New York City Rent Guidelines Board

Housing NYC:
Rents, Markets & Trends 2009

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Chairman's Acknowledgements

As chair of the NYC Rent Guidelines Board, I am proud to present this year's installment of the Board's annual compilation of research, *Housing NYC: Rents, Markets and Trends 2009*. The members of the RGB use the research prepared by the staff to help determine the annual guidelines for one million rent stabilized apartments, lofts and hotels in New York City. In addition, the research serves as a useful tool to members of the public, press and government officials, searching for information on NYC's housing market relating to operating costs, changes to the composition of the housing stock, affordability of housing and much more.

The research reports presented in this book are the work of an outstanding team of RGB staff members, each of whom does an excellent job, and without whom this board would be unable to do its job. I am honored to have such dedicated group of professionals working for the Rent Guidelines Board.

Finally, I must express my deep gratitude to all the board members with whom I have been privileged to have at my side during each board meeting. Their dedication to such a difficult task, in the face of pressure from differing sides in the debate, is commendable.

Marvin Markus
Chairman

Executive Director's Acknowledgements

It is with pride that the Rent Guidelines Board (RGB) releases the latest issue of our annual compendium of housing research: *Housing NYC: Rents, Markets and Trends 2009*. This publication includes six staff reports used by the nine members of the board to promulgate renewal lease adjustments for rent stabilized apartments, lofts, and hotels in New York City. These reports contain information and data from many different sources and they would not be complete without the contributions of many housing professionals and government agencies. Our gratitude goes out to all those who contributed their time and effort in helping us produce these reports. It is our sincere hope that you find the information contained within these pages a valuable tool in your understanding of the complex issues surrounding the NYC rental housing market.

The RGB is fortunate to have a seasoned research staff that provides comprehensive data to the board members. Brian Hoberman, the RGB's senior research associate, authored the *2009 Income and Expense Study*, *2009 Mortgage Survey* and *Changes to the Rent Stabilized Housing Stock in New York City in 2008*. In addition to his exemplary work on these reports, Brian has contributed his computer skills to upgrade and maintain software and hardware used by the staff. Danielle Burger, another key member to our dedicated and experienced research staff, used her superb research skills to complete the *2009 Income and Affordability Study* and the *2009 Housing Supply Report* and was significant contributor to this year's *Price Index of Operating Costs*. Both Brian and Danielle maintain and contribute content to the Board's website, housingnyc.com.

The *Price Index of Operating Cost (PIOC)*, which measures changes in operating and maintenance costs in rent stabilized buildings, is the most time consuming report undertaken by RGB's staff. Each member of the RGB staff contributes to this report, which is conducted throughout the year. In addition to the permanent RGB staff, the Board hires a temporary staff to help collect prices for insurance, non-union labor, contractors, building supplies, and replacement items. Shirley Alexander served her sixteenth year as the head of the PIOC temporary research staff. Her understanding of the nuances of collecting this data, along with her dedication to this project, make her a vital part of the PIOC. We look forward to her return each year and our gratitude is palpable. In addition to Ms. Alexander, our temporary staff was bolstered by the return of Ann Sheriff. Her hard work was much appreciated. Finally we would like to extend our sincere thanks to James Hudson for his oversight of the PIOC spreadsheets and statistical expertise. His twenty-plus years of experience working on this annual project helps to ensure that the data presented in this report is accurate.

Although the reports contained in *Housing NYC* are written and compiled by our research team, our efforts would not be possible without the RGB's administrative staff. Leon Klein, our office manager, is celebrating his twenty-fifth year with the board. His dedication to his job and his conscientious attention to his work helps to ensure that all members of the board and staff, as well as our bills, are paid in a timely manner. Leon's long tenure brings with it an institutional knowledge of the Board's finances, budgets and staff benefits that helps to maintain an efficient office. Our public information officer, Charmaine Superville, is our primary point person in answering the thousands of phone calls the RGB receives each year. Over the years she has accumulated a vast knowledge of rent stabilization and housing issues in NYC, which she delivers to our callers with patience and kindness. She is also an integral part of the PIOC helping to collect data from owners, managing agents and fuel companies and she helps to organize the Board's public meetings.

Each year I am always struck by the dedication and hard work that the members of the board put toward setting the renewal lease guidelines. It is a pleasure and an honor to work with such a diligent group. I would be remiss if I did not extend my gratitude to Chairman Marvin Markus for his continued support of the RGB staff. He is always available to listen and deal with our concerns and is a staunch defender of our research. His vast knowledge of the issues that face the Board each year makes my job that much easier.

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; Norma Gomez at the NYC Department of Housing Preservation and Development (HPD), for information regarding cooperative and condominium developments; Ernesto Belzaguy and Carol Alt at the NYC Civil Court, for data on housing court proceedings; Paul Ligresti of the NYC Human Resources Administration for gathering information on Cash Assistance applications; and George Sweeting of the Independent Budget Office (IBO), for lending his expertise on real estate taxes. At DHCR we would like to thank Deputy Commissioner Leslie Torres, as well as Michael Berrios and Tracey Stock, for their assistance and expertise regarding owner registration data. In addition, our thanks goes out to the following staff members of HPD: Joe Rosenberg, Deputy Commissioner for Intergovernmental Affairs, for facilitating the collection of additional city-sponsored housing construction and sales data; Charles Winkler of the Tax Incentives Program, who provided data on tax benefit programs; Christopher Simi, of the Inclusionary Housing/421-a Affordable Program; 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 Operations Research, Property Division and the following members of his staff: Ramon Castillo, Andreen McDonald, and Wendy Chong.

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; 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; the Division of Housing and Community Renewal; and the Department of Labor's Research and Statistics Division. Local level sources include: the Department of Finance; the Department of Buildings; the Department of City Planning; the Mayor's Office of Operations; the Comptroller's Office; the Office of Management and Budget; Corporation Counsel; the Bureau of City Marshals; and the Department of Housing Preservation and Development, Office of Development.

Since the inception of the board's staff in 1980, we have always had a strong working relationship with HPD. This year was no exception. We would like to thank Commissioner Rafael Cestero, Joseph Rosenberg, Moon Wha Lee, and Sheree West for their efforts on behalf of the RGB. Their swift response to the needs of the RGB and their support in administrative matters are greatly appreciated. I look forward with work with these dedicated professionals in the future. We would also like to thank Robert Goldrich, the Board's liaison to the Office of the Deputy Mayor for Economic Development and Rebuilding. Mr. Goldrich is our conduit from which issues concerning the RGB are relayed to City Hall. His continued dedication to the Board is much appreciated.

Finally, we give special thanks to those who testified at RGB meetings this year: from HPD, Joseph Rosenberg, Deputy Commissioner for Intergovernmental Affairs; from the New York City Housing Authority (NYCHA), Gregory Kern, Director for Leased Housing; Michael Edelman from Freddie Mac; Scott Swerdlin from Capital One; and from DHCR's Office of Rent Administration, Assistant Commissioner Michael Rosenblatt and Chief Economist Guy Alba.

Andrew McLaughlin
Executive Director

Income & Expense

2009 Price Index Of Operating Costs

What's New

- ✔ The Price Index of Operating Costs for Rent Stabilized Apartment Buildings (PIOC) increased 4.0% this year.
- ✔ Costs in pre-war buildings increased 3.4% and costs in post-war buildings rose 3.9%.
- ✔ 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 6.5% this year.
- ✔ Fuel oil costs decreased 10.1%.
- ✔ Real estate taxes rose 11.7% due to a rise in assessments and tax rate for Class Two properties.
- ✔ Labor Costs rose 2.9%.
- ✔ The Utilities component increased by 10.9% due primarily to an increase in water and sewer costs.
- ✔ Insurance Costs decreased by 2.9%.
- ✔ The Price Index of Operating Costs for Rent Stabilized Apartment Buildings is projected to increase 2.2% 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. Minor 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.

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 2009 Price Index are based upon the 1983 Expenditure Study and are revised on the basis of annually measured price changes from 1982-2008.

The importance of each index component is shown by its "expenditure weight" (see Appendix B.2). The measured 2008-09 price changes in each index component are also presented in this appendix. The expenditure weights and the 2008-09 price changes are then combined to provide the overall change in the PIOC over the period from 2008-09.

The 1983 Expenditure Study provides a basis for calculating separate sets of expenditure weights for buildings constructed before 1947 and for buildings constructed in 1947 or later (post-1946). Typically, buildings constructed before 1947 incur a lower percentage of operating and maintenance costs for property taxes, but their fuel costs represent a significantly higher percentage of total operating and maintenance costs than do the fuel costs of the post-1946 buildings. The differences between the pre-1947 and post-1946 expenditure patterns for buildings are combined in the construction of the overall PIOC. It is nevertheless possible to develop separate price indices for the pre-1947 and post-1946 buildings. In addition, there are separate price indices for 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)

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

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.

Summary

This year, the PIOC for rent stabilized apartment buildings increased by 4.0%, nearly 4 percentage points less than the PIOC percentage change from the year before (7.8% in 2008). The PIOC was driven upward by significant increases in real estate taxes (11.7%) and utility (10.9%) costs. More moderate increases were seen in administrative costs (4.1%), labor (2.9%), contractor services (2.8%), parts and supplies (2.6%) and replacement costs (6.1%). These increases were offset by declines in the cost of fuel oil of 10.1% and insurance of 2.9%. The growth in the Consumer Price Index (CPI) of 3.5% was just half a percentage point lower than the PIOC.[1] See the adjacent table and Appendix B.2 for changes in costs and prices for all rent stabilized apartment buildings from 2008-09.

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 6.5% this year, higher than the overall PIOC due to the exclusion of declining fuel oil prices.

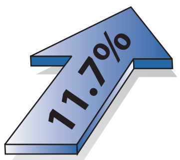
Apartments

Change In Costs for Rent Stabilized Apartment Buildings, April 2008 to April 2009

Taxes	11.7%
Labor Costs	2.9%
Fuel	-10.1%
Utilities	10.9%
Contractor Services	2.8%
Administrative Costs	4.1%
Insurance Costs	-2.9%
Parts and Supplies	2.6%
Replacement Costs	6.1%
All Costs	**4.0%**

Price Index Components

Taxes



The Tax component of the PIOC is based entirely on real estate taxes. The change in tax cost is estimated by comparing aggregate taxes levied on rent stabilized apartment houses in Fiscal Year (FY) 2008 and FY 2009. The tax data was obtained from the New York City Department of Finance.

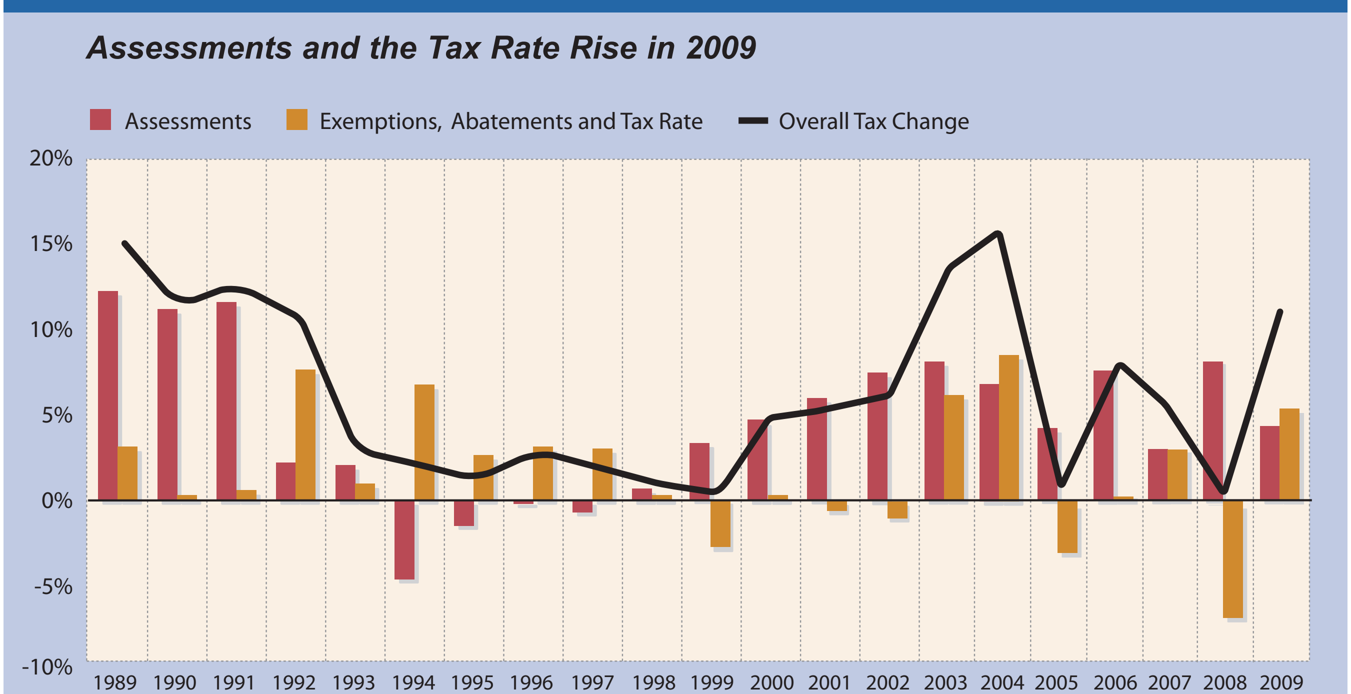
Real estate taxes rose this year by 11.7%, a significantly higher rise than the 0.3% increase seen last year and the highest increase in taxes since 2004 when tax costs increased 16.2%. The change in taxes was due to a rise in assessments and two increases in the tax rate in FY 2009. Abatements and exemptions had a minor impact on the rise in taxes this year.

Tax Levy — The total tax levy for all properties in the City (commercial and residential) increased by 10.8% from FY 2008 to FY 2009. The Class Two property levy rose more than that of the City as a whole, at a rate of 12.3%. The distribution of the levy among property classes tends to shift from year to year. From FY 2008 to FY 2009, the levy share for Class Two properties increased, by 0.5 percentage points, from 36.7% to 37.2% of the total tax burden. The Class Two proportion of the levy share is the highest since the inception of the four-class system in 1983 when the share was 26.3%.

Tax Rate — The FY 2008 Class Two tax rate of 11.928 increased by 5.6%, resulting in a new annualized rate of 12.596 for FY 2009. The annualized tax rate for the first and second quarters of FY2 009 was 12.139, just a 1.8% increase over FY 2008. However, in December of 2008 the City Council approved to reinstate a 7% increase in the citywide tax rate, resulting in a new annualized rate for Class Two of 13.053 which increased the tax bills for the second half of FY 2009. The 12.596 is an average annualized rate for all of FY 2009.

This increase in the Class Two tax rate follows a significant decrease in the tax rate of 6.4% in FY 2008. Increases in the tax rate of 2.8% and 1.5% were witnessed in FY 2007 and FY 2006, while a decrease

Percent Change in Taxes due to Assessments and Exemptions/Abatements/Tax Rate 1989-2009



Source: New York City Department of Finance was seen in FY 2005 when the rate declined 3.2%. Significant increases in the tax rate for Class Two properties were seen in FY 2004 and FY 2003 of 9.3% and 7.3% respectively.

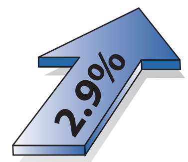
Assessments — Assessed valuations of rent stabilized properties rose by 4.8% citywide in FY 2009. This rise in assessments was less than last year's increase (7.8%) and the lowest rise in assessments since 2007 (2.9%). All five boroughs showed increases in assessments. The highest percentage increase in assessments was in the Bronx (7.4%) followed by Manhattan (4.8%), Brooklyn (4.1%), Queens (4.0%) and Staten Island (0.2%).

The change in assessed valuations of rent stabilized buildings in New York City has fluctuated following the cycles in the real estate market. Assessments rose dramatically from the late 1980s through 1991, increasing 8% or more each year (see graph on the previous page). In FY 1992 and FY 1993, the increase in valuations for stabilized buildings slowed to 2% per year. The impact of the recession was finally reflected in tax bills the following two years — valuations dropped 4.7% in FY 1994 and 1.3% in FY 1995. Smaller decreases occurred in the next two years. From FY 1998 to FY 2003, assessments increased each year at a higher rate than the previous year. Increases in assessed valuations were not as high as the year before in both FY 2004 and FY 2005. Since 2005, increases in assessments have been between 2.9% and 7.8%.

Abatements and Exemptions — This year, the number of rent stabilized buildings with abatements decreased by 5.5%. However, the average benefit value of the typical tax abatement increased, by 1.4%, from FY 2008 to FY 2009. The net impact of the decrease in the number of abatements and in the rise in the average abatement value was a negligible increase in the tax liability for rent stabilized buildings of 0.1%.

In FY 2009, the value of the average tax exemption decreased. However, 1.0% more rent stabilized buildings benefited from tax exemptions. The rise in the number of buildings receiving exemptions was offset by decreases in the value of tax exemptions resulting in owners' tax bills actually rising by 0.8%. (See Appendices B.5 and B.6)

Labor Costs



The Price Index measure of labor costs includes union and non-union salaries and benefits, in addition to Social Security and unemployment insurance. The cost of unionized labor makes up nearly two-thirds of the Labor Costs component. The entire Labor Costs component comprises 13.5% of the overall Price Index.

Labor Costs rose 2.9%, a lower increase than in last year's PIOC (4.0%). The rise in Labor Costs was due to increases in union and non-union wages as well as rises in healthcare and pension contributions. Unemployment insurance costs rose slightly, increasing 0.2%.

Wages comprise three-quarters of the Labor Costs component. For the past sixteen years the growth in non-union labor pay has outpaced union labor wages. Non-union pay increased by 3.1%, which was two and a half percentage points lower than increases seen in the 2008 price index (5.6%). Unionized wages as a group increased by 1.7%, 1.1 percentage points lower than last year's increase of 2.8%.

Fuel

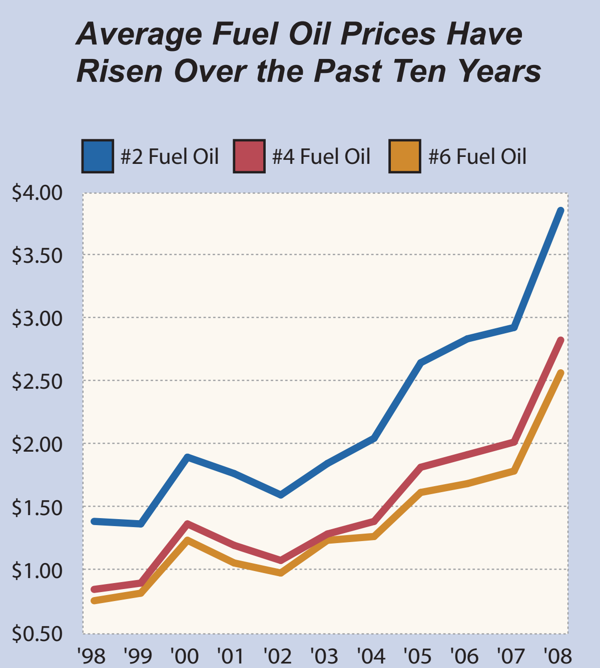
The Fuel component comprises roughly 15% of this year's Price Index. The change in cost measured in this component considers both the change in weather and the change in prices for the three types of heating oil used to heat multi-family buildings in New York City. First, the PIOC measures fuel prices from May to April and then compares them to the same months from the previous year. Over the past 12 months, fuel oil prices decreased by 16.9%. The price for #2 oil, which comprises more than half of this component, declined 13.4%. Prices for #4 and #6 fuel oil declined more than #2 oil, decreasing 22.0% and 21.7%, respectively.

Second, along with measuring price, the PIOC also takes into account the effect of weather on the demand for fuel oil, especially during the heating season when the large majority of the fuel is burned. Since this year was colder than last year, weather increased the demand for fuel. The combination of the decline in heating oil prices and an increase in demand resulted in a decrease in the cost for heating buildings with oil by 10.1%.[2]

Changes in the Fuel component have been the most variable of any component in the Price Index over the past eight years. From 2005 to 2008, the cost of fuel oil rose more than 20% in each year but 2007, which saw a smaller increase of 0.5%. In 2002 and 2004, fuel costs actually declined by 36.1% and 2.8% respectively, yet in 2003 costs rose 66.9%.

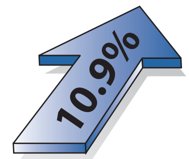
Over the past ten years the average prices per gallon for all fuel grades, which are pure prices that do not factor in weather, have risen substantially. The average price for all grades of fuel oil in 2008 was \$3.52 a gallon. Adjusted for inflation, the average price in 1998 was \$1.19. This is an annual rate of increase in the price of fuel of nearly 12% above the general rate of inflation. (See graph on this page)

Average Inflation Adjusted Fuel Oil Prices per Gallon, 1998-2008



Note: Prices are in constant 2008 dollars
Source: Price Indices of Operating Costs, 1998-2009

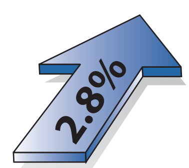
Utilities



The Utilities component consists primarily of electricity, natural gas, and water and sewer charges. In fact, water and sewer costs account for half 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 (i.e. the quantity of electricity, steam, etc. being purchased) and the changes in rate schedules. Water and sewer costs are based on the rate established by the New York City Water Board.

This year Utilities increased 10.9%, which is higher than last year's increase of 8.9%. Substantial increases were seen in gas (14.8%) and water and sewer costs (14.5%), which make up over 80% of the Utilities component. Electricity costs decreased 9.6%, somewhat offsetting the larger increases in gas and water and sewer costs.[3]

Contractor Services

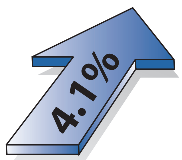


The Contractor Services component rose 2.8%, the lowest increase in this component since 1998 (2.7%) and nearly two percentage point lower than last year's growth of 4.6%. In contrast, the last six years showed growth in this component of more than four percent annually. Previously, Contractor Services 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 nearly two-thirds of the Contractor Services component. Painters' rates rose by 3.0%, down from last year's increase of 4.5%. Rates charged by plumbers increased by 2.8%, a lower increase than last year's growth of 4.8%. 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.

Due to a continued rise in the cost of oil-based materials, the rates charged by roofers increased more than six percent for the fourth consecutive year, rising 6.1%, the highest increase of any item in this component. All other component items had price relatives ranging from 0.0%-4.9%. (See Appendix B.2)

Administrative Costs



Administrative Costs rose 4.1%, the first time in the past four years the increase in this component was below 5%. From 2001-2005, this component's cost rose each year between 4.0% and 5.4%. Increases in Administrative Costs did not exceed four percent from 1991 through 2000. 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 (4.4%) 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 lower than last year's (5.5%), indicating that management companies raised their fees and/or rents increased at a lower rate than last year and there were more vacancies in the buildings they manage. The growth in management fees is about half of that seen in 2007 (8.2%).

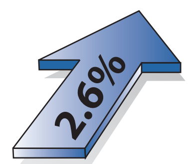
Accounting fees increased in this year's PIOC by 4.0%, 3.1 percentage points lower than last year's rise of 7.1%. Attorney fees rose 1.7%, lower than the prior year's increase of 2.1%.

Insurance Costs

Insurance Costs decreased this year by 2.9%, the first time since 1998 there was a decrease in this component and the largest decline in the history of the PIOC. The increases seen in this component in the three previous years, 1.9%-2.5%, were more moderate compared to the period between 2002-2005, when escalating insurance costs rose a cumulative 104%. Changes in this component in the fourteen-year period prior to 2002 fluctuated from a decrease of 1.5% to an increase of 5.2%.

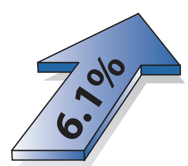
Changes in insurance costs for owners varied by when the policy was renewed and the amount of the policy. Policies renewed from December 2008 through April 2009 saw an increase in insurance costs of 4.6%. Meanwhile, policies renewed prior to December 2008 witnessed a decrease of 3.0%. Furthermore, policies that cost more than $5,000, which are nearly half of all insurance quotes verified, saw an average decline in cost of 4.2% upon renewal. Smaller buildings with policies under $5,000 saw an increase of 3.8%.

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 2.6%, 0.3 percentage points higher than last year's increase of 2.3%.

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 6.1%, the highest increase in this component since 1982 and the fourth year out of the last five in which prices rose more than three percent.

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 front desk, maid or linen service; 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 occupy a single room residing separately and independently of other occupants.

The Price Index for all stabilized Hotels increased 3.5% this year, less than half of the 7.4% increase witnessed the year before. The Price Index for Hotels was just 0.5 percentage points lower overall 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 Utilities and Tax components. The increase in Utilities for all types of Hotels was 2.0% versus 10.9% in apartment buildings. This difference was due to a double digit increase in water and sewer costs having more weight in the Apartment Index, and declining electricity costs having more weight in the Hotel Index. In addition, Taxes increased 14.1% for Hotels versus the 11.7% increase for apartments. These disparities resulted in a Hotel Index that was lower than that for apartments.

Prices and costs in all other components in the Hotel Index had similar changes in rates to the same components in the Apartment Index. See the table on this page for changes in costs and prices for all rent stabilized hotels from 2008-09.

Among the different categories of Hotels, the index for "traditional" hotels increased 5.2%, which was significantly higher than increases for both Rooming Houses (1.2%) and SROs (1.6%). The differences between these indices are primarily due to the increased weight placed on the Tax component for "traditional" hotels. Furthermore, there were disparities among the three hotel types in Fuel and Utilities, with Rooming Houses showing a decrease in the cost for both of these components. (See Appendices B.4 and B.7)

Rent Stabilized Lofts

The increase in the Loft Index this year was 2.8%, 1.2 percentage points lower than the increase for apartments. This difference is explained by the fact that Attorney fees, which rose 1.7%, and Insurance Costs, which declined 2.9%, carry much more weight for lofts than for apartments. More weight put on these components placed more downward pressure on the Loft Index. See the table on this page and Appendix B.8 for changes in costs and prices for all rent stabilized lofts from 2008-09.

The Core PIOC

The Core PIOC, which measures long-term local trends by factoring out shifts in fuel costs, gas, and electricity rates, rose 6.5% in 2009. The rise in the 2009 Core was 2.5 percentage points higher than the Apartment Index (4.0%). Since declining fuel costs were excluded from the Core PIOC calculation, the Core rose by the greatest proportion since 2004 (9.2%) when Fuel Costs declined 2.8%. (See graph on next page)

The Core rose at a slower rate than projected due primarily to a reduction in insurance costs that was not reflected in last year's Core projection. Insurance was projected to rise 6.8% but instead declined

Hotels

Change In Costs for Rent Stabilized Hotel Buildings, April 2008 to April 2009

Taxes	14.1%
Labor Costs	3.0%
Fuel	-9.2%
Utilities	2.0%
Contractor Services	3.2%
Administrative Costs	3.9%
Insurance Costs	-2.9%
Parts and Supplies	2.0%
Replacement Costs	4.0%
All Costs	**3.5%**

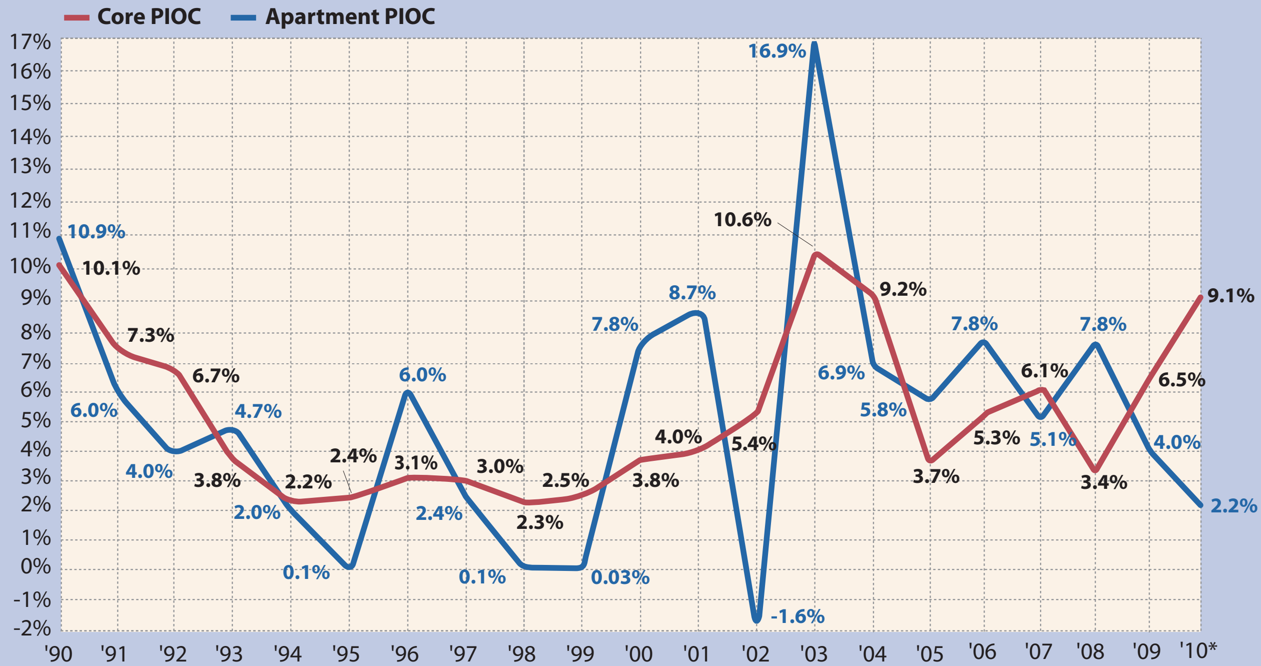
Lofts

Change In Costs for Rent Stabilized Loft Buildings, April 2008 to April 2009

Taxes	11.7%
Labor Costs	3.0%
Fuel	-12.7%
Utilities	10.4%
Contractor Services	2.8%
Admin Costs, Legal	1.7%
Admin Costs, Other	4.3%
Insurance Costs	-2.9%
Parts and Supplies	2.6%
Replacement Costs	6.1%
All Costs	**2.8%**

Percent Change in the Price Index of Operating Costs and the Core PIOC, 1990-2010

The "Core" PIOC Rose More than the Apartment Index in 2009



*Note: The percent change for 2010 is estimated.
Source: Price Indices of Operating Costs, 1990-2009, PIOC and Core PIOC projections for 2010

2.9%. Furthermore, both Contractor Services and Administrative Costs rose less than projected. Contractor Services rose 2.8% versus the 5.4% projection, while Administrative Costs rose 4.1% versus the predicted rise of 6.2%. Replacement Costs, which have very little weight in the Core Index, rose 6.1% versus the projection of 1.5%. All of the remaining changes in the core components in the 2009 projected Core and the 2009 actual Core show agreement within 1.4 percentage points.

PIOC Projections for 2010

Section 26-510 of the Rent Stabilization Law requires the Board to consider prevailing and projected operating and maintenance costs. 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 April 2009, 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 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 affect about one-fifth of the market basket of operating costs measured in the index — have become increasingly volatile. Unpredictable geo-political events, the current worldwide recession and changing weather patterns are some of the forces behind large changes in fuel-related costs (heating fuel, electricity, gas and steam) that have in turn hindered the accuracy of the PIOC projections in recent studies. The tax component, which accounts for one-quarter of the entire Price Index, has also become harder to project due to changes in tax policy, such as tax rate reductions, after the period covered in this Price Index.

This year, operating costs in rent stabilized apartment buildings increased by 4.0% versus last year's projected PIOC increase of 7.3%. The components that showed the most variance between actual changes in costs versus projected changes were Fuel and Insurance. Fuel, a historically volatile component, was projected to rise 4.7%, but actually declined 10.1% due to a fall in fuel oil prices during the heating season. Insurance costs, which almost always increase, declined by 2.9% in 2009 versus the expected increase of 6.8%, a difference of nearly 10 percentage points. The unexpected declines in the Fuel and Insurance components resulted in an overall apartment index that was lower than projected.

Meanwhile, Administrative Costs rose 4.1%, compared to the projected increase of 6.2%, while Contractor Services were projected to increase 5.4% but only rose 2.8%. Replacement Costs were projected to rise 1.5% but actually rose 6.1%. The remaining four 2009 projected components of the PIOC were within 1.4 percentage points of the actual measured changes.

Overall, the PIOC is expected to grow by 2.2% from 2009 to 2010. Fuel, the most volatile PIOC component, is expected to decline 24.5%. Conversely, Taxes are projected to increase 15.2% due to an increase in billable assessments, levy share and the tax rate for Class Two properties. Insurance Costs and Utilities are projected to rise 6.1% and 0.8% respectively. Contractor Services are expected to rise 4.3%, Administrative Costs 5.4%, and Labor Costs are projected to increase by 4.1%. The table on this page shows predicted changes in PIOC components for 2010. The core PIOC is projected to rise 9.1%, a significantly higher rate than the overall PIOC.

2010 Projections

Projected Change In Costs for Rent Stabilized Apartment Buildings, April 2009 to April 2010

Taxes	15.2%
Labor Costs	4.1%
Fuel	-24.5%
Utilities	0.8%
Contractor Services	4.3%
Administrative Costs	5.4%
Insurance Costs	6.1%
Parts and Supplies	1.8%
Replacement Costs	1.8%
All Projected Costs	**2.2%**

Commensurate Rent Adjustment

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,

Commensurates

"Net Revenue" Commensurate Adjustment

1-Year Lease	2-Year Lease
3.5%	5.5%

"Net Revenue" Commensurate Adjustment with Vacancy Increase

1-Year Lease	2-Year Lease
1.75%	2.5%

"CPI-Adjusted NOI" Commensurate Adjustment

1-Year Lease	2-Year Lease
5.0%	8.0%

"CPI-Adjusted NOI" Commensurate Adjustment with Vacancy Increase

1-Year Lease	2-Year Lease
3.25%	5.0%

"Traditional" Commensurate Adjustment

1-Year Lease	2-Year Lease
2.7%	3.5%

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 4.0% increase in the PIOC is 3.5% for a one-year lease and 5.5% for a two-year lease. Guidelines using this formula and adding assumptions for the impact of vacancy increases on revenues when apartments experience turnover are 1.75% for one-year leases and 2.5% 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) and NOI constant. This is commonly called the "CPI-Adjusted NOI" formula. A guideline that would preserve NOI in the face of the 3.5% increase in the Consumer Price Index (see Endnote 1) and the 4.0% increase in the PIOC is 5.0% for a one-year lease and 8.0% for a two-year lease. Guidelines using this formula and adding the estimated impact of vacancy increases are 3.25% for one-year leases and 5.0% for two-year leases.[4]

The original formula that has been in use since the inception of the Rent Guidelines Board is called the "traditional" commensurate adjustment. The "traditional" commensurate yields 2.7% for a one-year lease and 3.5% for a two-year lease, given the increase in operating costs of 4.0% found in the 2009 PIOC and the projection of a 2.2% 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 (4.0%). The traditional method differs from the other formulas in that it uses both the PIOC's actual change in costs as well as the projected change in costs (2.2%). 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 *Mortgage Survey Report* 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. 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 41,000 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.

Over 15% of the questionnaires mailed out were returned to the RGB. A total of 717 returned surveys contained usable information, from which quotes of owners' annual insurance costs (648), non-union labor quotes (134) and management fees (93) were validated. The number of verified prices in 2008 and 2009 for the Owner Survey is shown in Appendix B.1.

Fuel Oil Vendor Survey

Fuel price information is gathered on a monthly basis via a telephone survey. A monthly survey makes it possible to keep in touch with fuel 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 quotes gathered this year are 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 2) is a measure of heating requirements.

Real Estate Tax Computations

The sample of buildings used to compute the 2009 tax price relative was drawn by providing a list of rent stabilized properties registered with DHCR to the Department of Finance. Finance "matched" this list against its records to provide data on assessed value, tax exemptions, and tax abatements for over 34,000 buildings in FY 2008 and FY 2009. This data was used to compute a tax bill for each stabilized building in FY 2008 and FY 2009. The change computed for the PIOC is simply the percentage increase in aggregate tax bills for these buildings from FY 2008 to FY 2009.

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. All vendor quotes were obtained over the telephone. The telephone interview procedures used for gathering price quotes were unchanged from prior years. A total of 675 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, Heating Degree Days, and telephone and utility rate schedules. These items are used in computing some of the labor components, changes in utility costs for electricity, gas, steam, and telephone, and the cost-weighted change in fuel prices. Finally, to measure the change in water and sewer costs for rent stabilized buildings, staff used the Water Board FY 2009 increase of 14.5%.[7]

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.

Taxes were projected by using data from the Department of Finance's tentative assessment roll for FY 2010 and the amended and restated City Council tax-fixing resolution to estimate (for Class Two properties) the change in class levy share and assessments, the tax rate and the impact of exemptions and abatements in the coming fiscal year. These estimates produce a projected tax cost for the owners of rental properties. Labor costs are projected by analyzing labor contract terms supplied by apartment workers union Local 32-BJ and a ten-year geometric average of all other Labor items. Fuel 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.[8]

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

Acknowledgments

The Rent Guidelines Board would like to acknowledge the following individuals for their assistance in preparing the Price Index of Operating Costs this year: Dr. James F. Hudson for technical assistance and methodology and report review; Shirley Alexander for supervising the data collectors for the owner and vendor surveys and Ann Sheriff and Charmaine Superville for collecting owner and vendor information. ❒

Endnotes

1. The average CPI for All Urban Consumers, New York-Northeastern New Jersey for the year from March 2007 to February 2008 (228.3) compared to the average for the year from March 2008 to February 2009 (236.4) rose by 3.55%. 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 April, monthly cost-weighted figures from May to April, or the two most recent fiscal year bills.

2. The May 2008 to April 2009 year was 7.4% colder than the most recent 5-year average "normal" year and 10.9% colder than the year before. "Normal" weather refers to the typical number of Heating Degree Days measured at Central Park, New York City, over a given period. 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. The most recent five-year average "normal" temperature refers to the total number of average annual Heating Degree Days from "PIOC" years, May 2004 to April 2009, measured in Central Park by the National Weather Service.

3. Note that the electricity items are calculated on a point-to-point basis. In this case, the electricity increase represents a comparison of the price for electricity in April 2008 to the price in April 2009. If we were to calculate electricity on a monthly basis, with cost weights for heating use, the change for the twelve-month period from May 2008 to April 2009 would be a 4.6% increase.

4. The following assumptions were used in the computation of the commensurates: (1) the required change in landlord revenue is 67.9% of the 2009 PIOC increase of 4.0%, or 2.7%. The 67.9% 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 32.1% times the latest 12-month increase in the CPI ending February 2009 (3.5%) or 1.1%; (3) these lease terms are only illustrative—other combinations of one- and two-year guidelines could produce the adjustment in revenue; (4) assumptions regarding lease renewals and turnover were derived from the 2008 Housing and Vacancy Survey; (5) for the commensurate formulae, including a vacancy assumption, the 11.13% median increase in vacancy leases found in the rent stabilized apartments that reported a vacancy lease in the 2008 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 2.2% PIOC projection for 2010 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. "Public Information Regarding Water and Wastewater Rates," New York City Water Board, April 2008.

8. Source: "Short-Term Energy Outlook," March 2009. U.S. Energy Information Administration, Department of Energy.

2009 Income and Expense Study

What's New

From 2006 to 2007, increases in rental and total income outpaced a smaller increase in operating costs. Because operating costs grew less than the increase in income, net operating income (revenue remaining after operating expenses are paid) increased.

On average, in stabilized buildings, from 2006-2007:

- ✔ Rental income increased by **6.5%**.
- ✔ Total income rose by **6.5%**.
- ✔ Operating costs increased by **5.2%**.
- ✔ Net operating income (NOI) grew by **9.3%.**

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 2007, the year for which the most recent data is available, and also the extent by which these conditions changed from 2006.

Local Law 63

The income and expense data for stabilized properties originates from Local Law 63, enacted by the New York City Council in 1986. This statute requires owners of apartment buildings and other properties to file RPIE statements with the 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 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 to more than 13,200 properties containing over 620,000 units.

