1,628	$1,149	$1,380	$1,718	$1,091	$1,382	$1,714	$1,093
20-99 units	$1,584	$1,773	$1,028	$1,467	$1,630	$1,004	$1,477	$1,639	$1,006
100+ units	$2,346	$2,679	$1,673	$1,971	$2,415	$1,488	$2,186	$2,602	$1,603
Upper Man	$1,061	$1,146	$770	$922	$1,030	$765	$930	$1,035	$765
11-19 units	-	-	-	$879	$1,027	$778	$880	$1,029	$777
20-99 units	$991	$1,123	$736	$932	$1,028	$760	$933	$1,030	$759
100+ units	-	-	-	$992	$1,147	$824	$1,072	$1,215	$839
City w/o Core	$988	$1,047	$692	$863	$927	$656	$877	$941	$661
11-19 units	$878	$983	$587	$848	$913	$663	$849	$916	$660
20-99 units	$954	$999	$670	$863	$925	$654	$872	$933	$656
100+ units	$1,048	$1,127	$754	$984	$1,038	$702	$1,037	$1,097	$732

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

Source: NYC Department of Finance, RPIE Filings.

C.5 Cross-Sectional Income and Expense Study, Average Net Operating Income in 2011 per Apartment per Month by Building Size and Location

	Post-46	Pre-47	All
Citywide	**$475**	**$367**	**$396**
11-19 units	$433	$400	$403
20-99 units	$376	$339	$345
100+ units	$570	$569	$570
Bronx	$295	$214	$229
11-19 units	-	$187	$187
20-99 units	$278	$213	$220
100+ units	$326	$247	$284
Brooklyn	$353	$322	$330
11-19 units	-	$292	$292
20-99 units	$339	$319	$321
100+ units	$392	$442	$411
Manhattan	$902	$549	$618
11-19 units	$702	$563	$564
20-99 units	$659	$499	$512
100+ units	$984	$809	$914
Queens	$397	$347	$372
11-19 units	$511	$315	$331
20-99 units	$391	$349	$360
100+ units	$386	$384	$386
St. Island	$343	-	$321
11-19 units	-	-	-
20-99 units	-	-	$255
100+ units	-	-	-

	Post-46	Pre-47	All
Core Man	$988	$759	$823
11-19 units	$702	$713	$713
20-99 units	$762	$732	$734
100+ units	$1,047	$890	$982
Upper Man	$507	$322	$338
11-19 units	-	$334	$334
20-99 units	$455	$315	$320
100+ units	-	$418	$472
City w/o Core	$365	$307	$322
11-19 units	$424	$292	$309
20-99 units	$344	$302	$310
100+ units	$383	$370	$379

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

Source: NYC Department of Finance, RPIE Filings.

C.6 Cross-Sectional Distribution of Operating Costs in 2011, by Building Size and Age

	Taxes	Maint.	Labor	Admin.	Utilities	Fuel	Misc.	Insurance	Total
Pre-47	25.5%	17.0%	9.7%	12.6%	11.4%	15.4%	3.4%	5.0%	100.0%
11-19 units	27.5%	16.7%	8.4%	12.3%	11.1%	14.5%	4.5%	5.1%	100.0%
20-99 units	24.2%	17.5%	8.8%	12.8%	11.9%	16.4%	3.3%	5.2%	100.0%
100+ units	32.1%	14.6%	17.3%	12.0%	8.8%	9.8%	2.2%	3.2%	100.0%
Post-46	28.6%	14.5%	15.7%	13.1%	10.9%	10.2%	3.2%	3.7%	100.0%
11-19 units	22.9%	18.5%	10.8%	14.5%	12.3%	10.9%	4.8%	5.3%	100.0%
20-99 units	24.4%	16.5%	12.3%	14.1%	12.6%	12.1%	3.4%	4.6%	100.0%
100+ units	31.8%	12.9%	18.3%	12.4%	9.6%	9.0%	2.9%	3.1%	100.0%
All Bldgs.	26.4%	16.3%	11.4%	12.8%	11.3%	13.9%	3.3%	4.6%	100.0%
11-19 units	27.0%	16.8%	8.6%	12.5%	11.2%	14.1%	4.5%	5.1%	100.0%
20-99 units	24.2%	17.3%	9.4%	13.0%	12.0%	15.7%	3.3%	5.1%	100.0%
100+ units	31.9%	13.5%	18.0%	12.3%	9.3%	9.2%	2.7%	3.1%	100.0%

Source: NYC Department of Finance, RPIE Filings.

C.7 Cross-Sectional Number of "Distressed" Buildings, 2011 RPIE Filings

	Citywide	Bronx	Brooklyn	Manhattan	Queens	St. Island	Core Man	Upper Man
Pre-47								
11-19 units	342	53	78	191	19	1	96	95
20-99 units	590	205	79	274	32	0	88	186
100+ units	11	4	1	6	0	0	3	3
All	943	262	158	471	51	1	187	284
Post-46								
11-19 units	15	4	0	10	1	0	8	2
20-99 units	52	13	13	14	11	1	6	8
100+ units	17	3	1	12	1	0	11	1
All	84	20	14	36	13	1	25	11
All Bldgs.								
11-19 units	357	57	78	201	20	1	104	97
20-99 units	642	218	92	288	43	1	94	194
100+ units	28	7	2	18	1	0	14	4
All	1,027	282	172	507	64	2	212	295

Source: NYC Department of Finance, RPIE Filings.

C.8 Cross-Sectional Sample, 2011 RPIE Filings

	Post-46		Pre-47		All	
	Bldgs.	DU's	Bldgs.	DU's	Bldgs.	DU's
Citywide	**1,792**	**194,056**	**12,876**	**478,807**	**14,669**	**672,877**
11-19 units	127	1,892	3,558	53,631	3,686	55,537
20-99 units	1,046	60,443	8,933	354,366	9,979	414,809
100+ units	619	131,721	385	70,810	1,004	202,531
Bronx	350	28,207	2,840	122,413	3,190	150,620
11-19 units	14	207	379	5,648	393	5,855
20-99 units	270	15,946	2,386	105,124	2,656	121,070
100+ units	66	12,054	75	11,641	141	23,695
Brooklyn	344	35,113	3,062	108,693	3,407	143,820
11-19 units	12	176	895	13,408	908	13,598
20-99 units	228	14,501	2,105	87,868	2,333	102,369
100+ units	104	20,436	62	7,417	166	27,853
Manhattan	489	68,168	5,610	193,688	6,099	261,856
11-19 units	52	798	1,892	28,579	1,944	29,377
20-99 units	208	10,991	3,535	123,171	3,743	134,162
100+ units	229	56,379	183	41,938	412	98,317
Queens	551	58,447	1,344	52,911	1,895	111,358
11-19 units	36	526	385	5,884	421	6,410
20-99 units	311	17,948	897	37,756	1,208	55,704
100+ units	204	39,973	62	9,271	266	49,244
St. Island	58	4,121	20	1,102	78	5,223
11-19 units	13	185	7	112	20	297
20-99 units	29	1,057	10	447	39	1,504
100+ units	16	2,879	3	543	19	3,422
Core Man	391	57,889	3,457	117,525	3,848	175,414
11-19 units	43	669	1,407	21,258	1,450	21,927
20-99 units	148	7,907	1,911	60,670	2,059	68,577
100+ units	200	49,313	139	35,597	339	84,910
Upper Man	98	10,279	2,153	76,163	2,251	86,442
11-19 units	9	129	485	7,321	494	7,450
20-99 units	60	3,084	1,624	62,501	1,684	65,585
100+ units	29	7,066	44	6,341	73	13,407

Source: NYC Department of Finance, RPIE Filings.

C.9 Longitudinal Income and Expense Study, Estimated Average Rent, Income and Costs Changes (2010-2011) by Building Size and Location

	Post-46			Pre-47			All		
	Rent	Income	Costs	Rent	Income	Costs	Rent	Income	Costs
Citywide	**4.6%**	**4.4%**	**2.5%**	**4.3%**	**4.6%**	**4.7%**	**4.4%**	**4.5%**	**4.1%**
11-19 units	4.9%	3.0%	1.6%	4.3%	5.0%	4.5%	4.3%	4.8%	4.3%
20-99 units	4.1%	3.6%	2.5%	4.2%	4.3%	4.8%	4.2%	4.2%	4.4%
100+ units	4.9%	5.0%	2.6%	5.2%	5.8%	4.0%	5.0%	5.3%	3.0%
Bronx	3.5%	3.2%	2.6%	2.6%	2.5%	6.1%	2.8%	2.7%	5.4%
11-19 units	-	-	-	2.2%	1.6%	3.7%	3.0%	2.5%	3.5%
20-99 units	3.2%	2.3%	4.2%	2.6%	2.6%	6.4%	2.7%	2.5%	6.1%
100+ units	3.5%	3.9%	0.6%	3.0%	2.7%	3.9%	3.4%	3.5%	1.8%
Brooklyn	5.6%	4.5%	2.3%	4.1%	4.2%	3.1%	4.5%	4.3%	2.8%
11-19 units	-	-	-	4.4%	4.7%	4.3%	4.8%	4.5%	3.8%
20-99 units	5.7%	4.8%	2.7%	4.0%	4.1%	2.8%	4.4%	4.3%	2.8%
100+ units	4.9%	4.1%	1.9%	4.5%	4.3%	2.6%	4.8%	4.2%	2.2%
Manhattan	5.9%	5.8%	2.6%	5.3%	5.9%	4.7%	5.5%	5.9%	4.2%
11-19 units	8.0%	3.9%	5.6%	4.6%	5.9%	4.7%	4.7%	5.9%	4.7%
20-99 units	3.1%	3.2%	1.8%	5.3%	5.6%	4.9%	5.1%	5.3%	4.6%
100+ units	6.5%	6.4%	2.8%	6.0%	7.0%	4.0%	6.3%	6.6%	3.2%
Queens	3.2%	3.3%	2.6%	4.9%	4.7%	4.9%	4.0%	4.0%	3.7%
11-19 units	-	-	-	3.6%	3.8%	4.4%	3.2%	3.3%	3.7%
20-99 units	3.3%	3.3%	1.6%	5.3%	5.0%	4.8%	4.6%	4.4%	3.6%
100+ units	3.3%	3.5%	3.3%	4.3%	3.8%	5.8%	3.4%	3.5%	3.7%
Staten Island	-2.2%	0.9%	1.7%	-	-	-	-0.5%	0.0%	1.5%
11-19 units	-	-	-	-	-	-	-	-	-
20-99 units	-	-	-	-	-	-	-1.2%	-2.1%	-1.1%
100+ units	-	-	-	-	-	-	-	-	-
Core Manhattan	6.0%	5.9%	3.5%	6.1%	6.5%	4.2%	6.1%	6.3%	4.0%
11-19 units	-	-	-	6.4%	6.4%	5.1%	6.4%	6.4%	5.1%
20-99 units	4.1%	4.2%	3.4%	6.2%	6.4%	4.2%	5.9%	6.1%	4.1%
100+ units	6.3%	6.2%	3.5%	5.8%	6.8%	3.4%	6.1%	6.4%	3.5%
Upper Manhattan	5.3%	5.4%	-4.1%	3.9%	4.8%	5.5%	4.0%	4.9%	4.6%
11-19 units	-	-	-	0.8%	4.6%	3.9%	0.8%	4.6%	3.9%
20-99 units	0.2%	0.2%	-2.4%	4.2%	4.6%	5.6%	4.0%	4.4%	5.2%
100+ units	-	-	-	7.6%	8.5%	8.2%	8.6%	9.0%	0.8%
All City w/o Core	4.0%	3.7%	2.1%	3.7%	3.9%	4.9%	3.8%	3.8%	4.1%
11-19 units	4.7%	3.0%	1.4%	3.2%	4.1%	4.2%	3.4%	3.9%	3.8%
20-99 units	4.1%	3.5%	2.4%	3.7%	3.8%	5.0%	3.8%	3.7%	4.5%
100+ units	3.8%	4.0%	1.9%	4.5%	4.4%	4.7%	4.0%	4.1%	2.6%

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

Source: NYC Department of Finance, RPIE Filings.

C.10 Longitudinal Income and Expense Study, Estimated Median Rent, Income and Costs Changes (2010-2011) by Building Size and Location

	Post-46			Pre-47			All		
	Rent	Income	Costs	Rent	Income	Costs	Rent	Income	Costs
Citywide	**3.4%**	**3.4%**	**0.7%**	**3.6%**	**4.2%**	**4.4%**	**3.5%**	**4.2%**	**3.9%**
11-19 units	3.0%	2.8%	0.5%	3.9%	3.6%	3.1%	3.9%	3.5%	3.1%
20-99 units	3.1%	2.7%	2.8%	3.4%	4.1%	5.1%	3.1%	3.9%	5.0%
100+ units	3.3%	4.5%	1.5%	4.7%	6.3%	3.1%	3.8%	4.9%	0.9%
Bronx	1.7%	-0.4%	5.0%	3.0%	2.1%	6.5%	2.7%	2.5%	6.5%
11-19 units	-	-	-	2.8%	1.7%	4.0%	2.8%	1.9%	4.3%
20-99 units	2.2%	-0.1%	4.2%	2.6%	2.5%	6.7%	2.7%	2.3%	6.6%
100+ units	3.3%	1.4%	3.2%	4.8%	3.7%	3.5%	4.7%	3.2%	1.9%
Brooklyn	3.4%	4.9%	2.7%	3.8%	4.0%	2.7%	4.0%	3.7%	2.5%
11-19 units	-	-	-	4.4%	4.8%	3.6%	4.6%	4.5%	3.6%
20-99 units	3.3%	4.2%	4.4%	3.8%	3.6%	2.6%	3.8%	3.5%	2.6%
100+ units	4.0%	3.9%	-1.7%	3.4%	5.8%	1.8%	4.7%	3.7%	-0.7%
Manhattan	4.6%	5.9%	5.7%	5.5%	5.5%	5.3%	5.5%	5.4%	4.9%
11-19 units	5.7%	-0.9%	1.1%	5.3%	5.3%	4.1%	5.2%	5.2%	4.8%
20-99 units	3.0%	2.5%	0.2%	5.3%	5.3%	5.3%	5.3%	4.8%	5.0%
100+ units	7.1%	8.0%	4.4%	8.3%	7.3%	2.9%	7.1%	8.3%	3.8%
Queens	3.1%	3.9%	0.1%	5.1%	4.6%	3.6%	4.6%	3.8%	3.8%
11-19 units	-	-	-	4.2%	4.5%	5.8%	4.2%	4.9%	5.4%
20-99 units	3.2%	2.8%	0.9%	5.6%	4.0%	4.5%	4.8%	4.1%	3.5%
100+ units	3.9%	4.4%	3.1%	4.0%	3.8%	4.2%	3.9%	4.2%	2.6%
Staten Island	-1.0%	-2.2%	1.8%	-	-	-	3.6%	-0.3%	3.0%
11-19 units	-	-	-	-	-	-	-	-	-
20-99 units	-	-	-	-	-	-	0.6%	0.6%	6.8%
100+ units	-	-	-	-	-	-	-	-	-
Core Manhattan	7.8%	7.1%	5.3%	6.1%	5.6%	5.9%	6.0%	5.2%	5.2%
11-19 units	-	-	-	5.5%	5.7%	6.2%	5.8%	5.6%	6.3%
20-99 units	2.0%	5.4%	-1.2%	6.0%	6.2%	5.6%	5.5%	5.9%	5.1%
100+ units	8.4%	6.0%	4.1%	8.3%	5.8%	5.1%	6.7%	7.6%	5.2%
Upper Manhattan	3.0%	1.6%	-5.9%	4.0%	5.0%	5.0%	4.0%	4.7%	5.2%
11-19 units	1.9%	2.1%	16.5%	3.3%	5.6%	4.0%	3.3%	5.5%	3.8%
20-99 units	-4.4%	1.9%	8.2%	3.9%	4.9%	5.1%	3.9%	4.6%	5.1%
100+ units	-	-	-	2.8%	8.3%	5.2%	6.2%	6.8%	-2.6%
All City w/o Core	3.3%	2.9%	2.4%	3.6%	3.5%	4.8%	3.4%	3.5%	4.8%
11-19 units	1.3%	7.4%	4.7%	4.0%	4.2%	4.5%	3.8%	4.1%	4.5%
20-99 units	2.8%	2.5%	3.3%	3.3%	3.2%	4.8%	3.3%	3.1%	4.8%
100+ units	3.0%	3.6%	1.6%	3.9%	4.1%	2.3%	3.9%	4.5%	0.5%

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

Source: NYC Department of Finance, RPIE Filings.

C.11 Longitudinal Income and Expense Study, Avg. Net Operating Income Changes (2010-2011) by Bldg. Size & Location

	Post-46	Pre-47	All
Citywide	**8.2%**	**4.4%**	**5.6%**
11-19 units	5.6%	6.0%	6.0%
20-99 units	5.8%	3.2%	3.7%
100+ units	9.8%	9.2%	9.6%
Bronx	4.5%	-7.2%	-4.6%
11-19 units	-	-5.8%	-1.0%
20-99 units	-1.8%	-7.7%	-6.8%
100+ units	11.6%	-0.4%	7.4%
Brooklyn	9.3%	6.6%	7.3%
11-19 units	-	5.5%	6.0%
20-99 units	9.5%	6.7%	7.4%
100+ units	8.6%	7.2%	8.0%
Manhattan	11.4%	8.2%	9.1%
11-19 units	1.2%	8.2%	8.1%
20-99 units	5.4%	6.9%	6.8%
100+ units	12.9%	12.8%	12.8%
Queens	4.7%	4.3%	4.5%
11-19 units	-	2.7%	2.5%
20-99 units	6.7%	5.5%	5.9%
100+ units	3.7%	-0.3%	3.1%

	Post-46	Pre-47	All
St. Island	-0.8%	-	-3.1%
11-19 units	-	-	-
20-99 units	-	-	-4.2%
100+ units	-	-	-
Core Manhattan	10.0%	10.4%	10.2%
11-19 units	-	8.7%	8.5%
20-99 units	5.4%	9.9%	9.3%
100+ units	10.9%	13.2%	11.7%
Upper Manhattan	26.1%	3.1%	5.6%
11-19 units	-	6.8%	6.8%
20-99 units	5.3%	2.0%	2.2%
100+ units	-	9.2%	27.6%
All City w/o Core	7.1%	1.5%	3.2%
11-19 units	5.9%	3.9%	4.2%
20-99 units	5.9%	0.9%	2.0%
100+ units	8.5%	3.7%	7.2%

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

Source: NYC Department of Finance, RPIE Filings.

C.12 Longitudinal Income and Expense Study, Median Net Operating Income Changes (2010-2011) by Bldg. Size & Location

	Post-46	Pre-47	All
Citywide	9.4%	3.8%	4.7%
11-19 units	8.0%	5.0%	4.7%
20-99 units	2.7%	1.8%	1.4%
100+ units	12.7%	13.5%	15.0%
Bronx	-11.0%	-9.3%	-7.9%
11-19 units	-	-7.4%	-8.0%
20-99 units	-9.1%	-8.3%	-8.2%
100+ units	-2.2%	4.4%	5.9%
Brooklyn	9.2%	6.6%	6.0%
11-19 units	-	8.0%	7.1%
20-99 units	3.8%	5.6%	4.9%
100+ units	14.9%	12.7%	11.9%
Manhattan	6.2%	5.9%	6.2%
11-19 units	-5.3%	7.4%	5.9%
20-99 units	6.2%	5.3%	4.5%
100+ units	14.1%	15.8%	15.7%
Queens	11.3%	6.5%	3.8%
11-19 units	-	2.2%	4.1%
20-99 units	6.5%	3.2%	5.2%
100+ units	7.3%	2.9%	7.8%

	Post-46	Pre-47	All
St. Island	-10.1%	-	-6.5%
11-19 units	-	-	-
20-99 units	-	-	-12.9%
100+ units	-	-	-
Core Manhattan	9.7%	5.2%	5.3%
11-19 units	-	4.9%	4.4%
20-99 units	15.5%	7.3%	7.2%
100+ units	9.4%	7.1%	11.8%
Upper Manhattan	21.6%	4.7%	3.5%
11-19 units	-	11.0%	10.7%
20-99 units	-9.1%	4.3%	3.1%
100+ units	-	15.6%	36.7%
All City w/o Core	4.1%	0.4%	0.7%
11-19 units	11.9%	3.7%	3.2%
20-99 units	0.6%	-0.4%	-0.7%
100+ units	7.9%	7.9%	13.0%

Notes: Cost figures in this table are NOT adjusted for the results of the 1992 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, Queens, Staten Island and Upper Manhattan, as well as 20-99 and 100+ unit buildings on Staten Island and 100+ units buildings in Upper Manhattan was too small to calculate reliable statistics. In addition, the number of Pre-47 rent stabilized buildings in all categories in Staten Island was too small to calculate reliable statistics.

Source: NYC Department of Finance, RPIE Filings.

C.13 Longitudinal Sample, 2010 & 2011 RPIE Filings

	Post-46		Pre-47		All	
	Bldgs.	DU's	Bldgs.	DU's	Bldgs.	DU's
Citywide	**1,649**	**178,479**	**11,917**	**444,952**	**13,567**	**623,445**
11-19 units	111	1,645	3,228	48,755	3,340	50,414
20-99 units	968	56,269	8,335	331,673	9,303	387,942
100+ units	570	120,565	354	64,524	924	185,089
Bronx	313	25,007	2,579	110,175	2,892	135,182
11-19 units	11	160	325	4,837	336	4,997
20-99 units	246	14,568	2,191	96,530	2,437	111,098
100+ units	56	10,279	63	8,808	119	19,087
Brooklyn	314	32,147	2,863	102,585	3,178	134,746
11-19 units	10	144	807	12,116	818	12,274
20-99 units	208	13,486	2,000	83,711	2,208	97,197
100+ units	96	18,517	56	6,758	152	25,275
Manhattan	443	62,867	5,183	180,410	5,626	243,277
11-19 units	48	736	1,731	26,203	1,779	26,939
20-99 units	187	9,820	3,281	114,931	3,468	124,751
100+ units	208	52,311	171	39,276	379	91,587
Queens	526	54,642	1,272	50,680	1,798	105,322
11-19 units	29	420	358	5,487	387	5,907
20-99 units	301	17,430	853	36,054	1,154	53,484
100+ units	196	36,792	61	9,139	257	45,931
St. Island	53	3,816	20	1,102	73	4,918
11-19 units	13	185	7	112	20	297
20-99 units	26	965	10	447	36	1,412
100+ units	14	2,666	3	543	17	3,209
Core Manhattan	361	53,447	3,231	110,053	3,592	163,500
11-19 units	40	619	1,313	19,894	1,353	20,513
20-99 units	140	7,371	1,789	56,831	1,929	64,202
100+ units	181	45,457	129	33,328	310	78,785
Upper Manhattan	82	9,420	1,952	70,357	2,034	79,777
11-19 units	8	117	418	6,309	426	6,426
20-99 units	47	2,449	1,492	58,100	1,539	60,549
100+ units	27	6,854	42	5,948	69	12,802

Source: NYC Department of Finance, RPIE Filings.