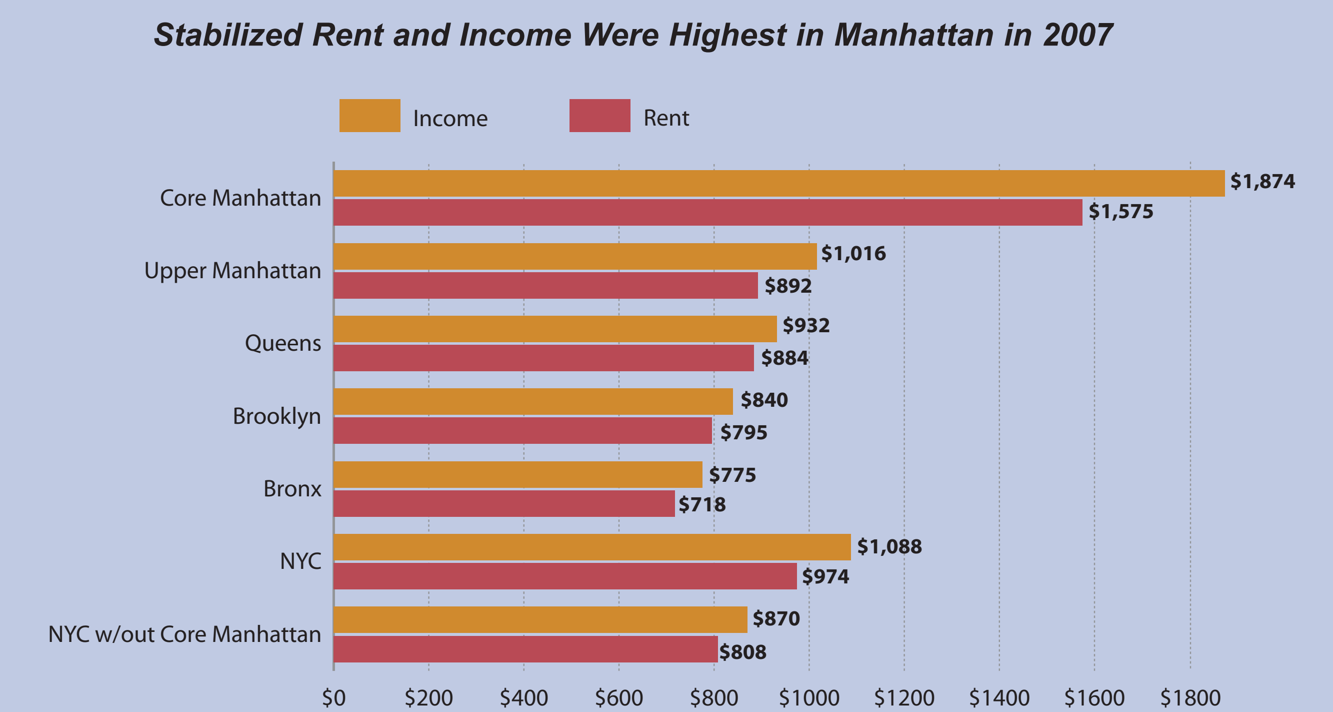
Cross-Sectional Study

Rents and Income[1]

In 2007, rent stabilized property owners collected monthly rent averaging $974 per unit. As in prior years, units in pre-war buildings rented for less on average ($924 per month) than those in post-war buildings ($1,088 per month).[2] At the borough level, monthly rents in stabilized buildings were $1,322 in Manhattan, $884 in Queens, $795 in Brooklyn and $718 in the Bronx (as noted in the Methodology, figures for Staten Island were not included throughout the analysis due to the small number of buildings in the data sets). Examining median figures, the median rent citywide was $827. At the borough level, median monthly rent was $1,101 in Manhattan, $866 in Queens, $753 in Brooklyn and $699 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 $1,088 per rent stabilized unit in 2007, with pre-war buildings earning $1,039 per unit and those in post-war properties earning $1,200 per unit. Gross income was highest in Core Manhattan at $1,874 per unit per month, and lowest in the Bronx at $775. Monthly income per unit in the City, excluding Core Manhattan, was $870. 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 a 10.4% share of the total income earned by building owners in 2007, higher than the prior year's 10.1% share. By borough, income earned from the sale of services was 15.0% in Manhattan (15.9% in Core Manhattan and 12.2% in Upper Manhattan); 5.2% in Queens; 5.3% in Brooklyn; and 7.3% in the Bronx. The graph on this page shows the average rent and income collected in 2007 by borough, and for the City as a whole. Median citywide income in 2007 was $884. At the borough level, Manhattan had the highest median

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



* 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, 2007 RPIE Filings

income, at $1,275, followed by Queens at $895, Brooklyn at $788 and the Bronx at $746. (For rent and income averages and medians by borough and building age and size, see Appendices C.3 and C.4.)

Comparing Rent Measurements

Another data source, NYS Division of Housing and Community Renewal (DHCR) annual registration data, provides important comparative rent data to the collected rents stated in RPIE filings. A comparison of the collected RPIE rents to the 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 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. By contrast, DHCR data consists of legal rents registered annually with the agency. Since DHCR rent data does not include vacancy and collection losses, in most years these rents are generally higher than RPIE rent collections data. Furthermore, RPIE information includes unregulated apartments in buildings containing rent stabilized units. Also, the RPIE information reflects rents collected over a 12-month period while DHCR data reflects rents registered on April 1, 2007. In sum, despite the anomalies between the two rent indicators, the difference between RPIE rents and 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.

In comparing annual RPIE and DHCR average rents from 1991 to 2001, the gap between the two contracted steadily during that time period. In fact, from 1991-2001, the difference between RPIE and DHCR rents decreased by almost two-thirds, from a difference of 15% between the two in 1991 to a difference of 5.6% in 2001. However, since that time, the gap has grown almost every year, to as much as 13.9% in last year's *Income and Expense Study*, but it dropped to 13.6% this year, as indicated by the average I&E rent of $974 and DHCR's mean stabilized rent of

Rent Comparisons, 1990-2007

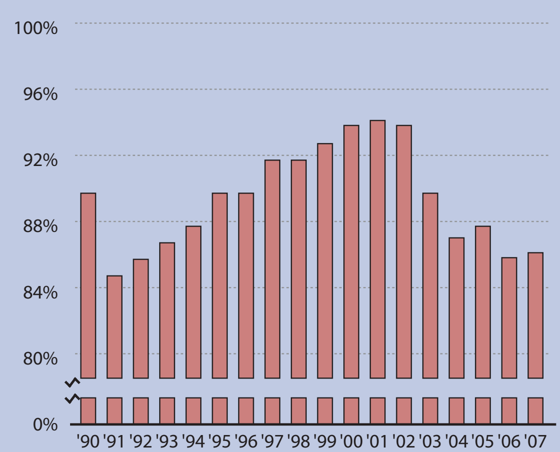
RPIE Rent Growth Grew Faster than Both RGB Rent Index and DHCR Rent

	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%
1990 to 2007*	108.8%	103.7%	99.0%

* Not adjusted for inflation
§ See endnote 3 Ø See endnote 5
‡ See endnote 6
Source: DHCR Annual Rent Registrations; NYC Department of Finance, 1990-2007 RPIE Filings

Average Monthly Citywide Collected Rents as a Share of Average Monthly DHCR Legal Registered Rents, 1990-2007

Percentage of Legal Rent Collected Increases in 2007



Source: DHCR Annual Rent Registrations; NYC Department of Finance, 1990-2007 RPIE Filings

$1,127.[3] 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).

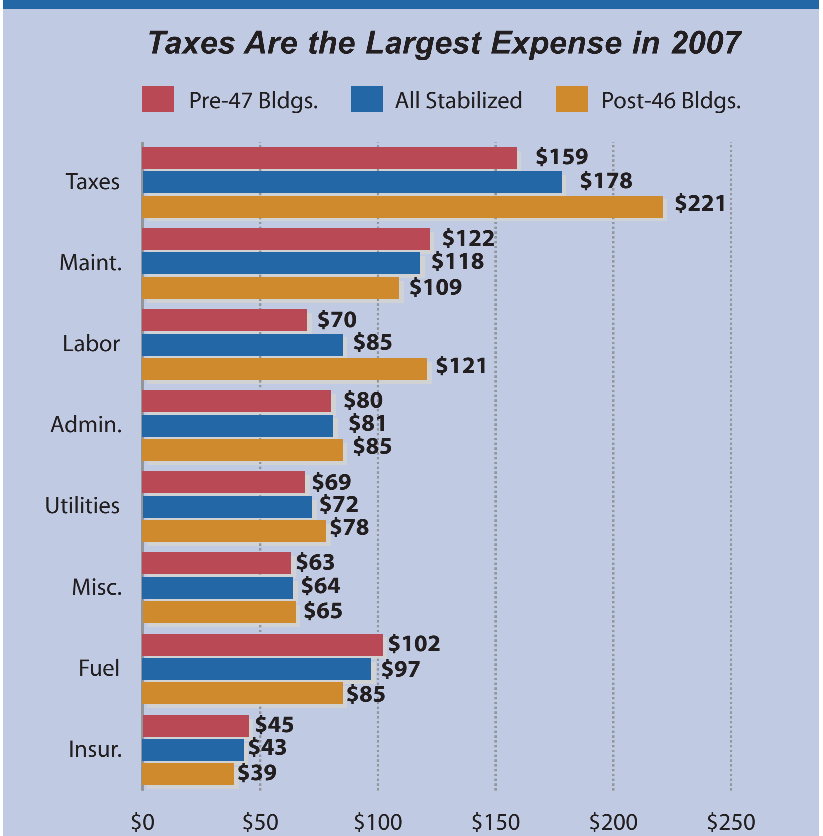
At the borough level, the gap between collected and legal rent varies widely. In 2007, Manhattan property owners collected an average rent of $1,322, 9.0% lower than DHCR's average legal rent of $1,453 for Manhattan. In the other boroughs, the differences were greater, with collected average rents that were 17.0% lower than legal rents in Queens; 17.8% lower in Brooklyn; and 21.1% lower in the Bronx. At least part of this differential in the boroughs is due to preferential rents, usually offered when the legal stabilized rent exceeds the market rate for the area.[4]

Another benchmark that can help place RPIE rent data in context is the RGB Rent Index, which measures the overall effect of the board's annual rent increases on contract rents each year. As the table on the previous page shows, during the 1990's, average rent collection increases were more often higher than the renewal lease increases allowed by the RGB's guidelines, while in the early 2000's, the RGB Rent Index was instead higher than rent collection increases. However, in the last two years, the trend reversed itself and rent collections have now grown at a faster rate than the RGB Rent Index, with a 6.5% increase in rent collections from 2006 to 2007 versus a 4.2% increase in the RGB Rent Index during the same period (adjusted to a calendar year).[5] There are a number of ways in which rents may be raised beyond the RGB's guidelines, including the deregulation of apartment units as well as through individual apartment and building-wide improvements. A longer view of the three indices shows that overall, collected rents have grown faster than either DHCR legal rents or RGB rent guidelines from 1990 to 2007. During that period, RPIE collected rents increased 108.8%, the adjusted RGB Rent Index increased 99.0%, and DHCR adjusted legal rents increased 103.7% (these figures are not adjusted for inflation).[6]

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.

Average Monthly Expense per Dwelling Unit per Month



Source: NYC Department of Finance, 2007 RPIE Filings

The average monthly operating cost for stabilized units was $738 in 2007. Costs were lower in units in pre-war structures ($710), and considerably higher among post-war buildings ($803). Geographically, average costs were lowest in the Bronx ($592), Brooklyn ($603) and Queens ($645) and highest in Manhattan ($981). Looking more closely at Manhattan buildings, costs for units located in Core Manhattan averaged $1,115 a month while the costs in Upper Manhattan were $753. The average monthly operating costs for stabilized building owners in New York City, excluding Core Manhattan, reduces the City average to $634. Median citywide expenses in 2007 were $637. By borough, Manhattan had the highest median costs, at $790; followed by Queens at $612; the Bronx at $560; and Brooklyn at $559. The graph on the previous page details average monthly expenses by cost category and building age for 2007. As the graph shows, taxes make up the largest share of expenses. (See Appendices C.1, C.2 and C.3 for a breakdown of average costs by borough and building age. Appendix C.4 details median costs.)

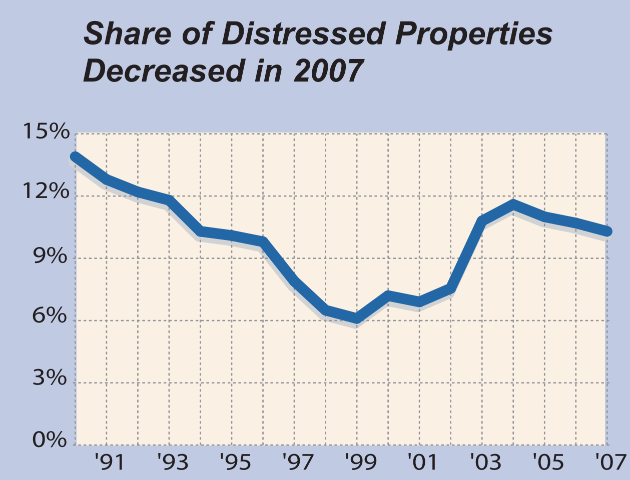
In 1992, Department of Finance and RGB staff tested RPIE expense data for accuracy. Initial examinations found that most "miscellaneous" costs were actually administrative or maintenance costs, while 15% were not valid business expenses. Further audits on the revenues and expenses of 46 rent stabilized 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 most precise for large (100+ units) buildings. However, these results are somewhat inconclusive since several owners of large stabilized properties refused to cooperate with the Department of Finance's assessors. Adjustment of the 2007 RPIE O&M cost ($738) by the results of the 1992 audits results in an average monthly O&M cost of $678 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. This year, unaudited average O&M costs for "residential-only" buildings were $690 per month, while average audited O&M costs for units in "residential-only" buildings were $633 per month.

"Distressed" Buildings

Buildings that have operating and maintenance costs greater than gross income are considered distressed. Among the properties that filed 2008 RPIE forms, 1,363 buildings, or 10.3% of the cross-sectional sample, had O&M costs in excess of gross income, down from 10.7% found the prior year. In 2007, only 93 (6.8%) of these distressed buildings were built after 1946. After 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%. Since then, the proportion generally increased until 2004, after which it has gone down for the last three years (see graph on this page). Most distressed stabilized properties are mid-sized (20 to 99 units), pre-war and are located in Manhattan, Brooklyn and the Bronx. (See Appendix C.7 for a breakdown of distressed buildings by borough, building size and building age.)

Percent of Distressed Properties in Cross-Sectional Samples 1990-2007



Source: NYC Department of Finance, 1990-2007 RPIE Filings

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 $349 of net income per month in 2007, with units in post-war buildings earning more ($397 per month) than those in pre-war buildings ($329 per month). Average monthly NOI tended to be considerably greater for stabilized properties in Manhattan ($575) than for those in the other boroughs: $182 per unit per month in the Bronx, $236 in Brooklyn and $288 in Queens. There was a significant difference when looking at NOI on a sub-borough level in Manhattan. Core Manhattan properties earned on average $760 per unit per month in NOI, while properties in Upper Manhattan had an NOI of $263. The monthly NOI average calculated citywide, excluding Core Manhattan, was $236. Looking at the NOI using audited expense figures, the citywide NOI in 2007 was $410. Average monthly NOI in "residential-only" properties citywide was $318 per unit in 2007, 9.0% lower than the mean 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 $349 per stabilized unit by the typical size of buildings in this year's cross-sectional sample (47 units) yields an estimated mean annual NOI of about $197,000 in 2007.

Operating Cost Ratios

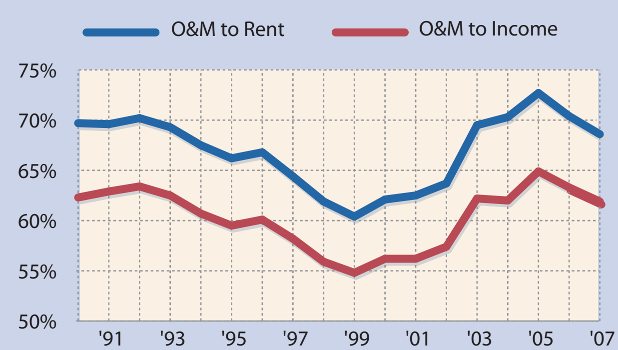
Another way to evaluate the profitability of New York City's rent stabilized housing is by measuring the ratio of expenses to revenues. Traditionally, the RGB has used O&M Cost-to-Income and O&M Cost-to-Rent ratios to assess the overall health of the stabilized housing stock, presuming that buildings are better off by spending a lower percentage of revenue on expenses. The graph on this page shows how over the period from 1990-2007, the proportion of total income and rent collections spent on audited operating costs has fluctuated. The Cost-to-Income ratio in 2007 is 62.3%, a decrease of one percentage point from the prior year's 63.3%. This means that on average, owners of rent stabilized properties spent about 62 cents out of every dollar of revenue on operating and maintenance costs in 2007. Looking at unaudited expenses, the cost-to-income ratio in 2007 was 67.9%. The audited median cost-to-income ratio was 66.2% in 2007.

Examining the ratio of costs to rent collections, audited operating costs in 2007 were 69.6% of revenues from rent, a decrease of 0.8 percentage points from the prior year. Using unaudited expenses, the cost-to-rent ratio in 2007 was 75.8%. Looking at the audited median cost-to-rent ratio, it was 70.7% in 2007.

Rents, income and costs per unit were on average highest in Core Manhattan in 2007 (see map and graphs on the next page). When looking at the city

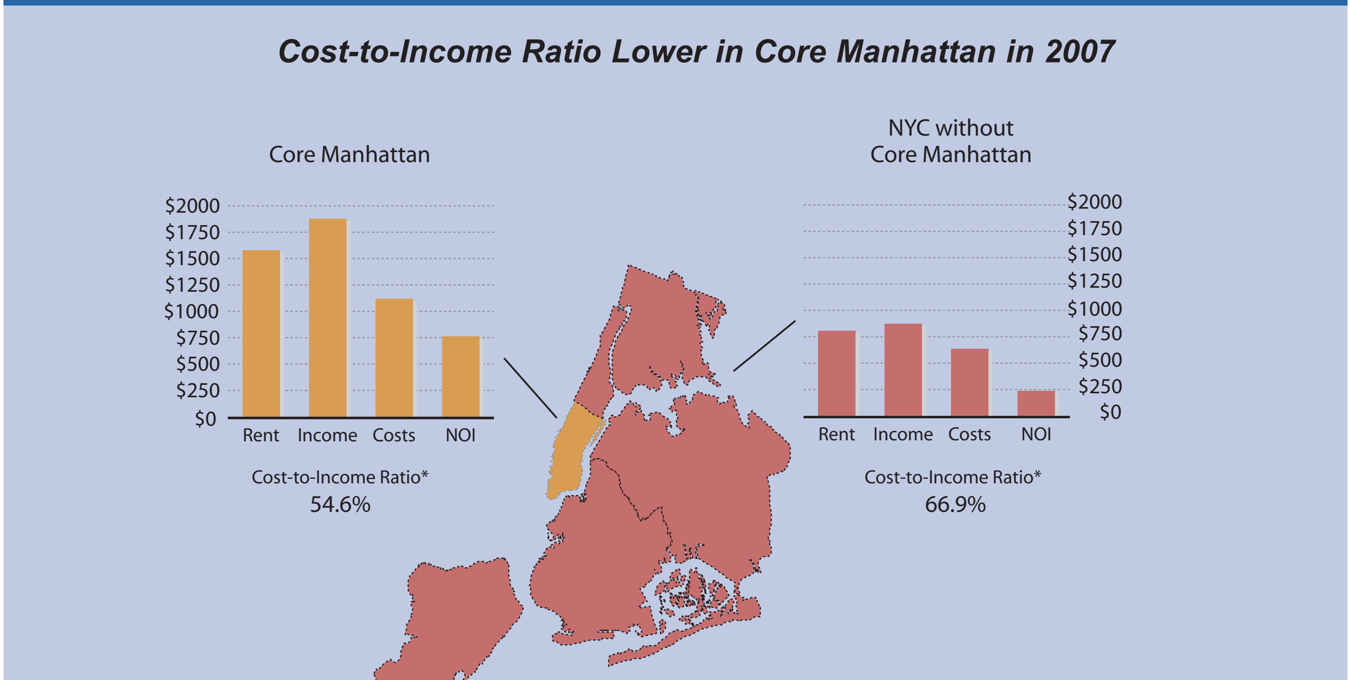
Ratios of Citywide Average Monthly Audited O&M Costs to Average Monthly Gross Income and Rent 1990-2007

Cost-to-Income and Cost-to-Rent Ratios Decline for Past Two Years



Source: NYC Dept. of Finance, 1990-2007 RPIE Filings

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, 2007



*Note: Ratios use audited costs.
Source: NYC Department of Finance, 2007 RPIE Filings

with core Manhattan excluded, the average revenue and costs figures are generally lower, resulting in expense to revenue ratios that are different. The Cost-to-Income Ratio for the rest of the City was 66.9%, considerably higher than the Cost-to-Income Ratio for stabilized buildings in Manhattan's Core (54.6%). These figures indicate that on average, owners of stabilized properties outside of Core Manhattan spend about twelve cents more of every dollar of revenue on expenses compared to their counterparts in Core Manhattan.

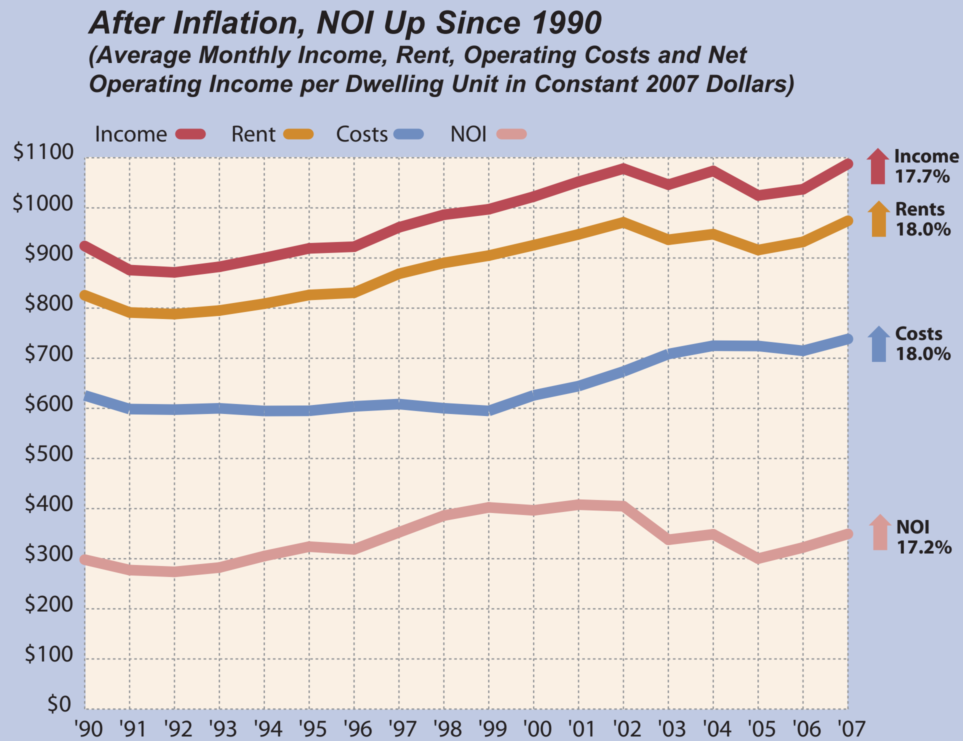
In an attempt to capture the financial health of small rent stabilized buildings, this year staff analyzed income and expense data for buildings with fewer than 11 units. As stated earlier, owners of rent stabilized buildings with less than 11 units are not required to file RPIE forms. However, they can voluntarily file an RPIE EZ form with the Department of Finance. The information on this form is limited, containing only gross income and expense for each building. Rent is not reported separately so a cost to rent ratio could not be calculated. In addition, the summary data obtained by Finance is building-wide. Therefore the cost-to-income ratios reported are not per unit but rather per building. A total of 514 buildings with fewer than eleven units were examined.

Citywide, the average cost to income ratio for rent stabilized buildings with fewer than 11 units was 66.1% in 2007, with an unaudited ratio of 72.0%. The median cost to income ratio was 65.9% while the unaudited median ratio was 71.7%.

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 2007 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.

Citywide Income, Rents, Costs and NOI After Inflation, 1990-2007



Note: Percent changes are point-to-point measurements and should not be considered cumulatively.
Source: RGB Income and Expense Studies, 1992-2009. NYC Department of Finance, 1990-2007 RPIE Filings

Converting income and expense figures into constant 2007 dollars helps to analyze how much NOI has grown in real terms since the RGB began collecting RPIE data from a significant number of buildings. Point-to-point comparisons of average monthly figures show that from 1990 to 2007, after adjusting for inflation, NOI (the surrogate measure for profit) has increased 17.2% (see graph on this page). This indicates that revenues have outpaced expenses to the extent that average monthly NOI was worth 17.2% more in 2007 than it was in 1990, after adjusting for inflation.[7]

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 2007 period, inflation-adjusted rent increased a cumulative 18.0%, income by 17.7%, costs by 18.0% and NOI by 17.2%.

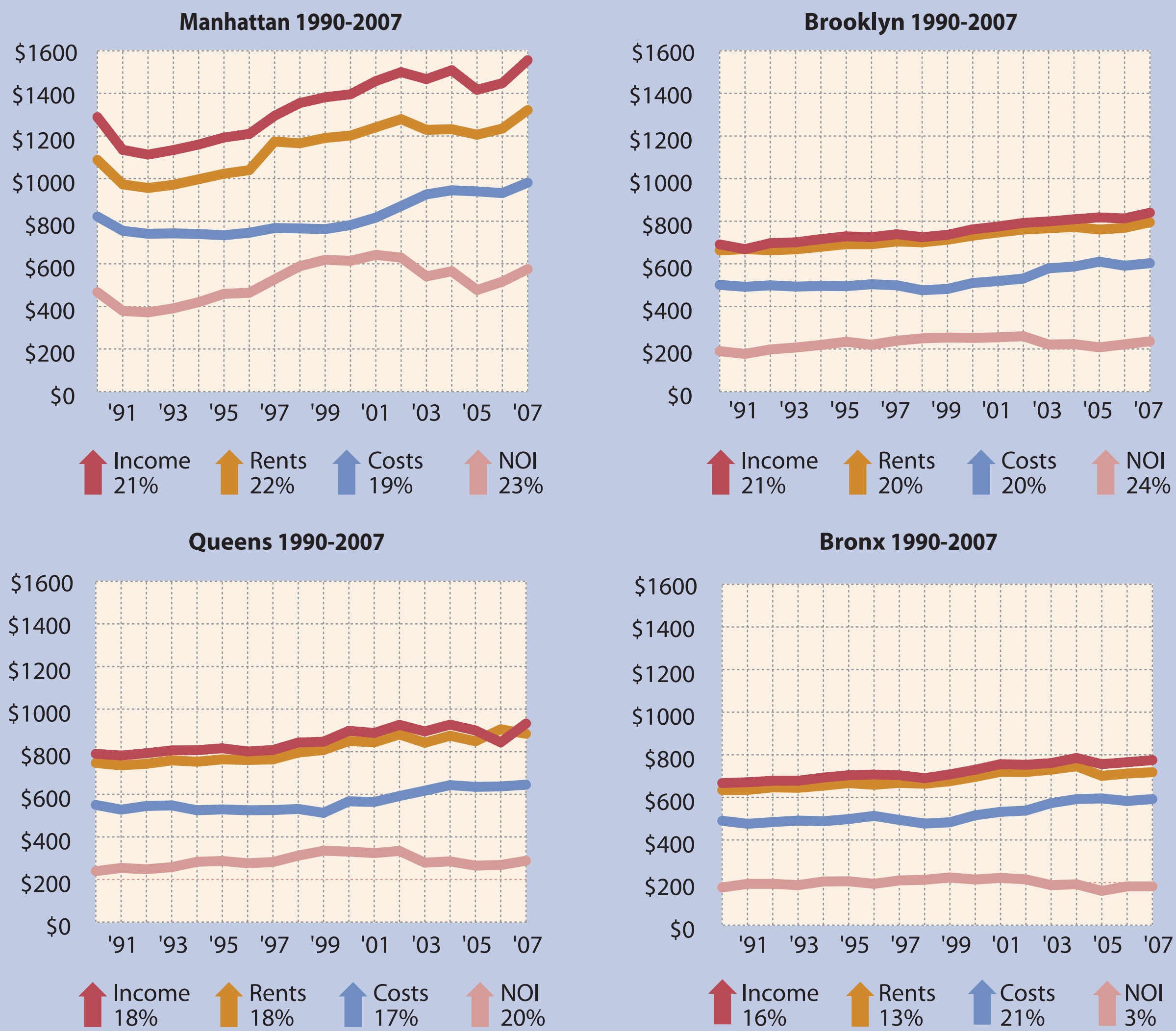
Since 1990, the ratio of NOI to income varied. From 1990-96 the ratio of NOI/income averaged 33%; while from 1997-2002, NOI's share of income averaged 39%. In the last five years, the average ratio of NOI/income was about 31%.

While the citywide graph of inflation-adjusted revenue, expense and NOI figures is useful for demonstrating the overall stabilized rental housing market, disaggregating the same figures by borough shows how the market can differ from area to area (see graphs on next page). Looking at each of the boroughs individually, from 1990 to 2007, Manhattan, Brooklyn and Queens all saw double-digit increases in their net income, with Brooklyn seeing the largest increase, 24%, followed closely by Manhattan, up 23%, and Queens, up 20%, while the Bronx saw a more modest 3% increase in NOI over the same period.

Income, Rents, Costs and NOI After Inflation per Borough, 1990-2007

Since 1990, Inflation-Adjusted NOI Rises in All Boroughs

(Average Monthly Income, Rent, Operating Costs and Net Operating Income per Dwelling Unit in Constant 2007 Dollars)



Note: Percent changes are point-to-point measurements and should not be considered cumulatively.
Source: RGB Income and Expense Studies, 1992-2008. NYC Department of Finance, 1990-2007 RPIE Filings

Longitudinal Study

The longitudinal section of this study measures changes in rent, income, costs, net operating income, operating cost ratios, and net operating income that occurred in the same set of buildings from 2006 to 2007.

Rents and Income

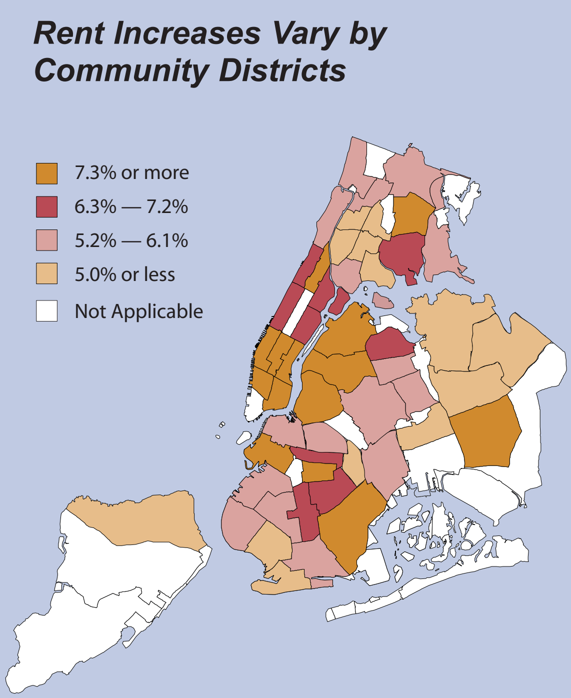
Rent collections increase for many reasons, including increases allowed under RGB renewal guidelines, vacancy allowances of 17-20% allowed under the Rent Regulation Reform Act of 1997 and investments in apartment and building-wide improvements.

Average rent collections in stabilized buildings rose by 6.5% in 2007. Rent collections in post-war buildings grew at a lesser rate, up 5.8%, than pre-war buildings, which increased by 6.8%. Rent collections for stabilized units increased by 7.3%, 6.4% and 6.3% for small (11-19 unit), medium (20-99 unit) and large (100+ unit) buildings respectively. Examining rent collections by borough, Manhattan saw the largest increase, up 7.2%, with Upper Manhattan seeing rent growth of 6.2% and Core Manhattan seeing a 7.6% increase. The other boroughs also saw increased rent collections, up 6.0% in both Brooklyn and Queens, and up 5.5% in the Bronx. The median growth in rent citywide was 5.9%.

Looking at rent collections throughout New York City, every community district but one saw increases from 2006 to 2007.[8] Six out of eleven neighborhoods in Manhattan saw average rent growth that was 7.3% or higher, with Chelsea/Clinton seeing the highest rent growth (11.5%); followed by Greenwich Village, up 8.8%; and the Lower East Side/Chinatown, up 8.3%. Districts outside Manhattan also seeing high rent growth include Williamsburg/Greenpoint, Brooklyn, up 9.3%; Jamaica, Queens, up 8.4%; Astoria, Queens, up 8.3% and South Crown Heights, Brooklyn, up 8.2%. The district with the highest rent growth in the Bronx was Pelham Parkway, up 7.3%. By contrast, only Bayside/Little Neck in Queens saw a decline in average rent, down 0.2% from 2006 to 2007. Districts with low rent increases include the North Shore of Staten Island, up 0.9%; Coney Island, Brooklyn, up 2.6%; and Hillcrest/Fresh Meadows, Queens, up 2.9%. The Manhattan district seeing the lowest rent growth was Washington Heights/Inwood, up 5.4%. See the map on this page for a breakdown of rent increases by community districts throughout New York City.

The total income collected in rent stabilized buildings, comprising apartment rents, commercial rents and sales of services, increased by 6.5% from 2006 to 2007. Revenues rose faster in pre-war buildings, up 6.8% than in post-war buildings, up 5.8%. Manhattan saw the highest growth in income, rising 7.1%, followed by Brooklyn, up 6.2%, and both Queens and the Bronx, up 5.8%. The gross income of Core Manhattan properties grew by 7.2%, while Upper Manhattan income grew 6.6%. The median growth in income citywide was 6.4%.

Changes in Rents by Community Districts, 2006-2007



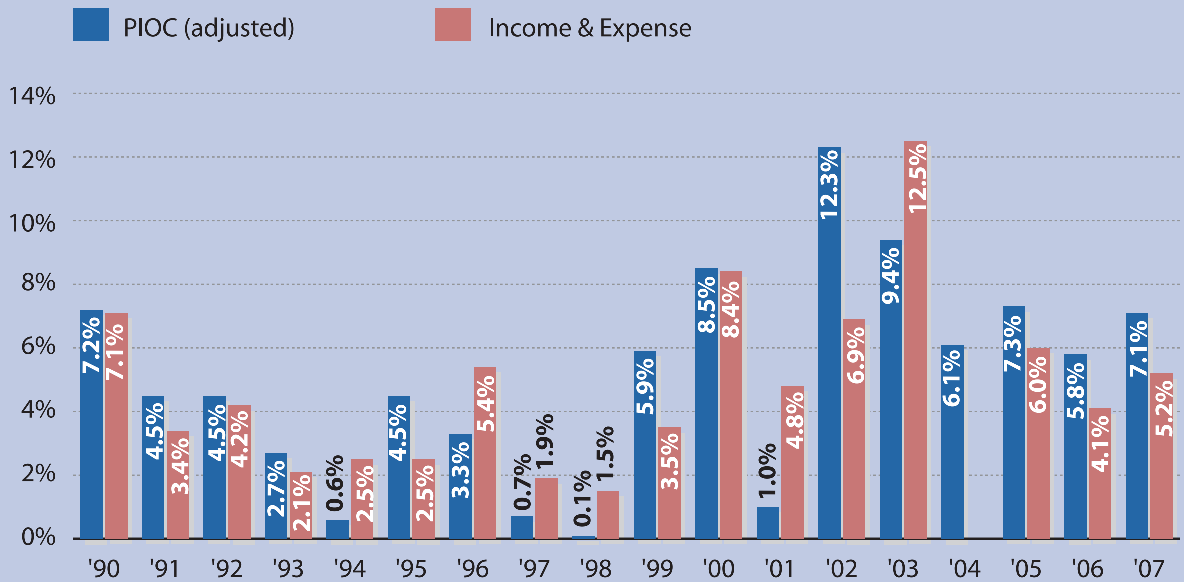
Source: NYC Department of Finance, 2006-07 RPIE Filings

Operating Costs

Expenses in stabilized buildings rose 5.2%, a lower rate of increase than in both rents and total income from 2006 to 2007. Operating costs went up more in older, pre-war buildings, up 5.7%, than in post-war buildings, which rose 4.2%. While I&E studies have found that rent and income revenues tend to rise at rates similar to one another, operating cost increases are much more variable, often the result of volatile changes in the cost of fuel, maintenance, insurance or utilities. This year costs rose most rapidly in the Bronx, up 5.9%; Brooklyn, up 5.4%; and Manhattan, up 5.2%. Queens saw the smallest increase in expenses, up 3.9%. The median citywide increase in expenses was 5.1%. 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.

Change in Operating & Maintenance Costs, I&E and the PIOC, 1990 to 2007

In 2007, the PIOC Increased at a Greater Rate than Owner-Reported RPIE Costs



*Longitudinal income and expense data for 2003-04 is unavailable (see endnote 6).
Note: Beginning with the 2008 *I&E Study*, the PIOC increase was adjusted from the April-to-April to the January-to-December calendar year. This was a revision from prior *I&E Studies*.
Source: NYC Department of Finance, 1990-2007 RPIE Filings; PIOC 1990-2007

RPIE Expenses and the PIOC

Data from the RPIE and the RGB's long-running survey, the Price Index of Operating Costs (PIOC), each provide a form of independent verification for the expense findings in the other. However, comparison of I&E and PIOC data is somewhat distorted due to differences in the way each instrument defines costs and time periods. For example, there is a difference between when expenses are incurred and actually paid by owners as reported in the RPIE, versus the price quotes obtained from vendors for specific periods as surveyed in the PIOC. In addition, the PIOC primarily measures prices on an April-to-April basis, while most RPIE statements filed by landlords are based on the calendar year. (See endnote 3.) To compare the two, weighted averages of each must be calculated, which may cause a loss in accuracy. Finally, the PIOC measures a hybrid of costs, cost-weighted prices and pure prices, whereas the RPIE provides unaudited owner-reported costs. The PIOC rose 7.1% from 2006 to 2007, the same period as the 5.2% increase in I&E costs, a 1.9 percentage point difference. (See graph on this page.)

From 1990-91 to 2006-07, cumulative growth in the two indices seem to confirm the accuracy of one another in measuring expense changes for rent stabilized properties. Overall nominal costs measured in the PIOC grew by 112.8% and in the I&E Studies by 106.9% over this period.[9]

Operating Cost Ratios

Between 2006 and 2007, the proportion of gross income spent on audited expenses (the O&M Cost-to-Income ratio) decreased by 0.8 percentage points. The proportion of rental income used for audited expenses (the O&M Cost-to-Rent ratio) also decreased, down by 0.9 percentage points. This is the second year that both

O&M Cost-to-Income and O&M Cost-to-Rent ratios fell, after increases in each of the previous five years.

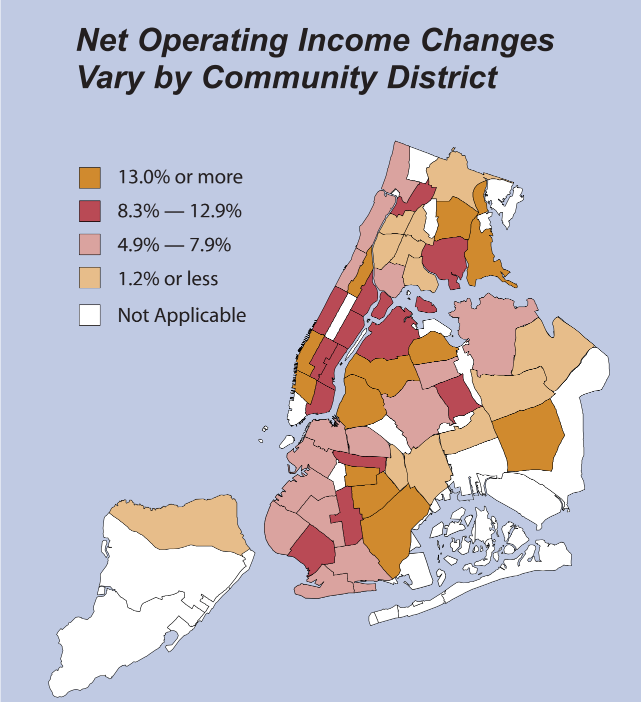
Net Operating Income

Since revenues grew faster than average operating costs during 2007, citywide net operating income in rent stabilized buildings increased by 9.3%. As discussed earlier, 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.

The change in NOI from 2006-07 differed among the boroughs. Manhattan and Queens saw the largest increases in NOI, up 10.3% and 10.2%, respectively; while Brooklyn's NOI rose 8.2% and the Bronx saw an increase of 5.5%. Both sections of Manhattan saw increases in NOI, up 10.6% in Core Manhattan and 9.1% in Upper Manhattan.

The map on this page shows that change in NOI varied across New York City. Among each of the boroughs, the Bronx saw significantly varying changes in NOI, with two districts (Throgs Neck/Co-op City and Pelham Parkway) seeing NOI growth of over twenty percent, while five districts saw declines in NOI ranging from -0.7% to -14.4%. Other districts seeing NOI growth of over 20% include Bedford-Stuyvesant, Brooklyn and Jamaica, Queens. Meanwhile, one district in Queens (Kew Gardens/Woodhaven) and two districts in Brooklyn (Brownsville/Ocean Hill and East New York/Starett City) also saw declines in NOI. In Manhattan, six districts saw double-digit increases in NOI, while the smallest increase in NOI in Manhattan occurred in Washington Heights/Inwood, up 6.5%. (See endnote 8.)

Change in NOI by Community District, 2006-07



Source: NYC Department of Finance, 2006-07 RPIE Filings

Conclusion

The RPIE filings from over 13,200 rent stabilized buildings containing more than 620,700 units in the cross-sectional sample, and over 11,200 buildings containing over 537,900 units in the longitudinal sample, illustrate growing Net Operating Income. Increases in income outpaced smaller increases in expenses in 2007. Citywide, revenue collections increased 6.5%, while costs increased by 5.2%. Because of the greater increase in revenues from 2006 to 2007, NOI citywide increased by 9.3%. In addition, all the boroughs saw an increase in NOI, and the number of distressed properties also fell from 2006 to 2007, down 0.4 percentage points.

Methodology

The information in this report was generated by analyzing data derived from RPIE forms filed with the NYC Department of Finance in 2008 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 2007, was made available to RGB research staff in March, 2009 for analysis. Unit averages contained in this analysis were computed by the Department of Finance. The averages were then weighted by the RGB using data from the 2005 NYC Housing and Vacancy Survey to calculate means that are representative of the population of residential buildings in New York City.

Changes in Average Monthly Rents, Income, Operating Costs and Net Operating Income per Dwelling Unit, 1990-2007

Growth in Income Outpaces Increases in Expenses from 2006-2007

	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%**

Source: NYC Department of Finance, 1990-2007 RPIE Filings
Note: Longitudinal data from 2003-04 is unavailable. See endnote 6.

In addition, medians were calculated and included in this report. The medians derived from the sample were produced by the Department of Finance and are unweighted.

As in past studies, 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 2007 RPIE or alternatively, TCIE (Tax Commission Income & Expense) forms. Data from the forms was used to compute average and median rents, operating costs, etc., that were typical of the year 2007. Longitudinal data, which provides a direct comparison of identical elements over time, encompasses properties that filed RPIE/TCIE forms for the years 2006 and 2007. 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 2007, while longitudinal data measures changes in conditions that occurred from 2006 to 2007.

This year, 13,201 rent stabilized apartment buildings were analyzed in the cross-sectional study and 11,265 stabilized properties 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 2007 RPIE or TCIE statements (or 2006 and 2007 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 removed:

- 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 did not file a 2007 RPIE or TCIE form for the cross-sectional study, or a 2006 and a 2007 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 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 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, valet and vending, and all other operating income.

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

3. According to the NYC Department of Finance, over 90% of owners filing RPIE's report income and expense data by calendar year. In previous reports, adjusted DHCR data was calculated on a July-to-June fiscal year. Beginning with the *2008 Income and Expense Study*, adjustment of DHCR data was calculated on the January-to-December calendar year, so figures differ from that reported in prior years. Further, the DHCR mean rent was revised for 2005-06.

4. Preferential rents refer to actual rent paid, which is lower than the "legal rent," or the maximum amount the owner is entitled to charge. Owners often offer preferential rents when the current market cannot bear the legal rent.

5. In previous reports, the adjusted RGB Rent Index was calculated on a July-to-June fiscal year. Beginning with the *2008 Income and Expense Study*, adjustment of the RGB Rent Index was calculated on the January-to-December calendar year. Also see Endnote 3.

6. 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.

7. In previous *I&E Studies* the analysis of inflation adjusted numbers used 1989 as the base year. In the *2008 Income and Expense Study*, the RGB began using 1990 as the base year for comparison because that is when data from a significant number of buildings became available due to the computerization of income and expense data filings. In 1989, there were 500 buildings in the cross-sectional sample, of which 250 were pre-war and 250 post-war. This small sample size did not accurately represent the universe of predominantly pre-war rent stabilized buildings. But beginning in 1990, there were over fourteen thousand buildings.

8. Eight 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 Department of Finance.

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

2009 Mortgage Survey Report

What's New

- ✔ Average interest rates for new multifamily mortgages increased 0.35 percentage points, or 5.8%, to 6.46%.
- ✔ Refinancing interest rates grew by 0.39 percentage points to 6.50%.
- ✔ Average points for new loans rose 0.18 points, to 0.62 points.
- ✔ New loan volume fell 23%, while refinanced loan volume dropped 31%.
- ✔ Vacancy and collection losses increased to 4.38%, up from 3.69% the prior year.
- ✔ Average maximum loan-to-value ratios dropped to 74.3% in 2008, down from 76.7% the prior year.
- ✔ In 2008, 1,021 buildings containing rent stabilized units were sold citywide, down 31% from the prior year.

Introduction

Section 26-510 (b)(iii) of the Rent Stabilization Law requires the 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 2008 calendar year as well as the first few months of 2009.

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, a section added last year, rent stabilized building sales data, is again included in this report.

Summary

The *2009 Mortgage Survey* revealed a more cautious lending market. While lending standards changed little from last year, some institutions are limited by constraints on availability of capital, while others remain relatively unaffected. Despite intensive efforts by the Federal Reserve Board to free up capital, both the average interest rate in 2008 and the current (as of February 2009) interest rate showed increases over the prior year. The lending market was minimally impacted by seven decreases in the Federal Reserve Board's federal funds rate and eight decreases in the discount rate during 2008.[1] Furthermore, both new loan and refinanced loan volume declined in 2008. Average up-front fees, called points, increased again this year after falling two years ago to their lowest level in the history of the survey. However, despite increasing rates of defaults among private homeowners, lenders reported few non-performing loans or foreclosures among their rent stabilized portfolios. Our follow-up analysis of rent stabilized building sales data showed an overall decline in both rent stabilized building sale prices and volume citywide from 2007 to 2008, with some variation among the boroughs and building sizes.

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 of financing availability and terms, underwriting criteria, portfolio performance and an overview of lenders' expectations and the characteristics of typical buildings in their portfolios.

Survey Respondents

Sixteen financial institutions responded to this year's survey, two fewer than last year.[2] The number of eligible lenders continues to decline primarily due to the merger of some previous survey respondents. In recent years, the merger of financial institutions has resulted in fewer remaining lenders that are eligible to complete the survey. 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. Among the respondents, all but one also responded to last year's survey.

Institutions holding deposits insured by the FDIC supply details about their holdings on a quarterly basis, including their multifamily real estate holdings, which vary considerably among this year's respondents. Thirteen survey respondents report their multifamily real estate holdings to the FDIC, with values ranging between $17.2 million and $7.7 billion.[3] Six of this year's institutions reported multifamily holdings of over one billion dollars, while three institutions had holdings of less than $100 million. Compared with last year, the average multifamily real estate portfolio of our survey respondents decreased by 9.1%, to $1.68 billion.

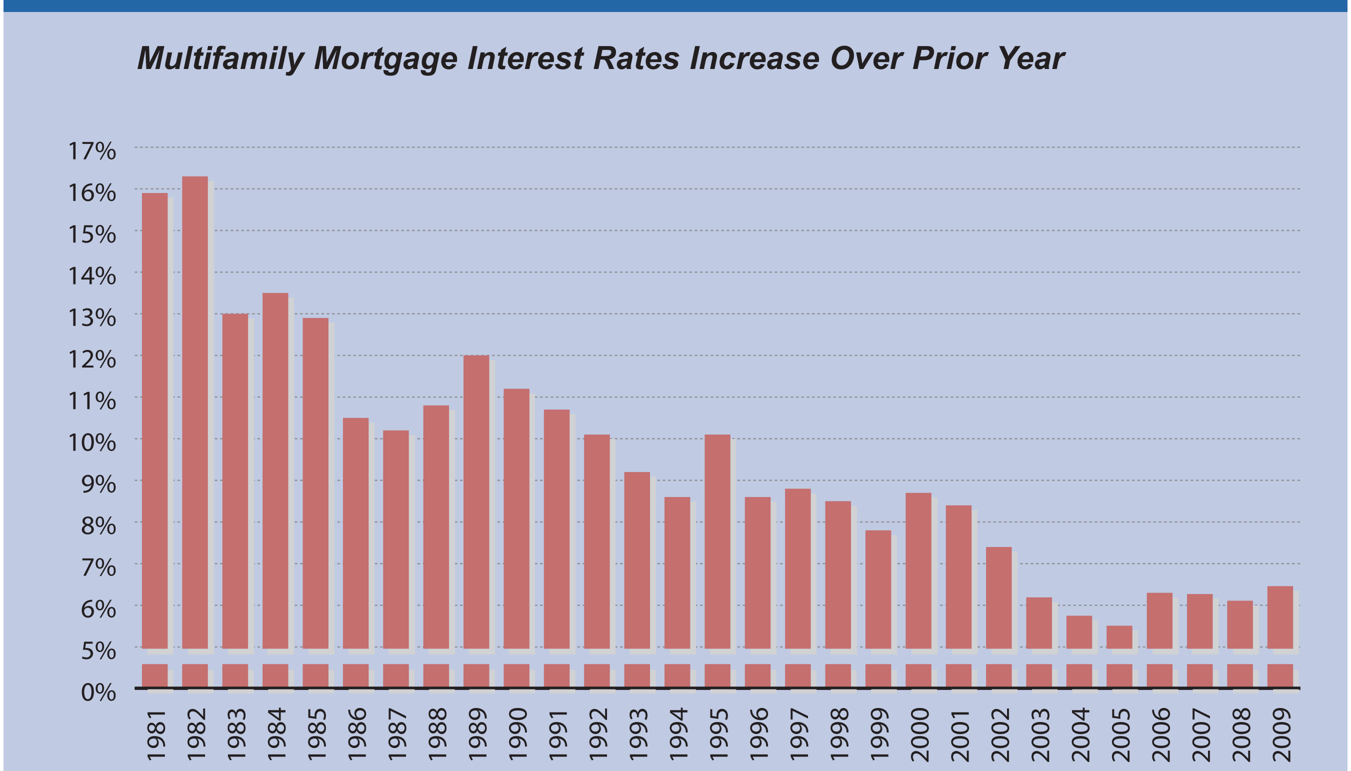
Cross-Sectional Analysis

Financing Availability and Terms

As of February 2009, this year's average interest rate of 6.46% for new multifamily mortgages increased 0.35 percentage points, or 5.8%, from the previous February (see graph on this page and Appendix E.1).

Reflecting the fact that interest rates increased as the year progressed, the average rate reported for all of

Average Interest Rates for New Loans to Rent Stabilized Buildings, 1981-2009



Note: 2008 figures have been slightly revised due to the removal of one lender. See endnote 2.
Source: Rent Guidelines Board, annual Mortgage Surveys.

2008 was 6.26%, lower than current reported rates, and a 0.21 percentage point (or 3.5%) increase from 2007.

As in prior years, a small number of large lenders provided a large share of the total volume of new and refinanced mortgages. Of all respondents, four provided 82% of the total volume of new mortgages. Adjusting for the varying share of loan volume among the responding institutions, the weighted interest rate for 2008 was 6.10% for new originations, lower than the overall average interest rate of 6.26%. The weighted interest rate takes loan volume into account, so the interest rates of larger lenders count more than those lenders with fewer loans.

Average interest rates increased during the year among the institutions surveyed despite numerous decreases in the federal funds and discount rates by the Federal Reserve Board throughout 2008. The Fed lowered the Discount Rate — the interest rate at which depository institutions borrow from the Federal Reserve Bank of New York — eight times during 2008, to reach 0.50%, and the Federal Funds Rate — the interest rate at which depository institutions lend balances at the Federal Reserve to other depository institutions — seven times to a range of zero to 0.25% by the end of 2008. The Fed continued to lower rates in 2008 as a reaction to a significant slowdown in the U.S. economy, but this year's survey results seem to indicate the limited ability of the Fed to influence the economy and lending practices of institutions. The Fed began cutting both rates in the summer of 2007. By the end of 2008, with rate cuts having limited impact, the Fed announced that they would pump out vast amounts of money to businesses and consumers in an attempt to stimulate the economy.[4]

Surveying institutions regarding their refinanced mortgages found that most of them offered identical or similar terms to those for new loans. The average current rate charged for refinanced mortgages as of February 2009, 6.50%, was just 0.035 percentage points higher than the average current rate charged on new originations and 0.39 percentage points higher than last February. (See Appendix E.1) At 6.30%, average 2008 refinancing rates were 0.22 percentage points higher than the prior year's refinancing rates.

Like interest rates, points (up-front service fees) that were charged for new and refinanced loans increased from the prior year. Among survey respondents, they ranged from zero to two 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 0.62 points, a 0.18 point increase from last year's average of 0.43. Average fees reported in the survey have remained around or below one point for more than a decade (see graph on next page). Average points for refinanced mortgages were the same (0.62) as that charged on new originations.

Despite the ongoing economic challenges facing the banking industry, surveyed lenders, for the most part, remained flexible in the loan terms they offered their borrowers. Since survey respondents

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

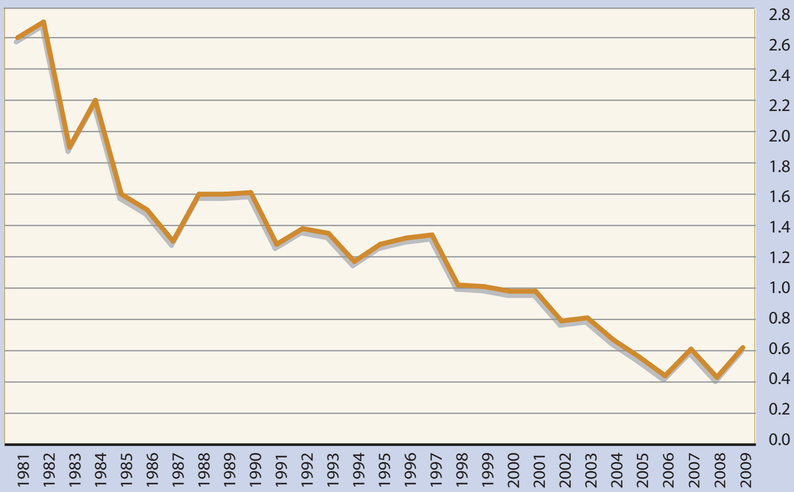
Maximum LTV - the loan-to-value ratio set by the lenders as part of their underwriting criteria

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, 1981-2009

Service Fees Increase Over Prior Year



Note: 2008 figures have been slightly revised due to the removal of one lender. See endnote 2.

Source: Rent Guidelines Board, annual Mortgage Surveys.

typically provide a wide range of terms rather than a single number, it is difficult to give 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 3- to 30-year range. Seven lenders offered terms as long as 30 years, while just two 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.

New loan volume decreased in 2008, the third year in a row that volume declined. An average of 46 new loans per institution were financed this past year, down 23% from 60 in 2007. While average loan volume dropped, not all lenders saw declines. In fact, while 38% reported no change, 19% reported declines, and 44% actually reported an increase in loan volume. For those institutions that saw loan volume increase, most attribute it to an increase in loan applications, and a few to an increased rate of approvals. These lenders, each reporting no more than 60 new loans, represent just 23% of the total new loan volume this year. In addition, lenders were asked this year about the ongoing financial crisis. One large institution reportedly undergoing severe financial hardship stated that it has severly hampered their ability to make loans, while several small lenders suggested that the financial crisis has made them more competitive in the lending marketplace.

While loan volume is still greater than in the late nineties, when, for instance, the *1998 Mortgage Survey* showed an average of 37 new mortgages per lender, volume is down significantly from half a decade ago. For example, the *2004 Mortgage Survey* measured an average new loan volume of 160. As with new loans, the average number of refinanced loans decreased as well, down 31% from last year, to 51 in this year's survey. By comparison, in the 2004 Survey, the average surveyed institution refinanced 173 loans.

Underwriting Criteria

For more than a decade, there has been a prolonged period of low delinquencies and defaults, suggesting that institutions are willing to provide ample loan availability and provide less stringent underwriting policies. This year's survey reveals the implementation of tougher standards in lending practices among some surveyed institutions.

For all institutions, the typical maximum LTV ratio — the maximum dollar amount respondents were willing to lend based on a building's value — ranged from 65% to 80%. The average was 74.3%, lower than 2007's 76.7% (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) increased slightly this year, with an average debt service requirement of 1.23, up from 1.21 last year. Because the average debt service ratio changed little, most lenders have not changed the amount of money they are willing to lend in relation to the net operating income of buildings. (See Appendix E.2)

Half the lenders reported that they changed their underwriting standards since last year. The most commonly cited change were declines in the maximum loan-to-value ratio (LTV), reported by 38% of the lenders; an increase in monitoring requirements (31%); and higher points (25%).

In addition to changes in the aforementioned underwriting standards, lenders cited additional standards that remain similar to recent years when evaluating loan applications. The most commonly cited standard is good building maintenance, with almost two-thirds of lenders indicating its importance. Also important is the number of units in the building, with more than a third indicating that buildings should contain a certain number of units (typically specifying five or more units).

1996-2009 Cross-Sectional Average Loan-to-Value Standards

Maximum Loan-to-Value Ratios Fall

Note: 2008 figures have been slightly revised due to the removal of one lender. See endnote 2.
Source: Rent Guidelines Board, annual Mortgage Surveys.

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. The vast majority (86%) reported that standards were no different for stabilized buildings.

Non-Performing Loans & Foreclosures

More lenders reported that they had non-performing loans this year, and those with non-performers saw them make up a higher proportion in their portfolios. Five lenders reported having non-performing loans over the past year (up from three in 2007).

Similarly, more institutions reported that they had foreclosures in 2008, though as a percentage of their portfolios, that number remained the same. Four lenders reported that they had foreclosures this year, and among those institutions, one half of one percent of their portfolios were in foreclosure, the same percentage as the prior year. Of the lenders with non-performing loans, two reported default rates as high as 3%.

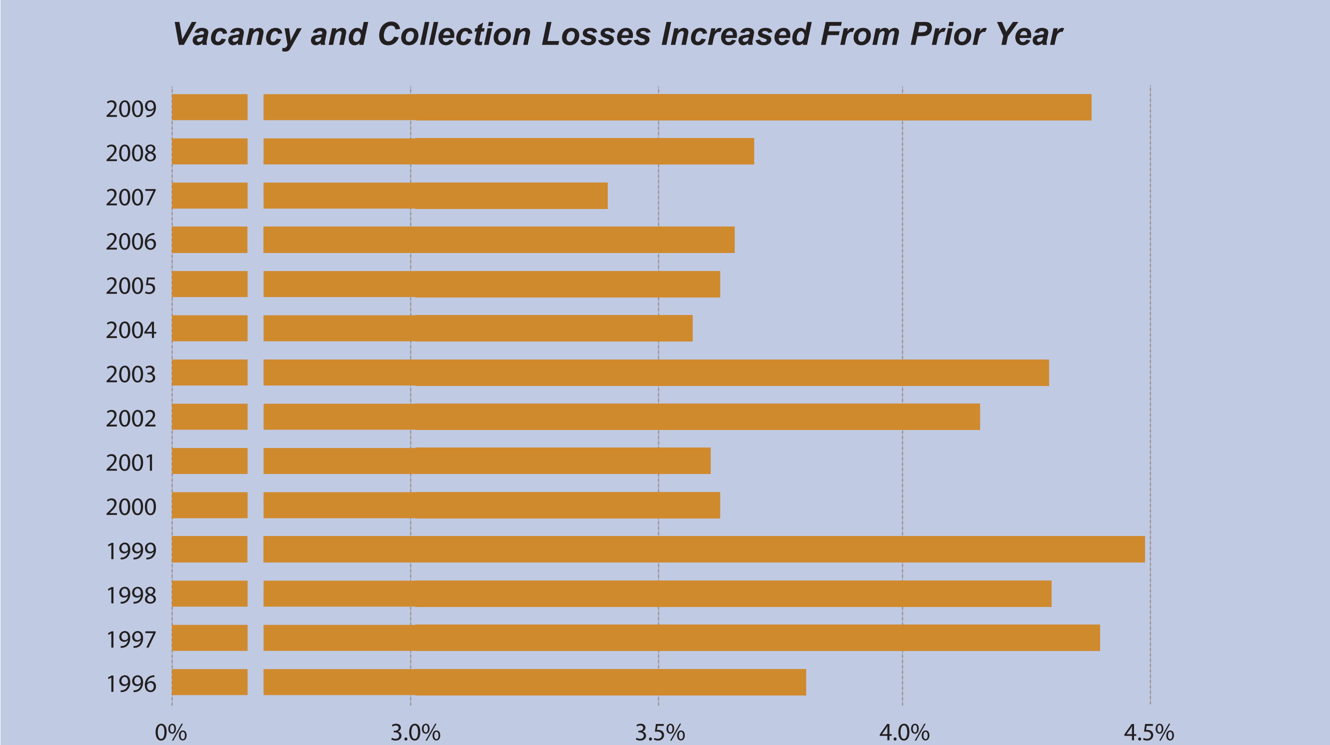
Characteristics of Rent Stabilized Buildings

Lenders surveyed about the average size of rent stabilized buildings in their portfolios reported that the most common building size is 20-49 units, with five lenders reporting this as typical. The second most common sized building is 50-99 units (four lenders); while buildings with fewer than ten units or 11-19 unit buildings each represented the most commonly sized buildings for three lenders each in 2008. This year's findings were similar to last year.

Vacancy and collection (V&C) losses increased in 2008, up to 4.38%, from 3.69% the prior year, and the highest since 1999. (See graph on next page.) A similar proportion of lenders, 44%, reported losses of 5% or more both this year and last.

Average operating and maintenance (O&M) expenses decreased 1.2%, to $537 per unit per month.

Average Vacancy and Collection Losses, 1996-2009



Note: 2008 figures have been slightly revised due to the removal of one lender. See endnote 2.
Source: Rent Guidelines Board, annual Mortgage Surveys.

Meanwhile, average rents, as reported by this year's lenders, increased 5.2%, to $995. (See Appendix E.2) Because average rents rose while average expenses fell, the average O&M cost-to-rent ratio decreased to 54.0%, down from 57.4% in the prior year.[5]

The Rent Guidelines Board, in our annual *Income and Expense (I&E) Study*, also examines the average O&M cost-to-rent ratio. 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 2008 *I&E Study*, which reported on data from the year 2006, the average O&M cost-to-rent ratio was 76.7%.[6]

The survey also asks lenders whether they retain their mortgages or sell them to secondary markets. Among the lenders, more than two-thirds of respondents (68.8%) retain all their mortgages, 18.8% sell all their mortgages, and 12.5% sell some of their mortgages to secondary markets. These results are similar to that found in previous year. Of those institutions that sell their mortgages, Freddie Mac and Fannie Mae are the most commonly cited 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. Like the prior year, all the lenders in this year's survey report that buildings in their portfolio contain commercial space, though the average amount varies depending on the lender. Among the lenders, buildings containing commercial space represent, on average, 23% of their lending portfolio, up from 21% in the prior survey.

Loan Expectations

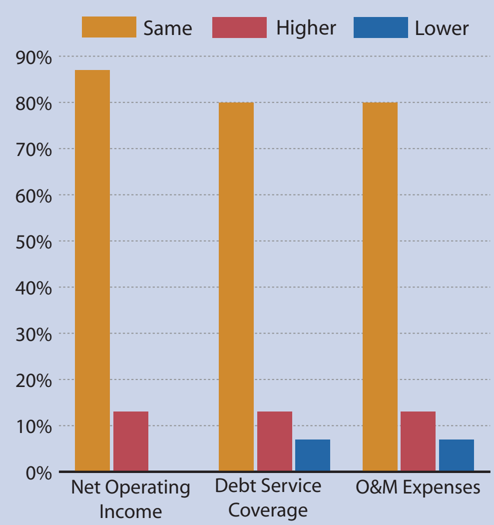
The survey asks lenders about their portfolio's performance, compared with expectations at the time of initial loan origination, with regard to net operating income (NOI), debt service coverage, and O&M

expenses. This year, the vast majority of lenders (80%) felt that expectations in all three areas had been met for their rent stabilized portfolio, while 13% felt that some expectations were exceeded and 7% reported at least one expectation was not met in 2008.

In particular, 87% of lenders who responded to the NOI question felt that the income of their rent stabilized portfolio performed to expectations at the time of initial loan origination, while 13% felt it outperformed expectations, and none felt it fell short. Responses for debt service coverage and O&M expenses were similar to the NOI findings. (See graph on this page).

2009 Performance of Rent Stabilized Loans as Compared to Expectations

Lenders Report that Loans Meet or Exceed Most Expectations



Source: Rent Guidelines Board, annual Mortgage Surveys.

Longitudinal Analysis

Information regarding rent stabilized buildings can be analyzed longitudinally to more accurately measure changes in the lending market, since a number of respondents reply to the Mortgage Survey in at least two consecutive years. This longitudinal comparison helps to ascertain whether changes highlighted in the cross-sectional analysis reflect genuine fluctuations in the lending market or simply the presence of a different group of lenders from year to year. In this section, responses from the fifteen lenders who replied to surveys both last and this year (the longitudinal group) were compared to underscore changes between 2008 and 2009.

Financing Availability and Terms

This year's longitudinal analysis reveals data that is very similar to this year's cross-sectional sample.[7] This year's average interest rate among the longitudinal group for new financing, as of February 2009, was 6.42%, up from last year's longitudinal group, which had an average interest rate of 6.11%. The average refinancing rate was likewise very close to that found among the cross-sectional group, at 6.46% as of February 2009, an increase from 6.11% a year earlier. (See Appendices E.3 and E.4)

Among the longitudinal group, average points offered by lenders changed little for both new and refinanced loans. This sample reports an average of 0.52 points for new loans, up from last year's 0.50. Points on refinanced loans rose a little more, up from last year's 0.46 to this year's 0.52.

Like the cross-sectional group of lenders, the longitudinal group saw loan volume decrease, falling 19.5% from last year. Likewise, there was a 27.4% drop in refinanced loan volume.

Underwriting Criteria and Loan Performance

The average maximum loan-to-value (LTV) ratio fell to 74.8% among the longitudinal group, down from last year's 76.5%. The average debt service ratio increased, up to 1.24 from 1.20 the prior year. (See Appendix E.5) Like the cross-sectional group, vacancy and collection (V&C) losses in the longitudinal group increased, going from 4.00% last year to 4.40% this year.

Examining the rate of delinquencies among the longitudinal group, an uptick in non-performing loans was reported, while foreclosure remained about the same. For additional comparisons between the cross-sectional and longitudinal groups, see table on next page.

Selected 2009 Cross-Sectional Data Compared to 2009 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	V&C Losses
2009 Cross-Sectional Data	6.46%	6.50%	46	51	.62	.62	74.3%	1.23	4.38%
2009 Longitudinal Data	6.42%	6.46%	50	55	.52	.52	74.8%	1.24	4.40%

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

Source: Rent Guidelines Board, Annual Mortgage Surveys

Sales Data Analysis

In 2007, the NYC Department of Finance made available to the public easily accessible property sales information for the five boroughs going back several years. Using this data, an analysis of rent stabilized building sales was contained in last year's mortgage report. This year, we follow-up with a look at the data from 2008, and compare it to 2007.

Building Sales Prices

In 2008, 1,021 buildings containing rent stabilized units were sold in New York City. The median, citywide sales price was $1,951,000, with the highest median sales price in Manhattan at $3,850,000 followed by the Bronx ($2,435,000), Queens ($1,626,304), and Brooklyn ($977,500). [Staten Island was not included in this analysis because there were too few rent stabilized building sales.][8]

In order to compare sales prices from one year to the next, staff examined sales by building size as well as borough. This analysis attempts to control for location and size of the building that was sold. It does not take into account the condition of the building being sold, an important factor that cannot be studied using this data set. However, this analysis does reveal the general trends in building sale prices citywide and throughout the boroughs from 2007 to 2008.

Among the smallest building size, 6-10 units, median sales prices changed moderately. Citywide, in Brooklyn and in the Bronx, prices among the smallest-sized buildings increased as much as 9%, while prices fell 4% in Queens and 3% in Manhattan from 2007 to 2008. Among 11-19 unit buildings, price changes were mostly negative, down 10% citywide and as much as 18% in Manhattan. Only the Bronx saw an increase in its sales price, up 7.5%.

Among 20-49 unit buildings, from 2007 to 2008, price changes ranged from as much as a 24% decline in Manhattan to a 1% decline in the Bronx, with an overall 19% decline in prices citywide. Looking at 50-99 unit buildings, prices rose 15% citywide, and in each of the boroughs, rose in the Bronx (16%), Manhattan (14%) and Queens (13%) but fell 21% in Brooklyn. Because of the small number of 100+ unit buildings sold each year, we did not analyze the sales data for these buildings. See Appendix E.8 for the median sales prices in each borough as well as the change from the prior year among different sized buildings.

Building Sales Volume

In 2008, 1,021 rent stabilized buildings were sold citywide, down 31% from 1,474 sold in 2007. In Manhattan, the number of sales fell the greatest percentage, down 48%, followed closely by the Bronx, down 46%. Sales fell 18% in Brooklyn. Meanwhile, only in Queens was there an increase in the number of buildings sold, up 10% from 2007. It is interesting to note that a substantial proportion of building sales are reported by those institutions responding to our mortgage survey. In total, 1,021 buildings were sold in 2008, while the mortgage survey respondents reported a total of 599 new loans, representing at least 59% of buildings sold. A few surveyed lenders were unable to provide the number of loans made to rent stabilized buildings, so our survey actually captures an indeterminable number of additional sales. Appendix E.8 shows the number of buildings sold citywide, by borough and by building size for 2007 and 2008.

In light of the current financial crisis that accelerated throughout 2008, and the tightening of the lending market revealed in our 2009 Mortgage Survey, we compared sales data from the fourth quarter of 2007 to the same quarter of 2008. When analyzing rent stabilized building sales in the fourth quarters of 2007 and 2008, the number of buildings sold fell universally, down 50% citywide; 76% in the Bronx; 69% in Manhattan; 27% in Brooklyn; and 24% in Queens.[9] See table on this page.

Comparison of Building Sales in 4th Quarter of 2007 vs. 2008

Sales Fall in the Fourth Quarter of 2008

	2007	2008	Change
Bronx	50	12	-76%
Brooklyn	77	56	-27%
Manhattan	67	21	-69%
Queens	29	22	-24%
Citywide	**223**	**111**	**-50%**

Note: Citywide figures exclude Staten Island

Source: NYC Department of Finance

Conclusion

The year 2008 saw a significant upheaval in the national economy. Though borrowers continue to see generally favorable lending terms, some financially unstable lenders are finding themselves limited in their ability to make loans, while other, more stable and usually smaller institutions maintain their lending volume. Both new and refinance loan volume decreased, interest rates and points increased, and underwriting standards toughened. The decrease in loan volume was reflected in the 31% decline in the number of rent stabilized buildings sold in 2008.

Endnotes

1. Federal Reserve websites: http://www.federalreserve.gov/fomc/fundsrate.htm and http://www.frbdiscountwindow.org
2. Note that the total number of respondents and some figures originally derived from the 2008 Mortgage Survey differ from what was previously reported because one lender was removed. This lender is a city agency that offered mortgages at lending terms significantly different from the marketplace.
3. Most recent data derived from the FDIC website. World Wide Web Page <http://www.fdic.gov> (accessed March 10, 2009).
4. "Fed Cuts Key Rate to a Record Low," by Edmund L. Andrews and Jackie Calmes, New York Times. December 17, 2008.
5. 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 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.
6. The O&M cost-to-rent ratio from the 2009 Mortgage Survey reflects estimates by lenders of expenses and rents for rent stabilized buildings as of approximately February 2009. The average ratio is calculated from just 16 respondents. The latest available O&M cost-to-rent ratio from the *Income and Expense Study (I&E)*, in which average rent was $907 and average unaudited cost was $695, reflects rents and expenses reported by owners for calendar year 2006. 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).
7. The cross-sectional and longitudinal groups are very similar because all but one lender responded both years.
8. The data reflects sales prices for buildings that are registered with DHCR as containing rent stabilized units. It excludes those buildings where the sales price was listed as less than $1000. It also excludes those buildings listed as co-ops. Further, Staten Island is excluded from all analysis due to the small number of buildings sold.
9. Due to the small number of buildings sold in the fourth quarter of 2008, we were unable to compare sale price data from 2007 to 2008.

Income and Affordability

2009 Income and Affordability Study

What's New

- ✔ New York City's economy grew by 0.3% in 2008, compared to a 3.3% increase during 2007.
- ✔ The City gained an average of 46,400 jobs in 2008, a 1.2% increase from 2007 in total employment levels.
- ✔ The unemployment rate rose to an average of 5.5% last year, up from 4.9% in 2007.
- ✔ Inflation averaged 3.9% in the metro area in 2008, up from 2.8% in the prior year.
- ✔ Inflation-adjusted wages increased 6.3% in 2007, compared to a 4.1% increase in 2006.
- ✔ In 2008, an average of 34,354 homeless people were staying in City shelters, down 2.2% from 2007.
- ✔ The average number of families temporarily sheltered each night decreased 3.5%, to 8,971 in 2008, compared to 9,296 a year earlier.
- ✔ The number of non-payment filings in Housing Court decreased 2.1% in 2008, to 246,147, while the number of evictions rose 1.3%.

Introduction

Section 26-510(b) of the Rent Stabilization Law requires the Rent Guidelines Board (RGB) to consider "relevant data from the current and projected cost of living indices" and permits consideration of other measures of housing affordability in its deliberations. To assist the Board in meeting this obligation, the RGB research staff produces an annual Income and Affordability Study, which reports on housing affordability and tenant income in 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.

Summary

For the first time in five years, New York City's economy did not generally improve as compared with the preceding year, with mixed economic indicators, including rising unemployment rates and stagnant Gross City Product, but rising employment levels and declining homeless levels. Citywide unemployment rates (on an annual basis) increased to 5.5% during 2008, after falling for the previous four years. And while the City's Gross City Product increased for the fifth consecutive year, the rate of growth annually fell to almost zero, and fell in the last three quarters of 2008. In addition, although cash assistance levels dropped, applications rose for the third consecutive year, increasing by more than 8%. The number of food stamp recipients is also on the rise, with rates increasing each month since March, as compared to the previous month. And for the third straight year, the number of evictions grew, by 1.3% despite less housing court filings.

However, there were indicators tracked in the I&A Study that showed a positive trend during 2008. Homeless levels were down on average in 2008, with the total number of individuals decreasing by 2.2%, and families by 3.5%. Real wages (which have a long lag time in reporting) increased significantly between 2006 and 2007, rising 6.3%. Preliminary findings from the *2008 Housing and Vacancy Survey* show that in real terms, the income of rent stabilized tenants increased 1.4% between 2004 and 2007, after dropping 8.6% between 2001 and 2004. In addition, cash assistance cases fell for the fourth year in a row, dropping more than 5% between 2007 and 2008. Average employment levels also rose during 2008, by 1.2%. In addition, housing court filings fell for the third consecutive year, falling by more than 2%.

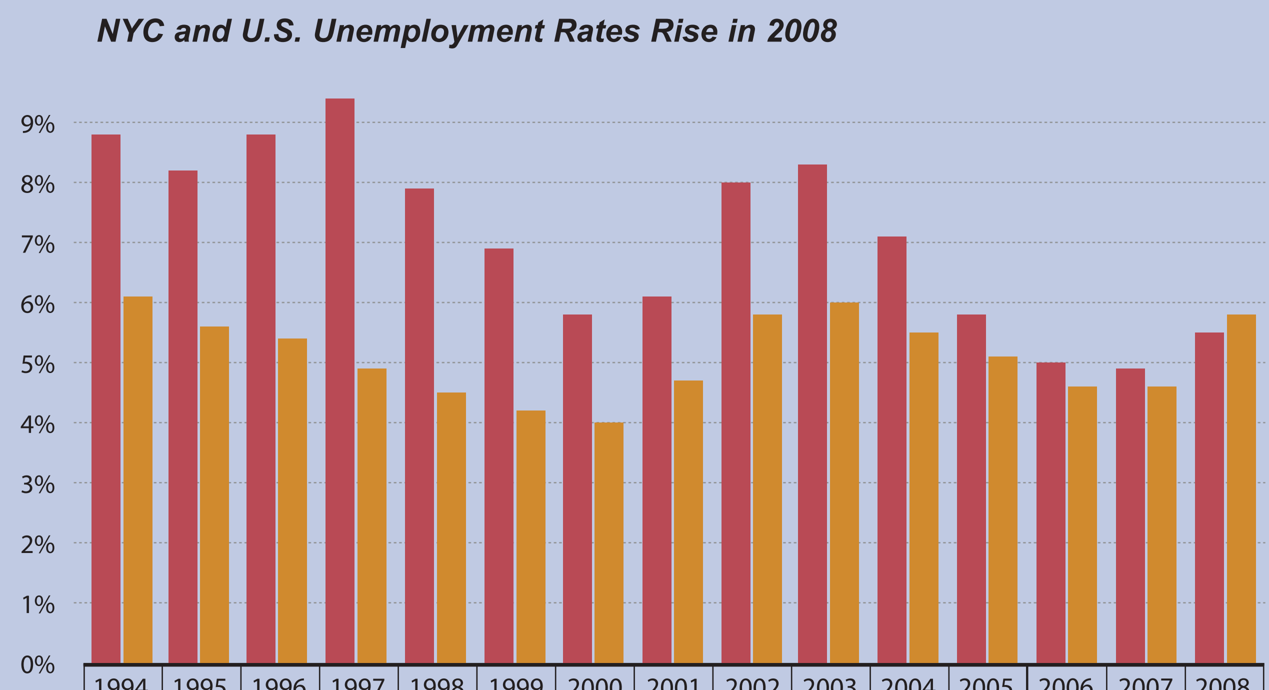
But while on an annual basis, there were many positive indicators in 2008, some of these took a negative turn as the year progressed. For instance, homeless levels declined at a slower pace during the fourth quarter of 2008 (but nevertheless declined), and employment levels dropped during the same time period. And real wages during the second quarter of 2008 (the latest available figures), declined by 3.9%.

Economic Conditions

While posting minimal positive gains during 2008, the City's economic growth was nevertheless much slower than during the previous year. New York City's Gross City Product (GCP), which measures the total value of goods and services produced, increased by 0.3% during 2008 as compared to a 3.3% increase during the preceding year.[1] Growth began slowing during the second quarter of 2007 and has fallen every quarter since, including negative growth in the second, third, and fourth quarters of 2008 when GCP fell 0.6%, 2.3%, and 4.6% respectively. The fourth quarter decrease of 4.6% is the largest decline since the fourth quarter of 2001, when GCP fell 6.4%.[2] For comparison, GCP increased at an annualized rate of 6.0% from 1994 through 2000. The analogous national number, United States Gross Domestic Product (GDP), has increased annually since 1992, including a 1.1% increase during 2008.[3] However, in the fourth quarter of 2008, GDP did decrease by the largest proportion in more than a quarter century, falling 6.3%, with experts predicting negative growth into at least the first half of 2009.[4]

The Consumer Price Index (CPI), which measures the change in the cost of typical household goods, increased 3.9% during 2008 versus 2.8% during 2007 in the NYC metropolitan area, signifying a more rapid rise in the rate of inflation. This is the highest rate since 1991 and follows a slowing in the rate of inflation in 2006 and 2007.[5] The U.S. CPI for urban consumers

NYC and U.S. Unemployment Rates, 1994-2008



	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
NYC	8.8%	8.2%	8.8%	9.4%	7.9%	6.9%	5.8%	6.1%	8.0%	8.3%	7.1%	5.8%	5.0%	4.9%	5.5%
US	6.1%	5.6%	5.4%	4.9%	4.5%	4.2%	4.0%	4.7%	5.8%	6.0%	5.5%	5.1%	4.6%	4.6%	5.8%

Source: U.S. Bureau of Labor Statistics and NYS Dept. of Labor also increased at a faster rate between 2007 and 2008, up to 3.8% in 2008 versus an increase of 2.8% in 2007. This is the second consecutive year that the New York and U.S. inflation rates have been virtually identical.