D.1 Occupancy Status

	ALL UNITS	Owner Units	Renter Units	Stabilized
Total Number of Units (occupied, vacant available, and vacant not available)	3,352,041[@]			
Number of Units (occupied and vacant, available)	3,187,574	1,014,941	2,172,634	986,840
Occupied Units	3,088,881	984,066	2,104,816	960,870
Bronx	473,656	98,166	375,491	222,586
Brooklyn	929,296	256,130	673,166	288,569
Manhattan	752,459	181,606	570,853	260,148
Queens	769,860	337,775	432,085	182,213
Staten Island	163,610	110,389	53,221	7,354
Vacant Units	263,160			
Vacant, for rent or sale	98,693	30,875	67,818	25,970
Bronx	16,999	4,468	12,531	6,775
Brooklyn	28,444	10,433	18,011	7,062
Manhattan	22,452	5,992	16,460	4,217
Queens	25,969	8,946	17,023	6,808
Staten Island	4,828	1,036	3,792	1,107
Asking Rent				
<$600	-	-	1,809	174
$600-799	-	-	3,269	1,446
$800-999	-	-	9,305	4,911
$1000-$1249	-	-	17,045	10,183
$1250-$1499	-	-	11,583	4,506
$1500-$1749	-	-	8,704	3,018
$1750-$1999	-	-	3,551	1,312
$2000+	-	-	12,553	420
Vacant, not for rent or sale	164,467	-	-	-
Bronx	19,691	-	-	-
Brooklyn	39,756	-	-	-
Manhattan	65,764	-	-	-
Queens	32,616	-	-	-
Staten Island	6,639	-	-	-
Dilapidated	2,514	-	-	-
Rented-Not Yet Occupied	7,553	-	-	-
Sold-Not Yet Occupied	7,084	-	-	-
Undergoing Renovation	29,087	-	-	-
Awaiting Renovation	19,043	-	-	-
Non-Residential Use	401	-	-	-
Legal Dispute	13,904	-	-	-
Awaiting Conversion	416	-	-	-
Held for Occasional Use	64,590	-	-	-
Unable to Rent or Sell	10,465	-	-	-
Held Pending Sale of Building	2,649	-	-	-
Held for Planned Demolition	406	-	-	-
Held for Other Reasons	5,591	-	-	-
(Not Reported)	764	-	-	-

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

	Rent Stabilized Units *Pre-1947*	Rent Stabilized Units *Post-1946*	Rent Controlled	Mitchell-Lama	Public Housing	Other Regulated*	Other Rentals**
Total Number of Units							
Number of Units (occupied and vacant, available)	743,528	243,312	38,374	49,320	185,534	62,766	849,800
Occupied Units	724,649	236,221	38,374	47,295	184,946	61,207	812,124
Bronx	181,206	41,381	2,392	10,035	48,074	15,671	76,731
Brooklyn	228,558	60,011	10,744	18,883	62,089	15,658	277,224
Manhattan	213,973	46,175	19,723	12,769	52,753	22,066	203,394
Queens	98,007	84,206	5,515	4,542	17,236	6,109	216,470
Staten Island	2,905	4,449	0	1,066	4,792	1,703	38,305
Vacant Units							
Vacant, for rent or sale	18,879	7,091	0	2,025	588	1,559	37,676
Bronx	4,977	1,798	0	188	200	577	4,791
Brooklyn	5,672	1,390	0	221	177	214	10,337
Manhattan	2,604	1,614	0	415	211	768	10,849
Queens	5,626	1,182	0	800	0	0	9,416
Staten Island	0	1,107	0	402	0	0	2,284
Asking Rent							
<$600	174	0	0	221	411	443	559
$600-799	1,029	416	0	387	0	220	1,217
$800-999	3,885	1,026	0	377	177	0	3,839
$1000-$1249	7,050	3,132	0	593	0	347	5,922
$1250-$1499	2,985	1,521	0	222	0	0	6,856
$1500-$1749	2,787	231	0	0	0	383	5,302
$1750-$1999	968	345	0	0	0	0	2,238
$2000+	0	420	0	225	0	166	11,742
Vacant, not for rent or sale	-	-	-	-	-	-	-
Bronx	-	-	-	-	-	-	-
Brooklyn	-	-	-	-	-	-	-
Manhattan	-	-	-	-	-	-	-
Queens	-	-	-	-	-	-	-
Staten Island	-	-	-	-	-	-	-
Dilapidated	-	-	-	-	-	-	-
Rented-Not Yet Occupied	-	-	-	-	-	-	-
Sold-Not Yet Occupied	-	-	-	-	-	-	-
Undergoing Renovation	-	-	-	-	-	-	-
Awaiting Renovation	-	-	-	-	-	-	-
Non-Residential Use	-	-	-	-	-	-	-
Legal Dispute	-	-	-	-	-	-	-
Awaiting Conversion	-	-	-	-	-	-	-
Held for Occasional Use	-	-	-	-	-	-	-
Unable to Rent or Sell	-	-	-	-	-	-	-
Held Pending Sale of Building	-	-	-	-	-	-	-
Held for Planned Demolition	-	-	-	-	-	-	-
Held for Other Reasons	-	-	-	-	-	-	-
(Not Reported)	-	-	-	-	-	-	-

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

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

D.1 Occupancy Status (continued)

	ALL UNITS	Owner Units	Renter Units	Stabilized
Total Number of Units (occupied, vacant available, and vacant not available)	3,352,041[@]			
Number of Units (occupied and vacant, available)	3,187,574	31.8%	68.2%	45.4%
Occupied Units	3,088,881	31.9%	68.1%	45.7%
Bronx	15.3%	10.0%	17.8%	23.2%
Brooklyn	30.1%	26.0%	32.0%	30.0%
Manhattan	24.4%	18.5%	27.1%	27.1%
Queens	24.9%	34.3%	20.5%	19.0%
Staten Island	5.3%	11.2%	2.5%	0.8%
Vacant Units	263,160			
Vacant, for rent or sale	98,693	31.3%	68.7%	38.3%
Bronx	17.2%	14.5%	18.5%	26.1%
Brooklyn	28.8%	33.8%	26.6%	27.2%
Manhattan	22.7%	19.4%	24.3%	16.2%
Queens	26.3%	29.0%	25.1%	26.2%
Staten Island	4.9%	3.4%	5.6%	4.3%
Asking Rent				
<$600	-	-	2.7%	0.7%
$600-799	-	-	4.8%	5.6%
$800-999	-	-	13.7%	18.9%
$1000-$1249	-	-	25.1%	39.2%
$1250-$1499	-	-	17.1%	17.4%
$1500-$1749	-	-	12.8%	11.6%
$1750-$1999	-	-	5.2%	5.1%
$2000+	-	-	18.5%	1.6%
Vacant, not for rent or sale	164,467			
Bronx	12.0%	-	-	-
Brooklyn	24.2%	-	-	-
Manhattan	40.0%	-	-	-
Queens	19.8%	-	-	-
Staten Island	4.0%	-	-	-
Dilapidated	1.5%	-	-	-
Rented-Not Yet Occupied	4.6%	-	-	-
Sold-Not Yet Occupied	4.3%	-	-	-
Undergoing Renovation	17.7%	-	-	-
Awaiting Renovation	11.6%	-	-	-
Non-Residential Use	0.2%	-	-	-
Legal Dispute	8.5%	-	-	-
Awaiting Conversion	0.3%	-	-	-
Held for Occasional Use	39.3%	-	-	-
Unable to Rent or Sell	6.4%	-	-	-
Held Pending Sale of Building	1.6%	-	-	-
Held for Planned Demolition	0.2%	-	-	-
Held for Other Reasons	3.4%	-	-	-
(Not Reported)	0.5%	-	-	-

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

Rent Stabilized Units Pre-1947	Rent Stabilized Units Post-1946	Rent Controlled	Mitchell-Lama	Public Housing	Other Regulated*	Other Rentals**	
							Total Number of Units
75.3%	24.7%	1.8%	2.3%	8.5%	2.9%	39.1%	Number of Units (occupied and vacant, available)
75.4%	24.6%	1.8%	2.2%	8.8%	2.9%	38.6%	Occupied Units
25.0%	17.5%	6.2%	21.2%	26.0%	25.6%	9.4%	Bronx
31.5%	25.4%	28.0%	39.9%	33.6%	25.6%	34.1%	Brooklyn
29.5%	19.5%	51.4%	27.0%	28.5%	36.1%	25.0%	Manhattan
13.5%	35.6%	14.4%	9.6%	9.3%	10.0%	26.7%	Queens
0.4%	1.9%	0.0%	2.3%	2.6%	2.8%	4.7%	Staten Island
							Vacant Units
72.7%	27.3%	-	3.0%	0.9%	2.3%	55.6%	Vacant, for rent or sale
26.4%	25.4%	-	9.3%	34.0%	37.0%	12.7%	Bronx
30.0%	19.6%	-	10.9%	30.1%	13.7%	27.4%	Brooklyn
13.8%	22.8%	-	20.5%	35.9%	49.3%	28.8%	Manhattan
29.8%	16.7%	-	39.5%	0.0%	0.0%	25.0%	Queens
0.0%	15.6%	-	19.9%	0.0%	0.0%	6.1%	Staten Island
							Asking Rent
0.9%	0.0%	-	10.9%	69.9%	28.4%	1.5%	<$600
5.5%	5.9%	-	19.1%	0.0%	14.1%	3.2%	$600-799
20.6%	14.5%	-	18.6%	30.1%	0.0%	10.2%	$800-999
37.3%	44.2%	-	29.3%	0.0%	22.3%	15.7%	$1000-$1249
15.8%	21.4%	-	11.0%	0.0%	0.0%	18.2%	$1250-$1499
14.8%	3.3%	-	0.0%	0.0%	24.6%	14.1%	$1500-$1749
5.1%	4.9%	-	0.0%	0.0%	0.0%	5.9%	$1750-$1999
0.0%	5.9%	-	11.1%	0.0%	10.6%	31.2%	$2000+
							Vacant, not for rent or sale
-	-	-	-	-	-	-	Bronx
-	-	-	-	-	-	-	Brooklyn
-	-	-	-	-	-	-	Manhattan
-	-	-	-	-	-	-	Queens
-	-	-	-	-	-	-	Staten Island
-	-	-	-	-	-	-	Dilapidated
-	-	-	-	-	-	-	Rented-Not Yet Occupied
-	-	-	-	-	-	-	Sold-Not Yet Occupied
-	-	-	-	-	-	-	Undergoing Renovation
-	-	-	-	-	-	-	Awaiting Renovation
-	-	-	-	-	-	-	Non-Residential Use
-	-	-	-	-	-	-	Legal Dispute
-	-	-	-	-	-	-	Awaiting Conversion
-	-	-	-	-	-	-	Held for Occasional Use
-	-	-	-	-	-	-	Unable to Rent or Sell
-	-	-	-	-	-	-	Held Pending Sale of Building
-	-	-	-	-	-	-	Held for Planned Demolition
-	-	-	-	-	-	-	Held for Other Reasons
-	-	-	-	-	-	-	(Not Reported)

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

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

D.2 Economic Characteristics

	All Households@	Owner Households	Renter Households	Stabilized
Monthly Contract Rent				
$1-$199	-	-	29,808	2,760
$200-$299	-	-	52,725	6,187
$300-$399	-	-	43,485	6,766
$400-$499	-	-	44,975	11,879
$500-$599	-	-	66,327	23,937
$600-$699	-	-	95,811	42,934
$700-$799	-	-	123,813	72,226
$800-$899	-	-	169,491	101,486
$900-$999	-	-	181,284	122,179
$1000-$1249 -		-	454,724	263,560
$1250-$1499 -		-	256,296	133,306
$1500-$1749	-	-	196,909	89,454
$1750-$1999	-	-	86,569	41,781
$2000+	-	-	256,411	28,345
(No Cash Rent)	-	-	(46,188)	(14,069)
Mean	-	-	$1,280	$1,137
Mean/Room	-	-	$429	$422
Median	-	-	$1,100	$1,050
Median/Room	-	-	$318	$333
Monthly Cost of Electricity				
Mean	$115	$152	$94	$87
Median	$93	$125	$80	$76
Monthly Cost of Utility Gas				
Mean	$116	$190	$60	$39
Median	$50	$150	$30	$28
Monthly Cost of Water/Sewer				
Mean	$86	$87	$61	-
Median	$67	$71	$48	-
Monthly Cost of Other Fuels				
Mean	$272	$292	$94	-
Median	$242	$250	$67	-
Monthly Mortgage Payments				
Mean	-	$2,132	-	-
Median	-	$1,800	-	-
Monthly Insurance Payments				
Mean	-	$115	-	-
Median	-	$83	-	-
Monthly Property Taxes				
Mean	-	$349	-	-
Median	-	$292	-	-

@ All households, including owners and renters.

Rent Stabilized Units Pre-1947	Rent Stabilized Units Post-1946	Rent Controlled	Mitchell-Lama	Public Housing	Other Regulated*	Other Rentals**	
							Monthly Contract Rent
1,898	863	2,464	0	13,453	9,426	1,706	$1-$199
4,166	2,021	2,311	404	38,028	2,948	2,847	$200-$299
6,246	519	2,064	1,417	27,420	1,986	3,832	$300-$399
9,920	1,959	1,932	532	22,654	2,134	5,844	$400-$499
19,662	4,274	3,396	1,089	22,123	3,759	12,024	$500-$599
35,962	6,972	3,441	3,609	21,287	2,185	22,354	$600-$699
58,197	14,029	2,768	4,044	11,589	4,390	28,795	$700-$799
78,139	23,347	3,792	5,560	9,036	2,789	46,829	$800-$899
94,173	28,006	2,674	5,531	5,313	3,291	42,297	$900-$999
198,749	64,812	4,248	9,541	10,363	9,645	157,367	$1000-$1249
98,768	34,538	2,856	6,232	2,200	6,064	105,638	$1250-$1499
65,089	24,365	2,260	3,080	771	3,283	98,061	$1500-$1749
33,937	7,843	1,106	1,924	135	2,736	38,887	$1750-$1999
9,799	18,546	2,371	3,773	217	5,933	215,772	$2000+
(9,943)	(4,126)	(693)	(560)	(358)	(638)	(29,870)	(No Cash Rent)
$1,097	$1,260	$960	$1,162	$506	$1,011	$1,679	Mean
$408	$464	$262	$372	$140	$351	$519	Mean/Room
$1,030	$1,100	$800	$1,000	$450	$910	$1,369	Median
$325	$366	$210	$300	$120	$268	$343	Median/Room
							Monthly Cost of Electricity
$86	$90	$82	$118	$86	$85	$103	Mean
$75	$80	$70	$85	$75	$69	$85	Median
							Monthly Cost of Utility Gas
$36	$60	$31	$44	$48	$76	$84	Mean
$26	$30	$20	$35	$40	$26	$40	Median
							Monthly Cost of Water/Sewer
-	-	-	-	-	-	-	Mean
-	-	-	-	-	-	-	Median
							Monthly Cost of Other Fuels
-	-	-	-	-	-	-	Mean
-	-	-	-	-	-	-	Median
							Monthly Mortgage Payments
-	-	-	-	-	-	-	Mean
-	-	-	-	-	-	-	Median
							Monthly Insurance Payments
-	-	-	-	-	-	-	Mean
-	-	-	-	-	-	-	Median
							Monthly Property Taxes
-	-	-	-	-	-	-	Mean
-	-	-	-	-	-	-	Median

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

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

D.2 Economic Characteristics (Continued)

	All Households@	Owner Households	Renter Households	Stabilized
Monthly Contract Rent				
$0-$199	-	-	1.4%	0.3%
$200-$299	-	-	2.6%	0.7%
$300-$399	-	-	2.1%	0.7%
$400-$499	-	-	2.2%	1.3%
$500-$599	-	-	3.2%	2.5%
$600-$699	-	-	4.7%	4.5%
$700-$799	-	-	6.0%	7.6%
$800-$899	-	-	8.2%	10.7%
$900-$999	-	-	8.8%	12.9%
$1000-$1249	-	-	22.1%	27.8%
$1250-$1499	-	-	12.4%	14.1%
$1500-$1749	-	-	9.6%	9.4%
$1750-$1999	-	-	4.2%	4.4%
$2000+	-	-	12.5%	3.0%
(No Cash Rent)	-	-	-	-
Mean	-	-	-	-
Mean/Room	-	-	-	-
Median	-	-	-	-
Median/Room	-	-	-	-
Monthly Cost of Electricity				
Mean	-	-	-	-
Median	-	-	-	-
Monthly Cost of Utility Gas				
Mean	-	-	-	-
Median	-	-	-	-
Monthly Cost of Water/Sewer				
Mean	-	-	-	-
Median	-	-	-	-
Monthly Cost of Other Fuels				
Mean	-	-	-	-
Median	-	-	-	-
Monthly Mortgage Payments				
Mean	-	-	-	-
Median	-	-	-	-
Monthly Insurance Payments				
Mean	-	-	-	-
Median	-	-	-	-
Monthly Property Taxes				
Mean	-	-	-	-
Median	-	-	-	-

@ All households, including owners and renters.

Totals may not add to 100% due to rounding.

Rent Stabilized Units		Rent	Mitchell-	Public	Other	Other	
Pre-1947	*Post-1946*	Controlled	Lama	Housing	Regulated*	Rentals**	
							Monthly Contract Rent
0.3%	0.4%	6.5%	0.0%	7.3%	15.6%	0.2%	$0-$199
0.6%	0.9%	6.1%	0.9%	20.6%	4.9%	0.4%	$200-$299
0.9%	0.2%	5.5%	3.0%	14.9%	3.3%	0.5%	$300-$399
1.4%	0.8%	5.1%	1.1%	12.3%	3.5%	0.7%	$400-$499
2.8%	1.8%	9.0%	2.3%	12.0%	6.2%	1.5%	$500-$599
5.0%	3.0%	9.1%	7.7%	11.5%	3.6%	2.9%	$600-$699
8.1%	6.0%	7.3%	8.7%	6.3%	7.2%	3.7%	$700-$799
10.9%	10.1%	10.1%	11.9%	4.9%	4.6%	6.0%	$800-$899
13.2%	12.1%	7.1%	11.8%	2.9%	5.4%	5.4%	$900-$999
27.8%	27.9%	11.3%	20.4%	5.6%	15.9%	20.1%	$1000-$1249
13.8%	14.9%	7.6%	13.3%	1.2%	10.0%	13.5%	$1250-$1499
9.1%	10.5%	6.0%	6.6%	0.4%	5.4%	12.5%	$1500-$1749
4.7%	3.4%	2.9%	4.1%	0.1%	4.5%	5.0%	$1750-$1999
1.4%	8.0%	6.3%	8.1%	0.1%	9.8%	27.6%	$2000+
-	-	-	-	-		-	(No Cash Rent)
-	-	-	-	-		-	Mean
-	-	-	-	-		-	Mean/Room
-	-	-	-	-		-	Median
-	-	-	-	-		-	Median/Room
							Monthly Cost of Electricity
-	-	-	-	-	-	-	Mean
-	-	-	-	-	-	-	Median
							Monthly Cost of Utility Gas
-	-	-	-	-	-	-	Mean
-	-	-	-	-	-	-	Median
							Monthly Cost of Water/Sewer
-	-	-	-	-	-	-	Mean
-	-	-	-	-	-	-	Median
							Monthly Cost of Other Fuels
-	-	-	-	-	-	-	Mean
-	-	-	-	-	-	-	Median
							Monthly Mortgage Payments
-	-	-	-	-	-	-	Mean
-	-	-	-	-	-	-	Median
							Monthly Insurance Payments
-	-	-	-	-	-	-	Mean
-	-	-	-	-	-	-	Median
							Monthly Property Taxes
-	-	-	-	-	-	-	Mean
-	-	-	-	-	-	-	Median

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

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

Totals may not add to 100% due to rounding.