For the first time since 2003, NYC's unemployment rate increased over the prior year, rising six-tenths of a percentage point to 5.5% in 2008.[6] The U.S. unemployment rate rose at an even greater pace in 2008, climbing from 4.6% in 2007 to 5.8% in 2008.[7] (See graph on previous page and Appendix F.1) Comparing unemployment rates since 1976 (the first year the RGB has access to), there have been only three years in which the NYC unemployment rate has been lower than that of that nation as a whole, including 2008. And the gap between the local and national unemployment rates is also at one of its lowest levels, 0.3 percentage points compared to a high of 4.5 percentage points in 1997. The 33-year average absolute difference between the two rates is 1.8 percentage points.

While unemployment rates rose only modestly for all of 2008, sharper increases occurred in the latter part of the year. Unemployment rates were the same or higher in 11 of 12 months in 2008 as compared to the same month in 2007. But the largest increases were seen in October, November and December, when rates rose 1.4, 1.9 and 2.4 percentage points respectively, with the year's highest unemployment rate of 7.2% in December of 2008.

During the early months of 2009, unemployment rates in New York City and the nation continued to climb. The City jobless rate stood at 7.3% in January 2009 and 8.4% in February, approximately two to three percentage points higher than the 2008 average rate of 5.5%. The national unemployment rate was 8.5% in January and 8.9% in February of this year, higher than the 2008 national average of 5.8%.

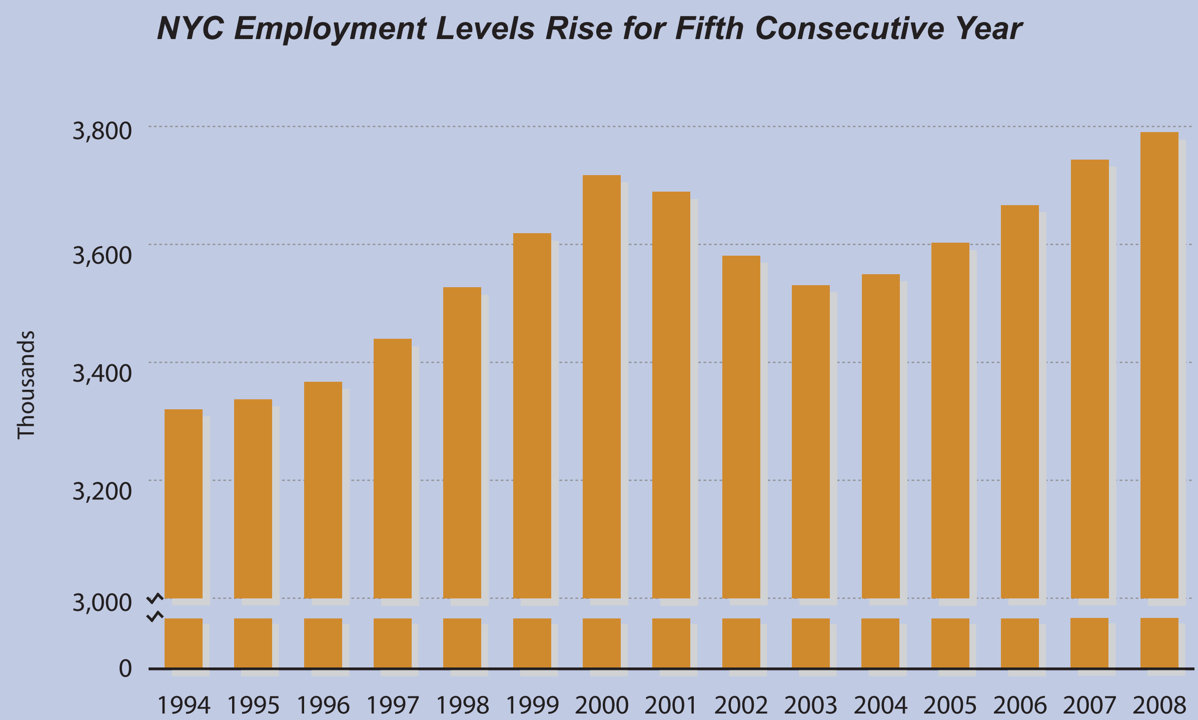
At the local level, unemployment rates rose in every borough over the past year, by 0.5-0.8 percentage points on average. Manhattan, Queens, and Staten Island all had virtually identical unemployment rates in 2008, at 4.9% for Manhattan and Queens, and 5.0% for Staten Island. Brooklyn had the second-highest unemployment rate, at 5.9%, while the Bronx once again had the highest rate of the boroughs, 7.4%. Unemployment rates in Queens rose 0.5 percentage points over 2007 levels, and rose 0.6 percentage points in Brooklyn and Staten Island. They also rose 0.7 percentage points in Manhattan, and 0.8 percentage points in the Bronx. Citywide unemployment rates are still at one of the lowest levels in at least 33 years (with only three years, including 2006 and 2007 recording lower annual unemployment rates). And rates are still significantly lower than those seen during the recession year of 1992, when Citywide unemployment was at 11.1% and Citywide and borough rates were approximately twice what they were in 2008.

Two other employment indices increased slightly in 2008. The New York City labor force participation rate — which measures the proportion of all non-institutionalized people, aged 16 and over, who are employed or actively looking for work — increased in 2008, to 60.0%, up from 59.5% in 2007.[8] This remained lower than the U.S. rate, which remained at 66.0% for each of the two years.

In addition, the New York City employment/population ratio — which measures the proportion of those who are actually employed as a ratio of all non-institutionalized people age 16 or over — also increased, to 56.7% in 2008, up 0.2 percentage points from 2007. The U.S. employment/population ratio decreased over the same period, down from 63.0% in 2007 to 62.2% in 2008.

Despite increasing rates of unemployment, the number of persons employed in New York City actually rose over the year (see graph on next page), the fifth consecutive yearly increase in employment rates. Overall, among both city residents as well as those commuting into the city, New York City gained 46,400 jobs in 2008, a 1.2% increase from 2007.[9] However, employment levels began dropping as the year progressed, and continued into 2009. Total employment levels between the fourth quarter of 2007 and 2008 fell by 0.3%, with a 1.5% decline from January 2008 to January of 2009 and 2.1% from February to February. Most of these job losses were in the goods-producing sector, which accounts for only 6% of jobs in New York City, but declined by almost 11% in January and February of 2009 as compared to the same period of 2008. The service-producing sector declined 1.2% during this time period.

Average Annual Payroll Employment, NYC, 1994-2008



Source: U.S. Bureau of Labor Statistics

Overall, almost all industries tracked in the I&A Study saw increases in employment, while just two saw a decrease in total employment levels. The manufacturing sector was the only sector to lose a significant amount of jobs in 2008, down 5.8%, or 5,900 jobs. With the exception of 1997, manufacturing levels have decreased each year since at least 1990 (the first year for which data is available), dropping 170,100 jobs in the 18-year period, a decline of 64%. Financial Activities employment also decreased slightly, falling 0.5% during 2008, the first decline since 2003.

The largest increase in employment during 2008 was in Leisure and Hospitality, which rose 3.5% and gained 10,500 jobs to reach its highest historic level. The Construction, Natural Resources, and Mining sector also rose for the fourth straight year, gaining 4,200 jobs, a 3.3% increase. Other sectors saw more modest increases, such as Other Services, which rose 2.3%; Educational and Health Services, which rose 2.0%; and Professional and Business Services, which also rose 2.0%. The other sectors rose anywhere between 0.6% and 1.3%. See Appendix F.2 for a complete breakdown by industry.

During the first two months of 2009, employment levels in most sectors declined as compared to the first two months of 2008. Manufacturing fell by the greatest proportion, 12.3%, while Construction fell by 9.9%, and Financial Activities by 4.7%. Other sectors fell between 3.1% and 0.3%. Three sectors rose in employment levels over this time period, including Professional and Business Services, rising 3.2%, and both Educational and Health Services and Other Services rising by 1.8%.

This report also examines wage data of employees working in New York City (regardless of where they live), though the analysis is limited by the fact that there is a one-year lag in the reporting of income data. The most recent numbers, which cover the 2007 calendar year, reveal an increase in both real and nominal wages. Real wages rose for the fourth straight year, and at the fastest pace in the last 15 years. Real wages climbed 6.3% in 2007, rising from $75,340 (in

2007 dollars) to $80,071.[10] Nominal wages (wages in current dollars) increased by 9.3% over the same time period. These are the largest increases seen since 1992, when real wages rose by 7.5% and nominal wages rose by 11.3%. Between the second quarter of 2007 and the second quarter of 2008 (the most recently available data), nominal wages Citywide rose by 1.4%, while real wages declined 3.9%.

Of the sectors tracked in this report, all but one had increases in real wages during 2007, and increases were in all cases larger than in the previous year. The most significant increase in real income was in the FIRE (Finance, Insurance, and Real Estate) sector, which rose in real terms by 13.5% over the year to reach $227,889. Significant gains were also seen in Manufacturing, which rose 5.7%. Smaller increases were also seen in all but the Government sector, including a rise of 3.5% in Construction wages, 3.3% in Transportation, 2.3% among the Service sector, and 1.6% in Information. Government wages, which rose 2.5% in nominal terms, decreased in real terms by 0.3%.

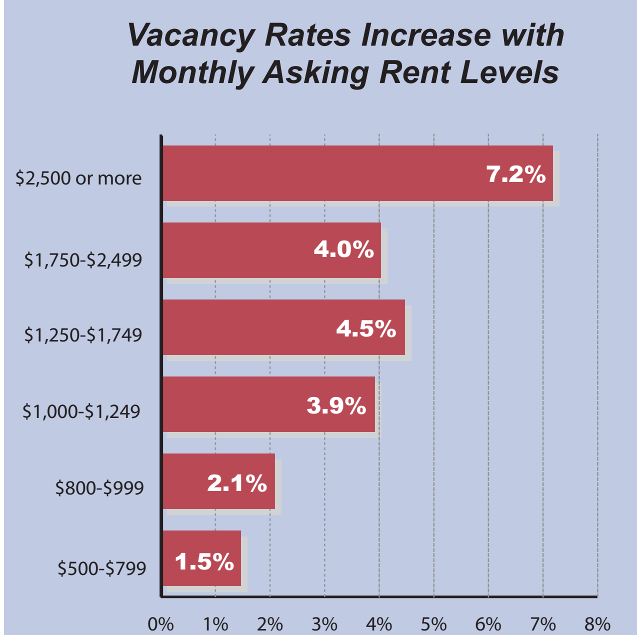
For the first time, staff examined bankruptcy filings for New York City residents from 2000-2008. Between 20,000 and 30,000 persons filed for personal bankruptcy annually between 2000-2004, the number steadily rising each year, by 16.5% in 2001, 7.4% in 2002, 8.5% in 2003, and 7.4% in 2004. In April of 2005, major changes to the bankruptcy filing process were signed into law, to be effective beginning October 17, 2005. As a result, there was a rush to file for bankruptcy before the law changed, and in 2005, 42,852 New Yorkers filed for bankruptcy, a 44.6% increase. 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 increased in both 2007 and 2008, by 35.5% and 23.5% respectively, rising to 13,319 filings in 2008, approximately half the level of the first half of the decade. For the United States as a whole, filings increased by 37.6% in 2007 and 30.6% in 2008, both more rapid increases than that seen in New York City.[11]

The Census Bureau reports that the New York City poverty rate for all individuals was 18.5% in 2007, a decline from 19.2% in 2006. This compares to 13.0% for the nation as a whole.[12] They also report that the poverty rate for persons under the age of 18 in New York City was 27.3% in 2007, while it was 15.4% for individuals 18 to 64, and 18.4% for persons 65 years and over. Furthermore, 15.6% of all families were living under the poverty line in 2007, the same rate as the prior year. For families with related children under the age of 18, this figure rises to 22.3%, while for married-couple families the overall poverty rate is 9.0%, and for female-headed families it is 29.3%. According to Community Service Society reports, overall rates were as high as 26.4% in the mid-nineties.[13]

New York City Renters

Preliminary results from the *2008 Housing and Vacancy Survey (HVS)* were released in February of this year, and they reveal the continuation of a very tight New York City housing market.[14] This triennial survey of the housing and demographic characteristics of the City's residents found that the citywide vacancy rate was 2.88% in 2008, well below the 5% threshold required for rent regulation to continue under state law. Brooklyn had the lowest vacancy rate in the city, at 2.34%, translating into the availability of just 15,530 rentals in a borough with more than 663,000 rental

Vacancy Rate by Monthly Asking Rent Level, 2008



Source: 2008 NYC Housing and Vacancy Survey apartments. Queens, by contrast, had the highest vacancy rate in 2008, at 3.32%. Of the remaining boroughs, the Bronx had a vacancy rate of 3.07%, Manhattan was 2.70%, and the small sample size in Staten Island made the rate too inaccurate to report.

The HVS found vacancy rates varying significantly among different asking rents. As might be expected, apartments renting for the least had the lowest vacancy rates, while those apartments renting at the high end had substantially higher vacancy rates. Apartments with an asking rent of between $500 and $799 had a vacancy rate of just 1.47%, while those renting for at least $2,500 had a vacancy rate of 7.18%. (See graph on previous page for a further breakdown.)

Income

According to the *2008 HVS*, which reflects household income for 2007, the median income for rental households was $36,000, in real terms a 1.4% increase from 2004 levels.[15] Owner households earned substantially higher income, which in 2007 was $70,000, double the average income of renters.

The *2008 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 $24,000 in 2007, a decrease in real terms of 2.4%. Tenants living in stabilized buildings built prior to 1947 ("pre-war") had a median income of $35,000 (a decrease of 1.4%), and post-46 ("post-war") tenants earned a median income level of $38,000 (a decrease of 1.6%). Stabilized tenants on the whole had a median income of $36,000, an increase of 1.4%. Those tenants in unregulated apartments earned a median of $50,000 in 2007, a 7.5% increase, which helped increase all renter incomes by 1.4%.

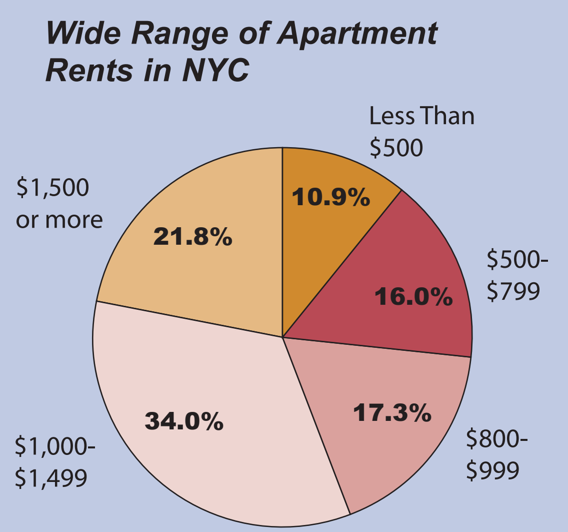
Rent

The HVS also examines rent levels, and it revealed that in 2008, the median monthly contract rent, which excludes any additional tenant payments for fuel and utilities, for all rental units was $950 (an 11.8% nominal increase from 2005 and a 1.6% real dollar increase). Rent stabilized tenants paid, on average, less than the typical rental tenant, with a median contract rent of $925 for all rent stabilized tenants in 2008 (a 0.4% real decrease), $900 for pre-war rent stabilized apartments (a 1.0% real increase), and $980 for post-war rent stabilized apartments (a 0.9% real decrease). Rent controlled tenants paid the least in contract rent, a median of $721 (a 19.0% real increase), and tenants living in private nonregulated rentals paid $1,200 (a 9.1% real increase).[16]

Median gross rent, which includes fuel and utility payments, was $1,054 for all renters (a 14.6% nominal increase and a 4.2% real dollar increase). Rent stabilized tenants on the whole paid a median gross rent of $1,027 in 2008 (a 2.2% real increase), $1,010 for pre-war rent stabilized apartments (a 2.0% real increase), and $1,060 for post-war rent stabilized apartments (a 1.4% real increase). Rent controlled tenants also paid the least in gross rent, a median of $813 (a 14.0% real increase), and tenants living in private nonregulated rentals paid $1,350 (a 9.0% real increase).[17]

The HVS also breaks down the distribution of renter occupied housing by gross rent level. Of the 2.08 million rental units in New York City that report cash rent, 10.9% rent for less than $500, while 55.8% rent for over $1,000, including 21.8% that rent for more than $1,500. A third (33.3%) of all rental units

Gross Rent Levels of Apartments, 2008



Source: 2008 NYC Housing and Vacancy Survey rent for between $500-$999.[18] (See graph on previous page for a further breakdown.)

Affordability of Rental Housing

Examining affordability of rental housing, the *2008 HVS* reported that the median gross rent-to-income ratio for all renters was 31.5%, meaning that half of all households residing in rental housing pay more than 31.5% of their income in gross rent, and half pay less. Furthermore, more than a quarter (29.4%) of rental households pay more than 50% 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.[19] Both the overall gross rent-to-income ratio and the proportion of households paying more than 50% of income towards rent increased from the *2005 HVS*, which reported proportions of 31.2% and 28.8% respectively.

Rent controlled tenants are the tenants facing the highest financial burden, with a median gross rent-to-income ratio of 35.5%, meaning a majority of rent controlled tenants are not able to afford their apartments, based on the HUD benchmark for housing affordability. Unregulated tenants had the second highest gross rent-to-income ratio, 31.9%, and rent stabilized tenants as a whole had a median of 31.6%, with pre-war tenants at 31.7% and post-war at 31.5%. For rent stabilized tenants on the whole, this ratio decreased between 2005 and 2008, by 0.3 percentage points. It also decreased 0.5 percentage points in pre-war apartments, but increased 1.0 percentage points in post-war apartments.

Despite ongoing efforts by a number of government agencies and non-profit groups, housing affordability remains an issue in a city ranked 11th highest in the nationwide 2007 American Community Survey of monthly rental costs ($985), but only 24th highest in median household income ($48,631).[20] This survey also reports that between 2006 and 2007, median rents for all apartments in New York City increased 4.2%, but the median gross rent-to-income ratio fell, from 30.5% to 29.9%. The percentage of households paying more than 50% of their income towards rent in 2007 fell to 26.6% from 27.9% in the previous two years.

The survey also provides mean household income for cities in quintiles. In New York City the top quintile in mean household income makes 23.78 times more than the lowest quintile, the fourth highest ratio among big cities (cities with more than 250,000 persons). The lowest disparity is in Virginia Beach, Virginia with a ratio of 8.75. New York's ratio is only behind Atlanta, Boston, and Washington D.C., which have ratios of 30.79, 26.90, and 26.66 respectively. Other major cities, such as Los Angeles (20.54), Chicago (20.56), Houston (19.84), and Philadelphia (18.86), all have smaller differentials between income levels. While the ratio between the upper and lower quintiles was 23.78 for all of New York City, it was 39.83 in Manhattan where the top quintile makes $375,000 more annually than the lowest quintile. These figures are fairly comparable with the prior year.

For the the second year, 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 an average of 5.4% over the year beginning in April of 2008 as compared with the year beginning in April of 2007. The increase in the prior year was 8.2%.[21]

In an October 2008 report, the Working Poor Families Project analyzed 2006 Census data for all fifty states. They found that while New York State ranked near the top nationwide in some areas (i.e. 25% of working families have no health insurance, the seventh best statistic in the nation, and 17.9% of jobs pay below the poverty line, the 15th best in the nation), New York State ranks near the bottom in other areas. New York ranks last in income inequality, with the top quintile of earners making 11.5 times more than the bottom quintile. In addition, 69% of low-income working families spend more than 1/3 of their income on housing costs, a higher percentage than 39 other states.[22]

In February of 2009, the Center for an Urban Future released "Reviving the City of Aspiration: A study of the challenges facing New York City's middle class."[23] The report details some of the challenges facing New Yorkers and explores reasons that the middle class is leaving the City. Among the findings, the study reports that between 2003 and 2007 real wages in the city rose, but primarily for Manhattan workers (wage data is reported by place of work, not place of residence).

They found that while wages rose 21.8% in Manhattan, they rose only 0.4% in Staten Island, 0.6% in Brooklyn, 1.4% in Queens, and 2.5% in the Bronx. Between 1975 and 2007, inflation adjusted wages almost doubled in Manhattan, while rising in the single digits in the other boroughs. It is important to note that approximately two-thirds of all of New York City employment is located in Manhattan.[24]

Looking towards the future, the report also found that of the 10 occupations that are expected to have the largest number of annual job openings through 2014, only two have median wages higher than $28,000 a year.

The Center for an Urban Future report also analyzes the ACCRA Cost of Living Index, which tracks the cost of living in many urban areas, including Manhattan and Queens. ACCRA data found that Manhattan is the most expensive urban area in the United States, with a cost of living index of 224.2, more than double the national average of 100. Queens, with an index score of 156.2, was the fifth most expensive urban area. For comparison, someone moving from Houston to Manhattan who makes $50,000 a year would need to make $123,322 to achieve the same standard of living, while paying 68% more for groceries, 447% more for housing, and 54% more for utilities. Electricity bills and groceries in New York City are second highest in the nation, behind only Honolulu; and telephone rates, the fourth highest in the nation, rose 36% between 2000 and 2006. Taxes are also the highest in the nation, approximately 50% more than the average in other large cities. And in the third quarter of 2008, 10.6% of housing in the metro area was considered affordable to people earning the median area income, the lowest share nationwide. However, according to a recent news story, this ratio increased to 13.9% in the fourth quarter of 2008, although it was still the lowest ratio in the nation.[25]

Every year the National Low Income Housing Coalition (NLIHC) issues a study to determine whether rents are affordable to the lowest wage earners. The 2009 study has not been released at the time of publication, but using the NLICHC's methodology,[26] in order to afford a two-bedroom apartment at the City's Fair Market Rent ($1,313 a month[27]), as determined by the U.S. Department of Housing and Urban Development, a full-time worker must earn $25.25 per hour, or $52,520 a year. Alternately, those who earn minimum wage would have to work the equivalent of 141 hours a week (or two people residing together would each have to work 70.5 hours a week) to be able to afford a two-bedroom unit priced at Fair Market Rent.

In August of 2008, the Community Service Society released "Unheard Third 2008: Economic Insecurity and Federal Priorities,"[28] a survey of 1,523 New York City residents conducted in June 2008, approximately one-third of whom are considered "poor" (making less than 100% of the poverty line), another one-third who are "near-poor" (earning between 100% and 200% of the poverty line), and the last one-third who are "middle-income and high-income," who make more than 200% of the poverty line. The federal poverty line is currently $14,000 for a family of two, $17,600 for a family of three, and $21,200 for a family of four.[29]

When asked if it was harder to make "ends meet" over the past five years, 80% of poor, near poor, and middle-income households responded that it was harder, with 61% responding that it was a "lot harder." When asked to choose one issue they were most worried about, 23% of low-income respondents chose "keeping up with housing costs or losing your home," the highest rate among the choices. In comparison, among the group making 400% or more of the poverty guidelines, only 7% chose this as their greatest worry. In addition, 29% of poor respondents, and 19% of near-poor respondents, reported that they had fallen behind on their rent or mortgage in the past year, while this figure rises to 40% for low-income working families with children.

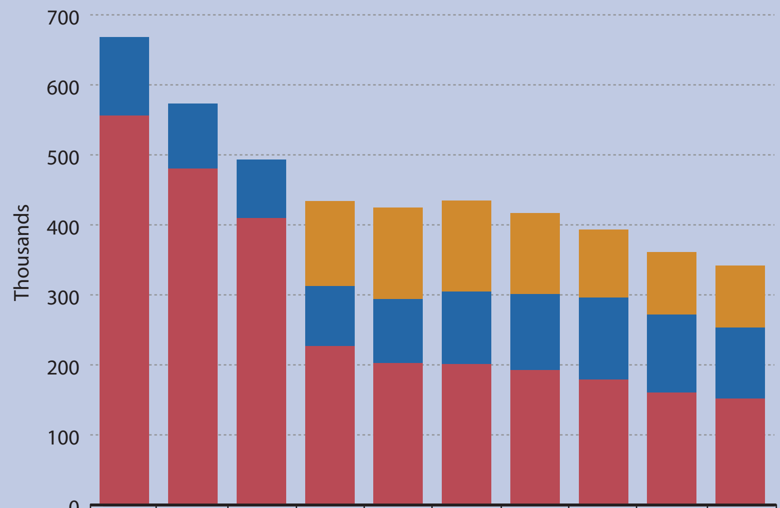
Following increased funding in 2007 to the Section 8 housing voucher program (which allows recipients to live in privately owned housing, paying 30% of their income towards rent), the New York City Housing Authority opened the waiting list for the first time since 1994.[30] These increased funding levels led to a 111% increase in the number of families placed in Section 8 housing between Fiscal Years 2006 and 2007, and another 129% increase between 2007 and 2008. But while the waiting list decreased from 126,000 persons in FY 2006 to 100,000 in FY 2007, it increased to 136,000 in FY 2008. There were also less applicants placed in Section 8 housing in the first four months of FY 2009 as compared to FY 2008, a 3.4% drop. However, there are now 8,000 more Section 8 units than in 2007.[31]

Cash Assistance Programs

For the fourth consecutive year, the total number of cash assistance cases (formerly known as public assistance) decreased, falling by more than 5% between 2007 and 2008.[32] Cash assistance caseloads declined by an average of 5.3% over the year, almost three percentage points slower than the 8.2% rate of decline in the prior year (see graph on this page). However, the rate of decline was less rapid in the latter part of 2008. While the number of recipients declined by 6.9% in the first quarter of 2008 as compared to the same period of 2007, they declined by 3.6% in the fourth quarter. And comparing December of 2007 and 2008, caseloads fell by 1.9%. Over the last 14 years the number of cash assistance recipients has dropped significantly, falling 70.4% since March 1995, when the City's welfare reform initiative began and 1,161,000 recipients were on the rolls.

Cash Assistance Programs, 1999-2008, in Thousands

Cash Assistance Caseloads Decline



	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
SNA	112.1	92.8	83.0	85.6	91.8	103.0	108.7	116.7	111.5	101.4
FAP	556.2	480.3	409.8	227.1	202.4	201.2	192.2	179.2	160.2	151.7
FAP-SNA	---	---	---	121.4	130.6	130.6	116.1	97.3	89.4	88.6

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

While the number of cash assistance recipients went down during 2008, the number of applications for cash assistance increased for the third consecutive year, rising by 8.1%. During the last quarter of 2008, applications rose 11.6% over the corresponding period of 2007.[33] For the second consecutive year, the number of reported job placements among cash assistance recipients (excluding placements through the Workforce Investment Act) increased, with placements rising 3.9% in 2008. However, placements are still almost 5% lower than in 2005.[34]

Because of a change in the way that food stamp recipients are being calculated beginning in January of 2008, data from 2008 is not comparable to prior years. Comparing the first quarter of 2008 with the fourth quarter of 2008 shows an 11.0% increase in the number of recipients, reaching a high of 1.35 million in December of 2008. On a monthly basis, in each month since March of 2008 caseloads have risen over the prior month's levels.[35]

Housing Policy

New York City receives funding for a variety of housing programs from the U.S. Department of Housing and Urban Development (HUD). In the 2008 calendar year, New York City received $812.2 million from federally funded programs. These programs included $276.9 million in a Community Development Block Grant (CDBG), which funds housing and community development programs; $112.0 million for the HOME Investment Partnership Program, which helps preserve existing housing stock; $8.0 million for the Emergency Shelter Grant (ESG) program, which is used for homeless programs; and $56.8 million for Housing Opportunities for Persons with AIDS (HOPWA). In 2009, the City expects to receive $776.4 million for federally funded programs, which represents a 4.4% nominal decrease over 2008 levels, and a 5.9% decrease in inflation-adjusted dollars.[36] Funding levels for 2009 represent the sixth consecutive decrease in federal housing aid for New York City, with levels since 2003 declining by 18% in nominal terms and 31% in real terms.

Evictions & Homelessness

Homelessness & Emergency Assistance

Homelessness in the City, based on visits to City shelters, decreased during 2008, following large increases the prior year.[37] Each night, an average of 34,354 persons stayed in City shelters during 2008, down 770 persons, or 2.2%, from a year earlier, but still up considerably from the average of 20,000-25,000 found in the 1990s. The subcategory of number of families sheltered each night also declined on average during 2008, falling 3.5% over the year. This included a 4.7% decline in the number of adults in families, but a 0.2% increase in the number of children in families. Homeless levels continue to decline in the last quarter of 2008, although at a slower pace than in the earlier months of the year, falling 1.0% in the fourth quarter of 2008 versus an annual rate of decline of 2.2% and 2.6% in the first three quarters of 2008.

The number of families relocated to permanent housing increased dramatically in 2008, to a total of 8,145, 29.6% higher than during 2007. Much of this increase was due to the various Advantage programs, the placements of which increased by almost 200% over 2007 levels. This program replaces the Housing Stability Plus program (which had no placements in 2008, compared to more than 1,800 in 2007). Consisting of separate programs for homeless individuals who work at least part-time; who have children and active Administration for Children's Services cases; and those receiving Social Security disability insurance, the program pays most or all of recipient's rents for up to two years.[38] Two-thirds of all permanent housing placements for families in 2008 were through Advantage programs. The number of single adults placed in permanent housing also increased, but at a slower pace than families, rising 10.0% during 2008 to 10,679.

The average number of days families spent in temporary housing decreased in 2008, by an average of 15 less days, to an average of 46.6 weeks. The number of days single adults spent in temporary housing, 22 days on average, remained the same from 2007 levels. However, after falling last year, the number of individuals entering the Department of Homeless Services shelter system for the first time increased, by 9.0% between 2007 and 2008, to an annual total of 17,728 persons, or an average of 1,477 new persons per month.

In 2004 Mayor Bloomberg announced that through a number of initiatives, including expanded drop-in centers and coordination of City services, they hoped to cut the number of homeless people in shelters by 25,000 persons by 2009.[39] As of December, 2008, levels were only 1,281 persons less than in September, 2004, when the initiative was announced.

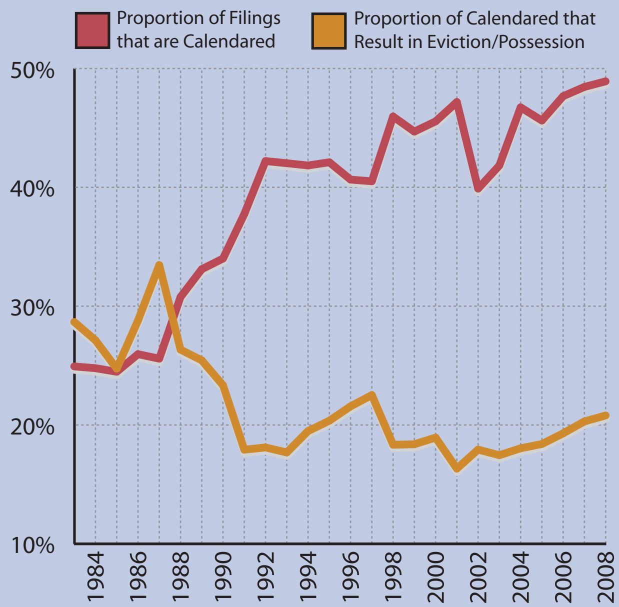
Housing Court

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

For the fifth time in six years, the number of non-payment filings in Housing Court fell, declining by 2.1% in 2008, to reach 246,147.[40] Of note, approximately a quarter of all non-payment filings are against tenants in New York City Housing Authority buildings.[41] While court filings decreased in 2008, the proportion of cases resulting in an actual court appointment ("calendared") increased slightly, up to 48.9% from 48.4% last year, the highest proportion the RGB has ever recorded (see graph on next page and Appendix F.7). During the mid-to-late 1980s, an average of 27.1% of non-payment filings were calendared.

Housing Court Statistics, 1983-2008

Over Time, Non-Payment Cases Heard Increase, but Proportion of Evictions Decrease



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

The proportion of non-payment proceedings citywide that resulted in an eviction/possession ruling in 2008 increased for the fifth consecutive year. It is now at its highest level in eleven years, up from 20.3% in 2007 to 20.8% in 2008. This translates to 25,027 court decisions ruled for the tenant's eviction from a total of 120,420 non-payment proceedings calendared.[42] The increase was due to a 1.3% increase in the number of evictions/possessions in 2008, despite a decrease of 1.1% in the number of calendared cases. 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 2008, New York City had mixed economic indicators, including increased unemployment rates, stagnant Gross City Product, and rising bankruptcy filings and food stamp levels. But total employment increased, and homeless levels fell, as did cash assistance cases and housing court filings. And *2008 HVS* data, released earlier this year, showed that between 2005 and 2008, rent stabilized tenants had modest growth in real income and a decline in inflation-adjusted contract rent.

Looking forward, on March 9th of this year the New York City Comptroller's Office released a report on the City's budget and financial plan, including forecasts about New York City's economy.[43] The Comptroller estimated that in 2009, GCP will decline by 4.6%, more than 120,000 jobs will be lost, wages will decline by 5.8% and the unemployment rate will reach 8.8%. They predict modest improvements in 2010, with an estimated GCP decline of 2.9%, job losses of more than 80,000, and the unemployment rate declining to 8.5%. The Independent Budget Office, also on March 9, testified that they predict a job loss of 270,000 through the second quarter of 2010.[44] ❒

Endnotes

1. Quarterly data from the NYC Comptroller's Office as of February, 2009.

2. 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 2000 chained dollars.

3. Bureau of Economic Analysis. http://www.bea.gov/national/index.htm#gdp

4. "Jobless claims set new record; GDP down more in 4Q," *Associated Press*, March 26, 2009.

5. Bureau of Labor Statistics; http://www.bls.gov; Data accessed Feb '09

6. NYS Dept. of Labor; http://www.labor.state.ny.us; Data accessed March 2009. Data is revised annually and may not match data reported in prior years. In the *2008 I&A Study*, 2007 Citywide unemployment was reported to be 5.0% and was revised to 4.9% this year.

7. Bureau of Labor Statistics; http://www.bls.gov; Data accessed Feb '09.

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

9. New York State Dept. of Labor; http://www.labor.state.ny.us; Data accessed March 2009.

10. New York State Dept. of Labor; http://www.labor.state.ny.us; Data accessed March 2009.

11. Data obtained from The Administrative Office of the U.S. Courts in early 2009.

12. Poverty statistics were researched on the Census Bureau's Factfinder Site: http://factfinder.census.gov in February of 2009.

13. The Community Service Society of New York uses Census Data to compute their own poverty statistics. Studies average two consecutive years of census data in calculating poverty rates.

14. The New York City Housing and Vacancy survey (HVS) is sponsored by the NYC Department of Housing Preservation and Development (HPD) and conducted by the U.S. Census Bureau. All HVS data reported herein is from "Selected Initial Findings of the 2008 New York City Housing and Vacancy Survey," prepared by Dr. Moon Wha Lee of HPD.

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

16. 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.

17. Gross rent statistics were not reported in "Selected Initial Findings of the 2008 New York City Housing and Vacancy Survey." (see Endnote 14). Data was run in March of 2009 from 2008 HVS raw data, and was converted into "current" dollar figures using the same methodology as in the "Selected Initial Findings" report.

18. There were 35,644 units which did not report a cash rent.

19. 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)

20. 2007 American Community Survey, U.S. Census Bureau. http://factfinder.census.gov (Based on places with a population of more than 250,000).

21. 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. The year to year increase was based on years beginning in April through March of the following year.

22. "Still Working Hard, Still Falling Short." The Working Poor Families Project, October 2008. Per the report a low-income working family is defined as, "a family earning less than 200 percent of the poverty income threshold as defined by the U.S. Census Bureau for 2006, which was $41,228 for a family of four."

23. "Reviving the City of Aspiration: A study of the challenges facing New York City's middle class." Center for An Urban Future, February 2009.

24. According to NYS Dept. of Labor Statistics, in 2007 64.8% of New York City's 3,640,055 employees worked in Manhattan. In 1975, this figure was 63.3%. The report also relies on national inflation figures to adjust wages, while the RGB adjusts wages based on inflation in the New York City area. For comparison, had NYC-area inflation data been used to adjust for real wages, the increase in wages for Manhattan workers between 2003 and 2007 would have been 19.8% instead of the reported 21.8%. In Staten Island, the rate would have dropped from 0.4% to -1.5%; in Brooklyn, a drop from 0.6% to -1.1%; in Queens, a drop from 1.4% to -0.3%; and in the Bronx, a drop from the reported 2.5% to 0.8%.

25. "Most affordable city in the nation," CNNMoney.com, February 19, 2009.

26. The methodology that the National Low Income Housing Coalition uses is at: http://nlihc.org/oor/oor2008/appendixa.pdf

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

28. "Unheard Third 2008: Economic Insecurity and Federal Priorities." Community Service Society. August 21, 2008.

29. 2008 Federal Poverty Guidelines can be found at: http://aspe.hhs.gov/poverty/08poverty.shtml

30 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.

31. Preliminary FY 2009 Mayor's Management Report.

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

33. Data directly from the Human Resource Administration's Office of Legal Affairs. March 2, 2009.

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

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

36. Consolidated Plan 2008 and Consolidated Plan 2009, NYC Dept. of City Planning.

37. Source: NYC Dept. of Homeless Services, Critical Activity Reports. http://www.nyc.gov/html/dhs/html/statistics/statistics.shtml

38. Program description on Dept. of Homeless Services website: http://www.nyc.gov/html/dhs/html/rent/rentprog.shtml.

39. "Bloomberg Sets Detailed Plan to Cut Number of Homeless," *The New York Times*, Leslie Kaufman. September 23, 2004.

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

41. The New York City Housing Authority is required by law to begin non-payment proceedings 14 days after the rent due date when rent goes unpaid.

42. NYC Department of Investigation, Bureau of Auditors data.

43. "The Comptroller's Comments on the Preliminary Budge for FY 2010 and the Financial Plan for FYs 2009-2013." Office of the NYC Comptroller, March 2009.

44. "Testimony of Ronnie Lowenstein To the New York City Council Finance Committee On the 2010 Preliminary Budget and Four-Year Financial Plan." The City of New York Independent Budget Office, March 9, 2009.

Housing Supply

2009 Housing Supply Report

What's New

- ✔ Permits for 33,911 new dwelling units were issued in New York City in 2008, the most since 1972, and a 6.3% increase over the prior year.
- ✔ The number of new housing units completed in 2008 decreased 7.7% over the prior year, to 24,381.
- ✔ The citywide vacancy rate was 2.88% in 2008.
- ✔ City-sponsored residential construction spurred 16,779 new housing starts, more than 60% of which were rehabilitations.
- ✔ The city-owned *in rem* housing stock continued to decline, with a 15.6% decline in housing units during FY 2008.
- ✔ The number of housing units newly receiving 421-a exemptions increased 7.3% in 2008, to 4,521.
- ✔ The number of housing units newly receiving J-51 abatements and exemptions increased 15.8% in 2008, to 64,478.
- ✔ The Attorney General's office reported a 32.9% decrease in the number of co-op or condo units accepted in 2008, to 526 plans containing 16,951 units.
- ✔ Demolitions, as reported by the New York City Dept. of Buildings, were down in 2008, decreasing by 18.4% to 2,680 buildings.

Introduction

Over the past year there was a 6.3% increase in the number of permits issued for new dwelling units, rising to 33,911, the most since 1972. However the number of completed housing units fell, declining 7.7% from 2007 levels. This growth in development has been prompted by the tight housing market, with a citywide rental vacancy rate of 2.88% and 10.2% of all rental housing considered overcrowded. There was also a 32.9% decrease in the number of units in cooperative and condominium plans accepted for conversion or new construction (the second consecutive year of decline), while the number of city-owned vacant and occupied buildings continued to fall through various disposition programs, declining more than 15% during the 2008 fiscal year. During 2008, housing starts under the 421-a Affordable Housing Program decreased 12.5%, and completions decreased by 31.3%. The City also saw a decrease in demolitions during 2008, falling 18.4%. And rehabilitation of residential units under the J-51 tax abatement and exemption program during 2008 increased for the first time since 2004, rising 15.8%, while the number of market-rate 421-a units rose 7.3% over 2007 levels.

New York City's Housing Inventory

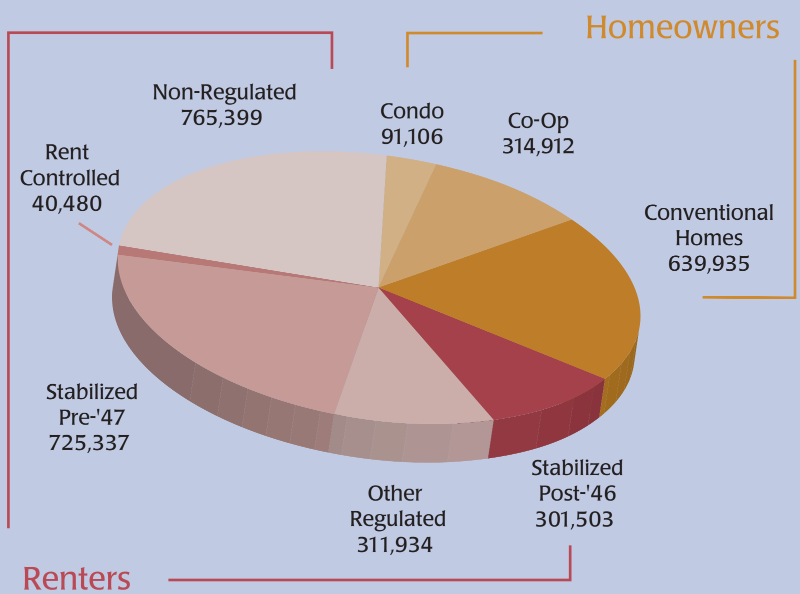
In contrast to the rest of the country, most New Yorkers do not own the homes in which they live. According to the *2008 Housing and Vacancy Survey (HVS)*,[1] rental units comprised 67.2% of New York City's available housing stock in 2008, twice as many rental units as the nation as a whole.[2] New York City in 2008 had a total of 3,328,648 housing units, the largest housing stock since the first HVS was conducted in 1965. New York City's housing is dominated by the size of its rental housing stock and unlike most cities, the bulk of rental units are rent regulated. Of the 2,144,652 occupied and vacant rental units reported in the most recent HVS, more than a third (35.7%) were unregulated, or "free market." The majority are either pre-war (pre-47) rent stabilized (33.8%) or post-war (post-46) rent stabilized (14.1%), and the rest are rent controlled (1.9%) or part of various other[3] types of regulated apartment programs (14.5%). (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 2.88% in 2008, below the 5% threshold required for rent regulation to continue under state law. Brooklyn had the lowest vacancy rate in the city, at 2.34%, while Queens had the highest, 3.32%. Of the other boroughs, Manhattan was 2.70%, the Bronx was 3.07%, and the small sample size of vacant apartments in Staten Island made calculation of a vacancy rate in that borough too inaccurate to report.[4]

Vacancy rates also vary by rent regulation status. The tightest market was found among post-war stabilized units, with a vacancy rate of 1.64% in 2008.

Number of Renter and Owner Units

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



Source: U.S. Bureau of the Census, 2008 New York City Housing and Vacancy Survey
Note: Above figures exclude vacant units that are not available for sale or rent.

Pre-war stabilized units also maintained a low vacancy rate, at 2.35%, while private, non-regulated units were vacant at a 4.70% rate.

The frequency of crowding also varies by rent regulation status. Overall, 10.2% of all rental housing in New York City is overcrowded (defined as more than one person per room, on average) and 4.0% is severely overcrowded (defined as an average of more than 1.5 persons per room). Pre-war stabilized housing is most crowded, with 12.3% of units overcrowded and 4.9% severely overcrowded, while 10.0% of post-war units are overcrowded, and 4.6% of units are severely overcrowded. Overall, 11.6% of rent stabilized housing is overcrowded and 4.8% is severely overcrowded. In non-regulated housing, 10.1% is overcrowded and 3.8% severely overcrowded.

Changes in the Housing Inventory

New Additions

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.

For the second consecutive year, the City in 2008 issued more housing permits for single- and multi-family buildings than the year prior. In 2008, permits were issued for 33,911 units of new housing, an increase of 6.3% over the 31,902 units in 2007 (see graph on following page). While still below the 1960's average of 37,000 new units per year, 2007 saw the highest level in the number of permits since 1972, when 36,061 were issued.[5]

Permits issued Citywide in 2008 increased, despite decreases in permits issued in the Bronx and nearly flat growth in Manhattan and Queens. Proportionally, Staten Island increased the most, up 69.8% to 1,255. Brooklyn also increased significantly, rising by 16.6% to reach 12,744. Manhattan and Queens rose by 1.9% and 1.4% respectively, to 9,700 in Manhattan and 7,730 in Queens. The Bronx was the only borough where permits dropped on an annual basis, falling

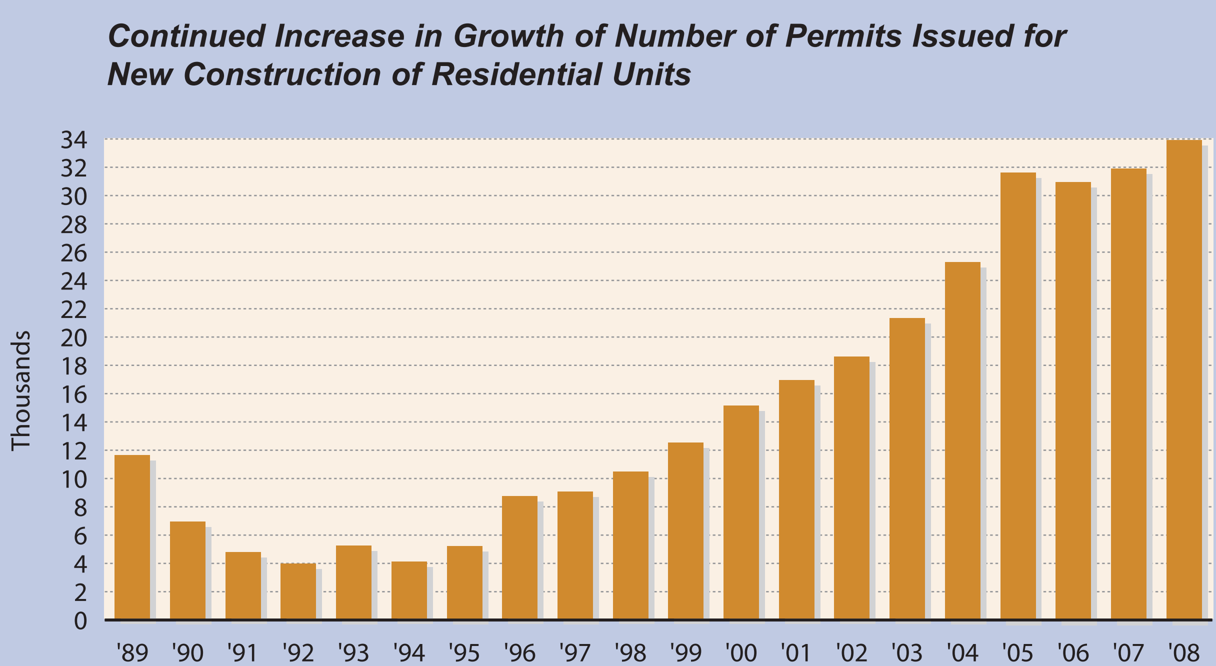
19.6% to 2.482. (See Appendix G.1 and the map on next page) While permits went up annually, atypically the vast majority of permits were issued during the second quarter of 2008, which saw an increase of 149.1% as compared to the second quarter of 2007, while levels dropped in every other quarter, by as much as 71.2%. More than two-thirds of all permits issued during 2008 were in the second quarter.

While permits issued increased between 2007 and 2008, the number of permits issued in early 2009 has decreased significantly. The number of permits issued in New York City decreased from 3,893 in the first quarter of 2008 to 1,077 during the same period of 2009, a 72.3% decrease. Permits issued declined in every borough, by the greatest proportion in Brooklyn, falling 91.5%, followed by declines in the Bronx of 81.0%, 68.9% in Manhattan, 50.8% in Staten Island, and 27.9% in Queens.

Permit data can also be analyzed by the reported size of the buildings applying for permits. In 2008, a total of 2,434 buildings received permits (containing a total of 33,911 housing units). Citywide, 20.1% of these buildings were single-family, 30.0% were two-family, 14.3% were three- or four-family structures, and 35.7% were five-family or greater buildings. While the number of buildings receiving permits in 2008 was 37.8% lower than in 2007, the number of five-family or greater buildings increased by more than 40%, resulting in the increase in permits described in this report. More than 90% of all permits Citywide were for units in five-family or greater buildings, with the average five-family or greater building containing 36 units for the City as a whole, and 65 units in Manhattan. As the chart 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)

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 2008, approximately 24,381 new housing units were completed, a 7.7% decrease over 2007.[7] Completions were down in all boroughs but Brooklyn, which rose by 3.3%, to 7,306. Proportionally, completions were down by the greatest amount in

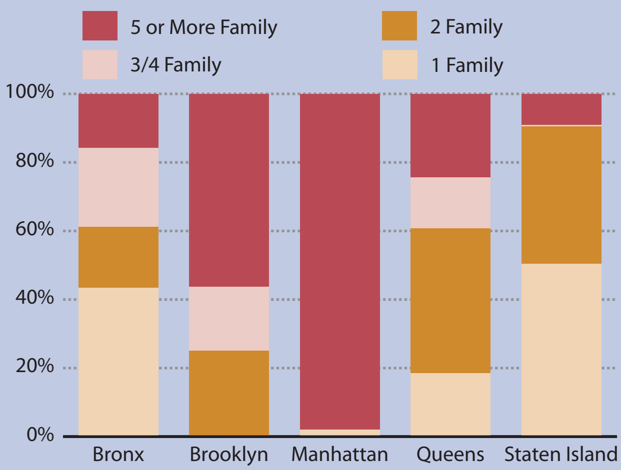
Units Issued New Housing Permits, 1989-2008, in Thousands



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

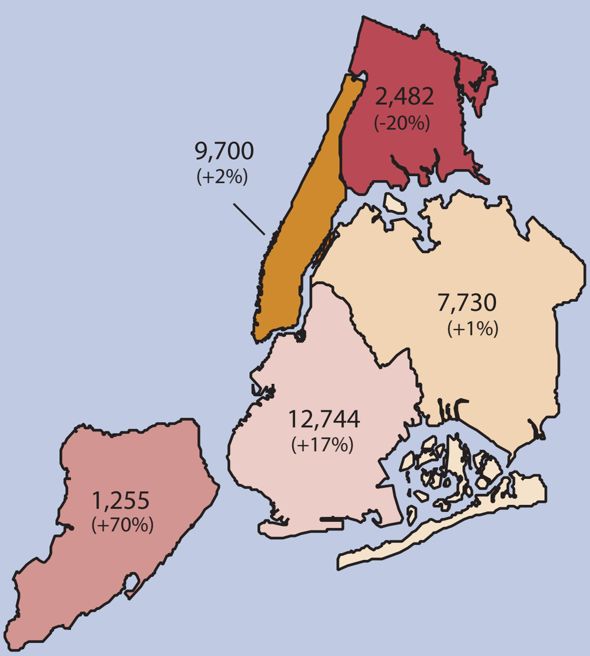
Residential Building Permits, 2008

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 2008 and Percentage Change From 2007 by Borough



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

Staten Island, which fell 29.6%, to 1,021, followed by Manhattan which fell 18.3% to 6,141. Smaller decreases were seen in the Bronx, which fell 4.6% to 4,241 and Queens, which fell by 4.5%, to 5,672. (See Appendix G.3 for historical breakdown)

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 Mixed Income Rental Program, which helps finance affordable housing, 30% of which is set aside for homeless families. HDC operates such programs as 80/20, which requires developers to set aside 20% of units for moderate-income families, and the New Housing Opportunities Program, which helps finance housing for middle-income New Yorkers.

HPD- and HDC-sponsored programs spurred a total of 16,779 reported housing starts[8] in FY 2008, a decrease of 7.8% over the prior year. Of the 16,779 total starts this year, 10,097 were rehabilitation starts, and 6,682 were new construction starts. HPD and HDC collectively expect to start an additional 12,697 units of new construction and rehabilitation in FY 2009, and 13,725 in FY 2010. During the first four months of FY 2009 there were 1,186 starts by HPD and HDC, a 52.0% decline over the corresponding period of the previous year. Slightly less than 60% of these units were rehabilitations.[9]

In February 2006, Mayor Michael R. Bloomberg announced the expansion of his New Housing Marketplace Plan. 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 $7.5 billion plan will ultimately provide affordable homes for 500,000 New Yorkers. As of March 2009, HPD and HDC have created or preserved 85,089 units of housing under the New Housing Marketplace Plan, more than half of the total planned. These units are fairly evenly dispersed throughout the Bronx, Brooklyn, and Manhattan, with only 9% of units in Queens and Staten Island. As part of this program the City is focusing on preservation of existing affordable homes, identifying new sources of land and funding sources, and making changes to regulations in the private market, such as 421-a reforms and new inclusionary zoning initiatives.[10]

A new initiative was announced in February of this year for a plan for the City to buy vacant, unsold units in new developments for use as middle-income housing. Details have not been announced yet, but it is expected that those qualifying for the program would need to make between 80 and 150% of the area median income to qualify for these subsidized apartments.[11] Another City initiative will partner HPD with NYU's Furman Center to track affordable housing that is at risk for conversion to market-rate rents, and implement preservation strategies.[12] HPD is also working with the New York City Housing Authority (NYCHA) to build affordable housing on NYCHA grounds. More than 1,000 units will be built on various sites in the Bronx and will generate $29 million in revenue for NYCHA.[13] The City also received $24 million from the federal government to rehabilitate and resell 115 foreclosed homes.[14]

Tax Incentive Programs

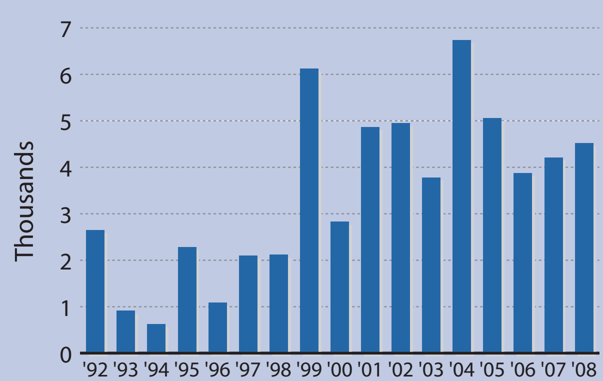
The City helps promote development of new housing by offering various tax incentive programs. One such program for new renter- and owner-occupied multifamily properties containing three or more rental units is the 421-a tax incentive program. The program allows for a reduction in the taxable assessed 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 were vacant, predominantly vacant, or improved with a non-conforming use three or more years before the new construction commences. Rental 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 protection as stabilized tenants, and initial rents approved by HPD are then confined to increases established by the 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 20% low-income units.[15]

Last year's Housing Supply Report outlined major changes in the 421-a program which had been set to begin on December 28, 2007. However, in early 2008 the Governor extended the start date of many of these changes to July 1, 2008, including a major expansion of the Geographic Exclusion area (the area which requires 20% of units 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.

Units Newly Receiving 421-a Certificates, 1992-2008, in Thousands

7% Increase in Number of Units Newly Issued 421-a Certificates in 2008



Source: NYC Department of Housing Preservation and Development

Through the market-rate 421-a program, the number of housing units newly receiving 421-a exemptions increased for the second consecutive year, up 7.3%, to 4,521 (see graph on previous page), including increases in every borough but Manhattan. While the number of units decreased 36.2% in Manhattan, it increased 50.4% in Brooklyn, 49.1% in the Bronx, 20.6% in Queens, and rose from zero to six units in Staten Island. In a departure from the norm, the largest proportion of units receiving benefits in 2008 were in buildings located in Bronx, which contained 33.6% of the total units in the City. Brooklyn and Manhattan each had virtually the same number of units newly receiving 421-a benefits, each with 27.4% of the total number of units Citywide (although the average size of buildings in Manhattan were much larger, as there were 26 buildings receiving benefits in Manhattan, and 80 in Brooklyn). Building in Queens had 11.4% of the share of units Citywide, and Staten Island, with only six units, had 0.1%.[16] (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 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 building affordable housing on-site, the 421-a Affordable Housing Program is being phased out and will most likely not record any new units after 2008.

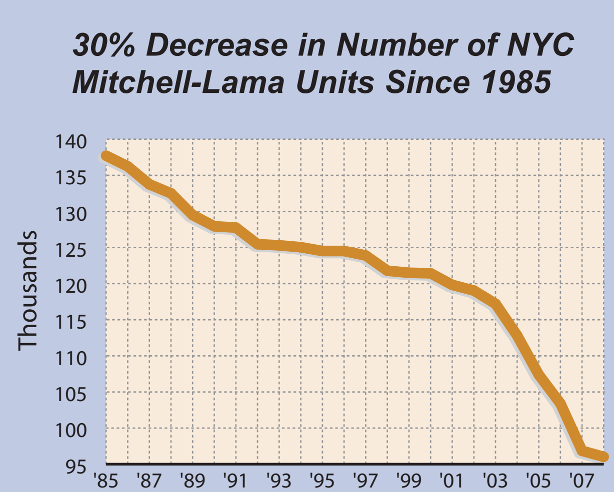
Housing starts under the 421-a Affordable Housing Program declined during 2008, falling 12.5% from 2007 levels, for a total of 600 units. When all the units begun in 2008 are completed, these 600 new affordable units will create approximately 3,065 certificates eligible to be sold for market-rate housing within the Exclusion Zone. While construction starts under the 421-a Affordable Housing Program were down, housing units completed under the Affordable Housing program in 2008 fell at even faster rate. In 2008, 784 new affordable units, producing approximately 3,979 certificates for market-rate housing, were completed, a 31.3% decline from last year.[17]

Another program that has offered affordable housing, the New York State Mitchell-Lama program, is losing residential units as market rents rise and landlords choose to opt out of the program. The program, which was created in 1955 as a means of providing affordable rental and cooperative housing to moderate- and middle-income families, granted low-cost mortgages and tax breaks to landlords who developed low- and middle-income housing. There are approximately 96,000 Mitchell-Lama units in the City today (and up to 18,000 elsewhere in the state), and the last Mitchell-Lama project opened in 1978.[18]

After twenty years, landlords may leave the program, and in recent years, some have done so by "buying out" of the program. In New York City approximately 42,000 units in Mitchell-Lama buildings have been lost due to buyouts since 1985 (see graph on this page). After averaging more than 5,000 buyouts annually between 2004 and 2007, the pace slowed significantly in 2008 with only three buildings, containing 834 units, leaving the program.[19]

As more and more Mitchell-Lama apartments leave the program, new legislation and policies are increasingly being proposed to clarify the laws regarding rents in buildings opting out. In November of 2007, the New York State Division of Housing and Community Renewal (DHCR) issued a new policy on

Units in the Mitchell-Lama Program, 1985-2008, in Thousands



Source: NYC Comptroller's Office and NYC Dept. of Housing Preservation and Development "unique and peculiar" circumstances, a policy that had allowed buildings leaving Mitchell-Lama and built before 1974 to apply to have apartment rents set at market rates instead of lower, current rents when entering rent stabilization. The new policy requires all Mitchell-Lama buildings built before 1974 to enter rent stabilization at current rents, preserving affordable rent levels for thousands of renters.[20] Another proposed bill would require all buildings leaving Mitchell-Lama or Section 8 to become rent stabilized, and would apply retroactively to buildings that have already left the system.[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 a larger 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, in the past few years, with a tight housing market and high demand for luxury apartments, there were an increasing number of conversions in neighborhoods citywide, including 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 2008, 15 formerly non-residential buildings containing 765 units received J-51 benefits for conversion. Almost all were condo and co-op units. This is a sharp increased from 2007, when a total of nine buildings and 263 units received the same J-51 benefits (evenly split among rental and co-op/condo units). But it is still less than 2006, when 15 buildings containing 830 units converted with J-51 benefits, again almost all cop-ops/condos. But while the number of non-residential units converting with J-51 benefits tripled in 2008, the number of non-residential units in Lower Manhattan which converted with the aid of 421-g benefits declined in 2008, down 36% to 1,143 units.[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" from HPD. Certificates are down for the fourth consecutive year, falling to 127 in 2008, down from 182 in 2007 and more than 200 in each year from 2004-2006.[23]

Cooperative and Condominium Activity

Developers planning to build new co-op or condo buildings, and owners wishing to convert their rental buildings to co-ops or condos, must file plans with, and receive acceptance from, the New York State Attorney General's Office. In 2008, the Attorney General accepted 526 co-op and condo plans, a 20.7% decrease over the number accepted in 2007. These 526 plans encompassed 16,951 housing units, 32.9% less than in 2007. The majority of plans, 273, were accepted for buildings located in Brooklyn; 150 were located in Manhattan; 74 plans were accepted for Queens; the Bronx had 20 plans; and there were nine in Staten Island. However, while there were almost twice as many buildings in Brooklyn, the average building in Manhattan is larger, so almost as many units were located in Manhattan (6,409) than in Brooklyn (6,605).[24] (See Appendices G.4 and G.5)

Almost all of the plans accepted citywide in 2008 were for new construction, comprising 454 of 526 plans, and a total of 13,998 of 16,951 units. This is similar to the prior year, when new construction accounted for 573 of the 663 accepted plans. In 2008, 50 plans and 2,582 units were non-eviction conversions. An additional 18 plans, containing 241 units, were eviction plan conversions, all sponsored by the New York City Dept. of Housing Preservation and Development. In addition, four plans and 130 units were rehabilitation conversions.

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 16.7% of the total number of units in 2008 co-op and condo plans. Conversions held in the 70-90% range for all of the 1980s, before beginning to fall in the 1990s. Because most conversion plans are non-eviction plans (including all private plans in 2008), only when the original rental tenant moves out does the apartment become owner-occupied. When that happens, the unit is then removed from the rental universe, thereby reducing the number of rental apartments available.

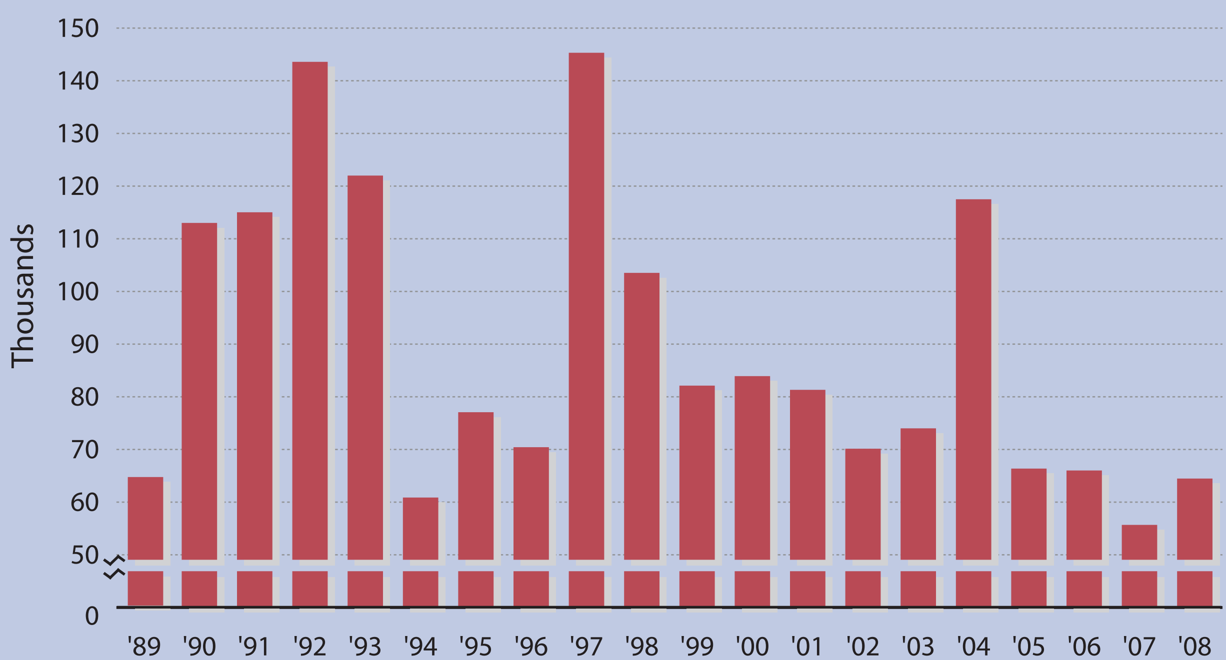
Rehabilitation

Another method for adding 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, of which almost 62% of units are in buildings constructed prior to 1946.[25] Through tax abatement and exemption subsidy programs offered by the City for rehabilitation, units are able to remain in, or be readmitted to, the City's housing stock. The J-51 tax abatement and exemption program is intended to encourage the periodic renovation of New York City's stock of both renter- and owner-occupied housing. In the late 1980s and early 1990s, the number of units approved for initial J-51 tax abatements and exemptions each year was frequently above 100,000. In the mid-1990s, rehabilitation activity declined to just under 70,000 units per year. But in 1997, coinciding with the improving NYC economy, the number of units receiving J-51 benefits increased sharply, with over 145,000 additional units receiving this tax incentive. Levels have decreased significantly from that high, mostly remaining under 100,000 units since then.

In 2008, 64,478 units newly received J-51 benefits, an increase of 15.8% from the previous year (see graph on this page). These units were contained in 1,451 buildings, an increase of 51.6% from 2007 levels. The location of the units newly receiving benefits ranged from 40.5% located in Manhattan; to 23.8% in Queens; 23.0% in Brooklyn; 12.0% in the Bronx; and 0.6% in Staten Island. Buildings were distributed through the boroughs in roughly the same way units were distributed.[26]

Units Receiving Initial J-51 Benefits, 1989-2008, in Thousands

2008 Saw Increase in Number of Units Receiving J-51 Certificates



Source: NYC Department of Housing Preservation and Development

The J-51 tax relief program is similar to the 421-a program in that it requires that rental units be subject to rent regulation for the extent of the benefits. Apartment units in many high-rent neighborhoods are not allowed to enter the program because the apartment unit tax assessment generally cannot exceed $38,000-$40,000 after completion. Rehabilitation activities that are eligible for tax abatements and exemptions include Major Capital Improvements (MCI's), 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 are 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.[27]

In Fiscal Year 2009, the J-51 tax program will cost the City $243.4 million for all housing types, including more than 440,000 rental units.[28] Most of these units will remain stabilized after the benefit period, because most units receiving J-51 benefits would ordinarily be under the jurisdiction of rent stabilization laws even without tax abatements. However, rental apartments not stabilized prior to receiving tax benefits will not be subject to the City's rent regulations once their benefits end. (See Appendices G.6 and G.7)

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. By its peak in 1986, the city owned and managed 4,000 occupied buildings containing 40,000 units of housing (see graph on next page). Most of these buildings were dilapidated multi-families occupied by a predominantly low-income population. To counter this trend, HPD has developed multiple disposition programs over time to manage, rehabilitate and sell many of these so-called *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. The programs enable local entrepreneurs, community not-for-profit housing organizations, and groups of tenants to own and manage these buildings. Many of these programs include funds for rehabilitation and use the proceeds of federal tax credits to keep rents affordable.

HPD has successfully reduced the number of occupied *in rem* units in central management to 442 through October 2008, a 98.5% decline since FY 1994.[29] HPD transfers buildings into alternative management programs before returning them to private ownership. During FY 2008, 66 buildings with 869 units were sold through these programs.

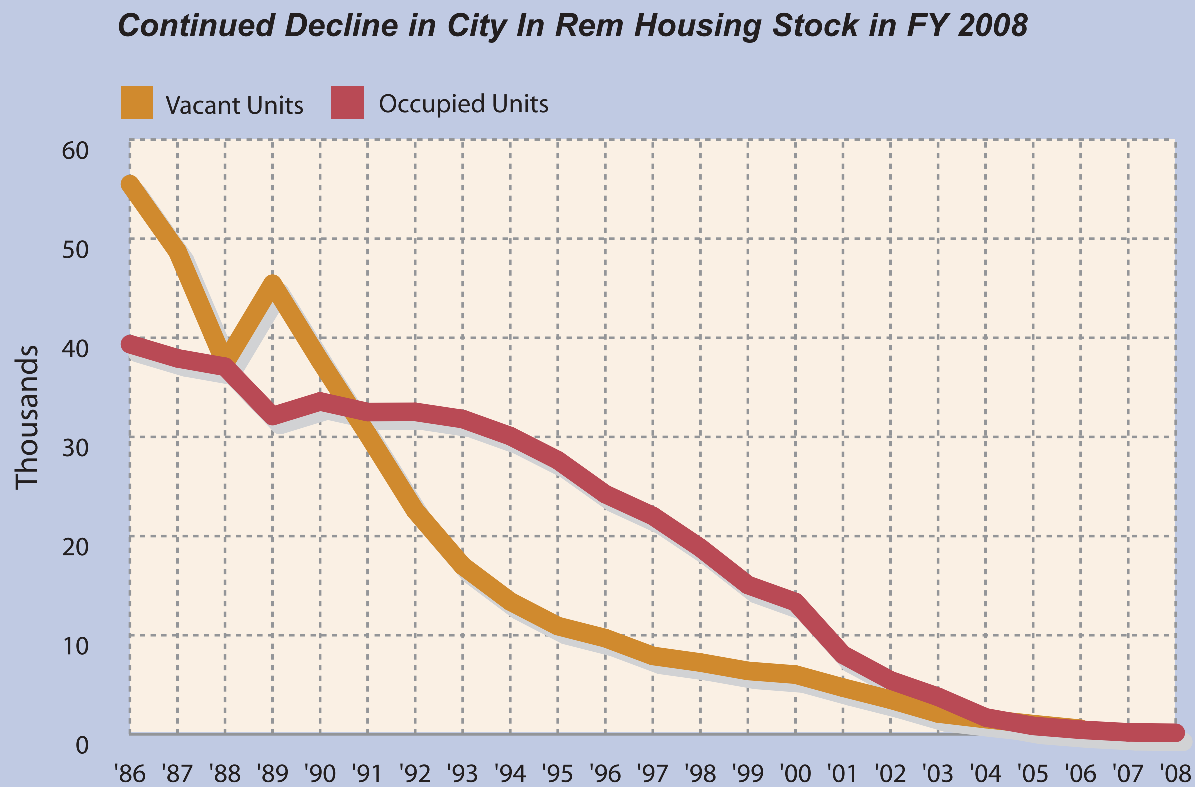
The number of units in vacant city-owned buildings also fell significantly over the same period, to 325 units by the end of October 2008, a 97.6% decline since FY 1994. During FY 2008, the total number of buildings operated by HPD, including both occupied and vacant, fell 15.6%, and the number of units in these buildings also fell by 15.6%, as compared to FY 2007. (See Appendix G.8) While the number of vacant units and buildings continued to fall during the early months of FY 2009, occupied buildings and units rose, increasing by 12.2% and 6.5% respectively.

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, and a Housing Education Program, which teaches owners and superintendents basic management, maintenance, and finance skills to improve their properties.[30]

Since the mid-1990's, 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

Units in HPD Central Management Stock, FY 1986-FY 2008, in Thousands



Source: NYC Dept. of Housing Preservation and Development

lien or entered into a payment plan, the lien holder can file for foreclosure on the property.[31]

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, 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.[32] Since beginning in 1996, the program has collected $350 million in back taxes, and 438 buildings have been transferred to responsible for-profit and non-profit owners.[33]

Another anti-abandonment strategy involves the identification of buildings that are at risk of abandonment and helping these owners achieve fiscal and structural soundness for their properties through housing education, counseling, subsidized loans, and voluntary repair agreements, to preserve housing and avoid *in rem* actions entirely.

Demolitions

While in the early 1990's 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 for the second consecutive year, demolitions in New York City fell as compared to the prior year. A total of 2,680 buildings were demolished in 2008, an 18.4% decrease over the prior year, following an 8.0% decline in 2007. This was still the fifth highest total since 1985, when the RGB began collecting this data. Queens accounted for

40.4% of all the buildings demolished in 2008, Brooklyn had 34.5%, Manhattan had 9.4%, Staten Island had 8.0%, and the Bronx had the lowest proportion, 7.7%. Demolitions fell in every borough, declining by 31.8% in the Bronx, 30.2% in Staten Island, 23.1% in Queens, 10.6% in Manhattan, and 6.0% in Brooklyn.[34] (See Appendix G.9)

Conclusion

Housing permits remained at high levels, with the highest number of permits issued in 2008 than in any year since 1972, while the number of completed housing units decreased by 7.7%. The City also continued to reduce its share of city-owned vacant and occupied housing units, seeing a 15.6% decline during the most recent fiscal year. The number of new units receiving 421-a tax benefits increased 7.3% in 2008, while J-51 tax abatements and exemptions increased 15.8%. Rental housing availability remains tight, with a citywide vacancy rate of just 2.88% in 2008, and overcrowding remains a problem. Mayor Bloomberg's ten-year housing initiative has begun development/construction on more than 85,000 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 33% renter-occupied units, according to the 2007 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. World Wide Web page <http://www.census.gov/const/www/permitsindex.html>.

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 permanent 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. Mayor's Management Reports, Fiscal Year 2008 and Preliminary Fiscal Year 2009.

10. "Mayor Bloomberg's Affordable Housing Plan," May 2009. http://nyc.gov/html/hpd/downloads/pdf/New-Housing-Market-Place-Plan.pdf

11. "Condo buyout plan building up support with builders," Heather Murray. *Chelsea Now*, Volume 3, Number 17 (March 13-26, 2009).

12. "NYU's Furman Center and the NYC Department of Housing Preservation and Development Launch Initiative to Track Affordable Housing in Danger of Converting to Market Rate Rentals," NYC Dept. of Housing Preservation and Development Press Release. April 7, 2009.

13. "Developers Tabbed for South Bronx MF," Paul Bubny. *GlobeSt.com*, February 2, 2009.

14. "City has Plan to Resell Foreclosed Homes," Manny Fernandez. *The New York Times*, January 14, 2009.

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

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

17. Data obtained from the NYC Dept. of Housing Preservation and Development, Inclusionary Housing/421a 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.

18. "2007 Annual Report: Mitchell-Lama Housing Companies in NYS." NYS Division of Housing and Community Renewal. January 15, 2008.

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

20. "Albany Bars Rent Rise for Thousands." Manny Fernandez, *The New York Times*, November 26, 2007.

21. NYS Senate Bill S3326.

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

23. Historic data obtained from the West Side SRO Law Project, reporting NYC Department of Housing Preservation and Development (HPD) data and 2008 data obtained directly from HPD.

24. NYS Attorney General's Office, Real Estate Financing Bureau data. and the NYC Dept. of Housing Preservation and Development, Sales Unit.

25. *2008 NYC Housing and Vacancy Survey*, U.S. Census Bureau.

26. 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.

27. 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.

28. "Annual Report on Tax Expenditures," NYC Dept. of Finance publication, February, 2009.

29. Fiscal Year 2008 Mayor's Management Report and the NYC Dept. of Housing Preservation and Development..

30. NYC Department of Housing Preservation and Development website. http://www.nyc.gov/html/hpd/html/buyers/small_prop.shtml.

31. 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.

32. "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/.

33. Most recent figures obtained from NYC Dept. of Housing Preservation and Development, May, 2009.

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

Changes to the Rent Stabilized Housing Stock in New York City in 2008

What's New

- ✔ The study finds a net estimated loss of 8,267 rent stabilized units in 2008, over 3,000 more units lost than in 2007 (5,088).
- ✔ Nearly all of the additions to the rent stabilized stock in 2008 were in four categories: 420-c units, 421-a units, 421-g units and rent controlled units.
- ✔ In 2008, high rent/ vacancy decontrol makes up the largest category of subtractions from the stabilized stock, accounting for 76% of the subtractions.

Introduction

Rent regulation has been a fixture in New York City's housing market for over 65 years, 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 regulation system in 2008. 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. 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 2008, an estimated total of 1,856 units were added to the rent stabilized stock through the 421-a program, nearly a thousand fewer units than in 2007 (2,838). The largest number of units were in Manhattan (538), followed by the Bronx (523), Brooklyn (450), Queens (342), and the remaining three units were on Staten Island.

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 55 units to the rent stabilized stock in 2008, less than half the number added in 2007 (135). These newly renovated units were located in two buildings in Brooklyn (26 units), one building in Manhattan (21 units) and one building in Queens (8 units). (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 the 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.

A total of 101 units in one former Mitchell-Lama rental development in the Bronx became rent stabilized in 2008. This number is dramatically less than the number seen in 2007 and 2006 when 2,517 and 3,040 units were added respectively, and the fewest units since 2001 when there were no Mitchell-Lama rental apartments converted. Since 1994, 9,882 rental units have left the Mitchell-Lama system and become a part of the rent stabilized housing stock. (See Appendices H.1 and H.2)

Loft Units

The New York City Loft Board, under Article 7-C of the Multiple Dwelling Law, regulates rents in buildings originally intended as commercial loft space that have been converted to residential housing. When the units are brought up to code standard, they become stabilized. A total of 35 loft units entered the rent stabilization system in 2008, the same number of loft units added in 2007. (See Appendix H.1)

Other Additions to the Stabilized Housing Stock

Additionally, several other events can increase the rent stabilized housing stock: tax incentive programs such as 421-g and 420-c, "deconversion," returned losses, and the sub-division of large units into two or more smaller units. At least 5,632 units were added to the rent stabilized stock from these programs in 2008. (See Appendix H.1)

The 421-g tax incentive program is designed for conversion of units in Lower Manhattan from non-residential to residential use. The 421-g program added 865 rent stabilized units to the housing stock in 2008, nearly double the amount seen in 2007 (441 units).[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, also added units to the rent stabilized stock. An estimated 4,767 units were added to the rent stabilized stock in 2008 through the 420-c program, an 86% increase over the number added in 2007. Of the total 420-c units that were added, over half (2,399) were located in Brooklyn. Of the remaining units, 1,252 were in Manhattan, 815 in the Bronx and 301 were located in Queens. There were no projects built on Staten Island.[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 40,000.[3] When a rent controlled unit is vacated it either becomes rent stabilized or leaves the regulatory system. If the vacated unit is in a rental building with six or more units and the incoming tenant pays less than $2,000 per month, the apartment becomes stabilized. This process results in a diminution of the controlled stock and an increase in the stabilized stock.

According to rent registration filings with the NYS Division of Housing and Community Renewal (DHCR), 887 units in 2008 were decontrolled and became rent stabilized. This number is up from 592 units in 2007 and totaled over 10% of the additions to the rent stabilization stock.[4] (See Appendix H.1)

Subtractions from the Rent Regulated Housing Stock

Deregulation of rent controlled and stabilized units occur 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:

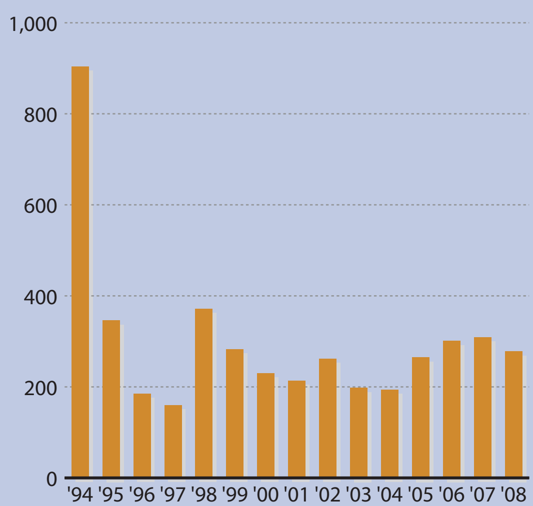
- High Rent/High Income Decontrol
- High Rent/Vacancy Decontrol
- Cooperative/Condominium Conversions
- Expiration of 421-a Benefits
- Expiration of J-51 Benefits
- Substantial Rehabilitation
- Conversion to Commercial or Professional Status
- Other Losses to the Housing Stock – Demolitions, Condemnations,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

High Rent/High Income Decontrol

The Rent Regulation Reform Act (RRRA) of 1993 permitted the deregulation of occupied 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. The 1997 RRRA reduced the income threshold to $175,000. Deregulation would occur upon application by the owner and upon the expiration of the rent stabilized lease. This income-based decontrol process, which is administered by DHCR, relies upon data furnished to the NYS Department of Taxation and Finance as part of the verification process. Please note that both the rent level and household income criteria have to be met for decontrol to take place. If households earning at least $175,000 paid less than $2,000 per month, rent regulation would remain in effect. Also note that the owner must apply to DHCR in order to decontrol the unit. If the owner did not submit a decontrol 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 decontrol.