D.2 Economic Characteristics (Continued)

	All Households@	Owner Households	Renter Households	Stabilized
2010 Total Household Income				
Loss, no income or<$5000	140,637	28,026	112,611	50,567
$5000-$9999	201,093	22,148	178,945	78,016
$10,000-$19,999	381,509	67,561	313,948	146,304
$20,000-$29,999	323,823	70,435	253,387	120,423
$30,000-$39,999	281,138	70,369	210,770	107,346
$40,000-$49,999	239,792	62,130	177,662	90,797
$50,000-$59,999	220,085	70,048	150,037	72,509
$60,000-$69,999	192,772	64,783	127,989	56,806
$70,000-$79,999	169,266	59,202	110,064	53,914
$80,000-$89,999	138,730	54,493	84,237	37,375
$90,000-$99,999	108,044	44,431	63,614	28,821
$100,000-$124,999	220,932	99,166	121,766	49,282
$125,000-$149,999	127,784	66,394	61,390	25,899
$150,000+	343,276	204,880	138,397	42,812
Mean	$78,203	$120,409	$58,471	$51,367
Median	$48,000	$74,992	$38,447	$37,000
Contract Rent to Income Ratio				
<10%	-	-	103,151	47,858
10%-19%	-	-	420,270	187,105
20%-29%	-	-	432,856	189,287
30%-39%	-	-	276,928	122,252
40%-49%	-	-	170,450	78,151
50%-59%	-	-	114,441	50,588
60%-69%	-	-	90,656	39,963
70%+	-	-	377,186	197,524
(Not Computed)	-	-	118,879	48,142
Mean	-	-	41.5%	43.1%
Median	-	-	30.8%	31.9%
Households in Poverty				
Households Below 100% of Poverty Level	536,417	72,722	463,695	204,103
Households at or Above 100% of Poverty Level	2,552,465	911,344	1,641,121	756,767
Households Below 125% of Poverty Level	695,272	100,753	594,519	263,626
Households at or Above 125% of Poverty Level	2,393,610	883,313	1,510,297	697,244
Households Receiving Public Assistance¥	494,519	55,911	438,608	204,178
Households Not Receiving Public Assistance	2,512,314	901,500	1,610,814	732,714
(Do Not Know/Not Reported)	(82,048)	(26,654)	(55,394)	(23,978)
Households Receiving TANF/FAP§	44,545	2,450	42,095	19,601
Households Receiving Safety Net	19,576	1,270	18,306	7,212
Households Receiving SSI	224,578	28,508	196,070	84,706
Households Receiving Other Public Assistance	314,270	30,723	283,547	137,962
Households Receiving Rent Subsidy				
Households Receiving Section 8 Certif./Voucher	-	-	152,202	82,688
Households Receiving Shelter Allowance	-	-	43,540	21,881
Households Receiving SCRIE∞	-	-	20,459	16,329
Households Receiving Jiggets	-	-	4,231	2,333
Households Receiving Advantage/HSP/EIHP/LTSP/FEPS†	-	-	33,190	16,976
Households Receiving Another Federal Housing Subsidy	-	-	13,224	3,644
Households Receiving Another State/City Housing Subsidy	-	-	39,486	17,892

§Temporary Assistance for Needy Families/Family Assistance Program; ∞Senior Citizens Rent Increase Exemption;
†Various "Advantage" Programs, Housing Stability Plus, Employee Incentive Housing Program, Long-Term Stayers Program, Family Eviction Prevention Supplement
@ All households, including owners and renters

Rent Stabilized Units *Pre-1947*	Rent Stabilized Units *Post-1946*	Rent Controlled	Mitchell-Lama	Public Housing	Other Regulated*	Other Rentals**	
							2010 Total Household Income
39,463	11,104	2,100	1,843	13,276	4,713	40,112	Loss, no income or<$5000
63,816	14,200	4,109	5,168	41,946	16,587	33,119	$5000-$9999
112,942	33,362	7,166	11,111	47,079	15,805	86,485	$10,000-$19,999
92,958	27,465	6,722	6,614	33,752	6,593	79,283	$20,000-$29,999
79,826	27,520	3,741	3,323	20,402	4,574	71,383	$30,000-$39,999
66,480	24,317	2,552	4,344	9,488	2,033	68,448	$40,000-$49,999
55,745	16,765	1,480	3,804	7,210	2,754	62,279	$50,000-$59,999
40,745	16,061	1,984	3,029	4,369	1,786	60,014	$60,000-$69,999
40,085	13,829	1,145	930	2,227	923	50,926	$70,000-$79,999
26,281	11,094	1,786	1,223	2,075	430	41,347	$80,000-$89,999
22,303	6,518	763	976	952	679	31,423	$90,000-$99,999
35,180	14,102	1,739	2,124	1,532	1,325	65,765	$100,000-$124,999
19,565	6,333	715	1,624	480	1,020	31,651	$125,000-$149,999
29,259	13,553	2,371	1,183	157	1,986	89,888	$150,000+
$49,801	$56,170	$55,919	$43,166	$23,211	$29,892	$78,072	Mean
$36,000	$40,000	$28,000	$27,510	$16,972	$14,976	$52,003	Median
							Contract Rent to Income Ratio
37,086	10,771	5,589	1,340	8,532	4,015	35,816	<10%
141,864	45,241	7,415	8,421	41,578	7,245	168,505	10%-19%
138,994	50,292	7,024	7,664	51,851	11,642	165,388	20%-29%
91,457	30,794	4,374	4,875	30,993	4,475	109,959	30%-39%
57,280	20,871	2,440	3,994	14,092	3,222	68,551	40%-49%
37,542	13,046	2,294	3,377	8,925	3,770	45,487	50%-59%
32,824	7,139	2,033	3,147	3,747	2,771	38,995	60%-69%
152,197	45,328	4,769	12,632	18,569	20,698	122,994	70%+
35,405	12,737	2,436	1,846	6,658	3,368	56,429	(Not Computed)
43.5%	41.9%	35.6%	50.2%	34.6%	53.2%	40.2%	Mean
32.0%	31.4%	26.5%	40.5%	28.4%	43.0%	30.3%	Median
							Households in Poverty
163,486	40,617	7,275	10,318	85,601	25,708	130,690	Households Below 100% of Poverty Level
561,162	195,605	31,099	36,977	99,345	35,499	681,434	Households at or Above 100% of Poverty Level
209,648	53,978	10,018	16,411	103,498	33,049	167,917	Households Below 125% of Poverty Level
515,001	182,243	28,356	30,884	81,448	28,158	644,207	Households at or Above 125% of Poverty Level
170,673	33,505	6,582	12,388	83,670	28,825	102,965	Households Receiving Public Assistance¥
536,070	196,645	30,534	33,177	94,935	30,720	688,733	Households Not Receiving Public Assistance
(17,906)	(6,072)	(1,258)	(1,730)	(6,340)	(1,662)	(20,426)	(Do Not Know/Not Reported)
16,611	2,990	257	949	8,315	2,027	10,946	Households Receiving TANF/FAP§
5,935	1,277	0	215	4,073	1,062	5,743	Households Receiving Safety Net
71,690	13,016	2,910	8,407	44,803	16,720	38,524	Households Receiving SSI
115,750	22,212	4,024	7,049	47,365	16,476	70,671	Households Receiving Other Public Assistance
							Households Receiving Rent Subsidy
68,606	14,082	243	9,274	6,206	18,862	34,929	Households Receiving Section 8 Certif./Voucher
18,423	3,458	172	1,194	9,159	1,382	9,751	Households Receiving Shelter Allowance
11,624	4,705	2,146	543	161	238	1,042	Households Receiving SCRIE∞
1,758	576	0	375	430	0	1,093	Households Receiving Jiggets
15,330	1,645	168	1,091	4,732	695	9,529	Households Receiving Advantage/HSP/EIHP/LTSP/FEPS†
2,832	812	172	2,243	2,236	3,716	1,212	Households Receiving Another Federal Housing Subsidy
15,168	2,724	157	2,868	5,968	2,705	9,897	Households Receiving Another State/City Housing Subsidy

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

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

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

D.2 Economic Characteristics (Continued)

	All Households@	Owner Households	Renter Households	Stabilized
2010 Total Household Income				
Loss, no income or<$5000	4.6%	2.8%	5.4%	5.3%
$5000-$9999	6.5%	2.3%	8.5%	8.1%
$10,000-$19,999	12.4%	6.9%	14.9%	15.2%
$20,000-$29,999	10.5%	7.2%	12.0%	12.5%
$30,000-$39,999	9.1%	7.2%	10.0%	11.2%
$40,000-$49,999	7.8%	6.3%	8.4%	9.4%
$50,000-$59,999	7.1%	7.1%	7.1%	7.5%
$60,000-$69,999	6.2%	6.6%	6.1%	5.9%
$70,000-$79,999	5.5%	6.0%	5.2%	5.6%
$80,000-$89,999	4.5%	5.5%	4.0%	3.9%
$90,000-$99,999	3.5%	4.5%	3.0%	3.0%
$100,000-$124,999	7.2%	10.1%	5.8%	5.1%
$125,000-$149,999	4.1%	6.7%	2.9%	2.7%
$150,000+	11.1%	20.8%	6.6%	4.5%
Mean	-	-	-	-
Median	-	-	-	-
Contract Rent to Income Ratio				
<10%	-	-	5.2%	5.2%
10%-19%	-	-	21.2%	20.5%
20%-29%	-	-	21.8%	20.7%
30%-39%	-	-	13.9%	13.4%
40%-49%	-	-	8.6%	8.6%
50%-59%	-	-	5.8%	5.5%
60%-69%	-	-	4.6%	4.4%
70%+	-	-	19.0%	21.6%
(Not Computed)	-	-	-	-
Mean	-	-	-	-
Median	-	-	-	-
Households in Poverty				
Households Below 100% of Poverty Level	17.4%	7.4%	22.0%	21.2%
Households at or Above 100% of Poverty Level	82.6%	92.6%	78.0%	78.8%
Households Below 125% of Poverty Level	22.5%	10.2%	28.2%	27.4%
Households at or Above 125% of Poverty Level	77.5%	89.8%	71.8%	72.6%
Households Receiving Public Assistance¥	16.4%	5.8%	21.4%	21.8%
Households Not Receiving Public Assistance	83.6%	94.2%	78.6%	78.2%
(Not Reported)	-	-	-	-
Households Receiving TANF/FAP§	1.5%	0.3%	2.0%	2.1%
Households Receiving Safety Net	0.6%	0.1%	0.9%	0.8%
Households Receiving SSI	7.4%	3.0%	9.5%	9.0%
Households Receiving Other Public Assistance	10.5%	3.2%	13.9%	14.8%
Households Receiving Rent Subsidy				
Households Receiving Section 8 Certif./Voucher	-	-	7.6%	9.0%
Households Receiving Shelter Allowance	-	-	2.2%	2.4%
Households Receiving SCRIE∞	-	-	4.6%	7.9%
Households Receiving Jiggets -	`	-	0.2%	0.3%
Households Receiving Advantage/HSP/EIHP/LTSP/FEPS†	-	-	1.6%	1.8%
Households Receiving Another Federal Housing Subsidy	-	-	0.7%	0.4%
Households Receiving Another State/City Housing Subsidy	-	-	2.0%	1.9%

§Temporary Assistance for Needy Families/Family Assistance Program; ∞Senior Citizens Rent Increase Exemption;
†Various "Advantage" Programs, Housing Stability Plus, Employee Incentive Housing Program, Long-Term Stayers Program, Family Eviction Prevention Supplement
@ All households, including owners and renters

Rent Stabilized Units		Rent	Mitchell-	Public	Other	Other	
Pre-1947	*Post-1946*	Controlled	Lama	Housing	Regulated*	Rentals**	
							2010 Total Household Income
5.4%	4.7%	5.5%	3.9%	7.2%	7.7%	4.9%	Loss, no income or<$5000
8.8%	6.0%	10.7%	10.9%	22.7%	27.1%	4.1%	$5000-$9999
15.6%	14.1%	18.7%	23.5%	25.5%	25.8%	10.6%	$10,000-$19,999
12.8%	11.6%	17.5%	14.0%	18.2%	10.8%	9.8%	$20,000-$29,999
11.0%	11.7%	9.7%	7.0%	11.0%	7.5%	8.8%	$30,000-$39,999
9.2%	10.3%	6.7%	9.2%	5.1%	3.3%	8.4%	$40,000-$49,999
7.7%	7.1%	3.9%	8.0%	3.9%	4.5%	7.7%	$50,000-$59,999
5.6%	6.8%	5.2%	6.4%	2.4%	2.9%	7.4%	$60,000-$69,999
5.5%	5.9%	3.0%	2.0%	1.2%	1.5%	6.3%	$70,000-$79,999
3.6%	4.7%	4.7%	2.6%	1.1%	0.7%	5.1%	$80,000-$89,999
3.1%	2.8%	2.0%	2.1%	0.5%	1.1%	3.9%	$90,000-$99,999
4.9%	6.0%	4.5%	4.5%	0.8%	2.2%	8.1%	$100,000-$124,999
2.7%	2.7%	1.9%	3.4%	0.3%	1.7%	3.9%	$125,000-$149,999
4.0%	5.7%	6.2%	2.5%	0.1%	3.2%	11.1%	$150,000+
-	-	-	-	-	-	-	Mean
-	-	-	-	-	-	-	Median
							Contract Rent to Income Ratio
5.4%	4.8%	15.6%	2.9%	4.8%	6.9%	4.7%	<10%
20.6%	20.2%	20.6%	18.5%	23.3%	12.5%	22.3%	10%-19%
20.2%	22.5%	19.5%	16.9%	29.1%	20.1%	21.9%	20%-29%
13.3%	13.8%	12.2%	10.7%	17.4%	7.7%	14.6%	30%-39%
8.3%	9.3%	6.8%	8.8%	7.9%	5.6%	9.1%	40%-49%
5.4%	5.8%	6.4%	7.4%	5.0%	6.5%	6.0%	50%-59%
4.8%	3.2%	5.7%	6.9%	2.1%	4.8%	5.2%	60%-69%
22.1%	20.3%	13.3%	27.8%	10.4%	35.8%	16.3%	70%+
-	-	-	-	-	-	-	(Not Computed)
-	-	-	-	-	-	-	Mean
-	-	-	-	-	-	-	Median
							Households in Poverty
22.6%	17.2%	19.0%	21.8%	46.3%	42.0%	16.1%	Households Below 100% of Poverty Level
77.4%	82.8%	81.0%	78.2%	53.7%	58.0%	83.9%	Households at or Above 100% of Poverty Level
28.9%	22.9%	26.1%	34.7%	56.0%	54.0%	20.7%	Households Below 125% of Poverty Level
71.1%	77.1%	73.9%	65.3%	44.0%	46.0%	79.3%	Households at or Above 125% of Poverty Level
24.1%	14.6%	17.7%	27.2%	46.8%	48.4%	13.0%	Households Receiving Public Assistance¥
75.9%	85.4%	82.3%	72.8%	53.2%	51.6%	87.0%	Households Not Receiving Public Assistance
-	-	-	-	-	-	-	(Not Reported)
2.3%	1.3%	0.7%	2.1%	4.6%	3.4%	1.4%	Households Receiving TANF/FAP§
0.8%	0.6%	0.0%	0.5%	2.3%	1.8%	0.7%	Households Receiving Safety Net
10.1%	5.6%	7.8%	18.2%	25.0%	27.8%	4.8%	Households Receiving SSI
16.4%	9.6%	10.9%	15.6%	26.8%	28.1%	8.9%	Households Receiving Other Public Assistance
							Households Receiving Rent Subsidy
9.9%	6.2%	0.7%	20.4%	3.5%	32.4%	4.6%	Households Receiving Section 8 Certif./Voucher
2.7%	1.5%	0.5%	2.6%	5.2%	2.4%	1.3%	Households Receiving Shelter Allowance
8.3%	7.0%	7.8%	3.0%	0.3%	0.8%	1.1%	Households Receiving SCRIE∞
0.3%	0.3%	0.0%	0.8%	0.2%	0.0%	0.1%	Households Receiving Jiggets
2.2%	0.7%	0.4%	2.4%	2.6%	1.2%	1.2%	Households Receiving Advantage/HSP/EIHP/LTSP/FEPS†
0.4%	0.4%	0.5%	5.0%	1.3%	6.3%	0.2%	Households Receiving Another Federal Housing Subsidy
2.2%	1.2%	0.4%	6.3%	3.4%	4.6%	1.3%	Households Receiving Another State/City Housing Subsidy

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

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

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

D.3 Demographic Characteristics

	All Households@	Owner Households	Renter Households	Stabilized
Year Moved Into Current Dwelling				
2008-2011	964,803	117,432	847,370	351,531
2005-2007	449,079	133,306	315,773	135,643
2002-2004	275,381	101,030	174,351	73,624
1999-2001	281,017	116,682	164,335	74,915
1996-1998	201,556	84,487	117,069	62,414
1993-1995	161,467	71,547	89,920	52,118
1990-1992	150,504	60,273	90,231	49,800
1987-1989	79,413	40,980	38,433	22,126
1984-1986	81,736	43,773	37,963	22,488
1981-1983	70,094	30,441	39,653	23,588
1971-1980	218,604	100,049	118,555	70,972
Prior to 1971	155,228	84,066	71,163	21,652
Household Composition				
Married Couples	1,173,017	533,814	639,203	277,247
w/o Other Household Members	420,906	201,665	219,241	103,132
Children <18 Years of Age	381,933	139,502	242,431	100,738
w/o Children <18 Years of Age	202,843	117,241	85,602	37,483
Other Household Members	167,335	75,406	91,929	35,894
Female Householder	1,216,000	293,157	922,843	424,868
w/o Other Household Members	570,715	162,843	407,872	198,497
Children <18 Years of Age	166,629	14,470	152,158	67,890
w/o Children <18 Years of Age	320,577	85,162	235,415	102,519
Other Household Members	158,079	30,682	127,398	55,962
Male Householder	699,865	157,095	542,770	258,756
w/o Other Household Members	408,730	96,362	312,368	152,489
Children <18 Years of Age	15,541	3,695	11,847	5,636
w/o Children <18 Years of Age	233,044	47,976	185,068	85,936
Other Household Members	42,550	9,063	33,487	14,695
Race of Householder				
White, non-Hispanic	1,276,551	536,371	740,181	330,062
Black, non-Hispanic	688,053	182,170	505,883	217,200
Puerto Rican	264,181	43,660	220,521	99,368
Other Spanish/Hispanic	474,780	73,082	401,697	213,126
Asian/Pacific Islander, non-Hispanic	357,331	140,534	216,797	91,693
American/Aleut/Eskimo, non-Hispanic	5,369	1,745	3,624	1,284
Two or more races, non-Hispanic	22,616	6,503	16,113	8,136
Age of Householder				
Under 25 years	111,032	4,520	106,512	50,660
25-34	585,391	73,798	511,593	219,304
35-44	670,914	191,312	479,602	215,171
45-54	621,052	224,530	396,522	187,547
55-61	366,944	160,088	206,856	104,166
62-64	132,535	58,829	73,707	34,312
65-74	320,422	146,483	173,938	84,924
75-84	200,177	91,709	108,468	45,373
85 or more years	80,415	32,796	47,619	19,414
Mean	49	55	46	46
Median	47	54	43	44

@ All households, including owners and renters.

Rent Stabilized Units *Pre-1947*	Rent Stabilized Units *Post-1946*	Rent Controlled	Mitchell-Lama	Public Housing	Other Regulated*	Other Rentals**	
							Year Moved Into Current Dwelling
263,293	88,238	3,203	10,099	33,009	14,811	434,717	2008-2011
100,540	35,103	0	5,593	23,161	10,305	141,070	2005-2007
59,739	13,884	178	4,235	19,510	5,634	71,169	2002-2004
59,102	15,813	372	7,455	18,897	8,991	53,704	1999-2001
50,754	11,660	1,233	4,197	15,470	4,428	29,325	1996-1998
38,713	13,404	315	2,686	12,570	3,752	18,480	1993-1995
39,180	10,620	568	3,354	10,510	3,770	22,228	1990-1992
17,731	4,395	584	1,187	5,106	1,225	8,206	1987-1989
17,278	5,210	866	398	5,604	2,212	6,395	1984-1986
18,878	4,709	1,073	1,306	5,315	3,150	5,222	1981-1983
49,823	21,149	3,898	5,868	20,599	2,381	14,838	1971-1980
9,616	12,035	26,084	915	15,195	548	6,770	Prior to 1971
							Household Composition
199,998	77,248	7,539	14,985	30,844	10,402	298,186	Married Couples
71,344	31,788	4,432	7,841	11,003	5,909	86,923	w/o Other Household Members
74,708	26,030	1,271	3,562	8,723	2,229	125,908	Children <18 Years of Age
24,760	12,723	1,289	1,629	5,395	1,302	38,503	w/o Children <18 Years of Age
29,186	6,707	547	1,953	5,722	962	46,852	Other Household Members
325,551	99,317	22,079	20,175	126,291	36,774	292,656	Female Householder
146,610	51,887	16,984	11,108	42,625	21,015	117,644	w/o Other Household Members
53,599	14,290	541	3,902	30,330	4,728	44,768	Children <18 Years of Age
79,331	23,188	4,167	3,857	27,232	5,474	92,166	w/o Children <18 Years of Age
46,010	9,952	388	1,309	26,104	5,557	38,078	Other Household Members
199,100	59,656	8,756	12,135	27,811	14,030	221,282	Male Householder
117,244	35,245	5,926	8,824	19,026	10,168	115,935	w/o Other Household Members
3,917	1,719	0	401	834	307	4,669	Children <18 Years of Age
66,039	19,897	2,260	2,523	6,071	2,857	85,421	w/o Children <18 Years of Age
11,900	2,794	570	388	1,879	698	15,257	Other Household Members
							Race of Householder
233,707	96,355	22,579	15,991	10,461	12,155	348,931	White, non-Hispanic
165,331	51,870	6,518	18,170	83,123	16,437	164,435	Black, non-Hispanic
80,254	19,114	3,177	3,725	45,335	11,937	56,980	Puerto Rican
179,686	33,440	4,179	3,206	36,768	15,264	129,154	Other Hispanic
59,001	32,692	1,734	5,328	7,711	4,708	105,625	Asian/Pacific Islander, non-Hisp
356	928	0	184	478	319	1,358	American/Aleut/Eskimo, non-Hisp
6,313	1,823	188	691	1,070	387	5,640	Two or more races, non-Hispanic
							Age of Householder
43,725	6,935	329	0	5,176	1,583	48,764	Under 25 years
169,662	49,641	1,334	6,218	25,416	8,139	251,182	25-34
168,093	47,078	3,050	8,207	33,224	7,341	212,609	35-44
141,961	45,586	2,547	9,514	37,774	9,920	149,220	45-54
79,395	24,771	3,948	6,472	22,971	4,653	64,647	55-61
23,952	10,360	3,118	3,527	8,575	2,726	21,449	62-64
58,834	26,090	8,254	5,788	27,786	10,823	36,363	65-74
26,665	18,708	8,481	4,357	19,585	12,490	18,182	75-84
12,362	7,052	7,313	3,213	4,438	3,533	9,707	85 or more years
45	49	69	55	53	58	42	Mean
43	48	70	54	52	59	39	Median

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

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

D.3 Demographic Characteristics (Continued)

	All Households@	Owner Households	Renter Households	Stabilized
Year Moved Into Current Dwelling				
2008-2011	31.2%	11.9%	40.3%	36.6%
2005-2007	14.5%	13.5%	15.0%	14.1%
2002-2004	8.9%	10.3%	8.3%	7.7%
1999-2001	9.1%	11.9%	7.8%	7.8%
1996-1998	6.5%	8.6%	5.6%	6.5%
1993-1995	5.2%	7.3%	4.3%	5.4%
1990-1992	4.9%	6.1%	4.3%	5.2%
1987-1989	2.6%	4.2%	1.8%	2.3%
1984-1986	2.6%	4.4%	1.8%	2.3%
1981-1983	2.3%	3.1%	1.9%	2.5%
1971-1980	7.1%	10.2%	5.6%	7.4%
Prior to 1971	5.0%	8.5%	3.4%	2.3%
Household Composition				
Married Couples	38.0%	54.2%	30.4%	28.9%
w/o Other Household Members	13.6%	20.5%	10.4%	10.7%
Children <18 Years of Age	12.4%	14.2%	11.5%	10.5%
w/o Children <18 Years of Age	6.6%	11.9%	4.1%	3.9%
Other Household Members	5.4%	7.7%	4.4%	3.7%
Female Householder	39.4%	29.8%	43.8%	44.2%
w/o Other Household Members	18.5%	16.5%	19.4%	20.7%
Children <18 Years of Age	5.4%	1.5%	7.2%	7.1%
w/o Children <18 Years of Age	10.4%	8.7%	11.2%	10.7%
Other Household Members	5.1%	3.1%	6.1%	5.8%
Male Householder	22.7%	16.0%	25.8%	26.9%
w/o Other Household Members	13.2%	9.8%	14.8%	15.9%
Children <18 Years of Age	0.5%	0.4%	0.6%	0.6%
w/o Children <18 Years of Age	7.5%	4.9%	8.8%	8.9%
Other Household Members	1.4%	0.9%	1.6%	1.5%
Race of Householder				
White, non-Hispanic	41.3%	54.5%	35.2%	34.4%
Black, non-Hispanic	22.3%	18.5%	24.0%	22.6%
Puerto Rican	8.6%	4.4%	10.5%	10.3%
Other Spanish/Hispanic	15.4%	7.4%	19.1%	22.2%
Asian/Pacific Islander, non-Hispanic	11.6%	14.3%	10.3%	9.5%
American/Aleut/Eskimo, non-Hispanic	0.2%	0.2%	0.2%	0.1%
2 or more races, non-Hispanic	0.7%	0.7%	0.8%	0.8%
Age of Householder				
Under 25 years	3.6%	0.5%	5.1%	5.3%
25-34	19.0%	7.5%	24.3%	22.8%
35-44	21.7%	19.4%	22.8%	22.4%
45-54	20.1%	22.8%	18.8%	19.5%
55-61	11.9%	16.3%	9.8%	10.8%
62-64	4.3%	6.0%	3.5%	3.6%
65-74	10.4%	14.9%	8.3%	8.8%
75-84	6.5%	9.3%	5.2%	4.7%
85 or more years	2.6%	3.3%	2.3%	2.0%
Mean	-	-	-	-
Median	-	-	-	-