High Rent/High Income Decontrol, 1994-2008

Number of Units Deregulated due to High Rent/Income Decreases in 2008



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

Based on DHCR processing records, High Rent/High Income decontrol affected a total of 278 apartments in 2008, 10% less than the number of units deregulated in 2007.[5] Since 1994, 4,501 units have been deregulated due to High Rent/High Income decontrol, of which 93% have been located in Manhattan. However, just 71% of these units in 2008 were located in Manhattan. (See graph above and Appendix H.3)

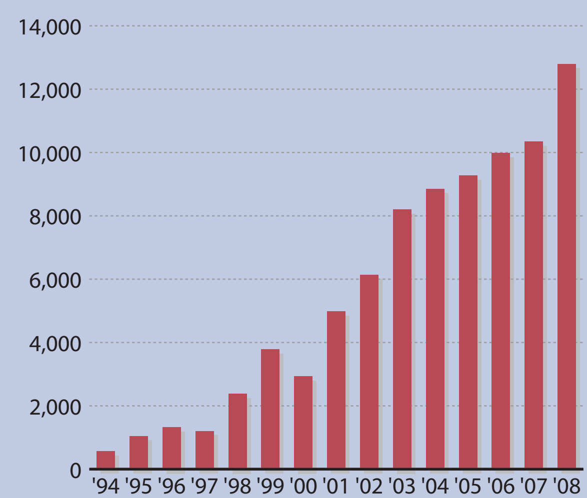
High Rent/Vacancy Decontrol

In the 1993 RRRA, the New York State legislature reinstituted High Rent/Vacancy decontrol.[6] This initial statute has since been changed several times. First, the 1993 RRRA decontrolled vacant apartments and occupied regulated apartments that subsequently were vacated and rented for $2,000 or more per month between July 7 and October 1, 1993. Second, 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. Thus, the original dates in the RRRA of 1993 establishing the parameters for decontrol were no longer applicable. 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.

In a third stage, 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. Finally, in June of 1997, with the passage of the RRRA, 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

High Rent/Vacancy Decontrol, 1994-2008

Continued Increase in Number of Units Deregulated due to High Rent/Vacancy



Note: Registration of deregulated units with DHCR was voluntary and not required from 1994-2000. These totals represent a 'floor' or minimum count of the actual number of deregulated units in these years. The NYC City Council required proof of registration with DHCR of the unit as exempt to be sent to the tenant beginning in March 2000 (see Endnote 7).

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

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.

According to DHCR rent registration records, 12,800 units were deregulated in 2008 under the High Rent/Vacancy decontrol provisions of the RRRA, up 24% from 10,342 in 2007, the largest increase since 2003. From the period of 1994-2008, a total of 83,827 units were registered with the DHCR as being deregulated due to High Rent/Vacancy decontrol, 80% of which have been located in Manhattan. Since 2001, the first year owners were required to file high rent/vacancy decontrol registrations, the rate at which they have increased over the prior year has varied. From 2001 to 2002, high rent/vacancy registrations increased by 23%, and from 2002 to 2003, they increased by 34%. However, from the period between 2004 to 2007 the rate of increase was between 4-8% each year. (See graph on previous 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. Tenants that choose to purchase their apartments after a cooperative or condominium plan is approved by the New York State Attorney General's Office are immediately removed from rent regulation. These units are no longer rentals. 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.[8]

In 2008, 1,405 units located in co-ops or condos left the stabilized housing stock, 3% fewer than left the system in 2007. An estimated total of 41,817 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 stated in the "Additions" section of this report, 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 and then exit the system. The number of units leaving the stabilization system is directly dependent upon those units previously entering the system.

In 2008, expiration of 421-a benefits has resulted in a total of 376 units removed from rent stabilization system, more than double the amount (161) in 2007. Conversely, the expiration of J-51 benefits has resulted in a total of 176 units removed, a 35% reduction from the prior year when 270 units were removed from rent stabilization. Since 1994, 17,683 421-a units have left the rent stabilization system while 13,878 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 are substantially rehabilitated have been vacated and tended 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.

During 2008, 421 units were removed from stabilization through substantial rehabilitation, up from 297 units lost in 2007. A total of 6,859 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 to nonresidential use is no longer subject to rent regulation. In 2008, 56 units were converted to nonresidential use, down from 66 in 2007. For the period 1994-2008, 2,034 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 1,321 units were removed from the stabilized housing stock in 2008 due to these reasons, just 1% more than in 2007. (See Appendix H.5)

Summary

A minimum of 16,833 housing units left rent stabilization, while approximately 8,566 units initially entered the stabilization system in 2008. The built-in fluidity of the system resulted in a net loss of an estimated 8,267 units to the rent stabilized housing stock, an increase of over 3,000 units from 2007, when rent stabilization saw a net estimated loss 5,088 units.[9] (See Summary Table on next page.)

The vast majority of additions to the stabilized stock in 2008 were the result of tax incentive programs. The creation of 420-c units resulted in over half of the additions (56%) while 421-a and 421-g units equaled 22% and 10% of the total respectively. Brooklyn witnessed the most additions (2,875) followed by Manhattan (2,711), the Bronx (1,439), Queens (651) and Staten Island (3). (See Appendix H.2)

Meanwhile, high rent/vacancy decontrol was the largest source of subtractions from the rent stabilized housing stock in 2008, accounting for 76% of the total number of subtractions. Over 60% of all units leaving rent stabilization in 2008 were located in Manhattan, a total of 10,277 units. Brooklyn witnessed 2,869 subtractions, Queens 2,635 subtractions, the Bronx saw 956 subtractions and in Staten Island 96 units left rent stabilization. (See Appendix H.6) ❐

Endnotes

1. The 421-g tax incentive program provides 14-year tax exemption and abatement benefits for the conversion of commercial buildings to multiple dwellings in Downtown Manhattan. All rental units in the project become subject to rent stabilization for the duration of the benefits. These units are subject to High Rent/Vacancy decontrol if the initial rent level is $2,000 or more. In 2008, none of the converted units had initial rent levels above $2,000. Also, an additional 278 condo units were created under this tax incentive program in 2008.
2. 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.
3. The 2008 Housing and Vacancy Survey reported a total of 40,480 rent controlled units in New York City.
4. In previous years the units leaving rent control and entering rent stabilization were reported citywide and by borough. Borough level data was not provided to the Rent Guidelines Board this year.
5. The final count for petitions for High Rent/High Income decontrol 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. In March 2000, the City Council passed Local Law Intro No. 669-A, 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.
8. A court decision affecting units in Brooklyn and Queens ruled that apartments in buildings that have converted to co-op/condo status may remain rent stabilized for a new rental tenant even after a stabilized tenant vacates the apartment.
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 2008

Program	Number of Units
ADDITIONS	
421-a	+ 1,856
J-51 conversions	+ 55
Mitchell-Lama buyouts	+ 101
Loft conversions	+ 35
Other Additions	+ 5,632
CHANGES	
Rent control to rent stabilization	+ 887
Subtotal Additions & Changes	**+ 8,566**
SUBTRACTIONS	
Co-op and Condo subtractions	- 1,405
High Rent/Vacancy Decontrol	- 12,800
High Rent/High Income Decontrol	- 278
421-a Expiration	- 376
J-51 Expiration	- 176
Substantial Rehabilitation	- 421
Commercial/Professional conversion	- 56
Other Subtractions	- 1,321
Subtotal Subtractions	**- 16,833**
NET TOTAL	
Net Estimated Loss	***- 8,267***

Sources: 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 #41

On June 23, 2009, the Rent Guidelines Board (RGB) set the following maximum rent increases for leases commencing or being renewed on or after October 1, 2009 and on or before September 30, 2010 for rent stabilized apartments:

Where heat is provided at no cost to the tenant:

One-Year Lease	Two-Year Lease
3.0%	6.0%

Where the most recent vacancy lease was executed six years or more prior to the date of the renewal lease under this Order:

One-Year Lease	Two-Year Lease
3.0% or $30 (whichever is greater)	6.0% or $60 (whichever is greater)

Where heat is not provided at no cost to the tenant:

One-Year Lease	Two-Year Lease
2.5%	5.0%

Where the most recent vacancy lease was executed six years or more prior to the date of the renewal lease under this Order:

One-Year Lease	Two-Year Lease
2.5% or $25 (whichever is greater)	5.0% or $50 (whichever is greater)

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.

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, 2009 and on or before September 30, 2010:

One-Year Increase Period	Two-Year Increase Period
3.0%	6.0%

Leases for units subject to rent control on September 30, 2009, 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, 2009, the special guideline shall be the greater of the following:

(1) 50% 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, 2009.

A.2 Hotel Units - Order #39

On June 23, 2009, the Rent Guidelines Board (RGB) set the following maximum rent increases for leases commencing or being renewed on or after October 1, 2009 and on or before September 30, 2010 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, 2008 vs. 2009

Spec	Description	2008	2009
211	Apartment Value	116	140
212	Non-Union Super	82	94
216	Non-Union Janitor/Porter	38	40
	LABOR COSTS	236	274
301	Fuel Oil #2	25	24
302	Fuel Oil #4	6	6
303	Fuel Oil #6	6	6
	FUEL	37	36
501	Repainting	121	126
502	Plumbing, Faucet	32	35
503	Plumbing, Stoppage	31	38
504	Elevator #1	13	12
505	Elevator #2	13	12
506	Elevator #3	12	11
507	Burner Repair	11	11
508	Boiler Repair, Tube	10	10
509	Boiler Repair, Weld	5	5
510	Refrigerator Repair	6	6
511	Range Repair	11	10
512	Roof Repair	22	23
513	Air Conditioner Repair	6	6
514	Floor Maint. #1	6	5
515	Floor Maint. #2	6	5
516	Floor Maint. #3	6	5
518	Linen/Laundry Service	5	5
	CONTRACTOR SERVICES	316	325
601	Management Fees	64	93
602	Accountant Fees	29	27
603	Attorney Fees	23	22
604	Newspaper Ads	18	18
605	Agency Fees	4	5
606	Lease Forms	6	6
607	Bill Envelopes	10	10
608	Ledger Paper	7	7
	ADMINISTRATIVE COSTS	161	188

Spec	Description	2008	2009
701	INSURANCE COSTS	567	648
801	Light bulbs	6	5
802	Light Switch	6	5
803	Wet Mop	9	5
804	Floor Wax	10	9
805	Paint	10	12
806	Pushbroom	6	5
807	Detergent	5	6
808	Bucket	10	15
809	Washers	10	14
810	Linens	10	10
811	Pine Disinfectant	7	11
812	Window/Glass Cleaner	8	8
813	Switch Plate	5	10
814	Duplex Receptacle	6	9
815	Toilet Seat	11	18
816	Deck Faucet	10	17
	PARTS & SUPPLIES	129	159
901	Refrigerator #1	6	7
902	Refrigerator #2	10	12
903	Air Conditioner #1	5	8
904	Air Conditioner #2	5	9
905	Floor Runner	6	7
906	Dishwasher	7	11
907	Range #1	7	11
908	Range #2	7	8
909	Carpet	10	11
910	Dresser	5	5
911	Mattress & Box Spring	5	7
	REPLACEMENT COSTS	73	96
	ALL ITEMS	**1,519**	**1,726**

B.2 Expenditure Weights, Price Relatives, Percent Changes and Standard Errors, All Apartments, 2009

Spec #	Item Description	Expenditure Weights	Price Relative	% Change	Standard Error
101	TAXES, FEES, & PERMITS	0.2539	1.1172	11.72%	0.1002
201	Payroll, Bronx, All	0.1042	1.0295	2.95%	0.0000
202	Payroll, Other, Union, Supts.	0.1044	1.0148	1.48%	0.0000
203	Payroll, Other, Union, Other	0.2594	1.0135	1.35%	0.0000
204	Payroll, Other, Non-Union, All	0.2940	1.0305	3.05%	0.4586
205	Social Security Insurance	0.0440	1.0225	2.25%	0.0000
206	Unemployment Insurance	0.0059	1.0023	0.23%	0.0000
207	Private Health & Welfare	0.1881	1.0571	5.71%	0.0000
	LABOR COSTS	0.1353	1.0288	2.88%	0.1348
301	Fuel Oil #2	0.5802	0.9379	-6.21%	1.1363
302	Fuel Oil #4	0.1576	0.8424	-15.76%	0.9932
303	Fuel Oil #6	0.2622	0.8463	-15.37%	0.8808
	FUEL	0.1543	0.8988	-10.12%	0.7158
401	Electricity #1, 2,500 KWH	0.0101	0.8743	-12.57%	0.0000
402	Electricity #2, 15,000 KWH	0.1282	0.9058	-9.42%	0.0000
403	Electricity #3, 82,000 KWH	0.0000	0.8876	-11.24%	0.0000
404	Gas #1, 12,000 therms	0.0054	0.8546	-14.54%	0.0000
405	Gas #2, 65,000 therms	0.0590	1.1566	15.66%	0.0000
406	Gas #3, 214,000 therms	0.2625	1.1520	15.20%	0.0000
407	Steam #1, 1.2m lbs	0.0178	1.0439	4.39%	0.0000
408	Steam #2, 2.6m lbs	0.0070	0.9866	-1.34%	0.0000
409	Telephone	0.0077	1.0812	8.12%	0.0000
410	Water & Sewer	0.5023	1.1450	14.50%	0.0000
	UTILITIES	0.1533	1.1091	10.91%	0.0000
501	Repainting	0.3868	1.0300	3.00%	0.7329
502	Plumbing, Faucet	0.1404	1.0242	2.42%	1.0359
503	Plumbing, Stoppage	0.1242	1.0334	3.34%	1.1123
504	Elevator #1, 6 fl., 1 e.	0.0558	1.0093	0.93%	0.6822
505	Elevator #2, 13 fl., 2 e.	0.0362	1.0197	1.97%	1.6948
506	Elevator #3, 19 fl., 3 e.	0.0204	1.0032	0.32%	0.3229
507	Burner Repair	0.0388	1.0380	3.80%	1.4438
508	Boiler Repair, Tube	0.0522	1.0180	1.80%	1.2485
509	Boiler Repair, Weld	0.0442	1.0000	0.00%	0.0000
510	Refrigerator Repair	0.0115	1.0293	2.93%	1.5635
511	Range Repair	0.0111	1.0086	0.86%	2.8969
512	Roof Repair	0.0655	1.0612	6.12%	1.7266
513	Air Conditioner Repair	0.0080	1.0488	4.88%	2.2375
514	Floor Maint. #1, Studio	0.0003	1.0000	0.00%	0.0000
515	Floor Maint. #2, 1 Br.	0.0005	1.0000	0.00%	0.0000
516	Floor Maint. #3, 2 Br.	0.0043	1.0000	0.00%	0.0000
	CONTRACTOR SERVICES	0.1259	1.0277	2.77%	0.3843

Spec #	Item Description	Expenditure Weights	Price Relative	% Change	Standard Error
601	Management Fees	0.7237	1.0439	4.39%	1.3853
602	Accountant Fees	0.1370	1.0402	4.02%	1.5437
603	Attorney Fees	0.1052	1.0169	1.69%	0.7869
604	Newspaper Ads	0.0040	1.0220	2.20%	0.8239
605	Agency Fees	0.0053	1.0812	8.12%	5.1240
606	Lease Forms	0.0089	1.0000	0.00%	0.0000
607	Bill Envelopes	0.0085	1.0803	8.03%	3.3248
608	Ledger Paper	0.0075	1.0331	3.31%	2.5094
	ADMINISTRATIVE COSTS	0.0734	1.0405	4.05%	1.0289
701	INSURANCE COSTS	0.0823	0.9710	-2.90%	0.6528
801	Light Bulbs	0.0359	1.0000	0.00%	0.0000
802	Light Switch	0.0428	1.0000	0.00%	0.0000
803	Wet Mop	0.0384	1.0000	0.00%	0.0000
804	Floor Wax	0.0464	1.0328	3.28%	2.5990
805	Paint	0.2299	1.0252	2.52%	1.2225
806	Pushbroom	0.0337	1.0000	0.00%	0.0000
807	Detergent	0.0358	1.0000	0.00%	0.0000
808	Bucket	0.0376	1.0102	1.02%	0.9755
809	Washers	0.0963	1.0332	3.32%	1.9330
811	Pine Disinfectant	0.0547	1.0394	3.94%	3.1603
812	Window/Glass Cleaner	0.0500	1.0706	7.06%	4.0066
813	Switch Plate	0.0458	1.0000	0.00%	0.0000
814	Duplex Receptacle	0.0328	1.0000	0.00%	0.0000
815	Toilet Seat	0.0965	1.0256	2.56%	2.1257
816	Deck Faucet	0.1235	1.0600	6.00%	2.1232
	PARTS AND SUPPLIES	0.0151	1.0265	2.65%	0.5571
901	Refrigerator #1	0.0934	1.0995	9.95%	2.2775
902	Refrigerator #2	0.4720	1.0503	5.03%	1.5354
903	Air Conditioner #1	0.0166	1.0350	3.50%	2.6129
904	Air Conditioner #2	0.0204	1.0633	6.33%	3.2701
905	Floor Runner	0.0922	1.0191	1.91%	1.7844
906	Dishwasher	0.0479	1.0881	8.81%	2.3185
907	Range #1	0.0480	1.0692	6.92%	2.6690
908	Range #2	0.2095	1.0785	7.85%	2.0964
	REPLACEMENT COSTS	0.0064	1.0607	6.07%	0.9085
	ALL ITEMS	1.0000	1.0396	3.96%	0.1556

B.3 Price Relative by Building Type, Apartments, 2009

Spec #	Item Description	Pre-1947	Post-1946	Gas Heated	Oil Heated	MASTER METERED BLDGS
101	TAXES, FEES, & PERMITS	1.1288	1.0996	1.1172	1.1172	1.1172
201-207	LABOR COSTS	1.0298	1.0277	1.0271	1.0293	1.0263
301-303	FUEL	0.9053	0.8733	0.9373	0.8975	0.9361
401-410	UTILITIES	1.1207	1.0940	1.1305	1.0936	1.0606
501-516	CONTRACTOR SERVICES	1.0280	1.0269	1.0282	1.0275	1.0277
601-608	ADMINISTRATIVE COSTS	1.0396	1.0416	1.0387	1.0408	1.0396
701	INSURANCE COSTS	0.9710	0.9710	0.9710	0.9710	0.9710
801-816	PARTS AND SUPPLIES	1.0269	1.0254	1.0279	1.0259	1.0237
901-908	REPLACEMENT COSTS	1.0614	1.0589	1.0657	1.0595	1.0536
	ALL ITEMS	**1.0342**	**1.0388**	**1.0695**	**1.0204**	**1.0506**

B.4 Price Relative by Hotel Type, 2009

Spec #	Item Description	Hotel	Rooming House	SRO
101	TAXES	1.1481	1.1147	1.1492
205-206, 208-216	LABOR COSTS	1.0328	1.0203	1.0263
301-302	FUEL	0.9124	0.9379	0.8716
401-407, 409-410	UTILITIES	1.0305	0.9346	1.0483
501-516	CONTRACTOR SERVICES	1.0353	1.0316	1.0233
601-608	ADMINISTRATIVE COSTS	1.0395	1.0391	1.0386
701	INSURANCE COSTS	0.9710	0.9710	0.9710
801-816	PARTS AND SUPPLIES	1.0145	1.0269	1.0292
901-904, 907-911	REPLACEMENT COSTS	1.0374	1.0452	1.0465
	ALL ITEMS	**1.0520**	**1.0123**	**1.0161**

B.5 Percentage Change in Real Estate Tax Sample by Borough and Source of Change, Apartments and Hotels, 2009

	% 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	4.83%	1.63%	-0.07%	5.71%	0.36%	12.46%
Bronx	7.37%	-0.61%	-0.04%	6.04%	0.38%	13.15%
Brooklyn	4.06%	-0.49%	0.14%	5.83%	0.20%	9.74%
Queens	3.96%	-0.31%	0.27%	5.73%	0.20%	9.86%
Staten Island	0.19%	1.84%	-0.82%	5.95%	0.11%	7.27%
All Apts.	**4.75%**	**0.83%**	**0.10%**	**5.72%**	**0.31%**	**11.72%**
HOTELS						
Hotel	9.74%	0.35%	0.10%	4.27%	0.35%	14.81%
RH	5.87%	-0.17%	0.00%	5.48%	0.30%	11.47%
SRO	8.61%	0.08%	0.44%	5.38%	0.42%	14.92%
All Hotels	**8.34%**	**0.10%**	**0.25%**	**5.09%**	**0.38%**	**14.14%**

Note: Totals may not add due to rounding.

B.6 Tax Change by Borough and Community Board, Apartments, 2009

Borough	Community Board	Number of Buildings	Tax Relative
Manhattan		**11,944**	**12.46%**
	1	58	22.79%
	2	1,056	12.27%
	3	1,506	16.00%
	4	953	10.71%
	5	271	10.24%
	6	807	11.45%
	7	1,793	13.50%
	8	2,030	11.21%
	9	681	17.03%
	10	863	24.81%
	11	563	26.73%
	12	1,357	13.14%
Lower		**7,967**	**11.84%**
Upper		**3,977**	**16.76%**
Bronx		**4,937**	**13.15%**
	1	301	13.09%
	2	225	10.00%
	3	281	39.44%
	4	662	20.59%
	5	622	16.39%
	6	444	14.88%
	7	913	14.07%
	8	339	7.49%
	9	279	16.76%
	10	179	11.34%
	11	291	6.37%
	12	377	12.24%
Brooklyn		**11,248**	**9.74%**
	1	1,373	16.43%
	2	575	12.74%
	3	687	13.78%
	4	1,111	11.48%
	5	307	12.05%
	6	860	14.98%
	7	774	13.24%
	8	831	10.69%
	9	498	13.23%
	10	727	8.10%
	11	678	8.24%
	12	580	6.89%
	13	156	10.43%
	14	834	6.80%
	15	360	8.42%
	16	274	-31.25%
	17	546	10.31%
	18	69	10.73%
Queens		**5,836**	**9.86%**
	1	1,663	8.57%
	2	786	8.70%
	3	371	3.47%
	4	350	11.53%
	5	1,118	12.92%
	6	307	12.81%
	7	357	9.13%
	8	179	10.75%
	9	191	6.64%
	10	50	-4.81%
	11	114	8.77%
	12	145	9.18%
	13	44	11.60%
	14	85	14.41%
Staten Is.		**157**	**7.27%**
	1	106	6.05%
	2	27	-2.93%
	3	23	15.41%
All		**34,122**	**11.72%**

Note: No Community Board could be assigned to the following number of buildings for each borough: Manhattan (6), Bronx (24), Brooklyn (8), Queens (76), Staten Island (1). The number of buildings in the category "All" for each borough includes these buildings which could not be assigned a Community Board. 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, 2009

Spec #	Item Description	Expenditure Weights	Price Relative	% Change	Standard Error
101	TAXES, FEES, & PERMITS	0.2652	1.1414	14.14%	0.7540
205	Social Security Insurance	0.0521	1.0225	2.25%	0.0000
206	Unemployment Insurance	0.0123	1.0023	0.23%	0.0000
208	Hotel Private Health/Welfare	0.0489	1.0358	3.58%	0.0000
209	Hotel Union Labor	0.3093	1.0400	4.00%	0.0000
210	SRO Union Labor	0.0120	1.0400	4.00%	0.0000
211	Apartment Value	0.1254	1.0074	0.74%	0.7156
212	Non-Union Superintendent	0.3104	1.0324	3.24%	0.5582
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	0.1295	1.0254	2.54%	0.7650
	LABOR COSTS	0.1554	1.0301	3.01%	0.2188
301	Fuel Oil #2	0.6736	0.9379	-6.21%	1.1363
302	Fuel Oil #4	0.0161	0.8424	-15.76%	0.9932
303	Fuel Oil #6	0.3103	0.8463	-15.37%	0.8808
	FUEL	0.1715	0.9080	-9.20%	0.8129
401	Electricity #1, 2,500 KWH	0.0704	0.8743	-12.57%	0.0000
402	Electricity #2, 15,000 KWH	0.0757	0.9058	-9.42%	0.0000
403	Electricity #3, 82,000 KWH	0.2481	0.8876	-11.24%	0.0000
404	Gas #1, 12,000 therms	0.0589	0.8546	-14.54%	0.0000
405	Gas #2, 65,000 therms	0.0450	1.1566	15.66%	0.0000
406	Gas #3, 214,000 therms	0.2066	1.1520	15.20%	0.0000
407	Steam #1, 1.2m lbs	0.0003	1.0439	4.39%	0.0000
409	Telephone	0.1403	1.0812	8.12%	0.0000
410	Water & Sewer	0.1549	1.1450	14.50%	0.0000
	UTILITIES	0.1491	1.0199	1.99%	0.0000
501	Repainting	0.2188	1.0300	3.00%	0.7329
502	Plumbing, Faucet	0.0902	1.0242	2.42%	1.0359
503	Plumbing, Stoppage	0.0844	1.0334	3.34%	1.1123
504	Elevator #1, 6 fl., 1 e.	0.0388	1.0093	0.93%	0.6822
505	Elevator #2, 13 fl., 2 e.	0.0347	1.0197	1.97%	1.6948
506	Elevator #3, 19 fl., 3 e.	0.0320	1.0032	0.32%	0.3229
507	Burner Repair	0.0288	1.0380	3.80%	1.4438
508	Boiler Repair, Tube	0.0349	1.0180	1.80%	1.2485
509	Boiler Repair, Weld	0.0349	1.0000	0.00%	1.5635
511	Range Repair	0.1321	1.0086	0.86%	2.8969
512	Roof Repair	0.0300	1.0612	6.12%	1.7266
513	Air Conditioner Repair	0.0417	1.0488	4.88%	2.2375
514	Floor Maint. #1, Studio	0.0009	1.0000	0.00%	0.0000
515	Floor Maint. #2, 1 Br.	0.0018	1.0000	0.00%	0.0000
516	Floor Maint. #3, 2 Br.	0.0166	1.0000	0.00%	0.0000
518	Linen/Laundry Service	0.1793	1.0705	7.05%	4.5099
	CONTRACTOR SERVICES	0.0768	1.0321	3.21%	0.9288

Spec #	Item Description	Expenditure Weights	Price Relative	% Change	Standard Error
601	Management Fees	0.6600	1.0439	4.39%	1.3853
602	Accountant Fees	0.0804	1.0402	4.02%	1.5437
603	Attorney Fees	0.1109	1.0169	1.69%	0.7869
604	Newspaper Ads	0.0948	1.0220	2.20%	0.8239
605	Agency Fees	0.0235	1.0812	8.12%	5.1240
606	Lease Forms	0.0101	1.0000	0.00%	0.0000
607	Bill Envelopes	0.0116	1.0803	8.03%	3.3248
608	Ledger Paper	0.0087	1.0331	3.31%	2.5094
	ADMINISTRATIVE COSTS	0.0810	1.0393	3.93%	0.9389
701	INSURANCE COSTS	0.0460	0.9710	-2.90%	0.6528
801	Light Bulbs	0.0152	1.0000	0.00%	0.0000
802	Light Switch	0.0166	1.0000	0.00%	0.0000
803	Wet Mop	0.0467	1.0000	0.00%	0.0000
804	Floor Wax	0.0594	1.0328	3.28%	2.5990
805	Paint	0.1299	1.0252	2.52%	1.2225
806	Pushbroom	0.0395	1.0000	0.00%	0.0000
807	Detergent	0.0493	1.0000	0.00%	0.0000
808	Bucket	0.0472	1.0102	1.02%	0.9755
809	Washers	0.0495	1.0332	3.32%	1.9330
810	Linens	0.2954	1.0167	1.67%	1.3388
811	Pine Disinfectant	0.0220	1.0394	3.94%	3.1603
812	Window/Glass Cleaner	0.0199	1.0706	7.06%	4.0066
813	Switch Plate	0.0558	1.0000	0.00%	0.0000
814	Duplex Receptacle	0.0406	1.0000	0.00%	0.0000
815	Toilet Seat	0.0495	1.0256	2.56%	2.1257
816	Deck Faucet	0.0635	1.0600	6.00%	2.1232
	PARTS AND SUPPLIES	0.0390	1.0196	1.96%	0.5072
901	Refrigerator #1	0.0205	1.0995	9.95%	2.2775
902	Refrigerator #2	0.1030	1.0503	5.03%	1.5354
903	Air Conditioner #1	0.0608	1.0350	3.50%	2.6129
904	Air Conditioner #2	0.0709	1.0633	6.33%	3.2701
907	Range #1	0.0093	1.0692	6.92%	2.6690
908	Range #2	0.0415	1.0785	7.85%	2.0964
909	Carpet	0.3416	1.0378	3.78%	2.2248
910	Dresser	0.1829	1.0069	0.69%	0.7874
911	Mattress & Box Spring	0.1695	1.0496	4.96%	3.0896
	REPLACEMENT COSTS	0.0159	1.0403	4.03%	0.9934
	ALL ITEMS	1.0000	1.0351	3.51%	0.2702

B.8 Expenditure Weights and Price Relatives, Lofts, 2009

Spec #	Item Description	Weights	Price Relative
101	TAXES	**0.2486**	**1.1172**
201	Payroll, Bronx, All	0.0000	1.0295
202	Payroll, Other, Union, Supts.	0.2527	1.0148
203	Payroll, Other, Union, Other	0.0000	1.0135
204	Payroll, Other, Non-Union, All	0.5416	1.0305
205	Social Security Insurance	0.0421	1.0225
206	Unemployment Insurance	0.0063	1.0023
207	Private Health & Welfare	0.1573	1.0571
	LABOR COSTS	**0.0903**	**1.0302**
301	Fuel Oil #2	0.3116	0.9379
302	Fuel Oil #4	0.5746	0.8424
303	Fuel Oil #6	0.1138	0.8463
	FUEL	**0.1126**	**0.8726**
401	Electricity #1, 2,500 KWH	0.0112	0.8743
402	Electricity #2, 15,000 KWH	0.1426	0.9058
403	Electricity #3, 82,000 KWH”	0.0000	0.8876
404	Gas #1, 12,000 therms	0.0060	0.8546
405	Gas #2, 65,000 therms	0.0651	1.1566
406	Gas #3, 214,000 therms	0.1845	1.1520
407	Steam #1, 1.2m lbs	0.0196	1.0439
408	Steam #2, 2.6m lbs	0.0076	0.9866
409	Telephone	0.0085	1.0812
410	Water & Sewer - Frontage	0.5549	1.1450
	UTILITIES	**0.0782**	**1.1044**
501	Repainting	0.3867	1.0300
502	Plumbing, Faucet	0.1404	1.0242
503	Plumbing, Stoppage	0.1242	1.0334
504	Elevator #1, 6 fl., 1 e.	0.0558	1.0093
505	Elevator #2, 13 fl., 2 e.	0.0363	1.0197
506	Elevator #3, 19 fl., 3 e.	0.0204	1.0032
507	Burner Repair	0.0388	1.0380
508	Boiler Repair, Tube	0.0522	1.0180
509	Boiler Repair, Weld	0.0443	1.0000
510	Refrigerator Repair	0.0114	1.0293
511	Range Repair	0.0111	1.0086
512	Roof Repair	0.0654	1.0612
513	Air Conditioner Repair	0.0080	1.0488
514	Floor Maint. #1, Studio	0.0003	1.0000
515	Floor Maint. #2, 1 Br.	0.0005	1.0000
516	Floor Maint. #3, 2 Br.	0.0043	1.0000
	CONTRACTOR SERVICES	**0.0691**	**1.0277**

Spec #	Item Description	Weights	Price Relative
	ADMINISTRATIVE COSTS, LEGAL	**0.0747**	**1.0169**
601	Management Fees	0.8171	1.0439
602	Accountant Fees	0.1428	1.0402
604	Newspaper Ads	0.0047	1.0220
605	Agency Fees	0.0062	1.0812
606	Lease Forms	0.0094	1.0000
607	Bill Envelopes	0.0106	1.0803
608	Ledger Paper	0.0092	1.0331
	ADMINISTRATIVE COSTS - OTHER	**0.0937**	**1.0434**
701	INSURANCE COSTS	**0.2041**	**0.9710**
801	Light Bulbs	0.0359	1.0000
802	Light Switch	0.0427	1.0000
803	Wet Mop	0.0384	1.0000
804	Floor Wax	0.0464	1.0328
805	Paint	0.2299	1.0252
806	Pushbroom	0.0337	1.0000
807	Detergent	0.0358	1.0000
808	Bucket	0.0376	1.0102
809	Washers	0.0963	1.0332
811	Pine Disinfectant	0.0546	1.0394
812	Window/Glass Cleaner	0.0501	1.0706
813	Switch Plate	0.0458	1.0000
814	Duplex Receptacle	0.0328	1.0000
815	Toilet Seat	0.0964	1.0256
816	Deck Faucet	0.1236	1.0600
	PARTS AND SUPPLIES	**0.0161**	**1.0265**
901	Refrigerator #1	0.0934	1.0995
902	Refrigerator #2	0.4719	1.0503
903	Air Conditioner #1	0.0167	1.0350
904	Air Conditioner #2	0.0204	1.0633
905	Floor Runner	0.0921	1.0191
906	Dishwasher	0.0479	1.0881
907	Range #1	0.0479	1.0692
908	Range #2	0.2096	1.0785
	REPLACEMENT COSTS	**0.0127**	**1.0607**
	ALL ITEMS	**1.0000**	**1.0282**

B.9 Changes in the Price Index of Operating Costs, Expenditure Weights and Price Relatives, Apartments, 1999-2009

	1999		2000		2001		2002		2003	
	Item Weight	Price Relative	Item Weight	Price Relative	Item Weight	Price Relative	Item Weight	Price Relative	Item Weight	Price Relative
Taxes	0.258	0.4%	0.259	5.2%	0.253	5.5%	0.245	6.6%	0.266	14.8%
Labor Costs	0.171	3.4%	0.176	2.6%	0.168	4.0%	0.160	4.0%	0.170	3.5%
Fuel	0.090	-18.4%	0.073	54.8%	0.095	33.3%	0.116	-36.1%	0.076	66.9%
Utilities	0.147	-0.4%	0.147	5.7%	0.154	15.0%	0.163	-9.9%	0.149	21.7%
Contractor Services	0.151	3.5%	0.156	4.6%	0.152	3.6%	0.145	3.9%	0.153	4.8%
Administrative Costs	0.086	2.9%	0.089	4.0%	0.085	4.1%	0.082	4.6%	0.087	5.4%
Insurance Costs	0.064	3.5%	0.067	0.7%	0.062	4.9%	0.060	16.5%	0.071	40.5%
Parts and Supplies	0.023	2.2%	0.023	1.9%	0.022	0.8%	0.021	0.9%	0.021	0.4%
Replacement Costs	0.010	1.7%	0.010	0.8%	0.010	1.0%	0.009	-0.6%	0.009	1.4%
All Items		**0.03%**		**7.8%**		**8.7%**		**-1.6%**		**16.9%**
Pre '47										
Taxes	0.178	0.4%	0.180	5.2%	0.174	5.5%	0.166	6.6%	0.183	14.8%
Labor Costs	0.150	3.8%	0.156	2.7%	0.147	4.1%	0.139	4.4%	0.150	3.6%
Fuel	0.126	-17.9%	0.104	52.9%	0.118	33.1%	0.143	-35.4%	0.095	64.3%
Utilities	0.151	0.1%	0.152	5.0%	0.174	18.9%	0.188	-11.4%	0.172	22.2%
Contractor Services	0.185	3.6%	0.192	4.5%	0.185	3.7%	0.174	3.9%	0.187	4.9%
Administrative Costs	0.083	1.5%	0.084	2.6%	0.080	2.7%	0.074	4.4%	0.080	5.2%
Insurance Costs	0.086	3.5%	0.089	0.7%	0.082	4.9%	0.078	16.5%	0.094	40.5%
Parts and Supplies	0.027	2.2%	0.028	2.0%	0.026	0.8%	0.024	0.9%	0.025	0.4%
Replacement Costs	0.016	1.5%	0.016	0.8%	0.015	1.0%	0.013	-0.6%	0.014	1.4%
All Items		**-0.4%**		**8.8%**		**10.1%**		**-3.2%**		**18.4%**
Post '46										
Taxes	0.335	0.4%	0.336	5.2%	0.330	5.5%	0.322	6.6%	0.345	14.8%
Labor Costs	0.206	2.9%	0.212	2.5%	0.203	3.9%	0.195	3.6%	0.203	3.3%
Fuel	0.065	-20.0%	0.052	60.7%	0.073	34.1%	0.091	-38.8%	0.056	77.7%
Utilities	0.124	-1.5%	0.122	7.1%	0.127	14.5%	0.135	-10.5%	0.121	24.9%
Contractor Services	0.103	3.2%	0.107	4.7%	0.104	3.4%	0.100	3.6%	0.104	4.7%
Administrative Costs	0.097	2.5%	0.100	3.6%	0.096	3.8%	0.092	4.9%	0.098	5.7%
Insurance Costs	0.044	3.5%	0.045	0.7%	0.043	4.9%	0.041	16.5%	0.048	40.5%
Parts and Supplies	0.018	2.2%	0.019	1.9%	0.018	0.8%	0.017	1.0%	0.017	0.4%
Replacement Costs	0.008	2.0%	0.008	0.7%	0.008	1.0%	0.007	-0.7%	0.007	1.4%
All Items		**0.02%**		**7.2%**		**7.9%**		**-0.6%**		**16.2%**

2004		2005		2006		2007		2008		2009	
Item Weight	Price Relative	Item Weight	Price Relative	Item Weight	Price Relative	Item Weight	Price Relative	Item Weight	Price Relative	Item Weight	Price Relative
0.261	16.2%	0.283	1.2%	0.271	7.8%	0.271	5.8%	0.273	0.3%	0.254	11.7%
0.150	4.5%	0.147	3.5%	0.144	2.5%	0.136	8.1%	0.140	4.0%	0.135	2.9%
0.108	-2.8%	0.098	20.0%	0.111	22.8%	0.127	0.5%	0.121	37.4%	0.154	-10.1%
0.155	0.8%	0.146	8.4%	0.150	7.9%	0.150	6.3%	0.152	8.9%	0.153	10.9%
0.137	4.1%	0.133	4.5%	0.132	5.9%	0.129	5.6%	0.130	4.6%	0.126	2.8%
0.078	4.0%	0.076	4.0%	0.075	6.5%	0.074	6.9%	0.075	5.3%	0.073	4.1%
0.085	14.7%	0.091	8.9%	0.094	2.5%	0.089	1.9%	0.087	2.3%	0.083	-2.9%
0.018	1.2%	0.017	2.6%	0.017	5.5%	0.016	3.0%	0.016	2.3%	0.015	2.6%
0.008	1.0%	0.007	3.1%	0.007	4.5%	0.007	1.6%	0.007	4.0%	0.006	6.1%
	6.9%		5.8%		7.8%		5.1%		7.8%		4.0%
0.178	16.8%	0.195	1.3%	0.185	8.6%	0.185	6.1%	0.188	1.7%	0.175	12.9%
0.131	4.7%	0.129	3.5%	0.125	2.5%	0.118	7.3%	0.121	4.2%	0.116	3.0%
0.132	-2.3%	0.122	20.9%	0.138	21.9%	0.155	1.3%	0.150	36.0%	0.187	-9.5%
0.177	2.4%	0.171	8.4%	0.173	9.6%	0.175	5.3%	0.176	8.1%	0.175	12.1%
0.166	4.1%	0.162	4.5%	0.159	5.9%	0.155	5.7%	0.156	4.7%	0.150	2.8%
0.071	3.9%	0.070	3.8%	0.068	6.1%	0.066	6.6%	0.067	5.2%	0.065	4.0%
0.112	14.7%	0.121	8.9%	0.123	2.5%	0.116	1.9%	0.113	2.3%	0.106	-2.9%
0.021	1.2%	0.020	2.6%	0.019	5.4%	0.019	3.1%	0.018	2.3%	0.017	2.7%
0.012	1.0%	0.011	3.1%	0.011	4.6%	0.010	1.5%	0.010	4.0%	0.010	6.1%
	6.4%		6.8%		8.4%		4.7%		9.1%		3.4%
0.341	15.2%	0.368	1.1%	0.355	6.6%	0.353	5.4%	0.353	-1.7%	0.327	10.0%
0.181	4.3%	0.177	3.5%	0.175	2.5%	0.167	9.0%	0.173	3.7%	0.169	2.8%
0.085	-5.0%	0.076	16.3%	0.084	26.2%	0.099	-2.8%	0.092	43.1%	0.123	-12.7%
0.131	-1.7%	0.120	8.9%	0.124	7.8%	0.125	6.3%	0.127	9.3%	0.130	9.4%
0.094	3.9%	0.091	4.3%	0.091	5.9%	0.089	5.4%	0.090	4.5%	0.088	2.7%
0.089	4.0%	0.087	4.2%	0.086	6.9%	0.086	7.3%	0.087	5.4%	0.087	4.2%
0.059	14.7%	0.063	8.9%	0.065	2.5%	0.062	1.9%	0.060	2.3%	0.058	-2.9%
0.015	1.2%	0.014	2.6%	0.014	5.6%	0.013	3.0%	0.013	2.2%	0.012	2.5%
0.006	1.0%	0.006	3.0%	0.006	4.3%	0.006	1.7%	0.005	3.9%	0.005	5.9%
	6.9%		4.7%		7.4%		5.2%		6.2%		3.9%

C.1 Cross-Sectional Income and Expense Study, Estimated Average Operating & Maintenance Cost (2007) 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	**$159**	**$70**	**$102**	**$43**	**$26**	**$122**	**$80**	**$45**	**$63**	**$710**
11-19 units	$177	$59	$111	$44	$29	$130	$88	$50	$77	$766
20-99 units	$141	$59	$103	$43	$24	$118	$74	$45	$59	$666
100+ units	$280	$181	$75	$37	$39	$144	$106	$38	$70	$971
Bronx	$86	$55	$109	$46	$23	$110	$62	$47	$47	$585
11-19 units	$85	$63	$127	$46	$27	$117	$61	$52	$64	$642
20-99 units	$86	$54	$109	$46	$22	$109	$62	$47	$46	$580
100+ units	$91	$67	$89	$45	$25	$131	$63	$42	$35	$588
Brooklyn	$116	$48	$104	$41	$22	$104	$61	$43	$49	$588
11-19 units	$115	$47	$107	$41	$22	$115	$66	$46	$55	$614
20-99 units	$114	$46	$104	$42	$21	$99	$59	$43	$49	$576
100+ units	$142	$74	$95	$41	$21	$110	$65	$38	$35	$620
Manhattan	$242	$99	$99	$42	$33	$148	$109	$47	$83	$901
11-19 units	$256	$69	$112	$47	$38	$148	$120	$55	$99	$944
20-99 units	$207	$76	$101	$42	$28	$144	$100	$46	$76	$822
100+ units	$379	$249	$64	$34	$50	$163	$134	$37	$91	$1,201
Queens	$143	$54	$94	$41	$19	$105	$62	$39	$61	$620
11-19 units	$130	$51	$102	$38	$17	$109	$52	$40	$61	$600
20-99 units	$144	$50	$93	$42	$19	$105	$64	$39	$62	$618
100+ units	$170	$106	$90	$39	$21	$104	$62	$40	$50	$681
Core Man	$316	$116	$86	$38	$36	$152	$125	$45	$94	$1,009
11-19 units	$301	$68	$104	$45	$36	$153	$128	$55	$112	$1,003
20-99 units	$289	$81	$87	$37	$30	$145	$117	$44	$85	$915
100+ units	$398	$259	$63	$33	$52	$167	$140	$37	$93	$1,241
Upper Man	$132	$74	$117	$48	$29	$142	$86	$49	$67	$744
11-19 units	$133	$71	$134	$53	$43	$135	$96	$55	$64	$785
20-99 units	$130	$72	$116	$47	$26	$144	$84	$49	$68	$736
100+ units	$174	$147	$77	$40	$33	$128	$78	$37	$67	$781
City w/o Core	$114	$57	$107	$44	$23	$114	$66	$45	$54	$623
11-19 units	$116	$54	$114	$43	$26	$118	$68	$47	$60	$648
20-99 units	$112	$55	$106	$44	$22	$113	$66	$45	$54	$617
100+ units	$137	$87	$90	$41	$23	$117	$65	$39	$42	$643

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 are NOT adjusted for the results of the 1992 Department of Finance audit on I&E reported operating costs. The category "Utilities" used in the I&E Study is the sum of "Water & Sewer" and "Light & Power." The number of Pre-47 rent stabilized buildings in Staten Island were too small to calculate reliable statistics. Due to changes in the RPIE form, owners are no longer required to report tax expenses; therefore, tax figures used in this report were calculated by the Dept. of Finance.

Source: NYC Department of Finance, RPIE Filings.

C.2 Cross-Sectional Income and Expense Study, Estimated Average Operating & Maintenance Cost (2007) 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	**$221**	**$121**	**$85**	**$39**	**$40**	**$109**	**$85**	**$39**	**$65**	**$803**
11-19 units	$164	$68	$93	$41	$33	$116	$92	$44	$58	$709
20-99 units	$159	$71	$86	$40	$32	$101	$70	$38	$55	$652
100+ units	$293	$181	$83	$37	$48	$116	$101	$39	$76	$974
Bronx	$122	$75	$91	$43	$37	$97	$64	$41	$47	$618
11-19 units	-	-	-	-	-	-	-	-	-	-
20-99 units	$118	$63	$91	$43	$32	$96	$61	$43	$50	$596
100+ units	$133	$100	$90	$42	$45	$99	$72	$38	$40	$659
Brooklyn	$144	$80	$87	$39	$31	$97	$65	$39	$59	$641
11-19 units	-	-	-	-	-	-	-	-	-	-
20-99 units	$142	$63	$90	$40	$29	$95	$67	$39	$66	$632
100+ units	$151	$115	$81	$36	$34	$99	$62	$39	$49	$666
Manhattan	$432	$223	$86	$35	$54	$141	$138	$42	$93	$1,244
11-19 units	$340	$69	$106	$45	$38	$184	$151	$56	$83	$1,072
20-99 units	$270	$86	$84	$33	$35	$135	$107	$40	$53	$844
100+ units	$496	$280	$85	$35	$62	$141	$149	$42	$108	$1,397
Queens	$162	$92	$80	$39	$36	$97	$70	$34	$58	$668
11-19 units	$154	$73	$92	$41	$32	$109	$101	$43	$62	$706
20-99 units	$158	$77	$79	$40	$34	$95	$63	$34	$51	$631
100+ units	$168	$116	$79	$38	$40	$98	$72	$32	$66	$711
St. Island	$154	$99	$79	$30	$23	$92	$51	$39	$42	$610
Core Man	$520	$253	$85	$34	$55	$149	$156	$43	$97	$1,392
11-19 units	-	-	-	-	-	-	-	-	-	-
20-99 units	$347	$100	$73	$29	$36	$141	$128	$38	$59	$950
100+ units	$569	$300	$87	$35	$60	$149	$162	$44	$108	$1,515
Upper Man	$168	$134	$88	$38	$54	$118	$85	$39	$81	$804
11-19 units	-	-	-	-	-	-	-	-	-	-
20-99 units	$169	$68	$99	$39	$33	$129	$80	$43	$45	$705
100+ units	-	-	-	-	-	-	-	-	-	-
City w/o Core	$148	$88	$85	$40	$36	$99	$68	$38	$57	$658
11-19 units	$138	$67	$90	$40	$33	$106	$83	$43	$56	$656
20-99 units	$143	$68	$87	$41	$32	$98	$64	$39	$55	$626
100+ units	$157	$122	$82	$38	$42	$99	$70	$36	$61	$707

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 are NOT adjusted for the results of the 1992 Department of Finance audit on I&E reported operating costs. The category "Utilities" used in the I&E Study is the sum of "Water & Sewer" and "Light & Power." The number of Post-46 rent stabilized buildings with 11-19 units in the Bronx, Brooklyn, Staten Island, Core and Upper Manhattan, as well as 20-99 buildings on Staten Island and 100+ unit buildings on Staten Island and in Upper Manhattan were too small to calculate reliable statistics. Due to changes in the RPIE form, owners are no longer required to report tax expenses; therefore, tax figures used in this report were calculated by the Dept. of Finance.

Source: NYC Department of Finance, RPIE Filings.

C.3 Cross-Sectional Income and Expense Study, Estimated Average Rent, Income and Costs (2007) per Apartment per Month by Building Size and Location

	Post-46			Pre-47			All		
	Rent	Income	Costs	Rent	Income	Costs	Rent	Income	Costs
Citywide	**$1,088**	**$1,200**	**$803**	**$924**	**$1,039**	**$710**	**$974**	**$1,088**	**$738**
11-19 units	$923	$1,041	$709	$944	$1,127	$766	$942	$1,118	$760
20-99 units	$894	$952	$652	$868	$957	$666	$874	$956	$662
100+ units	$1,312	$1,482	$974	$1,343	$1,542	$971	$1,322	$1,501	$973
Bronx	$811	$850	$618	$690	$751	$585	$718	$775	$592
11-19 units	-	-	-	$653	$740	$642	$647	$737	$642
20-99 units	$793	$825	$596	$690	$750	$580	$709	$764	$583
100+ units	$857	$908	$659	$748	$800	$588	$824	$876	$638
Brooklyn	$841	$896	$641	$776	$816	$588	$795	$840	$603
11-19 units	-	-	-	$788	$838	$614	$786	$834	$610
20-99 units	$830	$875	$632	$764	$799	$576	$782	$819	$591
100+ units	$870	$944	$666	$860	$915	$620	$867	$935	$651
Manhattan	$1,726	$2,003	$1,244	$1,200	$1,420	$901	$1,322	$1,556	$981
11-19 units	$1,416	$1,890	$1,072	$1,162	$1,498	$944	$1,169	$1,509	$948
20-99 units	$1,219	$1,365	$844	$1,106	$1,276	$822	$1,119	$1,286	$824
100+ units	$1,923	$2,244	$1,397	$1,674	$1,969	$1,201	$1,823	$2,134	$1,318
Queens	$909	$967	$668	$856	$895	$620	$884	$932	$645
11-19 units	$930	$1,005	$706	$797	$841	$600	$844	$899	$638
20-99 units	$890	$940	$631	$860	$896	$618	$873	$915	$624
100+ units	$930	$996	$711	$943	$1,001	$681	$932	$997	$707
St. Island	$797	$866	$610	-	-	-	$788	$856	$618
20-99 units	-	-	-	-	-	-	$723	$763	$570
Core Man	$1,975	$2,309	$1,392	$1,423	$1,708	$1,009	$1,575	$1,874	$1,115
11-19 units	-	-	-	$1,263	$1,662	$1,003	$1,272	$1,675	$1,007
20-99 units	$1,470	$1,651	$950	$1,365	$1,587	$915	$1,378	$1,595	$919
100+ units	$2,121	$2,489	$1,515	$1,737	$2,050	$1,241	$1,956	$2,300	$1,397
Upper Man	$986	$1,095	$804	$874	$1,001	$744	$892	$1,016	$753
11-19 units	-	-	-	$887	$1,052	$785	$884	$1,048	$783
20-99 units	$890	$988	$705	$867	$989	$736	$869	$989	$733
100+ units	-	-	-	$1,022	$1,122	$781	$1,062	$1,176	$866
City w/o Core	$871	$928	$658	$779	$844	$623	$808	$870	$634
11-19 units	$849	$915	$656	$785	$861	$648	$793	$868	$649
20-99 units	$844	$890	$626	$773	$835	$617	$790	$849	$619
100+ units	$913	$985	$707	$865	$925	$643	$902	$971	$692

Notes: City, borough totals and building size categories are weighted. 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, Staten Island, Core and Upper Manhattan, as well as 20-99 unit Pre-47 buildings on Staten Island and 100+ unit buildings on Staten Island and in Upper Manhattan were too small to calculate reliable statistics. In addition, the number of Pre-47 rent stabilized buildings in Staten Island were 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 (2007) per Apartment per Month by Building Size and Location

	Post-46			Pre-47			All		
	Rent	Income	Costs	Rent	Income	Costs	Rent	Income	Costs
Citywide	**$898**	**$952**	**$666**	**$814**	**$870**	**$633**	**$827**	**$884**	**$637**
11-19 units	$853	$919	$650	$883	$1,018	$717	$881	$1,014	$715
20-99 units	$857	$900	$621	$795	$842	$611	$803	$848	$612
100+ units	$967	$1,042	$769	$934	$1,029	$692	$958	$1,040	$747
Bronx	$787	$806	$578	$688	$740	$559	$699	$746	$560
11-19 units	-	-	-	$639	$717	$625	$638	$715	$624
20-99 units	$787	$806	$565	$691	$740	$554	$700	$746	$555
100+ units	$824	$863	$640	$761	$818	$574	$793	$840	$596
Brooklyn	$825	$884	$595	$745	$776	$554	$753	$788	$559
11-19 units	-	-	-	$732	$765	$572	$734	$765	$572
20-99 units	$816	$862	$586	$746	$776	$548	$753	$785	$552
100+ units	$876	$964	$636	$833	$876	$587	$853	$917	$614
Manhattan	$1,480	$1,682	$1,037	$1,078	$1,249	$775	$1,101	$1,275	$790
11-19 units	$1,220	$1,565	$898	$1,126	$1,376	$844	$1,127	$1,383	$845
20-99 units	$1,310	$1,377	$817	$1,043	$1,160	$740	$1,057	$1,176	$744
100+ units	$1,924	$2,181	$1,428	$1,385	$1,584	$1,048	$1,665	$1,973	$1,264
Queens	$901	$944	$647	$846	$867	$591	$866	$895	$612
11-19 units	$879	$953	$659	$799	$822	$560	$808	$831	$565
20-99 units	$877	$917	$612	$857	$872	$595	$864	$884	$600
100+ units	$920	$961	$697	$934	$984	$658	$921	$962	$691
St. Island	$766	$785	$569	-	-	-	$762	$785	$577
20-99 units	-	-	-	-	-	-	$758	$773	$548
Core Man	$1,637	$1,943	$1,162	$1,287	$1,479	$844	$1,310	$1,512	$863
11-19 units	-	-	-	$1,224	$1,521	$892	$1,225	$1,525	$894
20-99 units	$1,409	$1,531	$863	$1,310	$1,438	$806	$1,321	$1,448	$810
100+ units	$2,001	$2,327	$1,503	$1,677	$1,964	$1,239	$1,860	$2,177	$1,372
Upper Man	$879	$974	$742	$798	$881	$677	$801	$885	$678
11-19 units	-	-	-	$798	$911	$730	$796	$911	$728
20-99 units	$816	$961	$666	$795	$874	$666	$799	$875	$666
100+ units	-	-	-	$916	$1,085	$673	$915	$1,048	$745
City w/o Core	$855	$903	$624	$749	$792	$583	$762	$804	$588
11-19 units	$777	$816	$593	$743	$795	$605	$745	$796	$605
20-99 units	$831	$867	$593	$747	$789	$577	$756	$797	$579
100+ units	$907	$958	$683	$839	$884	$618	$883	$935	$659

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, Staten Island, Core and Upper Manhattan, as well as 20-99 buildings on Staten Island and 100+ unit buildings on Staten Island and in Upper Manhattan were too small to calculate reliable statistics. In addition, the number of Pre-47 rent stabilized buildings in Staten Island were too small to calculate reliable statistics.

Source: NYC Department of Finance, RPIE Filings.

C.5 Cross-Sectional Income and Expense Study, Net Operating Income in 2007 per Apartment per Month by Building Size and Location

	Post-46	Pre-47	All
Citywide	**$397**	**$329**	**$349**
11-19 units	$332	$361	$358
20-99 units	$300	$291	$293
100+ units	$508	$571	$528
Bronx	$233	$167	$182
11-19 units	-	$98	$95
20-99 units	$229	$170	$181
100+ units	$249	$212	$238
Brooklyn	$255	$228	$236
11-19 units	-	$224	$225
20-99 units	$243	$223	$228
100+ units	$278	$295	$284
Manhattan	$759	$519	$575
11-19 units	$817	$553	$561
20-99 units	$520	$454	$462
100+ units	$847	$768	$815
Queens	$299	$275	$288
11-19 units	$299	$241	$262
20-99 units	$309	$278	$291
100+ units	$285	$320	$290
St. Island	$257	-	$239

	Post-46	Pre-47	All
Core Man	$917	$699	$760
11-19 units	-	$659	$668
20-99 units	$701	$672	$676
100+ units	$974	$809	$903
Upper Man	$291	$258	$263
11-19 units	-	$267	$265
20-99 units	$283	$253	$256
100+ units	-	$341	$310
City w/o Core	$270	$221	$236
11-19 units	$259	$213	$219
20-99 units	$265	$218	$229
100+ units	$278	$283	$279

Notes: City, borough totals and building size categories are weighted. 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, Staten Island, Core and Upper Manhattan, as well as 20-99 buildings on Staten Island and 100+ unit buildings on Staten Island and in Upper Manhattan were too small to calculate reliable statistics. In addition, the number of Pre-47 rent stabilized buildings in Staten Island were too small to calculate reliable statistics.

Source: NYC Department of Finance, RPIE Filings.

C.6 Cross-Sectional Distribution of Operating Costs in 2007, by Building Size and Age

	Taxes	Maint.	Labor	Admin.	Utilities	Fuel	Misc.	Insurance	Total
Pre-47	**22.4%**	**17.2%**	**9.9%**	**11.2%**	**9.7%**	**14.4%**	**8.9%**	**6.4%**	**100.0%**
11-19 units	23.1%	16.9%	7.7%	11.5%	9.6%	14.5%	10.1%	6.5%	100.0%
20-99 units	21.1%	17.7%	8.9%	11.2%	10.0%	15.5%	8.8%	6.7%	100.0%
100+ units	28.9%	14.8%	18.7%	10.9%	7.8%	7.8%	7.2%	3.9%	100.0%
Post-46	27.5%	13.5%	15.0%	10.6%	9.8%	10.6%	8.1%	4.8%	100.0%
11-19 units	23.1%	16.3%	9.5%	12.9%	10.5%	13.1%	8.2%	6.3%	100.0%
20-99 units	24.5%	15.5%	10.8%	10.7%	11.0%	13.2%	8.4%	5.9%	100.0%
100+ units	30.1%	11.9%	18.5%	10.4%	8.7%	8.6%	7.8%	4.0%	100.0%
All Bldgs.	24.1%	16.0%	11.5%	11.0%	9.7%	13.2%	8.6%	5.9%	100.0%
11-19 units	23.1%	16.9%	7.9%	11.6%	9.6%	14.4%	9.9%	6.5%	100.0%
20-99 units	21.9%	17.2%	9.3%	11.1%	10.3%	15.0%	8.7%	6.5%	100.0%
100+ units	29.7%	12.8%	18.6%	10.5%	8.5%	8.3%	7.6%	3.9%	100.0%

Source: NYC Department of Finance, RPIE Filings.

C.7 Cross-Sectional Distribution of "Distressed" Buildings, 2007 RPIE Filings

	Citywide	Bronx	Brooklyn	Manhattan	Queens	St. Island	Core Man	Upper Man
Pre-47								
11-19 units	441	91	99	218	29	-	128	90
20-99 units	813	264	149	342	58	-	102	240
100+ units	16	4	1	8	3	-	4	4
All	1,270	359	249	568	90	-	234	334
Post-46								
11-19 units	11	-	-	4	2	-	-	-
20-99 units	53	12	13	10	15	-	6	4
100+ units	29	4	3	10	12	-	10	-
All	93	20	17	24	29	3	18	6
All Bldgs.								
11-19 units	452	95	100	222	31	-	130	92
20-99 units	866	276	162	352	73	3	108	244
100+ units	45	8	4	18	15	-	14	4
All	**1,363**	**379**	**266**	**592**	**119**	**7**	**252**	**340**

Source: NYC Department of Finance, RPIE Filings.

C.8 Cross-Sectional Sample, 2007 RPIE Filings

	Post-46		Pre-47		All	
	Bldgs.	DU's	Bldgs.	DU's	Bldgs.	DU's
Citywide	**1,583**	**177,109**	**11,615**	**443,619**	**13,201**	**620,783**
11-19 units	105	1,545	2,964	44,864	3,071	46,441
20-99 units	909	53,352	8,292	334,486	9,202	387,861
100+ units	569	122,212	359	64,269	928	186,481
Bronx	246	20,243	2,444	105,534	2,690	125,777
11-19 units	10	145	276	4,149	286	4,294
20-99 units	190	11,494	2,108	93,297	2,298	104,791
100+ units	46	8,604	60	8,088	106	16,692
Brooklyn	302	30,327	2,615	99,700	2,920	130,082
11-19 units	12	171	664	10,015	678	10,218
20-99 units	199	12,886	1,893	82,512	2,093	95,421
100+ units	91	17,270	58	7,173	149	24,443
Manhattan	417	63,614	5,365	189,275	5,782	252,889
11-19 units	35	539	1,730	26,094	1,765	26,633
20-99 units	177	8,886	3,455	122,723	3,632	131,609
100+ units	205	54,189	180	40,458	385	94,647
Queens	566	59,014	1,173	48,364	1,739	107,378
11-19 units	35	508	288	4,505	323	5,013
20-99 units	317	18,901	826	35,530	1,143	54,431
100+ units	214	39,605	59	8,329	273	47,934
St. Island	52	3,911	18	746	70	4,657
11-19 units	13	182	6	101	19	283
20-99 units	26	1,185	10	424	36	1,609
100+ units	13	2,544	2	221	15	2,765
Core Man	347	53,570	3,352	113,219	3,699	166,789
11-19 units	30	465	1,313	19,704	1,343	20,169
20-99 units	134	6,698	1,911	60,991	2,045	67,689
100+ units	183	46,407	128	32,524	311	78,931
Upper Man	70	10,044	2,013	76,056	2,083	86,100
11-19 units	5	74	417	6,390	422	6,464
20-99 units	43	2,188	1,544	61,732	1,587	63,920
100+ units	22	7,782	52	7,934	74	15,716

Source: NYC Department of Finance, RPIE Filings.

C.9 Longitudinal Income and Expense Study, Estimated Average Rent, Income and Costs Changes (2006-2007) by Building Size and Location

	Post-46			Pre-47			All		
	Rent	Income	Costs	Rent	Income	Costs	Rent	Income	Costs
Citywide	**5.8%**	**5.8%**	**4.2%**	**6.8%**	**6.8%**	**5.7%**	**6.5%**	**6.5%**	**5.2%**
11-19 units	7.7%	7.1%	6.6%	7.2%	7.2%	6.3%	7.3%	7.2%	6.3%
20-99 units	5.4%	5.4%	2.9%	6.7%	6.8%	5.7%	6.4%	6.5%	5.1%
100+ units	5.9%	6.0%	5.0%	7.0%	6.6%	4.4%	6.3%	6.2%	4.8%
Bronx	5.6%	6.0%	4.7%	5.4%	5.7%	6.2%	5.5%	5.8%	5.9%
11-19 units	-	-	-	3.7%	3.3%	6.1%	3.4%	3.3%	5.8%
20-99 units	5.5%	5.7%	4.0%	5.5%	5.9%	6.4%	5.5%	5.9%	5.9%
100+ units	6.1%	6.5%	6.0%	6.4%	5.3%	3.5%	6.2%	6.2%	5.3%
Brooklyn	5.2%	5.3%	4.6%	6.4%	6.6%	5.8%	6.0%	6.2%	5.4%
11-19 units	-	-	-	6.8%	7.0%	6.8%	6.5%	6.8%	6.5%
20-99 units	5.8%	5.6%	3.9%	6.2%	6.5%	5.5%	6.1%	6.2%	5.0%
100+ units	4.4%	5.1%	6.0%	6.1%	6.5%	5.4%	5.0%	5.5%	5.8%
Manhattan	6.6%	6.5%	4.6%	7.5%	7.3%	5.5%	7.2%	7.1%	5.2%
11-19 units	-	-	-	7.8%	7.8%	6.1%	7.9%	7.8%	5.8%
20-99 units	6.4%	6.5%	1.7%	7.4%	7.3%	5.7%	7.3%	7.2%	5.2%
100+ units	6.6%	6.5%	5.4%	7.3%	6.7%	4.2%	6.9%	6.6%	5.0%
Queens	4.9%	4.8%	3.1%	7.2%	7.0%	4.9%	6.0%	5.8%	3.9%
11-19 units	-	-	-	7.4%	7.0%	5.6%	8.1%	7.7%	8.1%
20-99 units	4.7%	4.6%	1.9%	7.3%	7.1%	4.7%	6.2%	6.0%	3.5%
100+ units	4.4%	4.3%	2.9%	6.0%	6.1%	4.9%	4.6%	4.6%	3.2%
Staten Island	3.7%	4.5%	0.5%	-	-	-	4.6%	5.1%	3.7%
Core Manhattan	7.0%	6.8%	4.7%	7.9%	7.5%	5.2%	7.6%	7.2%	5.0%
11-19 units	-	-	-	8.1%	8.0%	5.8%	8.2%	8.0%	5.4%
20-99 units	8.6%	8.2%	2.2%	8.1%	7.6%	5.4%	8.1%	7.7%	5.0%
100+ units	6.6%	6.5%	5.3%	7.4%	6.8%	4.3%	6.9%	6.6%	4.9%
Upper Manhattan	4.7%	5.0%	4.3%	6.6%	6.9%	6.0%	6.2%	6.6%	5.7%
11-19 units	-	-	-	6.8%	7.0%	7.0%	6.8%	7.0%	7.1%
20-99 units	1.9%	2.9%	0.9%	6.6%	7.0%	5.9%	6.1%	6.6%	5.4%
100+ units	-	-	-	-	-	-	6.6%	6.3%	5.9%
All City w/o Core	5.1%	5.2%	3.9%	6.3%	6.5%	5.9%	5.9%	6.0%	5.2%
11-19 units	7.2%	7.2%	9.0%	6.5%	6.5%	6.7%	6.6%	6.6%	7.0%
20-99 units	4.9%	5.0%	3.0%	6.2%	6.5%	5.8%	5.9%	6.1%	5.1%
100+ units	5.2%	5.3%	4.6%	6.1%	6.0%	4.5%	5.4%	5.5%	4.6%

Notes: City, borough totals and building size categories are weighted. Cost figures in this table are NOT adjusted for the results of the 1992 Department of Finance audit on I&E reported operating costs. The number of Post-46 rent stabilized buildings with 11-19 units in the Bronx, Brooklyn, Staten Island, Core and Upper Manhattan, as well as 20-99 buildings on Staten Island and 100+ unit buildings on Staten Island and in Upper Manhattan were too small to calculate reliable statistics. In addition, the number of Pre-47 rent stabilized buildings in Staten Island were 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 (2006-2007) by Building Size and Location

	Post-46			Pre-47			All		
	Rent	Income	Costs	Rent	Income	Costs	Rent	Income	Costs
Citywide	**4.8%**	**4.9%**	**2.1%**	**6.0%**	**6.3%**	**5.3%**	**5.9%**	**6.4%**	**5.1%**
11-19 units	6.5%	4.1%	2.4%	7.4%	8.1%	6.0%	7.5%	8.1%	5.8%
20-99 units	4.6%	5.4%	1.8%	5.5%	6.0%	4.9%	5.4%	5.8%	4.8%
100+ units	4.7%	4.2%	3.1%	5.4%	5.4%	1.9%	4.9%	4.9%	4.2%
Bronx	4.2%	4.4%	4.1%	5.1%	5.7%	4.9%	5.2%	5.8%	4.6%
11-19 units	4.9%	2.1%	-13.4%	2.6%	2.4%	4.2%	2.6%	2.3%	4.1%
20-99 units	3.7%	3.8%	2.7%	5.1%	5.8%	4.8%	5.4%	5.9%	4.7%
100+ units	1.1%	5.7%	7.0%	6.8%	3.5%	9.0%	6.2%	5.8%	8.8%
Brooklyn	5.5%	5.6%	2.6%	5.8%	6.0%	4.9%	5.4%	5.9%	5.1%
11-19 units	2.0%	1.8%	8.0%	6.3%	6.3%	5.9%	6.7%	6.0%	5.9%
20-99 units	4.3%	4.7%	2.4%	5.8%	5.8%	5.1%	5.3%	5.6%	5.1%
100+ units	6.9%	4.6%	4.5%	9.6%	6.2%	1.4%	4.8%	5.3%	5.6%
Manhattan	8.7%	8.2%	4.8%	7.5%	7.7%	5.2%	7.5%	7.7%	5.2%
11-19 units	5.2%	3.8%	1.5%	5.9%	6.4%	5.8%	5.8%	6.7%	5.2%
20-99 units	8.6%	10.2%	-1.3%	8.3%	7.3%	5.4%	8.1%	7.0%	5.3%
100+ units	5.8%	5.4%	6.1%	5.6%	5.4%	6.7%	5.6%	7.4%	6.2%
Queens	4.5%	4.5%	1.9%	7.0%	6.7%	5.5%	5.9%	6.3%	3.9%
11-19 units	4.1%	8.2%	17.0%	7.5%	6.9%	6.0%	7.0%	7.3%	5.7%
20-99 units	4.1%	4.2%	0.5%	7.3%	6.5%	5.8%	5.8%	6.2%	3.6%
100+ units	4.6%	3.8%	5.9%	6.6%	5.6%	9.5%	5.0%	4.7%	5.6%
Staten Island	4.2%	4.7%	3.0%	0.0%	9.9%	19.1%	1.2%	5.2%	3.8%
Core Manhattan	7.1%	7.1%	4.5%	7.6%	8.1%	5.4%	7.5%	8.3%	5.0%
11-19 units	9.7%	-1.2%	8.0%	6.8%	7.2%	5.0%	6.7%	7.2%	4.9%
20-99 units	9.8%	5.7%	-0.8%	7.8%	8.7%	5.5%	8.1%	8.8%	5.3%
100+ units	4.6%	6.1%	6.4%	8.8%	10.3%	8.0%	6.7%	5.2%	6.4%
Upper Manhattan	6.6%	4.9%	5.0%	5.6%	7.9%	7.1%	5.6%	7.7%	7.1%
11-19 units	14.0%	5.9%	12.7%	8.5%	9.3%	7.7%	8.2%	9.4%	8.3%
20-99 units	8.1%	3.5%	5.0%	5.5%	7.6%	6.8%	5.6%	7.2%	6.6%
100+ units	7.2%	4.0%	3.8%	6.9%	12.1%	5.9%	6.8%	5.5%	-2.8%
All City w/o Core	4.6%	4.8%	2.5%	5.4%	6.0%	5.2%	5.3%	5.7%	4.8%
11-19 units	6.4%	4.2%	10.9%	6.1%	6.8%	6.2%	6.0%	6.6%	6.3%
20-99 units	5.0%	4.5%	2.1%	5.4%	6.0%	5.1%	5.1%	5.9%	4.9%
100+ units	5.0%	4.8%	4.7%	3.8%	5.9%	5.7%	5.0%	5.0%	4.4%

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, Staten Island, Core and Upper Manhattan, as well as 20-99 buildings on Staten Island and 100+ unit buildings on Staten Island and in Upper Manhattan were too small to calculate reliable statistics. In addition, the number of Pre-47 rent stabilized buildings in Staten Island were too small to calculate reliable statistics.

Source: NYC Department of Finance, RPIE Filings.

C.11 Longitudinal Income and Expense Study, Net Operating Income Changes (2006-2007) by Building Size and Location

	Post-46	Pre-47	All
Citywide	**9.1%**	**9.5%**	**9.3%**
11-19 units	-	9.2%	9.1%
20-99 units	11.1%	9.3%	9.7%
100+ units	7.9%	10.5%	8.8%
Bronx	9.4%	3.8%	5.5%
11-19 units	-	-12.6%	-11.4%
20-99 units	10.1%	4.2%	5.6%
100+ units	7.9%	10.2%	8.5%
Brooklyn	7.0%	8.8%	8.2%
11-19 units	-	7.7%	7.3%
20-99 units	10.1%	9.2%	9.4%
100+ units	3.1%	9.0%	4.9%
Manhattan	9.7%	10.6%	10.3%
11-19 units	-	10.9%	11.2%
20-99 units	14.7%	10.4%	10.9%
100+ units	8.3%	10.8%	9.2%
Queens	8.6%	12.2%	10.2%
11-19 units	-	10.6%	6.7%
20-99 units	10.2%	12.9%	11.6%
100+ units	7.9%	8.7%	8.0%
St. Island	15.1%	-	8.8%

	Post-46	Pre-47	All
Core Manhattan	10.0%	10.9%	10.6%
11-19 units	-	11.5%	12.0%
20-99 units	17.1%	10.6%	11.4%
100+ units	8.4%	10.9%	9.3%
Upper Manhattan	6.8%	9.5%	9.1%
11-19 units	-	7.1%	6.7%
20-99 units	-	9.9%	9.7%
100+ units	-	-	7.5%
All City w/o Core	8.3%	8.2%	8.3%
11-19 units	3.3%	6.0%	5.5%
20-99 units	9.8%	8.5%	8.9%
100+ units	7.0%	9.4%	7.6%

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

Source: NYC Department of Finance, RPIE Filings.

C.12 Longitudinal Sample, 2006 & 2007 RPIE Filings

	Post-46		Pre-47		All	
	Bldgs.	DU's	Bldgs.	DU's	Bldgs.	DU's
Citywide	**1,370**	**153,896**	**9,893**	**384,000**	**11,265**	**537,935**
11-19 units	86	1,264	2,414	36,587	2,501	37,867
20-99 units	791	46,236	7,160	289,438	7,952	335,697
100+ units	493	106,396	319	57,975	812	164,371
Bronx	203	15,572	2,014	89,072	2,217	104,644
11-19 units	8	115	200	2,999	208	3,114
20-99 units	159	9,591	1,760	79,224	1,919	88,815
100+ units	36	5,866	54	6,849	90	12,715
Brooklyn	266	25,804	2,233	85,850	2,501	111,693
11-19 units	12	171	532	8,063	545	8,250
20-99 units	178	11,466	1,652	71,902	1,831	83,391
100+ units	76	14,167	49	5,885	125	20,052
Manhattan	358	55,149	4,633	167,117	4,991	222,266
11-19 units	30	459	1,440	21,720	1,470	22,179
20-99 units	155	7,733	3,031	107,864	3,186	115,597
100+ units	173	46,957	162	37,533	335	84,490
Queens	499	53,747	1,000	41,326	1,499	95,073
11-19 units	25	365	239	3,753	264	4,118
20-99 units	279	16,520	709	30,086	988	46,606
100+ units	195	36,862	52	7,487	247	44,349
St. Island	44	3,624	13	635	57	4,259
11-19 units	11	154	3	52	14	206
20-99 units	20	926	8	362	28	1,288
100+ units	13	2,544	2	221	15	2,765
Core Manhattan	302	47,527	3,002	103,801	3,304	151,328
11-19 units	26	400	1,147	17,227	1,173	17,627
20-99 units	119	5,941	1,736	55,679	1,855	61,620
100+ units	157	41,186	119	30,895	276	72,081
Upper Manhattan	56	7,622	1,631	63,316	1,687	70,938
11-19 units	4	59	293	4,493	297	4,552
20-99 units	36	1,792	1,295	52,185	1,331	53,977
100+ units	16	5,771	43	6,638	59	12,409

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)	3,327,078@			
Number of Units (occupied and vacant, available)	3,190,272	1,045,818	2,144,454	1,023,248
Occupied Units	3,101,300	1,019,345	2,081,955	1,001,216
Bronx	479,991	106,583	373,408	218,799
Brooklyn	904,188	255,938	648,250	273,844
Manhattan	761,554	183,036	578,518	296,829
Queens	791,037	361,713	429,324	203,371
Staten Island	164,530	112,075	52,455	8,373
Vacant Units	225,778			
Vacant, for rent or sale	88,972	26,473	62,499	22,032
Bronx	14,627	2,583	12,044	7,485
Brooklyn	23,520	7,919	15,601	4,907
Manhattan	22,492	6,089	16,403	4,146
Queens	22,058	7,328	14,730	5,345
Staten Island	6,275	2,554	3,721	149
Asking Rent				
<$600	-	-	3,556	1,709
$600-799	-	-	4,278	1,964
$800-999	-	-	8,795	4,109
$1000-1199	-	-	10,750	6,234
$1200-1399	-	-	9,564	3,797
$1400-1599	-	-	6,905	2,365
$1600-1799	-	-	4,036	1,105
$1800-1999	-	-	2,326	193
$2000+	-	-	12,287	554
Vacant, not for rent or sale	136,806	-	-	-
Bronx	14,352	-	-	-
Brooklyn	34,836	-	-	-
Manhattan	54,481	-	-	-
Queens	25,618	-	-	-
Staten Island	7,519	-	-	-
Rented-Not Yet Occupied	8,507	-	-	-
Sold-Not Yet Occupied	6,674	-	-	-
Undergoing Renovation	30,562	-	-	-
Awaiting Renovation	19,701	-	-	-
Non-Residential Use	1,969	-	-	-
Legal Dispute	14,692	-	-	-
Awaiting Conversion	1,205	-	-	-
Held for Occasional Use	37,589	-	-	-
Unable to Rent or Sell	9,818	-	-	-
Held Pending Sale of Building	1,975	-	-	-
Held for Planned Demolition	187	-	-	-
Held for Other Reasons	2,610	-	-	-
(Not Reported)	1,317	-	-	-