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

Rent Stabilized Units Pre-1947	Rent Stabilized Units Post-1946	Rent Controlled	Mitchell-Lama	Public Housing	Other Regulated*	Other Rentals**	
							Year Moved Into Current Dwelling
36.3%	37.4%	8.3%	21.4%	17.8%	24.2%	53.5%	2008-2011
13.9%	14.9%	0.0%	11.8%	12.5%	16.8%	17.4%	2005-2007
8.2%	5.9%	0.5%	9.0%	10.5%	9.2%	8.8%	2002-2004
8.2%	6.7%	1.0%	15.8%	10.2%	14.7%	6.6%	1999-2001
7.0%	4.9%	3.2%	8.9%	8.4%	7.2%	3.6%	1996-1998
5.3%	5.7%	0.8%	5.7%	6.8%	6.1%	2.3%	1993-1995
5.4%	4.5%	1.5%	7.1%	5.7%	6.2%	2.7%	1990-1992
2.4%	1.9%	1.5%	2.5%	2.8%	2.0%	1.0%	1987-1989
2.4%	2.2%	2.3%	0.8%	3.0%	3.6%	0.8%	1984-1986
2.6%	2.0%	2.8%	2.8%	2.9%	5.1%	0.6%	1981-1983
6.9%	9.0%	10.2%	12.4%	11.1%	3.9%	1.8%	1971-1980
1.3%	5.1%	68.0%	1.9%	8.2%	0.9%	0.8%	Prior to 1971
							Household Composition
27.6%	32.7%	19.6%	31.7%	16.7%	17.0%	36.7%	Married Couples
9.8%	13.5%	11.6%	16.6%	5.9%	9.7%	10.7%	w/o Other Household Members
10.3%	11.0%	3.3%	7.5%	4.7%	3.6%	15.5%	Children <18 Years of Age
3.4%	5.4%	3.4%	3.4%	2.9%	2.1%	4.7%	w/o Children <18 Years of Age
4.0%	2.8%	1.4%	4.1%	3.1%	1.6%	5.8%	Other Household Members
44.9%	42.0%	57.5%	42.7%	68.3%	60.1%	36.0%	Female Householder
20.2%	22.0%	44.3%	23.5%	23.0%	34.3%	14.5%	w/o Other Household Members
7.4%	6.0%	1.4%	8.3%	16.4%	7.7%	5.5%	Children <18 Years of Age
10.9%	9.8%	10.9%	8.2%	14.7%	8.9%	11.3%	w/o Children <18 Years of Age
6.3%	4.2%	1.0%	2.8%	14.1%	9.1%	4.7%	Other Household Members
27.5%	25.3%	22.8%	25.7%	15.0%	22.9%	27.2%	Male Householder
16.2%	14.9%	15.4%	18.7%	10.3%	16.6%	14.3%	w/o Other Household Members
0.5%	0.7%	0.0%	0.8%	0.5%	0.5%	0.6%	Children <18 Years of Age
9.1%	8.4%	5.9%	5.3%	3.3%	4.7%	10.5%	w/o Children <18 Years of Age
1.6%	1.2%	1.5%	0.8%	1.0%	1.1%	1.9%	Other Household Members
							Race of Householder
32.3%	40.8%	58.8%	33.8%	5.7%	19.9%	43.0%	White, non-Hispanic
22.8%	22.0%	17.0%	38.4%	44.9%	26.9%	20.2%	Black, non-Hispanic
11.1%	8.1%	8.3%	7.9%	24.5%	19.5%	7.0%	Puerto Rican
24.8%	14.2%	10.9%	6.8%	19.9%	24.9%	15.9%	Other Spanish/Hispanic
8.1%	13.8%	4.5%	11.3%	4.2%	7.7%	13.0%	Asian/Pacific Islander, non-Hisp
0.0%	0.4%	0.0%	0.4%	0.3%	0.5%	0.2%	American/Aleut/Eskimo, non-Hisp
0.9%	0.8%	0.5%	1.5%	0.6%	0.6%	0.7%	2 or more races, non-Hispanic
							Age of Householder
6.0%	2.9%	0.9%	0.0%	2.8%	2.6%	6.0%	Under 25 years
23.4%	21.0%	3.5%	13.1%	13.7%	13.3%	30.9%	25-34
23.2%	19.9%	7.9%	17.4%	18.0%	12.0%	26.2%	35-44
19.6%	19.3%	6.6%	20.1%	20.4%	16.2%	18.4%	45-54
11.0%	10.5%	10.3%	13.7%	12.4%	7.6%	8.0%	55-61
3.3%	4.4%	8.1%	7.5%	4.6%	4.5%	2.6%	62-64
8.1%	11.0%	21.5%	12.2%	15.0%	17.7%	4.5%	65-74
3.7%	7.9%	22.1%	9.2%	10.6%	20.4%	2.2%	75-84
1.7%	3.0%	19.1%	6.8%	2.4%	5.8%	1.2%	85 or more years
-	-	-	-	-	-	-	Mean
-	-	-	-	-	-	-	Median

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

D.4 Housing / Neighborhood Quality Characteristics

	All Units@	Owner Units	Renter Units	Stabilized
Maintenance Quality				
(Units Experiencing:)				
Additional Heating Required	448,200	77,427	370,773	179,091
Additional Heating Not Required	2,208,596	748,241	1,460,354	661,395
(Not Reported)	(432,086)	(158,397)	(273,689)	(120,384)
Heating Breakdowns	360,624	56,799	303,825	167,170
No Breakdowns	2,272,654	761,443	1,511,211	664,872
(Not Reported)	(455,603)	(165,824)	(289,779)	(128,828)
Broken Plaster/Peeling Paint	429,775	61,599	368,175	198,142
No Broken Plaster/Peeling Paint	2,207,797	759,386	1,448,411	635,117
(Not Reported)	(451,310)	(163,081)	(288,229)	(127,611)
Cracked Interior Walls or Ceilings	360,543	37,849	322,693	176,189
No Cracked Interior Walls or Ceilings	2,291,985	785,484	1,506,501	664,197
(Not Reported)	(436,354)	(160,733)	(275,621)	(120,484)
Holes in Floor	158,649	13,705	144,945	89,861
No Holes in Floor	2,479,449	806,103	1,673,345	745,135
(Not Reported)	(450,783)	(164,258)	(286,526)	(125,873)
Rodent Infestation	607,036	89,649	517,387	282,931
No Infestation	2,050,608	734,938	1,315,670	559,159
(Not Reported)	(431,238)	(159,479)	(271,758)	(118,781)
Cockroach Infestation	632,667	80,589	552,079	287,591
No Infestation	2,005,918	740,333	1,265,585	545,820
(Not Reported)	(430,438)	(157,669)	(272,769)	(120,018)
Toilet Breakdown	268,585	59,907	208,678	99,224
No Toilet Breakdown/No Facilities	2,409,041	778,002	1,631,039	746,773
(Not Reported)	(407,910)	(146,005)	(261,905)	(113,717)
Water Leakage Inside Unit	546,746	114,718	432,028	241,487
No Water Leakage	2,105,270	709,057	1,396,212	597,873
(Not Reported)	(436,865)	(160,290)	(276,575)	(121,510)
Units in Buildings w. No Maintenance Defects	1,220,608	501,102	719,506	279,030
Units in Buildings w. 1 Maintenance Defect	635,293	194,925	440,368	200,880
Units in Buildings w. 2 Maintenance Defects	311,938	59,765	252,172	127,887
Units in Buildings w. 3 Maintenance Defects	186,224	27,442	158,782	89,270
Units in Buildings w. 4 Maintenance Defects	116,421	7,340	109,081	62,111
Units in Buildings w. 5+ Maintenance Defects	80,569	4,389	76,180	44,461
(Not Reported)	(537,829)	(189,102)	(348,726)	(157,232)
Condition of Neighboring Buildings				
Excellent	552,620	248,528	304,092	115,346
Good	1,444,785	458,763	986,022	452,275
Fair	544,562	107,739	436,823	224,357
Poor Quality	115,618	10,267	105,351	48,856
(Not Reported)	(431,296)	(158,768)	(272,528)	(120,037)
Boarded Up/Broken Windows in Neighborhood	201,374	50,020	151,355	67,622
No Boarded Up/Broken Windows in Neighborhood	2,830,154	915,610	1,914,544	872,893
(Not Reported)	(57,353)	(18,436)	(38,917)	(20,354)

@ All housing units, including owners and renters.

Rent Stabilized Units *Pre-1947*	Rent Stabilized Units *Post-1946*	Rent Controlled	Mitchell-Lama	Public Housing	Other Regulated*	Other Rentals**	
							Maintenance Quality (Units Experiencing:)
141,974	37,117	7,297	7,844	47,316	11,809	117,416	Additional Heating Required
493,825	167,570	25,122	32,747	117,487	45,050	578,553	Additional Heating Not Required
(88,849)	(31,535)	(5,955)	(6,704)	(20,143)	(4,348)	(116,155)	(Not Reported)
141,613	25,557	5,131	4,204	43,464	7,378	76,478	Heating Breakdowns
488,067	176,805	26,546	36,048	119,752	49,236	614,758	No Breakdowns
(94,969)	(33,860)	(6,698)	(7,043)	(21,730)	(4,593)	(120,887)	(Not Reported)
163,528	34,614	9,855	5,015	63,930	6,535	84,698	Broken Plaster/Peeling Paint
468,000	167,116	22,205	35,373	99,056	49,777	606,884	No Broken Plaster/Peeling Paint
(93,120)	(34,491)	(6,314)	(6,907)	(21,959)	(4,896)	(120,542)	(Not Reported)
150,181	26,008	8,038	4,895	50,437	6,626	76,508	Cracked Interior Walls or Ceilings
485,907	178,290	24,381	35,493	113,191	50,044	619,194	No Cracked Interior Walls or Ceilings
(88,561)	(31,923)	(5,955)	(6,907)	(21,317)	(4,537)	(116,421)	(Not Reported)
81,468	8,394	4,890	946	14,558	3,357	31,332	Holes in Floor
550,762	194,373	27,333	39,443	148,853	52,597	659,984	No Holes in Floor
(92,419)	(33,454)	(6,151)	(6,907)	(21,534)	(5,253)	(120,807)	(Not Reported)
237,422	45,509	9,449	9,935	60,574	20,060	134,439	Rodent Infestation
399,770	159,388	23,160	30,453	103,706	36,657	562,536	No Infestation
(87,457)	(31,324)	(5,766)	(6,907)	(20,666)	(4,490)	(115,149)	(Not Reported)
233,123	54,467	8,177	10,683	104,965	12,160	128,502	Cockroach Infestation
398,480	147,340	23,703	29,372	57,006	44,512	565,172	No Infestation
(88,518)	(31,500)	(5,968)	(6,692)	(20,531)	(4,307)	(115,253)	(Not Reported)
78,409	20,815	5,117	4,479	26,601	7,905	65,351	Toilet Breakdown
559,259	187,514	27,101	37,055	137,467	49,008	633,634	No Toilet Breakdown/No Facilities
(85,824)	(27,893)	(6,156)	(5,761)	(20,877)	(4,294)	(111,100)	(Not Reported)
197,224	44,263	9,217	6,170	52,573	10,649	111,932	Water Leakage Inside Unit
437,842	160,031	23,202	34,218	111,194	46,247	583,479	No Water Leakage
(89,583)	(31,927)	(5,955)	(6,907)	(21,179)	(4,312)	(116,713)	(Not Reported)
190,106	88,923	10,848	18,590	33,518	20,971	356,549	Units in Buildings w. No Maintenance Defects
147,617	53,263	8,469	10,747	40,892	16,787	162,592	Units in Buildings w. 1 Maintenance Defect
103,011	24,876	4,106	5,511	28,356	6,909	79,404	Units in Buildings w. 2 Maintenance Defects
74,997	14,273	3,411	2,569	24,116	5,365	34,051	Units in Buildings w. 3 Maintenance Defects
51,849	10,262	2,447	1,444	16,925	3,049	23,105	Units in Buildings w. 4 Maintenance Defects
40,403	4,057	1,695	817	13,841	1,241	14,125	Units in Buildings w. 5+ Maintenance Defects
(116,666)	(40,567)	(7,399)	(7,617)	(27,296)	(6,886)	(142,296)	(Not Reported)
							Condition of Neighboring Buildings
79,802	35,544	7,833	7,139	6,707	7,092	159,974	Excellent
332,944	119,331	19,486	21,192	65,297	30,562	397,212	Good
181,180	43,176	4,192	9,366	63,169	14,998	120,741	Fair
42,502	6,354	1,097	2,489	28,691	4,414	19,805	Poor Quality
(88,221)	(31,817)	(5,767)	(7,109)	(21,081)	(4,141)	(114,392)	(Not Reported)
56,036	11,587	1,685	1,305	14,747	5,977	60,019	Boarded Up/Broken Windows in Neighborhood
652,739	220,154	36,138	45,116	167,837	54,702	737,858	No Boarded Up/Broken Windows in Neighborhood
(15,874)	(4,481)	(552)	(874)	(2,362)	(528)	(14,247)	(Not Reported)

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

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

D.4 Housing/Neighborhood Quality Characteristics (Continued)

	All Dwellings@	Owner Units	Rental Units	Stabilized
Maintenance Quality				
(Units Experiencing:)				
Additional Heating Required	16.9%	9.4%	20.2%	21.3%
Additional Heating Not Required	83.1%	90.6%	79.8%	78.7%
(Not Reported)	-	-	-	-
Heating Breakdowns	13.7%	6.9%	16.7%	20.1%
No Breakdowns	86.3%	93.1%	83.3%	79.9%
(Not Reported)	-	-	-	-
Broken Plaster/Peeling Paint	16.3%	7.5%	20.3%	23.8%
No Broken Plaster/Peeling Paint	83.7%	92.5%	79.7%	76.2%
(Not Reported)	-	-	-	-
Cracked Interior Walls or Ceilings	13.6%	4.6%	17.6%	21.0%
No Cracked Interior Walls or Ceilings	86.4%	95.4%	82.4%	79.0%
(Not Reported)	-	-	-	-
Holes in Floor	6.0%	1.7%	8.0%	10.8%
No Holes in Floor	94.0%	98.3%	92.0%	89.2%
(Not Reported)	-	-	-	-
Rodent Infestation	22.8%	10.9%	28.2%	33.6%
No Infestation	77.2%	89.1%	71.8%	66.4%
(Not Reported)	-	-	-	-
Cockroach Infestation	24.0%	9.8%	30.4%	34.5%
No Infestation	76.0%	90.2%	69.6%	65.5%
(Not Reported)	-	-	-	-
Toilet Breakdown	10.0%	7.1%	11.3%	11.7%
No Toilet Breakdown	90.0%	92.9%	88.7%	88.3%
(Not Reported)	-	-	-	-
Water Leakage Inside Unit	20.6%	13.9%	23.6%	28.8%
No Water Leakage	79.4%	86.1%	76.4%	71.2%
(Not Reported)	-	-	-	-
Units in Buildings w. No Maintenance Defects	47.8%	63.0%	41.0%	34.7%
Units in Buildings w. 1 Maintenance Defect	24.9%	24.5%	25.1%	25.0%
Units in Buildings w. 2 Maintenance Defects	12.2%	7.5%	14.4%	15.9%
Units in Buildings w. 3 Maintenance Defects	7.3%	3.5%	9.0%	11.1%
Units in Buildings w. 4 Maintenance Defects	4.6%	0.9%	6.2%	7.7%
Units in Buildings w. 5+ Maintenance Defects	3.2%	0.6%	4.3%	5.5%
(Not Reported)	-	-	-	-
Condition of Neighboring Buildings				
Excellent	20.8%	30.1%	16.6%	13.7%
Good	54.4%	55.6%	53.8%	53.8%
Fair	20.5%	13.1%	23.8%	26.7%
Poor Quality	4.4%	1.2%	5.7%	5.8%
(Not Reported)	-	-	-	-
Boarded Up/Broken Windows in Neighborhood	6.6%	5.2%	7.3%	7.2%
No Boarded Up/Broken Windows in Neighborhood	93.4%	94.8%	92.7%	92.8%
(Not Reported)	-	-	-	-

@ All housing units, including owners and renters.

Totals may not add to 100% due to rounding.

Rent Stabilized Units *Pre-1947*	Rent Stabilized Units *Post-1946*	Rent Controlled	Mitchell-Lama	Public Housing	Other Regulated*	Other Rentals**	
							Maintenance Quality (Units Experiencing:)
22.3%	18.1%	22.5%	19.3%	28.7%	20.8%	16.9%	Additional Heating Required
77.7%	81.9%	77.5%	80.7%	71.3%	79.2%	83.1%	Additional Heating Not Required
-	-	-	-	-	-	-	(Not Reported)
22.5%	12.6%	16.2%	10.4%	26.6%	13.0%	11.1%	Heating Breakdowns
77.5%	87.4%	83.8%	89.6%	73.4%	87.0%	88.9%	No Breakdowns
-	-	-	-	-	-	-	(Not Reported)
25.9%	17.2%	30.7%	12.4%	39.2%	11.6%	12.2%	Broken Plaster/Peeling Paint
74.1%	82.8%	69.3%	87.6%	60.8%	88.4%	87.8%	No Broken Plaster/Peeling Paint
-	-	-	-	-	-	-	(Not Reported)
23.6%	12.7%	24.8%	12.1%	30.8%	11.7%	11.0%	Cracked Interior Walls or Ceilings
76.4%	87.3%	75.2%	87.9%	69.2%	88.3%	89.0%	No Cracked Interior Walls or Ceilings
-	-	-	-	-	-	-	(Not Reported)
12.9%	4.1%	15.2%	2.3%	8.9%	6.0%	4.5%	Holes in Floor
87.1%	95.9%	84.8%	97.7%	91.1%	94.0%	95.5%	No Holes in Floor
-	-	-	-	-	-	-	(Not Reported)
37.3%	22.2%	29.0%	24.6%	36.9%	35.4%	19.3%	Rodent Infestation
62.7%	77.8%	71.0%	75.4%	63.1%	64.6%	80.7%	No Infestation
-	-	-	-	-	-	-	(Not Reported)
36.9%	27.0%	25.6%	26.7%	64.8%	21.5%	18.5%	Cockroach Infestation
63.1%	73.0%	74.4%	73.3%	35.2%	78.5%	81.5%	No Infestation
-	-	-	-	-	-	-	(Not Reported)
12.3%	10.0%	15.9%	10.8%	16.2%	13.9%	9.3%	Toilet Breakdown
87.7%	90.0%	84.1%	89.2%	83.8%	86.1%	90.7%	No Toilet Breakdown
-	-	-	-	-	-	-	(Not Reported)
31.1%	21.7%	28.4%	15.3%	32.1%	18.7%	16.1%	Water Leakage Inside Unit
68.9%	78.3%	71.6%	84.7%	67.9%	81.3%	83.9%	No Water Leakage
-	-	-	-	-	-	-	(Not Reported)
31.3%	45.4%	35.0%	46.9%	21.3%	38.6%	53.2%	Units in Buildings w. No Maintenance Defects
24.3%	27.2%	27.3%	27.1%	25.9%	30.9%	24.3%	Units in Buildings w. 1 Maintenance Defect
16.9%	12.7%	13.3%	13.9%	18.0%	12.7%	11.9%	Units in Buildings w. 2 Maintenance Defects
12.3%	7.3%	11.0%	6.5%	15.3%	9.9%	5.1%	Units in Buildings w. 3 Maintenance Defects
8.5%	5.2%	7.9%	3.6%	10.7%	5.6%	3.4%	Units in Buildings w. 4 Maintenance Defects
6.6%	2.1%	5.5%	2.1%	8.8%	2.3%	2.1%	Units in Buildings w. 5+ Maintenance Defects
-	-	-	-	-	-	-	(Not Reported)
							Condition of Neighboring Buildings
12.5%	17.4%	24.0%	17.8%	4.1%	12.4%	22.9%	Excellent
52.3%	58.4%	59.8%	52.7%	39.8%	53.6%	56.9%	Good
28.5%	21.1%	12.9%	23.3%	38.5%	26.3%	17.3%	Fair
6.7%	3.1%	3.4%	6.2%	17.5%	7.7%	2.8%	Poor Quality
-	-	-	-	-	-	-	(Not Reported)
7.9%	5.0%	4.5%	2.8%	8.1%	9.9%	7.5%	Boarded Up/Broken Windows in Neighborhood
92.1%	95.0%	95.5%	97.2%	91.9%	90.1%	92.5%	No Boarded Up/Broken Windows in Neighborhood
-	-	-	-	-	-	-	(Not Reported)

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

Totals may not add to 100% due to rounding.

E.1 Interest Rates and Terms for New and Refinanced Mortgages, 2013

Lending Institution	New Mortgages: Rate (%)	Points	Term (yrs)	Type	Volume	Refinanced Mortgages: Rate (%)	Points	Term (yrs)	Type	Volume
14	3.25%	0	5&5, 7&5	adj	NR	3.25%	0.00	5&5, 7&5	adj	NR
15	NR	0.5	5, 7, 10, 15, 20, 30	both	NR	NR	0.50	5, 7, 10, 15, 20, 30	both	NR
16	3.75%	0	5 & 7	fxd	NR	3.75%	0.00	5 & 7	fxd	NR
28	3.85%	0	5, 7, 10	both	2	4.00%	0.00	5, 7, 10	both	8
30	4.25%	1.00	30 yr	fxd	16	4.00%	1.00	10 or 7/30	fxd	NR
33	4.50%	0.00	5, 10, 15	adj	41	4.50%	0.00	5, 10, 15	adj	29
35	3.50%	0.00	7 plus 5 on 30 yr §	adj	36	3.50%	0.00	7 plus 5 on 30 yr §	adj	15
37	6.75%	1.00	10 yrs	fxd	NR	6.75%	1.00	10 yrs	fxd	NR
40	5.63%	1.25	10/25 * or 15 yr	fxd	2	5.63%	1.25	10/25 * or 15 yr	fxd	NR
117	3.13%	NR	5 yrs	fxd	155	3.13%	0.00	5 yrs	fxd	230
209	4.25%	0.00	5/30	adj	6	4.25%	0.00	5/30	adj	NR
301	3.40%	0.35	10 yrs	fxd	5	NR	0.00	NR	NR	NR
401	5.50%	0.75	30 yr	fxd	34	5.50%	0.10	NR	fxd	NR
402	5.00%	1.00	15 yrs	adj	3	5.00%	1.00	15 yrs	adj	4
AVERAGE	**4.37%**	**0.59**	**†**	**†**	**30**	**4.44%**	**0.40**	**†**	**†**	**NA**

§ Amortization **Adj** = adjustable rate mortgage † No average computed **NR** = no response to this question * Balloon

NA = See endnote 5

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

Source: 2013 NYC Rent Guidelines Board Mortgage Survey

E.2 Typical Characteristics of Rent Stabilized Buildings, 2013

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
14	75%	1.20	5%	20-49	$1,200	$1,200
15	80%	1.25	5%	20-49	$1,260	$1,980
16	75%	1.35	4%	50-99	NR	NR
28	75%	1.30	3%	50-99	NR	NR
30	80%	1.25	5%	20-49	$585	$900
33	75%	1.30	5%	11-19	$542	$1,200
35	65%	1.15	3%	11-19	$300	$1,200
37	65%	1.20	3%	11-19	$375	$1,250
40	68%	1.30	5%	1-10	$588	$1,500
117	75%	1.25	4%	20-49	$575	$1,100
209	70%	1.25	5%	11-19	NR	NR
301	60%	1.35	1%	50-99	NR	NR
401	75%	1.15	3%	100+	$622	$1,230
402	60%	1.25	6%	1-10	$450	$1,050
AVERAGE	**71.3%**	**1.25**	**4.07%**	**†**	**$650**	**$1,261**

NR indicates no response to this question † No average computed.

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

Source: 2013 NYC Rent Guidelines Board Mortgage Survey

E.3 Interest Rates and Terms for New Financing, Longitudinal Study, 2012-2013

	Interest Rates		Points		Term		Type	
Lending Inst.	2013	2012	2013	2012	2013	2012	2013	2012
14	3.25%	3.75%	0.0	0.0	5&5, 7&5	5&5	adj	adj
15	NR	NR	0.5	1.5	+	+	both	both
16	3.75%	4.00%	0.0	0.0	5 & 7	5 yr	fxd	fxd
28	3.85%	4.50%	0.0	0.0	5, 7, 10	5, 7, 10 yrs	both	both
30	4.25%	4.65%	0.0	1.0	30 yr	30 yr	fxd	fxd
33	4.50%	4.25%	0.0	0.5	5, 10, 15	5+5 yrs	adj	adj
35	3.50%	5.00%	0.0	0.5	7 plus 5 on 30 yr §	15 yr	adj	fxd
37	6.75%	7.25%	1.0	1.0	10 yrs	10 yrs	fxd	fxd
40	5.63%	6.25%	1.3	2.5	10/25 * or 15 yr	15 yr or 10/25 *	fxd	fxd
117	3.13%	3.85%	NR	0.0	5 yrs	5 yrs	fxd	fxd
301	3.40%	3.50%	0.4	0.5	10 yrs	7 yr	fxd	fxd
AVERAGE	**4.20%**	**4.70%**	**0.60**	**0.68**	†	†	†	†

NR indicates no response to this question
Adj = adjustable rate mortgage
† No average computed
+ 5, 7, 10, 15, 20, 30 yrs
§ Amortization
* Balloon

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

Source: 2012 and 2013 NYC Rent Guidelines Board Mortgage Surveys

E.4 Interest Rates and Terms for Refinanced Loans, Longitudinal Study, 2012-2013

	Interest Rates		Points		Term		Type	
Lending Inst.	2013	2012	2013	2012	2013	2012	2013	2012
14	3.25%	3.75%	0.0	0.0	5&5, 7&5	5&5	adj	adj
15	NR	NR	0.5	1.5	5, 7, 10, 15, 20, 30	5, 7, 10, 15, 20, 30	both	both
16	3.75%	4.00%	0.0	0.0	5 & 7	5 yrs	fxd	fixed
28	4.00%	4.50%	0.0	0.0	5, 7, 10	5, 7, 10 yrs	both	both
30	4.00%	5.00%	1.0	1.0	10 or 7/30	10 yrs/ 30 yr §	fxd	fixed
33	4.50%	4.50%	0.0	0.5	5, 10, 15	5, 10, 15 yrs	adj	adj
35	3.50%	5.00%	0.0	0.5	7 plus 5 on 30 yr amort	15 yr	adj	fixed
37	6.75%	7.25%	1.0	1.0	10 yrs	10 yrs	fxd	fixed
40	5.63%	6.25%	1.3	2.5	10/25 bal or 15 yr	15 yr or 10/25 *	fxd	fixed
117	3.13%	3.85%	NR	0.0	5 yrs	5 yrs	fxd	fixed
301	NR	3.75%	NR	0.5	NR	7 yr	NR	fixed
AVERAGE	**4.28%**	**4.79%**	**0.42**	**0.68**	†	†	†	†

NR indicates no response to this question
Adj = adjustable rate mortgage
† No average computed
§ Amortization
* Balloon

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

Source: 2012 and 2013 NYC Rent Guidelines Board Mortgage Surveys

E.5 Lending Standards and Relinquished Rental Income, Longitudinal Study, 2012-2013

	Max Loan-to-Value		Debt Service Coverage		V&C Losses	
Lending Inst.	2013	2012	2013	2012	2013	2012
14	75%	70%	1.20	1.15	5%	1%
15	80%	80%	1.25	1.25	5%	5%
16	75%	75%	1.35	1.40	4%	4%
28	75%	75%	1.30	1.30	3%	2%
30	80%	80%	1.25	1.25	5%	5%
33	75%	NR	1.30	1.30	5%	5%
35	65%	65%	1.15	1.25	3%	3%
37	65%	65%	1.20	1.20	3%	3%
40	68%	68%	1.30	1.30	5%	5%
117	75%	75%	1.25	1.25	4%	2%
301	60%	65%	1.35	1.35	1%	3%
AVERAGE	**72.0%**	**71.8%**	**1.26**	**1.27**	**3.91%**	**3.41%**

NR indicates no response to this question

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

Source: 2012 and 2013 NYC Rent Guidelines Board Mortgage Surveys

E.6 Retrospective of New York City's Housing Market, 1982-2013

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

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

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

* The 2008 figure has been revised from that which was originally published due to the exclusion of one government lender

Notes: Interest rate data was collected in January-February and represents a 12-month average of the preceding year. Permit data is for the entire 12-month period of the shown year. The northern suburbs include Putnam, Rockland, and Westchester counties.

Sources: NYC Rent Guidelines Board, Annual Mortgage Surveys; U.S. Bureau of the Census, Manufacturing & Construction Division, Residential Construction Branch.

E.7 2013 Survey of Mortgage Financing for Multifamily Properties

I. Financing Availability and Terms for Multifamily Buildings

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

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

❑ **No**

Interest rate : __________ % (current) __________ % (12 mo. average for 2012)

Points : __________

Terms : __________

Type: Fixed / Adjustable *(circle one)*

Special conditions: __________

1b. How many loans were made by your institution in 2012 for new permanent financing of *rent stabilized buildings?*

Number of loans: __________

2a. Do you currently offer **refinancing** of mortgages on *rent stabilized buildings?*

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

❑ **No** *(Skip to question 4a if you do not offer refinancing.)*

Interest rate : __________ % (current) __________ % (12 mo. average for 2012)

Points : __________

Terms : __________

Type: Fixed / Adjustable *(circle one)*

Special conditions: __________ (if any)

2b. How many loans did your institution **refinance** in 2012 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?

____

____

____

____

1

II. Underwriting Criteria for Rent Stabilized Buildings

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

*(Provide the **maximum** criteria.)*

		N.A.
Loan-to-Value Ratio:	__________	❑
Debt Service Coverage:	__________	❑
Appraised Value of Building:	__________	❑

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 ________ %.

2

10. Approximately what percentage of your loans to *rent stabilized buildings* are **currently in foreclosure**?

❑ None

❑ Approximately ________ %.

11a. Does your institution **retain the mortgages** you offer or do you sell any to secondary markets?

❑ We retain all the mortgages sold. *(If so, please skip to question 12.)*

❑ We sell all our mortgages to secondary markets.

❑ We sell ____% of our mortgages to secondary markets.

11b. To whom do you **sell your mortgages**?

(Please check and fill in all applicable choices.)

❑ Fannie Mae

❑ Freddie Mac

❑ Other: __________

____

____

12. In your sector, who are your **major competitors** in multi-family lending?

____

____

13. Do the mortgages offered to *rent stabilized buildings* include any **commercial space**?

❑ No

❑ Yes. Approximately what percentage of buildings in your portfolio have commercial space? ________%

14. What is your best estimate of average **operating and maintenance costs** per unit per month in the *rent stabilized buildings* financed by your institution?

$ __________ ***per unit per month***

(Include the following operating and maintenance costs in your estimate: Real Estate & Other Taxes, Labor, Fuel, Utilities, Contractor Services, Administration — including Legal, Management and other costs — Insurance, Parts & Supplies, and Replacement Costs.)

15. What is your best estimate of **average rent per unit per month** in the *rent stabilized buildings* financed by your institution?

$ __________ ***per unit per month***

16. Do any of your **lending or underwriting standards differ** for *rent stabilized buildings* as opposed to non-stabilized multifamily properties?

(Please check all that apply)

New Financing Rates:	❑ Higher	❑ Lower	❑ Same
Refinancing Rates:	❑ Higher	❑ Lower	❑ Same
Loan-to-Value Ratio:	❑ Higher	❑ Lower	❑ Same
Debt Service Coverage:	❑ Higher	❑ Lower	❑ Same

17. On average, how does your portfolio of *rent stabilized buildings* **perform** as compared with expectations at the time of the initial loan originations?

(Please check all that apply)

Net Operating Income:	❑ Better	❑ Worse	❑ Same
Debt Service Coverage:	❑ Better	❑ Worse	❑ Same
O&M Expenses:	❑ Better	❑ Worse	❑ Same

3

18. Please estimate, *on average*, what percentage of Net Operating Income (NOI) goes towards **payment of debt service**:

__________%.

19. Please estimate the **average mortgage loan payment per unit per month** for a typical building in your portfolio:

$ __________.

20. Are there any **additional trends** relating to underwriting criteria, non-performing loans & foreclosure, or the mortgage market in general on which you wish to comment?

____

____

____

____

____

Thank you for taking the time to complete the survey. Findings will be published in the 2013 *Mortgage Survey Report*, which will be released by the end of March.

4

E.8 Rent Stabilized Building Sales Volume, Citywide and by Borough, and Percent Change, 2003-2012

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Citywide	**1,481**	**1,728**	**1,816**	**1,433**	**1,474**	**1,021**	**521**	**541**	**709**	**1,135**
% Change from Prior Yr	**-**	***16.7%***	***5.1%***	***-21.1%***	***2.9%***	***-30.7%***	***-49.0%***	***3.8%***	***31.1%***	***60.1%***
Bronx	203	269	264	224	319	171	100	131	130	204
% Change from Prior Yr	-	*32.5%*	*-1.9%*	*-15.2%*	*42.4%*	*-46.4%*	*-41.5%*	*31.0%*	*-0.8%*	*56.9%*
Brooklyn	678	730	750	593	520	426	199	185	258	396
% Change from Prior Yr	-	*7.7%*	*2.7%*	*-20.9%*	*-12.3%*	*-18.1%*	*-53.3%*	*-7.0%*	*39.5%*	*53.5%*
Manhattan	418	480	598	403	470	243	146	144	225	419
% Change from Prior Yr	-	*14.8%*	*24.6%*	*-32.6%*	*16.6%*	*-48.3%*	*-39.9%*	*-1.4%*	*56.3%*	*86.2%*
Queens	182	249	204	213	165	181	76	81	96	116
% Change from Prior Yr	-	*36.8%*	*-18.1%*	*4.4%*	*-22.5%*	*9.7%*	*-58.0%*	*6.6%*	*18.5%*	*20.8%*

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

Source: NYC Department of Finance

E.9 Rent Stabilized Building Median Sales Price and Sales Volume, by Borough and Building Size, and Percent Change, 2011-2012

	2011 Median Sale Price	2012 Median Sale Price	Percent Change from 2011-12	2011 # of Sales	2012 # of Sales	Percent Change from 2011-12
Citywide						
All buildings*	$1,800,000	$2,380,000	-	709	1,135	60.1%
6-10 units	$825,000	$836,500	1.4%	290	436	50.3%
11-19 units	$1,622,000	$2,850,000	75.7%	115	178	54.8%
20-99 units	$3,687,500	$4,000,000	8.5%	286	494	72.7%
100+ units	-	-	-	18	27	50.0%
Bronx						
All buildings*	$2,170,000	$2,410,177	-	130	204	56.9%
6-10 units	$591,250	$626,500	6.0%	19	34	78.9%
11-19 units	$1,149,604	$1,180,000	2.6%	17	17	0%
20-99 units	$3,400,000	$3,067,105	-9.8%	91	148	62.6%
Brooklyn						
All buildings*	$967,500	$1,060,000	-	258	396	53.5%
6-10 units	$720,000	$750,000	4.2%	155	247	59.4%
11-19 units	$1,325,000	$1,737,500	31.1%	30	56	86.7%
20-99 units	$3,215,240	$4,202,500	30.7%	70	88	25.7%
Manhattan						
All buildings*	$3,500,000	$4,325,650	-	225	419	86.2%
6-10 units	$2,900,000	$2,900,000	0%	52	86	65.4%
11-19 units	$2,458,732	$4,125,000	67.8%	53	92	73.6%
20-99 units	$4,500,000	$4,584,061	1.9%	111	226	103.6%
Queens						
All buildings*	$995,250	$1,125,000	-	96	116	20.8%
6-10 units	$803,000	$760,000	-5.4%	64	69	7.8%
11-19 units	-	-	-	-	-	-
20-99 units	$3,687,500	$4,501,102	22.1%	14	32	128.6%

Notes: The percent change in median sales price citywide and by borough were not calculated due to the variation in the median building size from year to year. Staten Island buildings; Queens 11-19 unit buildings; as well as all 100+ unit buildings, except sales volume Citywide, are excluded due to the small number of buildings sold.

* "All buildings" totals include buildings with 100 or more units. Therefore, these figures may not equal the sum of their subsets. In addition, Citywide figures do not contain Staten Island building sales.

Source: NYC Department of Finance

F.1 Average Annual Employment Statistics by Area, 2001-2012

Unemployment Rate	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Bronx	7.4%	9.8%	10.0%	9.2%	7.5%	6.7%	6.7%	7.4%	11.9%	12.7%	12.3%	12.7%
Brooklyn	6.6%	8.7%	9.0%	7.6%	6.2%	5.4%	5.3%	5.9%	9.8%	10.3%	9.7%	9.9%
Manhattan	5.7%	7.7%	7.5%	6.2%	5.0%	4.3%	4.2%	4.8%	8.4%	8.1%	7.4%	7.7%
Queens	5.4%	7.2%	7.4%	6.3%	5.2%	4.5%	4.4%	4.9%	8.3%	8.7%	8.1%	8.3%
Staten Island	5.2%	7.0%	7.4%	6.4%	5.2%	4.5%	4.5%	5.0%	8.1%	8.8%	8.2%	8.5%
NYC	**6.1%**	**8.0%**	**8.3%**	**7.1%**	**5.8%**	**5.0%**	**4.9%**	**5.5%**	**9.2%**	**9.6%**	**9.0%**	**9.2%**
U.S.	**4.7%**	**5.8%**	**6.0%**	**5.5%**	**5.1%**	**4.6%**	**4.6%**	**5.8%**	**9.3%**	**9.6%**	**8.9%**	**8.1%**
Labor Force Participation Rate												
NYC Δ	58.8%	59.4%	58.9%	58.6%	58.5%	59.0%	59.2%	59.5%	60.0%	60.1%	59.7%	59.9%
U.S.	66.8%	66.6%	66.2%	66.0%	66.0%	66.2%	66.0%	66.0%	65.4%	64.7%	64.1%	63.7%
Employment-Population Ratio												
NYC Δ	55.2%	54.6%	54.0%	54.5%	55.2%	56.1%	56.3%	56.3%	54.5%	54.4%	54.3%	54.4%
U.S.	63.7%	62.7%	62.3%	62.3%	62.7%	63.1%	63.0%	62.2%	59.3%	58.5%	58.4%	58.6%
Gross City Product (NYC)												
(billions, in 2005 $)	474.3	468.2	462.1	471.4	495.1	523.6	542.8	540.2	517.1	527.3	537.9	549.9
% Change	4.18%	-1.28%	-1.31%	2.01%	5.03%	5.76%	3.66%	-0.49%	-4.27%	1.97%	2.01%	2.23%
Gross Domestic Product (U.S.)												
(billions, in 2005 $)	11,337.5	11,543.1	11,836.4	12,246.9	12,623.0	12,958.5	13,206.4	13,161.9	12,757.9	13,063.0	13,299.1	13,591.1
% Change	1.08%	1.81%	2.54%	3.47%	3.07%	2.66%	1.91%	-0.34%	-3.07%	2.39%	1.81%	2.20%

Notes: The New York City Comptroller's Office revises the Gross City Product periodically. The GCP & GDP figures presented here may not be the same as those reported in prior years. Note that GCP and GDP figures are preliminary. The NYS Dept. of Labor also periodically revises unemployment rates, and rates reflected here might not match those figures reported in prior years.

Sources: U.S. Bureau of Labor Statistics; U.S. Bureau of Economic Analysis, U.S. Dept. of Commerce; NYS Dept. of Labor; NYC Comptroller's Office.

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

F.2 Average Payroll Employment by Industry for NYC, 2003-2012 (in thousands)

Industry Employment	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2011-2012 Change
Manufacturing	126.6	120.8	113.9	106.1	101.0	95.6	81.6	76.3	75.7	76.4	0.9%
Construction, Natural Resources & Mining Δ	112.7	111.8	113.3	118.5	127.3	132.7	120.8	112.5	112.3	115.0	2.4%
Trade, Transport & Utilities	534.1	539.9	548.2	559.0	570.5	574.5	552.4	559.1	574.7	587.7	2.3%
Leisure & Hospitality	260.3	270.1	276.7	284.9	297.8	310.2	308.5	322.2	342.2	363.1	6.1%
Financial Activities	433.6	435.5	445.1	458.3	467.6	465.0	434.2	428.6	439.5	438.6	-0.2%
Information	163.9	160.2	162.8	164.9	166.9	169.5	165.3	166.0	170.9	176.6	3.3%
Professional & Business Svcs.	536.6	541.6	555.6	571.4	591.8	602.9	568.9	575.3	597.6	619.3	3.6%
Educational & Health Svcs.	658.2	665.3	678.8	694.7	705.1	719.0	734.6	752.8	769.3	785.2	2.1%
Other Services	149.1	150.5	153.2	154.3	157.7	160.8	160.3	160.6	165.2	170.2	3.0%
Total Private Sector	2,975.1	2,995.6	3,047.6	3,112.1	3,185.6	3,230.2	3,126.5	3,153.3	3,247.4	3,332.0	2.6%
Government ‡	556.6	554.4	555.6	555.2	559.0	564.1	567.0	558.0	550.6	545.5	-0.9%
City of New York	448.3	447.9	449.8	450.4	453.9	458.5	462.1	451.4	451.7	449.4	-0.5%
Total	**3,531.7**	**3,550.0**	**3,603.3**	**3,667.3**	**3,744.6**	**3,794.3**	**3,693.4**	**3,711.3**	**3,798.0**	**3,877.5**	**2.1%**

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.

Δ Beginning in 2005, Construction and Natural Resources & Mining are no longer two separate employment sectors. Prior year figures reflect that change.

‡ Government includes federal, state, and local (City of New York) jobs located in New York City. Local government figures have been revised from prior years to include those employed by the City of New York as well as city-based public corporations such as the HHC (Health and Hospitals Corporation) and the MTA.

Source: NYS Department of Labor

F.3 Average Real Wage Rates by Industry for NYC, 2004-2012 (2012 dollars)

Industry	2004	2005	2006	2007	2008	2009	2010	2011	2012	2011-12 % Change
Construction	$71,350	$69,073	$68,386	$70,771	$72,328	$73,213	$73,560	$73,073	$71,169	-2.6%
Manufacturing	$54,805	$57,939	$55,157	$57,520	$56,598	$55,243	$54,657	$55,488	$52,661	-5.1%
Transportation	$52,666	$51,342	$50,292	$51,967	$49,573	$49,807	$50,316	$50,397	$49,577	-1.6%
Trade*	$52,783	$52,598	$52,457	$53,853	$51,918	$49,719	$49,470	$50,346	$49,957	-0.8%
Finance and Insurance	$235,319	$246,901	$275,728	$317,008	$301,348	$242,814	$274,448	$276,740	$250,969	-9.3%
Real Estate	$61,495	$62,280	$63,302	$68,330	$66,374	$62,492	$62,643	$64,092	$64,414	0.5%
Admin/Waste/Edu/Health**	$49,269	$49,546	$49,278	$50,067	$50,025	$50,333	$50,773	$50,345	$49,517	-1.6%
Arts, Entertainment & Rec	$67,767	$67,579	$66,514	$70,352	$66,145	$65,506	$67,155	$66,705	$62,795	-5.9%
Accomm & Food Svcs.	$30,870	$30,842	$30,751	$31,222	$30,981	$29,664	$29,821	$29,928	$29,680	-0.8%
Other Svcs.	$43,158	$43,254	$43,598	$44,617	$45,352	$45,142	$46,483	$46,016	$43,234	-6.0%
Professional & Tech Svcs.	$108,541	$111,254	$109,969	$113,303	$114,994	$112,396	$112,424	$116,073	$113,638	-2.1%
Management of Companies	$185,133	$184,150	$187,266	$205,386	$192,180	$165,482	$191,395	$196,156	$185,744	-5.3%
Information	$109,334	$109,424	$111,064	$114,003	$113,084	$108,391	$111,124	$113,186	$113,601	0.4%
Utilities	$103,739	$102,271	$100,571	$104,490	$100,251	$95,368	$99,835	$101,412	$111,728	10.2%
Unclassified/Agri/Mining***	$35,838	$38,984	$38,423	$41,407	$41,251	$36,170	$40,589	$41,357	$37,472	1.9%
Private Sector	$81,980	$83,698	$87,039	$93,648	$91,113	$82,132	$85,202	$86,076	$81,839	-4.9%
Government	$62,296	$61,215	$60,054	$59,531	$58,281	$59,110	$59,503	$59,873	$58,424	-2.4%
Total Industries	**$78,856**	**$80,183**	**$82,895**	**$88,502**	**$86,207**	**$78,614**	**$81,253**	**$82,232**	**$78,504**	**-4.5%**

Note: Each year refers to the first three quarters of that year, and the fourth quarter of the prior year. The New York State Department of Labor revises the statistics annually. Real wages reflect 2012 dollars and differ from those found in this table in prior years.

*The Wholesale Trade and Retail Trade sectors have been combined into one category. **The Administrative and Waste Service, Educational Services, and Health Care and Social Assistance Service have been combined into one category. ***The Unclassified; Agriculture, Forestry, Fishing Hunting; and Mining sectors have been combined into one category.

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

F.4 Average Nominal Wage Rates by Industry for NYC, 2004-2012

Industry	2004	2005	2006	2007	2008	2009	2010	2011	2012	2011-12 % Change
Construction	$57,584	$57,878	$59,646	$63,337	$67,396	$68,738	$70,232	$71,478	$71,169	-0.4%
Manufacturing	$44,231	$48,549	$48,108	$51,478	$52,739	$51,866	$52,184	$54,277	$52,661	-3.0%
Transportation	$42,504	$43,021	$43,865	$46,508	$46,193	$46,762	$48,040	$49,296	$49,577	0.6%
Trade*	$42,599	$44,073	$45,753	$48,196	$48,378	$46,680	$47,232	$49,247	$49,957	1.4%
Finance and Insurance	$189,917	$206,885	$240,490	$283,707	$280,801	$227,972	$262,032	$270,698	$250,969	-7.3%
Real Estate	$49,630	$52,186	$55,212	$61,152	$61,848	$58,673	$59,809	$62,692	$64,414	2.7%
Admin/Waste/Edu/Health**	$39,763	$41,516	$42,980	$44,807	$46,614	$47,256	$48,476	$49,246	$49,517	0.5%
Arts, Entertainment & Rec	$54,692	$56,626	$58,014	$62,961	$61,635	$61,502	$64,117	$65,249	$62,795	-3.8%
Accomm & Food Svcs.	$24,914	$25,844	$26,821	$27,942	$28,869	$27,850	$28,472	$29,275	$29,680	1.4%
Other Svcs.	$34,831	$36,244	$38,026	$39,930	$42,260	$42,383	$44,380	$45,012	$43,234	-3.9%
Professional & Tech Svcs.	$87,599	$93,222	$95,915	$101,401	$107,153	$105,526	$107,338	$113,538	$113,638	0.1%
Management of Companies	$149,414	$154,304	$163,334	$183,811	$179,076	$155,367	$182,736	$191,873	$185,744	-3.2%
Information	$88,240	$91,689	$96,870	$102,027	$105,373	$101,766	$106,097	$110,714	$113,601	2.6%
Utilities	$83,724	$85,695	$87,718	$93,514	$93,415	$89,538	$95,318	$99,197	$111,728	12.6%
Unclassified/Agri/Mining***	$28,924	$32,665	$33,513	$37,058	$38,438	$33,959	$38,753	$40,454	$37,472	-7.4%
Private Sector	$66,163	$70,133	$75,916	$83,810	$84,900	$77,112	$81,347	$84,196	$81,839	-2.8%
Government	$50,277	$51,294	$52,380	$53,278	$54,308	$55,497	$56,811	$58,566	$58,424	-0.2%
Total Industries	**$63,642**	**$67,188**	**$72,302**	**$79,205**	**$80,329**	**$73,809**	**$77,577**	**$80,437**	**$78,504**	**-2.4%**

Note: Each year refers to the first three quarters of that year, and the fourth quarter of the prior year. The New York State Department of Labor revises the statistics annually.

*The Wholesale Trade and Retail Trade sectors have been combined into one category. **The Administrative and Waste Service, Educational Services, and Health Care and Social Assistance Service have been combined into one category. ***The Unclassified; Agriculture, Forestry, Fishing Hunting; and Mining sectors have been combined into one category.

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

F.5 Consumer Price Index for All Urban Consumers, NY-Northeastern NJ, 2002-2012

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
March	191.1	197.1	203.4	212.4	218.2	224.6	233.1	235.1	240.1	245.6	251.9
June	191.5	196.9	206.0	210.7	222.6	228.3	238.6	237.2	240.8	248.5	252.4
September	193.3	199.6	205.9	215.8	222.9	228.3	240.1	238.6	241.5	250.6	254.6
December	193.1	199.3	206.8	214.2	221.3	229.4	233.0	238.4	241.9	248.3	253.6
Quarterly Average	192.3	198.2	205.5	213.3	221.3	227.6	236.2	237.3	241.1	248.2	253.1
Yearly Average	191.9	197.8	204.8	212.7	220.7	226.9	235.8	236.8	240.9	247.7	252.6

12-month percentage change in the CPI

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
March	2.52%	3.14%	3.20%	4.42%	2.73%	2.91%	3.82%	0.83%	2.14%	2.30%	2.55%
June	1.70%	2.82%	4.62%	2.28%	5.65%	2.54%	4.52%	-0.59%	1.54%	3.19%	1.57%
September	2.82%	3.26%	3.16%	4.81%	3.29%	2.43%	5.16%	-0.63%	1.22%	3.76%	1.59%
December	3.10%	3.21%	3.76%	3.58%	3.31%	3.66%	1.58%	2.32%	1.45%	2.66%	2.11%
Quarterly Average	2.53%	3.11%	3.68%	3.77%	3.74%	2.88%	3.77%	0.47%	1.58%	2.98%	1.96%
Yearly Average	**2.57%**	**3.07%**	**3.54%**	**3.86%**	**3.76%**	**2.83%**	**3.90%**	**0.44%**	**1.71%**	**2.85%**	**1.97%**

Source: U.S. Bureau of Labor Statistics; Base Period: 1982-1984=100

F.6 Housing Court Actions, 1983-2012

Year	Filings	Calendared	Evictions & Possessions
1983	373,000	93,000	26,665
1984	343,000	85,000	23,058
1985	335,000	82,000	20,283
1986	312,000	81,000	23,318
1987	301,000	77,000	25,761
1988	299,000	92,000	24,230
1989	299,000	99,000	25,188
1990	297,000	101,000	23,578
1991	302,000	114,000	20,432
1992	289,000	122,000	22,098
1993	295,000	124,000	21,937
1994	294,000	123,000	23,970
1995	266,000	112,000	22,806
1996	278,000	113,000	24,370
1997	274,000	111,000	24,995
1998	278,156	127,851	23,454
1999	276,142	123,399	22,676
2000	276,159	125,787	23,830
2001	277,440	130,897	21,369*
2002	331,309	132,148	23,697
2003	318,077	133,074	23,236
2004	261,085	121,999	22,010
2005	261,457	119,265	21,945
2006	256,747	122,379	23,491
2007	251,390	121,793	24,171
2008	246,147	120,420	24,600
2009	251,871	123,149	26,449
2010	213,066**	127,396	25,655
2011	221,182	126,315	27,636
2012	**217,914**	**132,860**	**28,743**

Note: "Filings" reflect non-payment proceedings initiated by rental property owners, while "Calendared" reflect those non-payment proceedings resulting in a court appearance. "Filings" and "Calendared" figures prior to 1998 were rounded to the nearest thousand.

*Note: 2001 Evictions and Possessions data is incomplete as it excludes the work of one city marshal who died in May 2001 and whose statistics are unavailable.

**Due to an administrative change at NYCHA relating to their handling of late rent payments, the number of non-payment filings decreased dramatically. If not for this change, the drop in non-payment filings between 2009 and 2010 would have been significantly less, or nonexistent.

Sources: NYC Civil Court, First Deputy Chief Clerk for Housing; NYC Department of Investigations, Bureau of City Marshals.

F.7 Homeless Statistics, 1982-2012

Year	Single Adults	Children	Families (inc. children)	Total Individuals
1982	3,786	2,507	1,005	7,584
1983	5,061	4,887	1,960	12,468
1984	6,228	7,432	2,981	17,491
1985	7,217	9,196	3,688	21,154
1986	8,890	10,493	4,286	24,896
1987	9,628	11,163	4,986	27,225
1988	9,675	11,401	5,091	27,646
1989	9,342	8,614	4,105	23,254
1990	8,535	6,966	3,591	20,131
1991	7,689	8,867	4,581	22,498
1992	6,922	9,607	5,270	23,494
1993	6,413	9,760	5,626	23,748
1994	6,235	9,610	5,629	23,431
1995	6,532	9,927	5,627	23,950
1996	7,020	9,945	5,692	24,554
1997	7,090	8,437	4,793	22,145
1998	6,875	8,054	4,558	21,277
1999	6,778	8,826	4,965	22,575
2000	6,934	9,290	5,192	23,712
2001	7,479	11,427	6,154	27,799
2002	7,750	14,952	8,071	34,576
2003	8,199	16,705	9,203	38,310
2004	8,612	15,705	8,922	37,319
2005	8,174	13,534	8,194	33,687
2006	7,662	12,597	8,339	32,430
2007	6,942	14,060	9,075	34,109
2008	6,530	14,327	8,856	33,554
2009	6,764	15,326	9,719	35,915
2010	7,825	14,788	9,635	36,175
2011	8,543	15,501	9,573	37,765
2012	**9,047**	**18,068**	**10,705**	**43,295**

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

Source: New York City Department of Homeless Services

F.8 Housing and Vacancy Survey Data, Rent Stabilized Apartments, 2008 and 2011

	2008[1]		2011[2]	
	Number	Percent	Number	Percent
Household Income				
<$5,000/Loss/No Income	80,378	8.2%	50,567	5.3%
$5,000 to $9,999	74,861	7.6%	78,016	8.1%
$10,000 to $14,999	71,577	7.3%	75,667	7.9%
$15,000 to $19,999	64,086	6.5%	70,637	7.4%
$20,000 to $24,999	69,201	7.0%	64,639	6.7%
$25,000 to $29,999	55,008	5.6%	55,784	5.8%
$30,000 to $34,999	54,932	5.6%	57,365	6.0%
$35,000 to $39,999	48,861	5.0%	49,981	5.2%
$40,000 to $49,999	94,169	9.6%	90,797	9.4%
$50,000 to $59,999	73,163	7.5%	72,509	7.5%
$60,000 to $69,999	64,349	6.6%	56,806	5.9%
$70,000 to $79,999	50,779	5.2%	53,914	5.6%
$80,000 to $89,999	37,878	3.9%	37,375	3.9%
$90,000 to $99,999	23,740	2.4%	28,821	3.0%
$100,000 to $124,999	52,656	5.4%	49,282	5.1%
$125,000 to $149,999	24,762	2.5%	25,899	2.7%
$150,000 or More	41,337	4.2%	42,812	4.5%
Median	$36,000	-	$37,000	-
Mean	$52,023	-	$51,367	-
Contract Rent				
<$100	172	0.0%	402	0.0%
$100 to $199	5,595	0.6%	2,358	0.2%
$200 to $299	12,527	1.3%	6,187	0.7%
$300 to $399	21,484	2.2%	6,766	0.7%
$400 to $499	30,536	3.2%	11,879	1.3%
$500 to $599	48,272	5.0%	23,937	2.5%
$600 to $699	93,768	9.7%	42,934	4.5%
$700 to $799	99,695	10.3%	72,226	7.6%
$800 to $899	117,820	12.2%	101,486	10.7%
$900 to $999	137,014	14.1%	122,179	12.9%
$1,000 to $1,249	202,349	20.9%	263,560	27.8%
$1,250 to $1,499	88,085	9.1%	133,306	14.1%
$1,500 to $1,749	54,523	5.6%	89,454	9.4%
$1,750 or More	56,869	5.9%	70,126	7.4%
No Cash Rent	13,027	-	14,069	-
Median	$923	-	$1,050	-
Mean	$1,005	-	$1,137	-
Contract-Rent-to-Income Ratio				
<10%	71,092	7.8%	47,858	5.2%
10% to 14%	104,348	11.4%	80,265	8.8%
15% to 19%	115,416	12.6%	106,840	11.7%
20% to 24%	109,164	11.9%	103,692	11.4%
25% to 29%	79,292	8.7%	85,595	9.4%
30% to 34%	63,341	6.9%	74,226	8.1%
35% to 39%	45,419	5.0%	48,025	5.3%
40% to 49%	78,306	8.5%	78,151	8.6%
50% to 59%	54,372	5.9%	50,588	5.5%
60% to 69%	37,621	4.1%	39,963	4.4%
70% to 79%	26,994	2.9%	36,792	4.0%
80% or More	130,723	14.3%	160,732	17.6%
Not Computed	65,648	-	48,142	-
Median	28.4%	-	31.9%	-
Mean	39.0%	-	43.1%	-

1. 2008 HVS reflects 2007 incomes.
2. 2011 HVS reflects 2010 incomes.

Note: 2008 and 2011 data values are imputed.

Source: 2008 and 2011 New York City Housing and Vacancy Survey Tables, U.S. Bureau of the Census.

G.1 Permits Issued For Housing Units in New York City, 1960-2013

Year	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Total
1960	--	--	--	--	--	**46,792**
1961	--	--	--	--	--	**70,606**
1962	--	--	--	--	--	**70,686**
1963	--	--	--	--	--	**49,898**
1964	--	--	--	--	--	**20,594**
1965	--	--	--	--	--	**25,715**
1966	--	--	--	--	--	**23,142**
1967	--	--	--	--	--	**22,174**
1968	--	--	--	--	--	**22,062**
1969	--	--	--	--	--	**17,031**
1970	--	--	--	--	--	**22,365**
1971	--	--	--	--	--	**32,254**
1972	--	--	--	--	--	**36,061**
1973	--	--	--	--	--	**22,417**
1974	--	--	--	--	--	**15,743**
1975	--	--	--	--	--	**3,810**
1976	--	--	--	--	--	**5,435**
1977	--	--	--	--	--	**7,639**
1978	--	--	--	--	--	**11,096**
1979	--	--	--	--	--	**14,524**
1980	--	--	--	--	--	**7,800**
1981	--	--	--	--	--	**11,060**
1982	--	--	--	--	--	**7,649**
1983	--	--	--	--	--	**11,795**
1984	--	--	--	--	--	**11,566**
1985	1,263	1,068	12,079	2,211	3,711	**20,332**
1986	920	1,278	1,622	2,180	3,782	**9,782**
1987	931	1,650	3,811	3,182	4,190	**13,764**
1988	967	1,629	2,460	2,506	2,335	**9,897**
1989	1,643	1,775	2,986	2,339	2,803	**11,546**
1990	1,182	1,634	2,398	704	940	**6,858**
1991	1,093	1,024	756	602	1,224	**4,699**
1992	1,257	646	373	351	1,255	**3,882**
1993	1,293	1,015	1,150	530	1,185	**5,173**
1994	846	911	428	560	1,265	**4,010**
1995	853	943	1,129	738	1,472	**5,135**
1996	885	942	3,369	1,301	2,155	**8,652**
1997	1,161	1,063	3,762	1,144	1,857	**8,987**
1998	1,309	1,787	3,823	1,446	2,022	**10,387**
1999	1,153	2,894	3,791	2,169	2,414	**12,421**
2000	1,646	2,904	5,110	2,723	2,667	**15,050**
2001	2,216	2,973	6,109	3,264	2,294	**16,856**
2002	2,626	5,247	5,407	3,464	1,756	**18,500**
2003	2,935	6,054	5,232	4,399	2,598	**21,218**
2004	4,924	6,825	4,555	6,853	2,051	**25,208**
2005	4,937	9,028	8,493	7,269	1,872	**31,599**
2006	4,658	9,191	8,790	7,252	1,036	**30,927**
2007	3,088	10,930	9,520	7,625	739	**31,902**
2008	2,482	12,744	9,700	7,730	1,255	**33,911**
2009	1,647	1,003	1,363	1,474	570	**6,057**
2010	1,064	2,093	704	2,358	508	**6,727**
2011	1,116	1,522	2,535	3,182	581	**8,936**
2012	**2,552**	**3,353**	**2,328**	**1,428**	**673**	**10,334**
2013 (1st Qtr)$^{\Omega}$	214 (564)	1,184 (600)	568 (556)	428 (197)	162 (193)	2,556 (2,110)

Ω First three months of 2013. The number of permits issued in the first three months of 2012 is in parenthesis.

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

G.2 Permits Issued by Building Size & Borough (In Percentages), 2004-2012

Year/Borough	1-Family	2-Family	3/4 Family	5 or More-Family	Total Buildings
2004					
Bronx	4.1%	40.2%	46.9%	8.9%	813
Brooklyn	8.0%	31.3%	43.6%	17.1%	1,407
Manhattan	1.1%	3.3%	16.7%	78.9%	90
Queens	13.3%	55.5%	25.9%	5.2%	1,986
Staten Island	46.2%	53.3%	0.2%	0.3%	1,308
Citywide	*18.1%*	*45.9%*	*27.3%*	*8.7%*	*5,604*
2005					
Bronx	3.5%	29.9%	54.9%	11.6%	825
Brooklyn	6.4%	28.3%	45.3%	20.0%	1,638
Manhattan	2.6%	0.9%	6.1%	90.4%	115
Queens	17.5%	47.5%	27.1%	7.8%	1,912
Staten Island	63.9%	34.6%	1.0%	0.5%	1,297
Citywide	*22.5%*	*35.8%*	*30.0%*	*11.8%*	*5,787*
2006					
Bronx	7.7%	33.6%	51.4%	7.3%	959
Brooklyn	8.1%	23.2%	45.7%	23.0%	1,389
Manhattan	1.8%	3.5%	5.3%	89.4%	113
Queens	14.3%	49.7%	29.0%	7.1%	2,014
Staten Island	62.7%	36.2%	0.0%	1.1%	697
Citywide	*17.7%*	*36.7%*	*33.2%*	*12.4%*	*5,172*
2007					
Bronx	6.8%	43.7%	41.7%	7.8%	643
Brooklyn	0.0%	18.3%	51.7%	30.0%	1,079
Manhattan	5.0%	1.7%	5.8%	87.6%	121
Queens	17.1%	53.1%	21.3%	8.6%	1,562
Staten Island	60.7%	38.6%	0.2%	0.6%	511
Citywide	*16.0%*	*38.5%*	*29.8%*	*15.8%*	*3,916*
2008					
Bronx	43.4%	17.7%	23.1%	15.8%	373
Brooklyn	0.0%	25.0%	18.7%	56.3%	787
Manhattan	2.0%	0.0%	0.0%	98.0%	152
Queens	18.5%	42.3%	14.8%	24.4%	755
Staten Island	50.4%	40.1%	0.5%	9.0%	367
Citywide	*20.1%*	*30.0%*	*14.3%*	*35.7%*	*2,434*
2009					
Bronx	38.1%	14.4%	20.6%	26.9%	160
Brooklyn	0.8%	28.2%	38.9%	32.1%	131
Manhattan	0.0%	0.0%	11.8%	88.2%	34
Queens	29.7%	43.3%	16.0%	11.0%	418
Staten Island	48.0%	49.8%	0.0%	2.2%	271
Citywide	*31.2%*	*37.1%*	*15.3%*	*16.5%*	*1,014*
2010					
Bronx	9.2%	38.5%	23.1%	29.2%	65
Brooklyn	3.6%	31.4%	27.9%	37.1%	140
Manhattan	0.0%	18.2%	9.1%	72.7%	11
Queens	12.4%	67.2%	11.2%	9.2%	509
Staten Island	71.9%	27.2%	0.6%	0.3%	349
Citywide	*30.3%*	*47.3%*	*10.6%*	*11.8%*	*1,074*
2011					
Bronx	1.5%	35.3%	19.1%	44.1%	68
Brooklyn	0.0%	44.3%	30.5%	25.3%	174
Manhattan	3.6%	0.0%	3.6%	92.9%	28
Queens	21.5%	57.0%	11.9%	9.6%	386
Staten Island	52.5%	47.2%	0.0%	0.3%	341
Citywide	*26.5%*	*48.3%*	*11.3%*	*13.8%*	*997*
2012					
Bronx	**5.9%**	**39.3%**	**17.0%**	**37.8%**	**135**
Brooklyn	**0.4%**	**20.5%**	**36.9%**	**42.2%**	**249**
Manhattan	**9.5%**	**4.8%**	**0.0%**	**85.7%**	**42**
Queens	**26.8%**	**41.9%**	**16.9%**	**14.4%**	**284**
Staten Island	**64.1%**	**34.6%**	**0.0%**	**1.3%**	**298**
Citywide	***27.8%***	***32.5%***	***16.2%***	***23.5%***	***1,008***

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

G.3 New Dwelling Units Completed in New York City, 1960-2012

Year	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Total
1960	4,970	9,860	5,018	14,108	1,292	**35,248**
1961	4,424	8,380	10,539	10,632	1,152	**35,127**
1962	6,458	10,595	12,094	15,480	2,677	**47,304**
1963	8,780	12,264	19,398	17,166	2,423	**60,031**
1964	9,503	13,555	15,833	10,846	2,182	**51,919**
1965	6,247	10,084	14,699	16,103	2,319	**49,452**
1966	7,174	6,926	8,854	6,935	2,242	**32,131**
1967	4,038	3,195	7,108	5,626	3,069	**23,036**
1968	3,138	4,158	2,707	4,209	3,030	**17,242**
1969	1,313	2,371	6,570	3,447	3,768	**17,469**
1970	1,652	1,695	3,155	4,230	3,602	**14,334**
1971	7,169	2,102	4,708	2,576	2,909	**19,464**
1972	11,923	2,593	1,931	3,021	3,199	**22,667**
1973	6,294	4,340	2,918	3,415	3,969	**20,936**
1974	3,380	4,379	6,418	3,406	2,756	**20,339**
1975	4,469	3,084	9,171	2,146	2,524	**21,394**
1976	1,373	10,782	6,760	3,364	1,638	**23,917**
1977	721	3,621	2,547	1,350	1,984	**10,223**
1978	464	345	3,845	697	1,717	**7,068**
1979	405	1,566	4,060	1,042	2,642	**9,715**
1980	1,709	708	3,306	783	2,380	**8,886**
1981	396	454	4,416	1,152	2,316	**8,734**
1982	997	332	1,812	2,451	1,657	**7,249**
1983	757	1,526	2,558	2,926	1,254	**9,021**
1984	242	1,975	3,500	2,291	2,277	**10,285**
1985	557	1,301	1,739	1,871	1,939	**7,407**
1986	968	2,398	4,266	1,776	2,715	**12,123**
1987	1,177	1,735	4,197	2,347	3,301	**12,757**
1988	1,248	1,631	5,548	2,100	2,693	**13,220**
1989	847	2,098	5,979	3,560	2,201	**14,685**
1990	872	929	7,260	2,327	1,384	**12,772**
1991	656	764	2,608	1,956	1,627	**7,611**
1992	802	1,337	3,750	1,498	1,136	**8,523**
1993	886	616	1,810	801	1,466	**5,579**
1994	891	1,035	1,927	1,527	1,573	**6,953**
1995	1,166	1,647	2,798	1,013	1,268	**7,892**
1996	1,075	1,583	1,582	1,152	1,726	**7,118**
1997	1,391	1,369	816	1,578	1,791	**6,945**
1998	575	1,333	5,175	1,263	1,751	**10,097**
1999	1,228	1,025	2,341	2,119	2,264	**8,977**
2000	1,385	1,353	6,064	2,096	1,896	**12,794**
2001	1,617	2,404	6,036	1,225	2,198	**13,480**
2002	1,220	2,248	8,326	1,981	2,453	**16,228**
2003	1,473	2,575	3,798	2,344	2,589	**12,779**
2004 π	3,326	4,512	6,150	3,087	2,291	**19,366**
2005 π	3,012	5,007	5,006	4,526	1,942	**19,493**
2006 π	4,311	6,418	5,199	5,940	1,900	**23,768**
2007 π	4,422	7,109	7,498	5,907	1,446	**26,382**
2008 π	4,217	7,254	6,118	5,437	1,019	**24,045**
2009 π	2,964	7,522	8,110	4,969	887	**24,452**
2010 π	3,948	7,181	7,801	4,401	714	**24,045**
2011 π	3,417	4,728	2,375	2,852	612	**13,984**
2012 π	**1,413**	**3,611**	**1,159**	**2,632**	**640**	**9,455**

Note: Dwelling unit count is based on the number of Certificates of Occupancy issued by NYC Department of Buildings, or equivalent action by the Empire State Development Corporation or NYS Dormitory Authority. Prior year's data may be adjusted and may not match prior reports.

π Data from 2004-2012 now includes Final Certificates of Occupancy (as with all other years) as well as Temporary Certificates of Occupancy data for the first time. Data will be updated every year to reflect the most current estimates.

Source: New York City Department of City Planning, Certificates of Occupancy issued in Newly Constructed Buildings.

G.4 Number of Residential Co-op and Condo Plans Accepted for Filing By the NYS Attorney General's Office, 2007-2012

	2007	2008	2009	2010	2011*	2012
	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)
Private Plans						
New Construction	573 (19,511)	454 (13,998)	335 (7,270)	235 (4,907)	185 (3,785)	121 (2,810)
Rehabilitation	8 (71)	4 (130)	1 (73)	0	2 (14)	11 (106)
Conversion (Non-Eviction)	66 (5,441)	50 (2,582)	29 (725)	20 (812)	20 (457)	25 (1,539)
Conversion (Eviction)	0	0	0	0	0	0
Private Total	**647 (25,023)**	**508 (16,710)**	**365 (8,068)**	**255 (5,719)**	**207 (4,256)**	**157 (4,455)**
	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	0	0	0
Conversion (Non-Eviction)	0	0	0	0	0	0
Conversion (Eviction)	16 (248)	18 (241	13 (274	4 (59)	9 (209)	3 (97)
HPD Total	**16 (248)**	**18 (241)**	**13 (274)**	**4 (59)**	**9 (209)**	**3 (97)**
Grand Total	**663 (25,271)**	**526 (16,951)**	**378 (8,342)**	**259 (5,778)**	**216 (4,465)**	**160 (4,552)**

*Figures corrected and differ from those found in the *2012 Housing NYC* book.
Note: Figures exclude "Homeowner" and "Commercial" plans/units.
Source: New York State Attorney General's Office, Real Estate Financing Bureau.

G.5 Number of Units in Co-op and Condo Plans Accepted for Filing By the NYS Attorney General's Office, 1985-2012

Year	New Construction	Conversion Eviction	Conversion Non-Eviction	Rehabilitation	Total New Construction Conversion & Rehab	Units in HPD Sponsored Plans
1985	9,391	2,276	30,277	--	**41,944**	935
1986	11,684	687	39,874	--	**52,245**	195
1987	8,460	1,064	35,574	--	**45,098**	1,175
1988	9,899	1,006	32,283	--	**43,188**	1,159
1989	6,153	137	25,459	--	**31,749**	945
1990	4,203	364	14,640	--	**19,207**	1,175
1991	1,111	173	1,757	--	**3,041**	2,459
1992	793	0	566	--	**1,359**	1,674
1993	775	41	134	--	**950**	455
1994	393	283	176	807	**1,659**	901
1995	614	426	201	1,258	**2,499**	935
1996	21	0	149	271	**441**	0
1997	1,417	26	131	852	**2,426**	533
1998	3,225	0	386	826	**4,437**	190
1999	1,123	343	359	1,029	**2,854**	295
2000	1,911	203	738	220	**3,072**	179
2001	3,833	22	1,053	124	**5,032**	22
2002	2,576	260	1,974	348	**5,158**	260
2003	4,870	0	639	418	**5,927**	0
2004	6,018	274	1,550	334	**8,176**	274
2005	12,210	269	2,356	223	**15,058**	269
2006	19,870	273	6,331	0	**26,474**	273
2007	19,511	248	5,441	71	**25,271**	248
2008	13,998	241	2,582	130	**16,951**	241
2009	7,270	274	725	73	**8,342**	274
2010	4,916	59	812	0	5,787	59
2011	4,625	209	505	14	**5,353**	209
2012	**2,810**	**97**	**1,539**	**106**	**4,552**	**97**

Note: Rehabilitated units were tabulated separately beginning in 1994. HPD Plans are a subset of all plans. Some numbers were revised from prior years.

Source: New York State Attorney General's Office, Real Estate Financing Bureau.

G.6 Tax Incentive Programs, 2010-2012

Buildings Receiving Certificates for 421-a Exemptions, 2010-2012

	2010			2011			2012		
	Certificates	Buildings	Units	Certificates	Buildings	Units	Certificates	Buildings	Units
Bronx	32	45	1,134	54	138	1,047	39	61	1,441
Brooklyn	84	115	1,133	197	292	3,946	143	197	3,028
Manhattan	22	23	2,020	65	70	3,311	52	52	4,862
Queens	93	145	1,580	174	301	2,663	92	166	1,521
Staten Island	3	3	28	7	10	40	1	1	4
TOTAL	**234**	**331**	**5,895**	**497**	**811**	**11,007**	**327**	**477**	**10,856**

Buildings Receiving J-51 Tax Abatements and Exemptions, 2010-2012

	2010			2011			2012		
	Buildings	Units	Certified Cost ($1,000s)	Buildings	Units	Certified Cost ($1,000s)	Buildings	Units	Certified Cost ($1,000s)
Bronx	198	16,661	20,545	202	12,001	18,391	218	12,455	30,607
Brooklyn	320	9,333	27,945	346	17,713	36,993	293	12,149	22,430
Manhattan	173	6,806	28,739	172	5,622	20,560	115	5,265	17,586
Queens	640	17,354	15,113	833	19,387	14,588	555	16,017	12,072
Staten Island	1	109	215	2	52	232	0	0	0
TOTAL	**1,332**	**50,263**	**92,557**	**1,555**	**54,775**	**90,764**	**1,181**	**45,886**	**82,695**

Source: New York City Department of Housing Preservation and Development, Office of Development, Tax Incentive Programs.

G.7 Tax Incentive Programs – Units Receiving Initial Benefits, 1981-2012

Year	421-a	J-51
1981	3,505	--
1982	3,620	--
1983	2,088	--
1984	5,820	--
1985	5,478	--
1986	8,569	--
1987	8,286	--
1988	10,079	109,367
1989	5,342	64,392
1990	980	113,009
1991	3,323	115,031
1992	2,650	143,593
1993	914	122,000
1994	627	60,874
1995	2,284	77,072
1996	1,085	70,431
1997	2,099	145,316
1998	2,118	103,527
1999	6,123	82,121
2000	2,828	83,925
2001	4,870	81,321
2002	4,953	70,145
2003	3,782	74,005
2004	6,738	117,503
2005	5,062	66,370
2006	3,875	66,010
2007	4,212	55,681
2008	4,521	64,478
2009	4,613	37,867
2010	5,895	50,263
2011	11,007	54,775
2012	**10,856**	**45,886**

Source: New York City Department of Housing Preservation and Development, Office of Development, Tax Incentive Programs.

G.8 Building Demolitions in New York City, 1985-2012

	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**

Note: The Census Bureau discontinued collecting demolition statistics in December, 1995. The New York City Department of Buildings began supplying the total number of buildings demolished from 1996 forward, and cannot specify whether buildings are residential, nor if they have 5+ units. Demolition statistics from 1985 though 1995 are solely residential buildings.

Source: U.S. Bureau of the Census, Manufacturing and Construction Division, Building Permits Branch; New York City Department of Buildings.

H.1 Additions to the Stabilized Housing Stock, 1994-2012

Year	421-a	J-51	Mitchell-Lama Buyouts State	Mitchell-Lama Buyouts City	Lofts	421-g	420-c	Formerly 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	1,781	916	5,137
2004	4,941	142	0	229	129	188	1,973	706	8,308
2005	3,380	25	251	481	66	79	1,664	721	6,667
2006	2,264	130	285	2,755	81	5	1,798	634	7,952
2007	2,838	135	2,227	290	35	441	2,558	592	9,116
2008	1,856	55	0	101	35	865	4,767	887	8,566
2009	2,438	18	112	0	36	0	5,413	519	8,536
2010	7,596	80	0	0	9	0	4,211	451	12,347
2011	3,155	498	0	0	6	0	3,982	438	8,079
2012	2,509	108	132	0	17	0	3,834	360	6,960
Total	**53,146**	**2,756**	**4,496**	**5,630**	**737**	**2,484**	**37,481**	**37,383**	**144,113**

421-a Notes: Between 1994-2002, a count of 26,987 421-a units includes co-op and condo units that were created under the 421-a program. Analysis of the RPAD database shows that on average from 1994 to 2002, 25% of 421-a units were owner units and 75% were rental units. Therefore an estimated 20,240 units were added to the rent stabilized stock. Since 2003, 421-a data is obtained from DHCR, which provides 12 months worth of data from April 1 to March 31 of the following year, as shown above.

J-51 Notes: The numbers represent units that were not rent stabilized prior to entering the J-51 Program. Most units participating in the J-51 Program were rent stabilized prior to their J-51 status and therefore are not considered additions to the rent stabilized stock.

Loft Notes: Loft conversion counts are not available from 1994 to 1997.

421-g, 420-c and Rent Controlled Notes: Counts for individual years between 1994 and 2002 are not available; only an aggregate is available.

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

H.2 Additions to the Stabilized Housing Stock by Borough, 2012

	Bronx	Brooklyn	Manhattan	Queens	S.I.	Total
421-a	319	874	747	477	92	2,509
421-g	0	0	0	0	0	0
420-c	1,486	605	1,181	457	105	3,834
J-51	29	79	0	0	0	108
Mitchell-Lama Buyouts	0	0	0	132	0	132
Lofts	0	5	12	0	0	17
Formerly Controlled	33	75	183	69	0	360
Total Additions	**1,867**	**1,638**	**2,123**	**1,135**	**197**	**6,960**

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

H.3 Subtractions from the Stabilized Housing Stock Due to High Rent/High Income Deregulation by Borough, 1994-2012

Year	Bronx	Brooklyn	Manhattan	Queens	S.I.	Total
1994	0	0	904	0	0	904
1995	0	0	346	0	0	346
1996	1	0	180	4	0	185
1997	1	0	157	2	0	160
1998	3	0	366	3	0	372
1999	2	1	279	1	0	283
2000	2	1	227	0	0	230
2001	3	0	209	2	0	214
2002	1	1	258	2	0	262
2003	2	13	177	6	0	198
2004	0	13	173	8	0	194
2005	4	30	220	11	0	265
2006	8	28	244	21	0	301
2007	9	45	241	14	0	309
2008	10	50	198	20	0	278
2009	16	57	364	20	0	457
2010	9	44	256	27	0	336
2011	6	38	149	19	0	212
2012	5	31	119	10	0	165
Total	**82**	**352**	**5,067**	**170**	**0**	**5,671**

Source: NYS Division of Housing and Community Renewal (DHCR), Office of Rent Administration, annual registration data.

H.4 Subtractions from the Stabilized Housing Stock Due to High Rent/Vacancy Deregulation by Borough, 1994-2012

Year	Bronx	Brooklyn	Manhattan	Queens	S.I.	Total
1994	3	9	544	9	0	565
1995	1	111	927	8	0	1,047
1996	10	106	1,203	6	0	1,325
1997	6	77	1,121	0	0	1,204
1998	7	116	2,247	14	0	2,384
1999	11	151	3,586	37	0	3,785
2000	7	279	2,586	62	0	2,934
2001	53	294	4,490	145	0	4,982
2002	64	391	5,431	251	7	6,144
2003	83	640	7,048	416	17	8,204
2004	101	758	7,271	697	29	8,856
2005	184	852	7,303	904	29	9,272
2006	217	1,408	7,187	1,106	65	9,983
2007	375	1,409	7,114	1,380	64	10,342
2008	447	1,884	8,600	1,787	82	12,800
2009	537	2,013	8,718	2,195	94	13,557
2010	581	2,154	7,807	2,290	79	12,911
2011	654	2,256	6,378	2,032	44	11,364
2012	281	1,189	4,289	922	32	6,713
Total	**3,622**	**16,097**	**93,850**	**14,261**	**542**	**128,372**

Note: Registration of deregulated units with DHCR is voluntary and not required. These totals represent a 'floor' or minimum count of the actual number of deregulated units in these years.

Source: NYS Division of Housing and Community Renewal (DHCR), Office of Rent Administration, annual registration data.

H.5 Subtractions from the Stabilized Housing Stock, 1994-2012

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
Total	**5,671**	**128,372**	**46,122**	**20,166**	**14,781**	**8,229**	**2,231**	**23,783**	**249,355**

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: See Appendix G.4 note above.

Source: NYS Division of Housing and Community Renewal (DHCR), Office of Rent Administration, annual registration data.

H.6 Subtractions from the Stabilized Housing Stock by Borough, 2012

	Bronx	Brooklyn	Manhattan	Queens	S.I.	Total
High Rent/High Income Deregulation	5	31	119	10	0	165
High Rent/Vacancy Deregulation	281	1,189	4,289	922	32	6,713
Co-op/Condo Conversion	87	210	311	316	0	924
421-a Expirations	10	16	281	29	0	336
J-51 Expirations	6	28	210	0	0	244
Substantial Rehabilitation	71	81	315	14	0	481
Commercial/Professional Conversion	0	5	27	42	0	74
Other	39	161	272	90	0	562
Total Subtractions	**499**	**1,721**	**5,824**	**1,423**	**32**	**9,499**

High Rent/Vacancy Deregulation Note: See Appendix G.4 note on previous page.

Source: NYS Division of Housing and Community Renewal (DHCR), Office of Rent Administration, annual registration data.

Glossary & Index

Glossary of Rent Regulation

1/40th Increase: See "Individual Apartment Improvements“

1/60th Increase: See "Individual Apartment Improvements“

421-a Tax Incentive Program: Created in 1970. 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 approved by HPD are then confined to increases established by the Rent Guidelines Board.

Adjustable Rate Mortgage (ARM): Similar to a variable rate mortgage except that interest rate adjustments are capped in order to protect lenders and borrowers from sudden upturns or downturns in a market index.

Affordable Housing: As defined by the United States Department of Housing and Urban Development, any housing accommodation for which a tenant household pays 30% or less of its income for shelter.

Balloon Loan: A loan that is partially amortized, meaning that principal is partially paid throughout the term of the loan. At maturity, the borrower still has a substantial sum (balloon) that must be repaid or refinanced.

Class A Multiple Dwelling: As defined under the Multiple Dwelling Law, a multiple dwelling building which is generally occupied as a permanent residence. The class includes such buildings as apartment houses, apartment hotels, maisonette apartments, and all other multiple dwellings except Class B dwellings.

Class B Multiple Dwelling: A multiple dwelling which is occupied, as a rule, transiently, as the more or less temporary abode of individuals or families. This class includes such buildings as hotels, lodging houses, rooming houses, boarding schools, furnished room houses, college and school dormitories.

Condominium (Condo): A form of property ownership in which units are individually owned and the owners acquire shares in an association that owns and cares for common areas.

Cooperative (Co-op): A form of property ownership in which a building or complex is owned by a corporation. Shares in the corporation are allocated per apartment and the owners of those shares, who are called proprietary lessees, may either live in the apartment for which the shares are allocated or rent that apartment to a sub-tenant.

Core Manhattan: The area of Manhattan south of 96th Street on the East Side and 110th Street on the West Side. See also “Upper Manhattan.”

Cross-sectional: The type of analysis that provides a "snapshot" view of data as it appears in a singular moment or period of time.

Debt Service: Repayment of loan principal and interest; the projected debt service is the determining factor in setting the amount of the loan itself.

Debt Service Ratio: The net operating income divided by the debt service; it measures a borrower’s ability to cover mortgage payments using a building’s net operating income.

Decontrol: See "Deregulation."

Department of Housing Preservation and Development (HPD): The New York City agency with primary responsibility for promulgating and enforcing housing policy and laws in the City. (Also see DHCR)

Deregulation: Also known as “Decontrol” or “Destabilization.” Deregulation occurs by action of the owner when an apartment under either rent control or rent stabilization legally meets the criteria for leaving regulation. When an apartment is deregulated, the rent may be set at ‘market rate.’ There are two types of deregulation, “High-Rent/High-Income Deregulation” and “High-Rent Vacancy Deregulation.” See these individual terms for more details.

Destabilization: See "Deregulation."

DHCR: See "Division of Housing and Community Renewal."

Disability Rent Increase Exemption (DRIE): A program which freezes the rent of a New York City tenant or tenant's spouse who is disabled (defined as receiving either Federal Supplemental Security Income, Federal Social Security Disability Insurance, US Department of Veterans Affairs disability pension or compensation, or Disability-related Medicaid) and living in a rent regulated apartment. To currently qualify for this benefit, a single person household must make no more than $20,148 per year and a two- or more-person household must make a combined household income no more than $29,100 per year, as well as paying at least 1/3 of their income toward their rent,

Discount Rate: The interest rate Federal Reserve Banks charge for loans to depository institutions.

Distressed Buildings: Buildings that have operating and maintenance expenses greater than gross income are considered distressed.

Division of Housing and Community Renewal (DHCR): Part of NYS Homes & Community Renewal (HCR), the New York State agency with primary responsibility for formulating New York State housing policy, and monitoring and enforcing the provisions of the state's residential rent regulation laws.

Emergency Tenant Protection Act of 1974 (ETPA): Chapter 576 Laws of 1974: In Nassau, Rockland and Westchester counties, rent stabilization applies to non-rent controlled apartments in buildings of six or more units built before January 1, 1974 in localities that have declared an emergency and adopted ETPA. In order for rents to be placed under regulation, there has to be a rental vacancy rate of less than 5% for all or any class or classes of rental housing accommodations. Some municipalities limit ETPA to buildings of a specific size, for instance, buildings with 20 or more units. Each municipality declaring an emergency and adopting local legislation pays the cost of administering ETPA (in either Nassau, Rockland or Westchester County). In turn, each municipality can charge the owners of subject housing accommodations a fee (up to $10 per unit per year).

Eviction: An action by a building owner in a court of competent jurisdiction to obtain possession of a tenant's housing accommodation.

Fair Market Rents (FMR): In New York City, when a tenant voluntarily vacates a rent controlled apartment, the apartment becomes decontrolled. If that apartment is in a building containing six or more units, the apartment becomes rent stabilized. The owner may charge the first stabilized tenant a fair market rent. All future rent increases are subject to limitations under the Rent Stabilization Law, whether the same tenant renews the lease or the apartment is rented to another tenant. The Rent Stabilization Law permits the first stabilized tenant after decontrol to challenge the first rent charged after decontrol, through a Fair Market Rent Appeal, if the tenant believes that the rent set by the owner exceeds the fair market rent for the apartment. The Appeal is decided taking into consideration the Fair Market Rent Special Guideline and rents for comparable apartments.

Family Assistance Program (FAP): NY State's TANF program. See "Temporary Assistance to Needy Families."

Federal Deposit Insurance Corporation (FDIC): Established by the federal government in 1950 to insure the deposits of member banks and savings associations.

Federal Reserve Board: The central bank of the United States founded by Congress in 1913 to provide the nation with a safer, more flexible, and more stable monetary and financial system.

Federal Funds Rate: Set by the Federal Reserve, this is the rate banks charge each other for overnight loans.

Fixed Rate Mortgage (FRM): The interest rate is constant for the term of a mortgage.

Fuel Cost Adjustment: The New York City Rent Control Law allows separate adjustments based on the changes, up or down, in the price of various types of heating fuels. The adjustment will be based on fuel price changes between the beginning and end of the prior year. Only tenants in rent controlled apartments located in New York City are subject to this fuel cost adjustment. Early rent stabilized New York City Rent Guidelines Board orders also contained supplementary guidelines adjustments denominating fuel cost adjustments.

Gross City Product (GCP): The dollar measurement of the total citywide production of goods and services in a given year.

Guideline Rent Increases: The percentage increase of the Legal Regulated Rent that is allowed when a new or renewal lease is signed. This percentage is determined by the New York City Rent Guidelines Board for renewal leases signed between October 1 of the current year and September 30 of the following year. The percentage increase allowed is dependent on the term of the lease and whether the lease is a renewal or vacancy lease (see 'Vacancy Allowance'). Although in the past the RGB customarily set increases for vacancy leases, it has not done so since the passage of the Rent Regulation Reform Act of 1997, which established statutory vacancy increases. Sometimes additional factors, such as the amount of the rent, whether or not electricity is included in the rent and the past rental history, have also resulted in varying adjustments.

High-Rent/High-Income Deregulation ("Luxury Decontrol"): The change in an apartment's status from being rent regulated to being deregulated because the apartment's household has (1) a yearly income of $200,000 in two or more consecutive years, *and* (2) the apartment's monthly rent is $2,500 or greater.

High-Rent/Vacancy Deregulation ("Vacancy Decontrol"): A process by which a rent regulated unit becomes deregulated if at the time it next becomes vacant, the legal rent is $2,500 or greater. If the in-place tenant is rent regulated, vacancy deregulation cannot occur even if that in-place tenant's monthly rent eventually exceeds $2,500. Such deregulation can occur only following the next vacancy unless the unit is subject to "High Rent/High-Income Deregulation. Further, the $2,500 level may be reached in a variety of ways, including (1) by already being at or over $2,500 when the next vacancy occurs, (2) reaching the $2,500 level as a result of the next "vacancy allowance," or (3) reaching the $2,500 level as a result of the next "vacancy allowance" coupled with any "individual apartment improvement" increase, MCIs or a vacancy bonus.

Home Relief: See "Safety Net Assistance."

Hotel: Under rent stabilization, a multiple dwelling that provides all of the following services included in the rent:
(1) Maid service, consisting of general house cleaning at a frequency of at least once a week;
(2) Linen service, consisting of providing clean linens at a frequency of at least once a week;
(3) Furniture and furnishings, including at a minimum a bed, lamp, storage facilities for clothing, chair and mirror in a bedroom; such furniture to be maintained by the hotel owner in reasonable condition; and
(4) Lobby staffed 24 hours a day, seven days a week by at least one employee.

Housing Maintenance Code: The code, enforced by the New York City Department of Housing Preservation and Development, provides for protection of the health and safety of apartment dwellers by setting standards for the operation, preservation and condition of buildings.

Housing and Vacancy Survey (HVS): A triennial survey of approximately 18,000 households conducted by the United States Census Bureau data. The survey is used, inter alia, to determine the vacancy rate for residential units in New York City, and gather other information necessary for HPD, RGB, DHCR and other housing officials to formulate policy.

HPD: See "Department of Housing Preservation and Development."

HUD: The United States Department of Housing and Urban Development, which is the federal agency primarily responsible for promulgating and enforcing federal housing policy and laws.

HVS: See "Housing and Vacancy Survey."

I&E: Refers to the annual *Income and Expense Study* performed by the Rent Guidelines Board drawn from summarized data on RPIE forms, the income and expense statements filed annually by owners of stabilized buildings with the New York City Department of Finance.

Individual Apartment Improvements (IAI or "1/40th" or "1/60th"): An increase in rent based on increased services, new equipment, or improvements. This increase is a NYS policy and is in addition to the regular annual Rent Guidelines Board increases for rent stabilized apartments and Maximum Base Rent increases for rent controlled apartments. If owners add new services, improvements, or new equipment to an occupied rent regulated apartment, owners of rent regulated units can add 1/40th or 2.5% of the cost of qualifying improvements to the legal rent of those units excluding finance charges (if there are 35 units or less in the building) or 1/60th or 1.67% of the cost of qualifying improvements to the legal rent of those units excluding finance charges (if there are more than 35 units in the building). E.g. (in a building with 35 units or less), (1) if an apartment's legal rent was $500, and (2) the landlord made $4,000 of qualifying improvements, then (3) the landlord thereafter could add 1/40th of the cost of those improvements—in this example, $100—to the apartment's existing legal monthly rent for a resulting new legal rent of $600. The increase remains permanently in the monthly rent, even after the cost of the improvement is recouped. Owners must get the tenant's written consent to pay the increase and an order from DHCR is not required. If any apartment is vacant, the owner does not have to get written consent of a tenant to make the improvement and pass-on the increase. Prior to September 24, 2011, all IAIs were "1/40th" increases, regardless of the size of the building.

Initial Legal Registered Rent: Under rent stabilization, the lawful rent for the use and occupancy of housing accommodations under the Rent Stabilization Law or the Emergency Tenant Protection Act, as first registered with the DHCR, which has not been challenged pursuant to regulation, or if challenged, has been determined by the DHCR.

In Rem: *In Rem* units include those located in structures owned by the City of New York as a result of an *in rem* proceeding initiated by the City after the owner failed to pay tax on the property for one or more years. Though many of these units in multiple dwellings had previously been subject to either rent control or rent stabilization, they are exempt from both regulatory systems during the period of city ownership.

J-51 Tax Incentive Program: A New York City program under which, in order to encourage development and rehabilitation, property tax abatements and exemptions are granted. In consideration of receiving these tax abatements, and at least for the duration of the abatements, the owner of these buildings agree to place under rent stabilization those apartments which would not otherwise be subject to rent stabilization. This program provides real estate tax exemptions and abatements to existing residential buildings that are renovated or rehabilitated in ways that conform to the requirements of the statute. It also provides these benefits to residential buildings that were converted from commercial structures.

Legal Rent: The maximum rent level that a landlord is entitled to charge a tenant for a rent regulated unit. The landlord of a rent stabilized unit must annually register that legal rent with DHCR.

Legislature: The New York State Legislature.

Loft Board: A New York City agency that regulates lofts. Lofts are governed by Article 7-C of the Multiple Dwelling Law, and are not (until brought up to Code) within DHCR's rent regulatory jurisdiction.

Loan-to-Value Ratio (LTV): An expression of the safety of a mortgage principal based on the value of the collateral (e.g., an LTV of 50% means that a lender is willing to provide a mortgage up to half the value of a building). A decline in LTV may indicate a tightening of lending criteria and vice versa.

Longitudinal: The type of analysis that provides a comparison of identical elements over time, such as comparing data from 2012 to the same data in 2011.

Low Rent Supplement: See "Supplemental Adjustment."

Major Capital Improvements (MCI): When owners make improvements or installations to a building subject to the rent stabilization or rent control laws, they may be permitted to increase the building's rent based on the actual, verified cost of the improvement. To be eligible for a rent increase, the MCI must be a new installation and not a repair to old equipment. For example, an owner may receive an MCI increase for a new boiler or a new roof but not for a repaired or rebuilt one. Other building-wide work may qualify as MCIs as well, such as "pointing and water-proofing" a complete building where necessary. The Rent Stabilization Code also stipulates that applications for MCI rent increases must be filed within two years of completion of the installation. MCI rent increases must be approved by DHCR.

Maximum Base Rent Program (MBR): The Maximum Base Rent Program is the mechanism for authorizing rent increases for New York City apartments subject to rent control so as to ensure adequate income for their operation and maintenance. New York City Local Law 30 (1970) stipulates that MBRs be established for rent controlled apartments according to a formula calculated to reflect real estate taxes, water and sewer charges, operating and maintenance expenses, return on capital value and vacancy and collection loss allowance. The MBR is updated every two years by a factor that incorporates changes in these operating costs.

Maximum Collectible Rent (MCR): The rent that rent controlled tenants actually pay is called the Maximum Collectible Rent (MCR). The MCR generally is less than the MBR. By law, the MCR cannot be increased by more than 7.5% per year for each year of the two year MBR cycle unless there are Major Capital Improvements or individual apartment rent increases. For example, if a tenant's rent (MCR) on 12/31/01 was $600, and the MBR was $700, then on 1/1/02 (effective date of MBR) the rent (MCR) would rise 7.5% to $645 and the MBR ceiling would rise by 10.5% (the 2002-03 MBR factor) to $773.50. On 1/1/03, the MBR would remain the same (since MBRs cover a two-year period), but the MCR would rise by another 7.5% to $693.38.

Mean and Medians: The "mean" is an arithmetic average of numbers. Numbers at the extreme of a range can have a potentially distorting effect on the mean. The "median" is considered by many as a more constant measure of that same set of numbers because it moderates the distorting effect of any extremes or other aberrations, because it is the 50th percentile of the numbers under analysis, or the number in the middle.

Net Operating Income (NOI): The amount of income remaining after operating and maintenance expenses are paid is typically referred to as Net Operating Income (NOI). NOI can be used for mortgage payments, improvements, federal, state and local taxes and after all expenses are paid, profit.

New Law Tenement: A "Class A" multiple dwelling constructed between 1901 and 1929 and subject to the regulations of the Tenement House Law. Distinguished from the old law tenement in terms of reduction of hazardous conditions and improved access to light and air.

New York City Housing Authority (NYCHA): The New York City agency that administers public housing and rental assistance programs.

New York City Rent Guidelines Board: See "Rent Guidelines Board."

Nominal Dollars: Dollars not adjusted to take inflation into account. See also "Real Dollars."

Old Law Tenement: A "Class A" multiple dwelling constructed before 1901 and subject to the regulations of the Tenement House Law.

O&M: Refers to the operating and maintenance expenses in buildings.

Operating Cost Ratio: The "cost-to-income" ratio, or the percentage of income spent on O&M expenses, is traditionally used by the RGB to evaluate estimated profitability of stabilized housing, presuming that buildings are better off by spending a lower percentage of revenue on expenses.

Orders: See "Rent Guidelines Orders."

Outer Boroughs: Queens, Brooklyn, the Bronx and Staten Island, or the boroughs of New York City not including Manhattan. These boroughs are often grouped together for purposes of analysis because their economic and demographic attributes are more similar to each other than those found in Manhattan.

PIOC: Price Index of Operating Costs. The major research instrument performed by the RGB staff to determine the annual change in prices for a market basket of goods and services used by owners to operate and maintain rent stabilized buildings.

Points: Up-front service fees charged by lenders.

Post-46 or Post-war: A common classification of residential buildings used by City agencies to describe buildings built after World War II. Buildings with six or more residential units constructed between 1947 and 1973, or after 1974 if the units received a tax abatement such as 421-a or J-51, are generally stabilized.

Preferential Rent: A rent charged by an owner to a tenant that is less than the established legal regulated rent. Owners are not necessarily required to base renewal lease increases on the preferential rent.

Pre-47 or Pre-war: A common classification of residential buildings used by City agencies to describe buildings built before the World War II. Buildings with six or more units constructed before February 1, 1947 are generally stabilized when the current tenant moved in on or after July 1, 1971.

Real Dollars: Dollars adjusted to take inflation into account. Real dollar figures offer a comparison between years that are pegged to the value of a dollar in a given year. See also "Nominal Dollars."

Registration: Owners are required to register all rent stabilized apartments with DHCR by filing an Annual Apartment Registration Form which lists rents and tenancy information as of April 1st of each year.

Renewal Lease: The lease of a tenant in occupancy renewing the terms of a prior lease entered into between the tenant and owner for an additional term. Tenants in rent stabilized apartments have the right to select a lease renewal for a one- or two-year term. The renewal lease must be on the same terms and conditions as the expiring lease unless a change is necessary to comply with a specific law or regulation or is otherwise authorized by the rent regulation. The owner may charge the tenant a Rent Guidelines Board authorized increase based on the length of the renewal lease term selected by the tenant. The law permits the owner to raise the rent during the lease term if the Rent Guidelines rate was not finalized when the tenant signed the lease renewal offer. A renewal lease should go into effect on or after the date that it is signed and returned to the tenant as well as on the day following expiration of the prior lease. In general, the lease and any rent increase may not begin retroactively. Penalties may be imposed when an owner does not timely offer the tenant a renewal lease or timely return to the tenant an executed copy thereof.

Rent Act of 2011: The law passed by the New York State Legislature in June, 2011 which revised several regulations of rent stabilized units. Most notably, it provides for a maximum of one vacancy increase a year, modified the way individual apartment improvements are calculated, and raised the thresholds for both high-rent/vacancy deregulation and high-rent/high-income deregulation. See “Individual Apartment Improvements,” “High-Rent/Vacancy Deregulation” and “High-Rent/High-Income Deregulation” for more information.

Rent Control: The rent regulation program which generally applies to residential buildings constructed before February, 1947 in municipalities for which an end to the postwar rental housing emergency has not been declared. For an apartment to be under rent control, the tenant must generally have been living there continuously since before July 1, 1971 or for less time as a successor to a rent controlled tenant. When a rent controlled apartment becomes vacant, it either becomes rent stabilized or is removed from regulation, generally becoming stabilized if the building has six or more units and if the community has adopted Emergency Tenant Protection Act. Formerly controlled apartments may have been decontrolled on various other grounds. Rent control limits the rent an owner may charge for an apartment and restricts the right of an owner to evict tenants. It also obligates the owner to provide essential services and equipment. In New York City, rent increases are governed by the MBR system.

Rent Guidelines Board (RGB): The New York City agency responsible for setting the yearly rent-rate adjustments for the City’s rent stabilized apartments, and also the agency which produced this publication. The Board is appointed by the Mayor and consists of two members who represent tenants, two members who represent the real estate industry and five public members.

RGB Rent Index: An index that measures the overall effect of the Board’s annual rent increases on contract rents.

RGB: See "Rent Guidelines Board."

Rent Guidelines Orders: Rent guideline orders are issued by the rent guidelines boards annually, usually before July 1. For the most part, they establish the percentage increases that may be given to rent stabilized/ETPA apartments upon lease renewal and for new leases. These increases are based on the review of operating expenses and other cost of living data.

RPIE Forms: Owners of stabilized buildings are required by Local Law 63 to file Real Property Income and Expense (RPIE) forms annually with the New York City Department of Finance. RPIE forms contain detailed financial information regarding the revenues earned and the costs accrued in the operation and maintenance of stabilized buildings. Buildings with fewer than 11 units, an assessed value of $40,000 or less, or exclusively residential cooperatives or condominiums are exempt from filing. RPIE forms are also known as I&E forms.

Rent Regulation Reform Act of 1997 (RRRA-97): The law passed by the New York State Legislature in June, 1997 which promulgated several new provisions for rent regulated units. See "Luxury Decontrol", "Special Low Rent Increase", "Vacancy Allowance", "Vacancy Bonus" and "Vacancy Decontrol". Also known as the “Rent Act.”

Rent Stabilization: In New York City, rent stabilized apartments are generally those apartments in buildings of six or more units built between February 1, 1947 and January 1, 1974. Tenants in buildings built before February 1, 1947, who moved in after June 30, 1971 are also covered by rent stabilization. A third category of rent stabilized apartments covers buildings subject to regulation by virtue of various governmental supervision or tax benefit programs. Generally, these buildings are stabilized only while the tax benefits or governmental suspension continues. In some cases, a building with as few as three units may be stabilized. Similar to rent control, stabilization provides other protections to tenants besides regulation of rental amounts. Tenants are entitled to receive required services, to have their leases renewed, and not to be evicted except on grounds allowed by law. Leases may be entered into and renewed for one or two year terms, at the tenant's choice.

Rent Stabilization Code: The Rent Stabilization Code is the body of regulations used by DHCR to implement the Rent Stabilization Law and Emergency Tenant Protection Act in New York City. These regulations affect nearly 1 million rent stabilized apartments in New York City. Chapter 888 of the Laws of 1985 authorized DHCR to amend the Rent Stabilization Code for New York City. The current Rent Stabilization Code became effective on May 1, 1987, with subsequent revision in 2000.

Rental Vacancy Rate: The percentage of the total rental units in an area that are vacant and available for occupancy. The vacancy rate for New York City is determined every three years by the Housing and Vacancy Survey.

Rooming House: Under rent regulation, in addition to its customary usage, a building or portion of a building, other than an apartment rented for single-room occupancy, in which housing accommodations are rented, on a short-term basis of daily, weekly or monthly occupancy, to more than two occupants for whom rent is paid, not members of the landlord's immediate family. The term shall include boarding houses, dormitories, trailers not a part of a motor court, residence clubs, tourist homes and all other establishments of a similar nature, except a hotel or a motor court.

Safety Net Assistance (SNA): An income assistance program set up under the New York State Welfare Reform Act of 1997 to replace Home Relief (HR).

Section 8 Vouchers: A federally-funded housing assistance program that pays participating owners on behalf of eligible tenants to provide decent, safe, and sanitary housing for very low income families at rents they can afford. Housing assistance payments are generally the difference between the local payment standard and 30% of the family's adjusted income. The family has to pay at least 10% of gross monthly income for rent. In NYC, the program is administered by NYCHA.

Section 8 Certificates: A federally-funded housing assistance program that provides housing assistance payments to participating owners on behalf of eligible tenants to provide decent, safe and sanitary housing for low income families in private market rental units at rents they can afford. This is primarily a tenant-based rental assistance program through which participants are assisted in rental units of their choice; however, a public housing agency may also attach up to 15% of its certificate funding to rehabilitated or newly constructed units under a project-based component of the program. All assisted units must meet program guidelines. Housing assistance payments are used to make up the difference between the approved rent due to the owner for the dwelling unit and the family's required contribution towards rent. Assisted families must pay the highest of 30% of the monthly adjusted family income, 10% of gross monthly family income, or the portion of welfare assistance designated for the monthly housing cost of the family.

Senior Citizen Rent Increase Exemption (SCRIE): If a New York City tenant or tenant's spouse is 62 years of age or over (living in a rent regulated apartment), and the combined household income is currently $29,000 per year or less and they are paying at least 1/3 of their income toward their rent, the tenant may apply for the Senior Citizen Rent Increase Exemption (SCRIE). In New York City, the Department of Finance (DOF) administers the SCRIE program. Outside of New York City, Senior Citizen Rent Increase Exemption is a local option, and communities have different income eligibility limits and regulations. If a New York City tenant qualifies for this program, the tenant is exempt from future rent guidelines increases, Maximum Base Rent increases, fuel cost adjustments, MCI increases, and increases based on the owner's economic hardship. New York City senior citizen tenants may also carry this exemption from one apartment to another upon moving, upon the proper application being made to the Department of Finance.

Shelter Allowance: A rental grant provided to households receiving public assistance under the Family Assistance Program (FAP).

Single-Room Occupancy Housing (SRO): Residential properties in which some or all dwelling units do not contain bathroom or kitchen facilities. Under rent regulation, the occupancy by one or two persons of a single room, or of two or more rooms which are joined together, separated from all other rooms within an apartment in a multiple dwelling, so that the occupant or occupants thereof reside separately and independently of the other occupant or occupants of the same apartment.

Special Guideline: The New York City Rent Guidelines Board is obligated to promulgate special guidelines to aid the State Division of Housing and

Community Renewal in its determination of initial legal regulated rents for housing accommodations previously subject to rent control. This is determined each year by the RGB as applicable to the determination of Fair Market Rent Appeals.

Special Low Rent Increase: This provision of the 1997 Rent Regulation Reform Act permits the landlords of units which rent for less than $300 to charge those vacancy allowances otherwise permitted (including the "vacancy bonus") plus $100. Moreover, if an apartment rented for between $300 and $500, this same provision of the Rent Act provides that "in no event shall the total increase pursuant to this [vacancy allowance provision of the Rent Act] be less than one hundred dollars per month."

Special Vacancy Allowance: See *Vacancy Bonus*

Statutory Vacancy Allowance: See *Vacancy Allowance*

Sublet: The temporary transfer of a tenant's legal interest in an apartment to another person. A tenant who sublets an apartment to another person is the prime tenant. The person to whom the apartment is sublet is the subtenant. In a sublet situation, the prime tenant must abide by the rent stabilization rules that govern the building owner.

Supplemental Adjustment: A rent increase that has been allowed in certain years in addition to a regular Guideline Rent increases for apartments. The supplementary adjustment amount is established for that guideline year by the New York City or County Rent Guidelines Boards based upon the date the lease was signed, the term of the lease and the county. Also known as the "Low Rent Supplement."

Surcharge: An added charge which is paid by the tenant but not included in the legal regulated rent and is not compounded by guidelines adjustments. Examples of surcharges are: the $5.00 a month charge for an air conditioner that protrudes beyond the window line; the electrical charge for air conditioners in electrical inclusion buildings; and for the installation of window guards.

Tax Commission Income and Expense Form (TCIE): An application by building owners to appeal their tax assessments.

Temporary Assistance to Needy Families (TANF): An income assistance program set up under the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 to replace Aid to Families with Dependent Children (AFDC). Under TANF block grant system, each state has the authority to determine who is eligible, the level of assistance, and how long it will last. The New York State's TANF program is called the Family Assistance Program (FAP).

Term: The length of time in which a mortgage is expected to be paid back to the lender; the shorter the term, the faster the principal must be repaid and consequently the higher the debt service and vice versa.

Transient Occupancy: Among the criteria that must be met for hotel rooms, tourist homes, and motor courts to be exempt from rent regulation is that they are used for transient occupancy. Whether occupancy is transient depends on a number of factors, including whether rates are charged by the day, week, or month, and the proportions of occupants who stay for various lengths of time.

Upper Manhattan: The area of Manhattan north of 96th Street on the East Side and 110th Street on the West Side. See also "Core Manhattan."

Vacancy Allowance: A provision in the Rent Regulation Reform Act of 1997 allowing owners of rent stabilized units to raise by a certain percentage the legal rent of a vacant unit. For an incoming tenant who opts for a two-year lease, the vacancy allowance is 20%. For an incoming tent who opts for a one-year lease, the vacancy allowance is 20% minus the percentage difference between the RGB's current guidelines for a two-year and a one-year lease. Other factors affect these percentages as well (see also the "Vacancy Bonus" and the "Special Low Rent Increase.") For the 2013-2014 guideline period, the one-year vacancy guideline is 16.25% and the two-year guideline is 20%. With the passage of the Rent Act of 2011, as of June 24, 2011, landlords are permitted only one vacancy allowance per calendar year, regardless of the number of vacancies.

Vacancy Bonus: An additional rental increase allowed for units that become vacant after a long-term tenant has moved out. If the prior tenant had been in occupancy at least for eight years—and thus the unit had not "received" a vacancy allowance during that time—the Rent Regulation Reform Act of 1997 permits the landlord to charge an additional 0.6% for each year since the unit received its last vacancy allowance. For example, if (1) the incoming tenant opts for a two-year lease, after (2) the prior tenant had been in occupancy for ten years, then the landlord can charge the incoming tenant a 20% vacancy allowance (for a two-year lease) plus another 6% (ten years times 0.6%) for a total increase of 26% over the legal rent which had been paid by the departing tenant.

Vacancy Lease: When a person rents a rent stabilized apartment for the first time, or, when a new name (not the spouse or domestic partner) is added to an existing lease, this is a vacancy lease. This written lease is a contract between the owner and the tenant which includes the terms and conditions of the lease, the length of the lease and the rights and responsibilities of the tenant and the owner. The Rent Stabilization Law gives the new tenant (also called the vacancy tenant) the choice of a one- or two-year lease term. The rent the owner can charge may not be more than the last legal regulated rent plus all increases authorized by the Rent Stabilization Code, including increases for improvements to the vacant apartment.

Warranty of Habitability: Real Property Law Section 235-b entitles tenants to a livable, safe and sanitary apartment and building and remedies are specified when these conditions are not met.

Index