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

	Rent Stabilized Units		Rent	Mitchell-	Public	Other	Other
	Pre-1947	*Post-1946*	Controlled	Lama	Housing	Regulated*	Rentals**
Total Number of Units							
Number of Units (occupied and vacant, available)	717,472	305,776	39,901	60,887	185,339	62,937	772,651
Occupied Units	700,555	300,661	39,901	58,979	183,809	62,108	735,942
Bronx	163,486	55,313	3,860	13,529	43,475	18,978	74,767
Brooklyn	205,247	68,597	10,328	20,439	61,092	17,588	264,959
Manhattan	230,024	66,805	20,354	14,265	59,597	18,809	168,664
Queens	99,867	103,504	5,359	9,585	16,943	6,066	188,000
Staten Island	1,931	6,442	0	1,161	2,702	667	39,552
Vacant Units							
Vacant, for rent or sale	16,917	5,115	0	1,908	1,530	829	36,709
Bronx	5,982	1,503	0	616	0	201	3,891
Brooklyn	4,472	435	0	737	597	575	8,941
Manhattan	3,636	510	0	204	179	53	12,025
Queens	2,678	2,667	0	0	469	0	8,916
Staten Island	149	0	0	351	285	0	2,936
Asking Rent							
<$600	1,709	0	-	0	915	447	485
$600-799	1,191	773	-	0	285	166	1,863
$800-999	3,106	1,003	-	679	151	8	3,848
$1000-1199	5,046	1,188	-	351	0	193	3,972
$1200-1399	2,805	992	-	187	0	0	5,580
$1400-1599	1,739	626	-	0	0	7	4,533
$1600-1799	912	193	-	0	0	0	2,931
$1800-1999	193	0	-	182	179	7	1,765
$2000+	216	338	-	0	0	0	11,733
Vacant, not for rent or sale	-	-	-	-	-	-	-
Bronx	-	-	-	-	-	-	-
Brooklyn	-	-	-	-	-	-	-
Manhattan	-	-	-	-	-	-	-
Queens	-	-	-	-	-	-	-
Staten Island	-	-	-	-	-	-	-
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)	3,327,078@			
Number of Units (occupied and vacant, available)	3,190,272	32.8%	67.2%	47.7%
Occupied Units	3,101,300	32.9%	67.1%	48.1%
Bronx	15.5%	10.5%	17.9%	21.9%
Brooklyn	29.2%	25.1%	31.1%	27.4%
Manhattan	24.6%	18.0%	27.8%	29.6%
Queens	25.5%	35.5%	20.6%	20.3%
Staten Island	5.3%	11.0%	2.5%	0.8%
Vacant Units	225,778			
Vacant, for rent or sale	88,972	29.8%	70.2%	35.3%
Bronx	16.4%	9.8%	19.3%	34.0%
Brooklyn	26.4%	29.9%	25.0%	22.3%
Manhattan	25.3%	23.0%	26.2%	18.8%
Queens	24.8%	27.7%	23.6%	24.3%
Staten Island	7.1%	9.6%	6.0%	0.7%
Asking Rent				
<$600	-	-	5.7%	7.8%
$600-799	-	-	6.8%	8.9%
$800-999	-	-	14.1%	18.7%
$1000-1199	-	-	17.2%	28.3%
$1200-1399	-	-	15.3%	17.2%
$1400-1599	-	-	11.0%	10.7%
$1600-1799	-	-	6.5%	5.0%
$1800-1999	-	-	3.7%	0.9%
$2000+	-	-	19.7%	2.5%
Vacant, not for rent or sale	136,806			
Bronx	10.5%	-	-	-
Brooklyn	25.5%	-	-	-
Manhattan	39.8%	-	-	-
Queens	18.7%	-	-	-
Staten Island	5.5%	-	-	-
Rented-Not Yet Occupied	6.2%	-	-	-
Sold-Not Yet Occupied	4.9%	-	-	-
Undergoing Renovation	22.3%	-	-	-
Awaiting Renovation	14.4%	-	-	-
Non-Residential Use	1.4%	-	-	-
Legal Dispute	10.7%	-	-	-
Awaiting Conversion	0.9%	-	-	-
Held for Occasional Use	27.5%	-	-	-
Unable to Rent or Sell	7.2%	-	-	-
Held Pending Sale of Building	1.4%	-	-	-
Held for Planned Demolition	0.1%	-	-	-
Held for Other Reasons	1.9%	-	-	-
(Not Reported)	1.0%	-	-	-

@ 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
70.1%	29.9%	1.9%	1.9%	8.6%	2.9%	36.0%	Number of Units (occupied and vacant, available)
70.0%	30.0%	1.9%	1.9%	8.8%	3.0%	35.3%	Occupied Units
23.3%	18.4%	9.7%	22.9%	23.7%	30.6%	10.2%	Bronx
29.3%	22.8%	25.9%	34.7%	33.2%	28.3%	36.0%	Brooklyn
32.8%	22.2%	51.0%	24.2%	32.4%	30.3%	22.9%	Manhattan
14.3%	34.4%	13.4%	16.3%	9.2%	9.8%	25.5%	Queens
0.3%	2.1%	0.0%	2.0%	1.5%	1.1%	5.4%	Staten Island
							Vacant Units
76.8%	23.2%	0.0%	2.1%	2.4%	1.3%	58.7%	Vacant, for rent or sale
35.4%	29.4%	0.0%	32.3%	0.0%	24.2%	10.6%	Bronx
26.4%	8.5%	0.0%	38.6%	39.0%	69.4%	24.4%	Brooklyn
21.5%	10.0%	0.0%	10.7%	11.7%	6.4%	32.8%	Manhattan
15.8%	52.1%	0.0%	0.0%	30.7%	0.0%	24.3%	Queens
0.9%	0.0%	0.0%	18.4%	18.6%	0.0%	8.0%	Staten Island
							Asking Rent
10.1%	0.0%	-	0.0%	59.8%	54.0%	1.3%	<$600
7.0%	15.1%	-	0.0%	18.6%	20.0%	5.1%	$600-799
18.4%	19.6%	-	48.5%	9.9%	1.0%	10.5%	$800-999
29.8%	23.2%	-	25.1%	0.0%	23.3%	10.8%	$1000-1199
16.6%	19.4%	-	13.4%	0.0%	0.0%	15.2%	$1200-1399
10.3%	12.2%	-	0.0%	0.0%	0.8%	12.3%	$1400-1599
5.4%	3.8%	-	0.0%	0.0%	0.0%	8.0%	$1600-1799
1.1%	0.0%	-	13.0%	11.7%	0.8%	4.8%	$1800-1999
1.3%	6.6%	-	0.0%	0.0%	0.0%	32.0%	$2000+
							Vacant, not for rent or sale
-	-	-	-	-	-	-	Bronx
-	-	-	-	-	-	-	Brooklyn
-	-	-	-	-	-	-	Manhattan
-	-	-	-	-	-	-	Queens
-	-	-	-	-	-	-	Staten Island
-	-	-	-	-	-	-	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				
$0-$199	-	-	44,287	5,767
$200-$299	-	-	78,603	12,527
$300-$399	-	-	66,661	21,872
$400-$499	-	-	71,022	30,868
$500-$599	-	-	108,620	48,814
$600-$699	-	-	146,252	94,628
$700-$799	-	-	163,556	101,296
$800-$899	-	-	186,638	119,910
$900-$999	-	-	214,542	138,616
$1000-$1249 -		-	394,171	207,590
$1250-$1499 -		-	184,293	90,533
$1500-$1749	-	-	134,731	56,845
$1750+	-	-	253,176	58,924
(No Cash Rent)	-	-	(35,402)	(13,027)
Mean	-	-	$1,119	$1,008
Mean/Room	-	-	$377	$371
Median	-	-	$950	$925
Median/Room	-	-	$280	$292
Monthly Cost of Electricity				
Mean	$104	$139	$83	$80
Median	$80	$100	$70	$70
Monthly Cost of Utility Gas				
Mean	$118	$200	$51	$38
Median	$50	$150	$30	$30
Monthly Cost of Water/Sewer				
Mean	$67	$68	$55	-
Median	$52	$52	$50	-
Monthly Cost of Other Fuels				
Mean	$245	$253	$138	-
Median	$208	$233	$94	-
Monthly Mortgage Payments				
Mean	-	$2,802	-	-
Median	-	$1,750	-	-
Monthly Insurance Payments				
Mean	-	$100	-	-
Median	-	$75	-	-
Monthly Property Taxes				
Mean	-	$268	-	-
Median	-	$233	-	-

@ All households, including owners and renters.

Rent Stabilized Units		Rent	Mitchell-	Public	Other	Other	
Pre-1947	*Post-1946*	Controlled	Lama	Housing	Regulated*	Rentals**	
							Monthly Contract Rent
3,667	2,100	1,876	681	23,693	12,269º		$0-$199
8,487	4,041	4,315	3,627	42,490	15,644º		$200-$299
17,751	4,121	3,228	3,526	26,938	11,098º		$300-$399
24,351	6,517	2,527	4,179	24,356	9,092º		$400-$499
38,895	9,919	2,811	5,312	32,656	19,027º		$500-$599
70,218	24,409	3,782	3,750	17,480	26,612º		$600-$699
72,993	28,303	3,086	7,973	8,382	42,820º		$700-$799
88,867	31,043	2,550	7,697	4,198	52,283º		$800-$899
96,883	41,733	2,297	4,515	1,633	67,482º		$900-$999
139,568	68,022	7,004	11,898	720	166,960º		$1000-$1249
57,501	33,032	1,212	3,228	182	89,139º		$1250-$1499
35,971	20,873	1,309	1,290	152	75,137º		$1500-$1749
35,465	23,459	2,848	1,134	773	189,497º		$1750+
(9,939)	(3,088)	(1,057)	(169)	(159)	(20,990)º		(No Cash Rent)
$970	$1,096	$833	$817	$424	$1,461º		Mean
$358	$402	$253	$265	$123	$457º		Mean/Room
$900	$985	$721	$800	$387	$1,200º		Median
$282	$309	$200	$218	$105	$300º		Median/Room
							Monthly Cost of Electricity
$80	$79	$80	$76	$76	$72	$86	Mean
$70	$70	$65	$70	$65	$60	$74	Median
							Monthly Cost of Utility Gas
$38	$42	$34	$35	$22	$66	$67	Mean
$30	$30	$27	$25	$20	$30	$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.

º Separate contract rent figures cannot be run for "Other Regulated" and "Other Rentals" households. The households receiving assistance for these two categories are reported together.

D.2 Economic Characteristics (Continued)

	All Households@	Owner Households	Renter Households	Stabilized
Monthly Contract Rent				
$0-$199	-	-	2.2%	0.6%
$200-$299	-	-	3.8%	1.3%
$300-$399	-	-	3.3%	2.2%
$400-$499	-	-	3.5%	3.1%
$500-$599	-	-	5.3%	4.9%
$600-$699	-	-	7.1%	9.6%
$700-$799	-	-	8.0%	10.3%
$800-$899	-	-	9.1%	12.1%
$900-$999	-	-	10.5%	14.0%
$1000-$1249	-	-	19.3%	21.0%
$1250-$1499	-	-	9.0%	9.2%
$1500-$1749	-	-	6.6%	5.8%
$1750+	-	-	12.4%	6.0%
(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 *Pre-1947*	Rent Stabilized Units *Post-1946*	Rent Controlled	Mitchell-Lama	Public Housing	Other Regulated*	Other Rentals**	
							Monthly Contract Rent
0.5%	0.7%	4.8%	1.2%	12.9%	1.6%º		$0-$199
1.2%	1.4%	11.1%	6.2%	23.1%	2.0%º		$200-$299
2.6%	1.4%	8.3%	6.0%	14.7%	1.4%º		$300-$399
3.5%	2.2%	6.5%	7.1%	13.3%	1.2%º		$400-$499
5.6%	3.3%	7.2%	9.0%	17.8%	2.4%º		$500-$599
10.2%	8.2%	9.7%	6.4%	9.5%	3.4%º		$600-$699
10.6%	9.5%	7.9%	13.6%	4.6%	5.5%º		$700-$799
12.9%	10.4%	6.6%	13.1%	2.3%	6.7%º		$800-$899
14.0%	14.0%	5.9%	7.7%	0.9%	8.7%º		$900-$999
20.2%	22.9%	18.0%	20.2%	0.4%	21.5%º		$1000-$1249
8.3%	11.1%	3.1%	5.5%	0.1%	11.5%º		$1250-$1499
5.2%	7.0%	3.4%	2.2%	0.1%	9.7%º		$1500-$1749
5.1%	7.9%	7.3%	1.9%	0.4%	24.4%º		$1750+
-	-	-	-	-	-		(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.

º Separate contract rent figures cannot be run for “Other Regulated” and “Other Rentals” households. The households receiving assistance for these two categories are reported together.

Totals may not add to 100% due to rounding.

D.2 Economic Characteristics (Continued)

	All Households@	Owner Households	Renter Households	Stabilized
2007 Total Household Income				
Loss, no income or<$5000	227,732	55,478	172,254	81,160
$5000-$9999	206,017	22,307	183,710	75,931
$10,000-$19,999	349,069	73,514	275,555	137,978
$20,000-$29,999	320,461	75,783	244,678	125,911
$30,000-$39,999	281,268	65,871	215,398	105,445
$40,000-$49,999	255,650	62,442	193,208	97,563
$50,000-$59,999	228,198	76,983	151,216	74,875
$60,000-$69,999	194,598	70,479	124,119	65,464
$70,000-$79,999	161,834	58,163	103,670	52,232
$80,000-$89,999	143,576	59,916	83,660	39,009
$90,000-$99,999	99,021	47,414	51,607	24,526
$100,000-$124,999	220,377	108,179	112,197	53,799
$125,000-$149,999	125,769	72,352	53,417	25,154
$150,000+	287,728	170,465	117,263	42,166
Mean	$73,735	$107,479	$57,213	$52,157
Median	$45,000	$70,000	$36,300	$36,000
Contract Rent to Income Ratio				
<10%	-	-	138,534	71,804
10%-19%	-	-	446,303	225,058
20%-29%	-	-	426,932	192,223
30%-39%	-	-	255,816	112,450
40%-49%	-	-	163,655	79,437
50%-59%	-	-	106,358	54,780
60%-69%	-	-	81,105	38,976
70%+	-	-	318,861	160,270
(Not Computed)	-	-	144,388	66,218
Mean	-	-	38.8%	39.0%
Median	-	-	28.7%	28.5%
Households in Poverty				
Households Below 100% of Poverty Level	572,996	96,563	476,433	214,834
Households at or Above 100% of Poverty Level	2,528,302	922,783	1,605,520	786,381
Households Below 125% of Poverty Level	722,240	127,580	594,660	274,853
Households at or Above 125% of Poverty Level	2,379,058	891,765	1,487,293	726,362
Households Receiving Public Assistance¥	323,482	34,666	288,816	126,695
Households Not Receiving Public Assistance	2,148,433	772,429	1,376,004	666,266
(Do Not Know/Not Reported)	(629,380)	(212,250)	(417,130)	(208,253)
Households Receiving TANF/FAP§	78,619	2,753	75,866	38,516
Households Receiving Safety Net	16,343	1,166	15,177	9,017
Households Receiving SSI	192,515	26,623	165,892	68,484
Households Receiving Other Public Assistance	94,120	7,631	86,489	36,239
Households Receiving Rent Subsidy				
Households Receiving Section 8 Certif./Voucher	-	-	114,023	58,712
Households Receiving Shelter Allowance	-	-	48,244	23,614
Households Receiving SCRIE∞	-	-	23,581	15,541
Households Receiving Jiggets	-	-	4,784	3,836
Households Receiving EIHP†	-	-	1,856	1,280
Households Receiving a Homeless Assistance Subsidy	-	-	3,728	2,543
Households Receiving Another Federal Housing Subsidy	-	-	16,411	2,767
Households Receiving Another State/City Housing Subsidy	-	-	48,833	22,953

§Temporary Assistance for Needy Families/Family Assistance Program; ∞Senior Citizens Rent Increase Exemption;
†Employee Incentive Housing Program
@ 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**	
							2007 Total Household Income
56,726	24,434	4,156	5,849	31,719	49,371º		Loss, no income or<$5000
56,589	19,342	4,757	7,949	44,032	51,040º		$5000-$9999
96,156	41,822	8,240	11,236	39,608	78,495º		$10,000-$19,999
90,309	35,603	6,041	10,837	23,044	78,844º		$20,000-$29,999
73,709	31,736	3,793	4,867	18,065	83,230º		$30,000-$39,999
67,391	30,172	1,883	5,260	9,362	79,140º		$40,000-$49,999
53,193	21,682	3,186	2,485	4,732	65,938º		$50,000-$59,999
46,351	19,113	1,659	2,364	4,683	49,950º		$60,000-$69,999
35,845	16,387	1,078	1,706	2,416	46,238º		$70,000-$79,999
25,985	13,024	767	1,587	3,027	39,270º		$80,000-$89,999
16,113	8,413	1,138	1,100	783	24,059º		$90,000-$99,999
36,076	17,723	932	1,218	1,764	54,484º		$100,000-$124,999
17,294	7,860	917	1,025	574	25,747º		$125,000-$149,999
28,817	13,350	1,355	1,498	0	72,244º		$150,000+
$51,672	$53,288	$55,445	$61,719	$21,189	$71,610º		Mean
$35,000	$38,000	$24,000	$24,036	$12,920	$46,000º		Median
							Contract Rent to Income Ratio
53,239	18,565	4,865	4,318	15,407	42,140º		<10%
155,125	69,933	7,326	9,986	40,387	163,547º		10%-19%
136,080	56,143	6,013	9,199	42,819	176,679º		20%-29%
77,187	35,263	3,679	8,746	27,201	103,740º		30%-39%
56,680	22,757	3,746	3,861	7,927	68,684º		40%-49%
38,326	16,453	1,962	4,158	6,111	39,348º		50%-59%
25,706	13,270	1,828	2,416	5,851	32,032º		60%-69%
113,053	47,217	7,285	13,027	19,459	118,820º		70%+
45,158	21,060	3,197	3,267	18,647	53,059º		(Not Computed)
38.9%	39.1%	40.4%	44.5%	34.0%	39.1%º		Mean
28.2%	28.9%	30.0%	33.0%	27.1%	29.2%º		Median
							Households in Poverty
159,591	55,243	10,276	18,763	93,500	139,061º		Households Below 100% of Poverty Level
540,963	245,418	29,625	40,216	90,310	658,989º		Households at or Above 100% of Poverty Level
200,365	74,488	13,395	24,210	110,376	171,826º		Households Below 125% of Poverty Level
500,189	226,173	26,506	34,769	73,433	626,223º		Households at or Above 125% of Poverty Level
99,319	27,376	4,115	13,125	70,797	22,988	51,096	Households Receiving Public Assistance¥
459,924	206,342	27,619	33,995	89,720	32,896	525,508	Households Not Receiving Public Assistance
(141,311)	(66,942)	(8,167)	(11,858)	(23,292)	(6,224)	(159,336)	(Do Not Know/Not Reported)
31,637	6,879	672	2,440	18,062	3,548	12,628	Households Receiving TANF/FAP§
7,439	1,578	0	779	2,383	296	2,702	Households Receiving Safety Net
52,854	15,630	3,098	8,501	46,639	14,129	25,041	Households Receiving SSI
27,916	8,323	770	4,038	14,811	9,275	21,356	Households Receiving Other Public Assistance
							Households Receiving Rent Subsidy
43,846	14,866	436	10,189	5,627	15,195	23,864	Households Receiving Section 8 Certif./Voucher
19,901	3,713	450	924	10,106	2,332	10,818	Households Receiving Shelter Allowance
9,346	6,195	2,834	2,063	785	1,802	556	Households Receiving SCRIE∞
3,747	89	-	-	193	-	755	Households Receiving Jiggets
1,280	-	-	199	206	-	171	Households Receiving EIHP†
2,370	173	-	149	-	-	1,036	Households Receiving a Homeless Assistance Subsidy
1,946	821	-	3,451	4,008	3,742	2,443	Households Receiving Another Federal Housing Subsidy
16,722	6,231	1,108	3,480	6,112	2,349	12,831	Households Receiving Another State/City Housing Subsidy

º Separate household income, contract rent-to-income ratios, and poverty figures cannot be run for “Other Regulated” and “Other Rentals” households. The households receiving assistance for these two categories are reported together.

¥ 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.

D.2 Economic Characteristics (Continued)

	All Households@	Owner Households	Renter Households	Stabilized
2007 Total Household Income				
Loss, no income or<$5000	7.3%	5.4%	8.3%	8.1%
$5000-$9999	6.6%	2.2%	8.8%	7.6%
$10,000-$19,999	11.3%	7.2%	13.2%	13.8%
$20,000-$29,999	10.3%	7.4%	11.8%	12.6%
$30,000-$39,999	9.1%	6.5%	10.3%	10.5%
$40,000-$49,999	8.2%	6.1%	9.3%	9.7%
$50,000-$59,999	7.4%	7.6%	7.3%	7.5%
$60,000-$69,999	6.3%	6.9%	6.0%	6.5%
$70,000-$79,999	5.2%	5.7%	5.0%	5.2%
$80,000-$89,999	4.6%	5.9%	4.0%	3.9%
$90,000-$99,999	3.2%	4.7%	2.5%	2.4%
$100,000-$124,999	7.1%	10.6%	5.4%	5.4%
$125,000-$149,999	4.1%	7.1%	2.6%	2.5%
$150,000+	9.3%	16.7%	5.6%	4.2%
Mean	-	-	-	-
Median	-	-	-	-
Contract Rent to Income Ratio				
<10%	-	-	7.1%	7.7%
10%-19%	-	-	23.0%	24.1%
20%-29%	-	-	22.0%	20.6%
30%-39%	-	-	13.2%	12.0%
40%-49%	-	-	8.4%	8.5%
50%-59%	-	-	5.5%	5.9%
60%-69%	-	-	4.2%	4.2%
70%+	-	-	16.5%	17.1%
(Not Computed)	-	-	-	-
Mean	-	-	-	-
Median	-	-	-	-
Households in Poverty				
Households Below 100% of Poverty Level	18.5%	9.5%	22.9%	21.5%
Households at or Above 100% of Poverty Level	81.5%	90.5%	77.1%	78.5%
Households Below 125% of Poverty Level	23.3%	12.5%	28.6%	27.5%
Households at or Above 125% of Poverty Level	76.7%	87.5%	71.4%	72.5%
Households Receiving Public Assistance¥	13.1%	4.3%	17.3%	16.0%
Households Not Receiving Public Assistance	86.9%	95.7%	82.7%	84.0%
(Not Reported)	-	-	-	-
Households Receiving TANF/FAP§	3.2%	0.3%	4.5%	4.8%
Households Receiving Safety Net	0.7%	0.1%	0.9%	1.1%
Households Receiving SSI	7.7%	3.3%	9.9%	8.6%
Households Receiving Other Public Assistance	3.8%	0.9%	5.3%	4.6%
Households Receiving Rent Subsidy				
Households Receiving Section 8 Certif./Voucher	-	-	7.5%	8.1%
Households Receiving Shelter Allowance	-	-	3.2%	3.3%
Households Receiving SCRIE∞	-	-	8.1%	11.3%
Households Receiving Jiggets -	-	0.3%	0.5%	
Households Receiving EIHP† -	-	0.1%	0.2%	
Households Receiving a Homeless Assistance Subsidy	-	-	0.2%	0.4%
Households Receiving Another Federal Housing Subsidy	-	-	1.1%	0.4%
Households Receiving Another State/City Housing Subsidy	-	-	3.2%	3.2%

§Temporary Assistance for Needy Families/Family Assistance Program; ∞Senior Citizens Rent Increase Exemption;
†Employee Incentive Housing Program
@ 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**	
							2007 Total Household Income
8.1%	8.1%	10.4%	9.9%	17.3%	6.2%º		Loss, no income or<$5000
8.1%	6.4%	11.9%	13.5%	24.0%	6.4%º		$5000-$9999
13.7%	13.9%	20.7%	19.1%	21.5%	9.8%º		$10,000-$19,999
12.9%	11.8%	15.1%	18.4%	12.5%	9.9%º		$20,000-$29,999
10.5%	10.6%	9.5%	8.3%	9.8%	10.4%º		$30,000-$39,999
9.6%	10.0%	4.7%	8.9%	5.1%	9.9%º		$40,000-$49,999
7.6%	7.2%	8.0%	4.2%	2.6%	8.3%º		$50,000-$59,999
6.6%	6.4%	4.2%	4.0%	2.5%	6.3%º		$60,000-$69,999
5.1%	5.5%	2.7%	2.9%	1.3%	5.8%º		$70,000-$79,999
3.7%	4.3%	1.9%	2.7%	1.6%	4.9%º		$80,000-$89,999
2.3%	2.8%	2.9%	1.9%	0.4%	3.0%º		$90,000-$99,999
5.1%	5.9%	2.3%	2.1%	1.0%	6.8%º		$100,000-$124,999
2.5%	2.6%	2.3%	1.7%	0.3%	3.2%º		$125,000-$149,999
4.1%	4.4%	3.4%	2.5%	0.0%	9.1%º		$150,000+
-	-	-	-	-	-		Mean
-	-	-	-	-	-		Median
							Contract Rent to Income Ratio
8.1%	6.6%	13.3%	7.8%	9.3%	5.7%º		<10%
23.7%	25.0%	20.0%	17.9%	24.5%	22.0%º		10%-19%
20.8%	20.1%	16.4%	16.5%	25.9%	23.7%º		20%-29%
11.8%	12.6%	10.0%	15.7%	16.5%	13.9%º		30%-39%
8.6%	8.1%	10.2%	6.9%	4.8%	9.2%º		40%-49%
5.8%	5.9%	5.3%	7.5%	3.7%	5.3%º		50%-59%
3.9%	4.7%	5.0%	4.3%	3.5%	4.3%º		60%-69%
17.2%	16.9%	19.8%	23.4%	11.8%	15.9%º		70%+
-	-	-	-	-	-		(Not Computed)
-	-	-	-	-	-		Mean
-	-	-	-	-	-		Median
							Households in Poverty
22.8%	18.4%	25.8%	31.8%	50.9%	17.4%º		Households Below 100% of Poverty Level
77.2%	81.6%	74.2%	68.2%	49.1%	82.6%º		Households at or Above 100% of Poverty Level
28.6%	24.8%	33.6%	41.0%	60.0%	21.5%º		Households Below 125% of Poverty Level
71.4%	75.2%	66.4%	59.0%	40.0%	78.5%º		Households at or Above 125% of Poverty Level
17.8%	11.7%	13.0%	27.9%	44.1%	41.1%	8.9%	Households Receiving Public Assistance¥
82.2%	88.3%	87.0%	72.1%	55.9%	58.9%	91.1%	Households Not Receiving Public Assistance
-	-	-	-	-	-	-	(Not Reported)
5.6%	2.9%	2.1%	5.2%	11.3%	6.4%	2.2%	Households Receiving TANF/FAP§
1.3%	0.7%	0.0%	1.7%	1.5%	0.5%	0.5%	Households Receiving Safety Net
9.4%	6.6%	9.8%	18.1%	29.2%	25.2%	4.3%	Households Receiving SSI
5.0%	3.6%	2.5%	8.8%	9.5%	16.8%	3.7%	Households Receiving Other Public Assistance
							Households Receiving Rent Subsidy
8.6%	6.9%	1.5%	24.3%	4.0%	31.7%	4.5%	Households Receiving Section 8 Certif./Voucher
3.9%	1.7%	1.5%	2.2%	7.2%	4.8%	2.0%	Households Receiving Shelter Allowance
11.5%	11.0%	13.5%	12.7%	1.9%	7.9%	1.0%	Households Receiving SCRIE∞
0.7%	0.0%	-	-	0.1%	-	0.1%	Households Receiving Jiggets
0.3%	-	-	0.5%	0.1%	-	0.0%	Households Receiving EIHP†
0.5%	0.1%	-	0.4%	-	-	0.2%	Households Receiving a Homeless Assistance Subsid
0.4%	0.4%	0.0%	8.3%	2.9%	7.8%	0.5%	Households Receiving Another Federal Housing Subsidy
3.3%	2.9%	3.7%	8.5%	4.4%	4.9%	2.4%	Households Receiving Another State/City Housing Subsidy

º Separate household income, contract rent-to-income ratios, and poverty figures cannot be run for "Other Regulated" and "Other Rentals" households. The households receiving assistance for these two categories are reported together.

¥ 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.

D.3 Demographic Characteristics

	All Households@	Owner Households	Renter Households	Stabilized
Year Moved Into Current Dwelling				
2006-2008	739,215	116,227	622,988	258,817
2003-2005	586,834	168,206	418,628	185,946
1999-2002	478,740	156,249	322,491	159,748
1996-1998	252,084	98,947	153,137	81,889
1993-1995	180,477	72,879	107,598	63,637
1990-1992	140,600	59,009	81,591	48,544
1987-1989	125,325	61,191	64,134	34,090
1984-1986	85,368	42,910	42,458	23,526
1981-1983	81,588	33,113	48,475	27,074
1971-1980	251,384	109,680	141,704	88,289
Prior to 1971	179,684	100,933	78,751	29,657
Household Composition				
Married Couples	1,199,032	545,292	653,740	313,381
Children <18 Years of Age	418,253	174,703	243,550	116,022
w/o Children <18 Years of Age	174,812	95,998	78,814	39,798
Other Household Members	142,764	68,550	74,214	31,742
w/o Other Household Members	463,203	206,041	257,162	125,819
(Not Reported)	-	-	-	-
Female Householder	1,175,734	300,217	875,517	416,471
Children <18 Years of Age	171,187	18,682	152,505	66,732
w/o Children <18 Years of Age	274,214	80,671	193,543	89,632
Other Household Members	132,120	26,860	105,260	45,299
w/o Other Household Members	598,213	174,004	424,209	214,808
(Not Reported)	-	-	-	-
Male Householder	726,531	173,836	552,695	271,361
Children <18 Years of Age	18,577	3,378	15,199	6,746
w/o Children <18 Years of Age	215,104	53,359	161,745	70,520
Other Household Members	37,225	11,454	25,771	13,031
w/o Other Household Members	455,625	105,645	349,980	181,064
(Not Reported)	-	-	-	-
Race of Householder				
White, non-Hispanic	1,340,085	572,327	767,758	361,326
Black, non-Hispanic	695,800	188,684	507,116	224,542
Puerto Rican	274,004	42,553	231,451	104,150
Other Spanish/Hispanic	449,198	80,595	368,603	218,400
Asian/Pacific Islander	328,017	129,870	198,147	88,991
American/Aleut/Eskimo	6,987	3,108	3,879	1,401
Two or more races	7,206	2,208	4,998	2,405
(Not Reported)	-	-	-	-
Age of Householder				
Under 25 years	111,056	10,749	100,307	42,088
25-34	604,313	103,917	500,396	226,877
35-44	706,439	205,929	500,510	239,424
45-54	645,946	245,956	399,990	206,037
55-61	341,423	147,598	193,825	104,128
62-64	118,289	53,814	64,475	35,080
65-74	306,661	132,994	173,667	83,809
75-84	193,708	84,754	108,954	48,695
85 or more years	73,464	33,634	39,830	15,077
(Not Reported)	-	-	-	-
Mean	48	53	46	46
Median	46	52	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
181,000	77,817	2,192	8,709	27,017	8,162	318,091	2006-2008
129,834	56,112	2,986	8,626	25,685	11,029	184,356	2003-2005
112,086	47,662	1,968	9,584	27,516	12,051	111,624	1999-2002
59,777	22,112	1,643	6,462	15,583	7,493	40,067	1996-1999
47,917	15,720	906	4,697	10,818	5,124	22,416	1993-1995
35,177	13,367	-	3,639	9,967	3,370	16,071	1990-1992
24,739	9,351	798	2,413	10,924	3,950	11,959	1987-1989
18,080	5,446	203	1,588	9,881	2,600	4,660	1984-1986
19,146	7,928	788	3,183	7,569	3,950	5,911	1981-1983
59,410	28,879	4,634	8,547	22,575	3,270	14,389	1971-1980
13,390	16,267	23,783	1,531	16,274	1,109	6,397	Prior to 1971
							Household Composition
211,785	101,596	9,756	15,116	33,492	11,864	270,131	Married Couples
81,147	34,875	2,228	3,975	10,016	3,616	107,693	Children <18 Years of Age
27,202	12,596	1,576	3,548	5,595	1,387	26,910	w/o Children <18 Years of Age
23,024	8,718	464	1,489	5,177	297	35,045	Other Household Members
80,412	45,407	5,488	6,104	12,704	6,564	100,483	w/o Other Household Members
-	-	-	-	-	-	-	(Not Reported)
292,857	123,614	16,849	32,975	118,933	35,891	254,398	Female Householder
50,600	16,132	986	5,741	31,589	5,169	42,288	Children <18 Years of Age
66,177	23,455	2,420	3,379	19,916	4,713	73,483	w/o Children <18 Years of Age
33,377	11,922	366	3,829	17,584	3,906	34,276	Other Household Members
142,703	72,105	13,077	20,026	49,844	22,103	104,351	w/o Other Household Members
-	-	-	-	-	-	-	(Not Reported)
195,911	75,450	13,297	10,887	31,385	14,353	211,412	Male Householder
4,819	1,927	0	812	1,686	239	5,716	Children <18 Years of Age
53,933	16,587	2,596	1,730	4,520	2,292	80,087	w/o Children <18 Years of Age
9,439	3,592	0	215	2,901	281	9,343	Other Household Members
127,720	53,344	10,701	8,130	22,278	11,541	116,266	w/o Other Household Members
-	-	-	-	-	-	-	(Not Reported)
							Race of Householder
237,107	124,219	23,034	19,207	13,786	11,810	338,595	White, non-Hispanic
157,834	66,708	5,748	23,585	86,572	15,758	150,911	Black, non-Hispanic
79,691	24,459	3,800	6,581	51,222	16,869	48,829	Puerto Rican
164,672	53,728	4,987	4,864	25,990	11,869	102,493	Other Hispanic
58,995	29,996	2,170	4,495	5,516	5,793	91,182	Asian/Pacific Islander
767	634			546	9	1,923	American/Aleut/Eskimo
1,489	916	162	246	177	0	2,008	Two or more races
-	-	-	-	-	-	-	(Not Reported)
							Age of Householder
31,743	10,345	162	1,596	5,612	1,828	49,021	Under 25 years
172,354	54,523	2,819	8,555	23,519	7,038	231,588	25-34
168,988	70,436	4,096	9,830	37,681	8,581	200,898	35-44
147,310	58,727	3,656	11,132	40,598	9,757	128,810	45-54
71,998	32,130	2,777	6,010	22,890	5,454	52,566	55-61
24,251	10,829	2,646	3,025	7,482	2,493	13,749	62-64
52,305	31,504	9,714	9,527	24,922	10,536	35,159	65-74
25,705	22,990	8,874	6,403	16,276	12,417	16,289	75-84
5,901	9,176	5,157	2,901	4,829	4,005	7,861	85 or more years
-	-	-	-	-	-	-	(Not Reported)
45	49	65	54	52	58	41	Mean
43	46	68	52	50	59	38	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				
2006-2008	23.8%	11.4%	29.9%	25.9%
2003-2005	18.9%	16.5%	20.1%	18.6%
1999-2002	15.4%	15.3%	15.5%	16.0%
1996-1998	8.1%	9.7%	7.4%	8.2%
1993-1995	5.8%	7.1%	5.2%	6.4%
1990-1992	4.5%	5.8%	3.9%	4.8%
1987-1989	4.0%	6.0%	3.1%	3.4%
1984-1986	2.8%	4.2%	2.0%	2.3%
1981-1983	2.6%	3.2%	2.3%	2.7%
1971-1980	8.1%	10.8%	6.8%	8.8%
Prior to 1971	5.8%	9.9%	3.8%	3.0%
Household Composition				
Married Couples	38.7%	53.5%	31.4%	31.3%
Children <18 Years of Age	13.5%	17.1%	11.7%	11.6%
w/o Children <18 Years of Age	5.6%	9.4%	3.8%	4.0%
Other Household Members	4.6%	6.7%	3.6%	3.2%
w/o Other Household Members	14.9%	20.2%	12.4%	12.6%
(Not Reported)	-	-	-	-
Female Householder	37.9%	29.5%	42.1%	41.6%
Children <18 Years of Age	5.5%	1.8%	7.3%	6.7%
w/o Children <18 Years of Age	8.8%	7.9%	9.3%	9.0%
Other Household Members	4.3%	2.6%	5.1%	4.5%
w/o Other Household Members	19.3%	17.1%	20.4%	21.5%
(Not Reported)	-	-	-	-
Male Householder	23.4%	17.1%	26.5%	27.1%
Children <18 Years of Age	0.6%	0.3%	0.7%	0.7%
w/o Children <18 Years of Age	6.9%	5.2%	7.8%	7.0%
Other Household Members	1.2%	1.1%	1.2%	1.3%
w/o Other Household Members	14.7%	10.4%	16.8%	18.1%
(Not Reported)	-	-	-	-
Race of Householder				
White, non-Hispanic	43.2%	56.1%	36.9%	36.1%
Black, non-Hispanic	22.4%	18.5%	24.4%	22.4%
Puerto Rican	8.8%	4.2%	11.1%	10.4%
Other Hispanic	14.5%	7.9%	17.7%	21.8%
Asian/Pacific Islander	10.6%	12.7%	9.5%	8.9%
American/Aleut/Eskimo	0.2%	0.3%	0.2%	0.1%
2 or more races	0.2%	0.2%	0.2%	0.2%
(Not Reported)	-	-	-	-
Age of Householder				
Under 25 years	3.6%	1.1%	4.8%	4.2%
25-34	19.5%	10.2%	24.0%	22.7%
35-44	22.8%	20.2%	24.0%	23.9%
45-54	20.8%	24.1%	19.2%	20.6%
55-61	11.0%	14.5%	9.3%	10.4%
62-64	3.8%	5.3%	3.1%	3.5%
65-74	9.9%	13.0%	8.3%	8.4%
75-84	6.2%	8.3%	5.2%	4.9%
85 or more years	2.4%	3.3%	1.9%	1.5%
(Not Reported)	-	-	-	-
Mean	-	-	-	-
Median	-	-	-	-

@ All households, including owners and renters. Totals may not add to 100% due to rounding. 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
25.8%	25.9%	5.5%	14.8%	14.7%	13.1%	43.2%	2006-2008
18.5%	18.7%	7.5%	14.6%	14.0%	17.8%	25.1%	2003-2005
16.0%	15.9%	4.9%	16.2%	15.0%	19.4%	15.2%	1999-2002
8.5%	7.4%	4.1%	11.0%	8.5%	12.1%	5.4%	1996-1998
6.8%	5.2%	2.3%	8.0%	5.9%	8.3%	3.0%	1993-1995
5.0%	4.4%	0.0%	6.2%	5.4%	5.4%	2.2%	1990-1992
3.5%	3.1%	2.0%	4.1%	5.9%	6.4%	1.6%	1987-1989
2.6%	1.8%	0.5%	2.7%	5.4%	4.2%	0.6%	1984-1986
2.7%	2.6%	2.0%	5.4%	4.1%	6.4%	0.8%	1981-1983
8.5%	9.6%	11.6%	14.5%	12.3%	5.3%	2.0%	1971-1980
1.9%	5.4%	59.6%	2.6%	8.9%	1.8%	0.9%	Prior to 1971
							Household Composition
30.2%	33.8%	24.4%	25.6%	18.2%	19.1%	36.7%%	Married Couples
11.6%	11.6%	5.6%	6.7%	5.4%	5.8%	14.6%	Children <18 Years of Age
3.9%	4.2%	3.9%	6.0%	3.0%	2.2%	3.7%	w/o Children <18 Years of Age
3.3%	2.9%	1.2%	2.5%	2.8%	0.5%	4.8%	Other Household Members
11.5%	15.1%	13.8%	10.3%	6.9%	10.6%	13.7%	w/o Other Household Members
-	-	-	-	-	-	-	(Not Reported)
41.8%	41.1%	42.2%	55.9%	64.7%	57.8%	34.6%	Female Householder
7.2%	5.4%	2.5%	9.7%	17.2%	8.3%	5.7%	Children <18 Years of Age
9.4%	7.8%	6.1%	5.7%	10.8%	7.6%	10.0%	w/o Children <18 Years of Age
4.8%	4.0%	0.9%	6.5%	9.6%	6.3%	4.7%	Other Household Members
20.4%	24.0%	32.8%	34.0%	27.1%	35.6%	14.2%	w/o Other Household Members
-	-	-	-	-	-	-	(Not Reported)
28.0%	25.1%	33.3%	18.5%	17.1%	23.1%	28.7%	Male Householder
0.7%	0.6%	0.0%	1.4%	0.9%	0.4%	0.8%	Children <18 Years of Age
7.7%	5.5%	6.5%	2.9%	2.5%	3.7%	10.9%	w/o Children <18 Years of Age
1.3%	1.2%	0.0%	0.4%	1.6%	0.5%	1.3%	Other Household Members
18.2%	17.7%	26.8%	13.8%	12.1%	18.6%	15.8%	w/o Other Household Members
-	-	-	-	-	-	-	(Not Reported)
							Race of Householder
33.8%	41.3%	57.7%	32.6%	7.5%	19.0%	46.0%	White, non-Hispanic
22.5%	22.2%	14.4%	40.0%	47.1%	25.4%	20.5%	Black, non-Hispanic
11.4%	8.1%	9.5%	11.2%	27.9%	27.2%	6.6%	Puerto Rican
23.5%	17.9%	12.5%	8.2%	14.1%	19.1%	13.9%	Other Hispanic
8.4%	10.0%	5.4%	7.6%	3.0%	9.3%	12.4%	Asian/Pacific Islander
0.1%	0.2%	0.0%	0.0%	0.3%	0.0%	0.3%	American/Aleut/Eskimo
0.2%	0.3%	0.4%	0.4%	0.1%	0.0%	0.3%	2 or more races
-	-	-	-	-	-	-	(Not Reported)
							Age of Householder
4.5%	3.4%	0.4%	2.7%	3.1%	2.9%	6.7%	Under 25 years
24.6%	18.1%	7.1%	14.5%	12.8%	11.3%	31.5%	25-34
24.1%	23.4%	10.3%	16.7%	20.5%	13.8%	27.3%	35-44
21.0%	19.5%	9.2%	18.9%	22.1%	15.7%	17.5%	45-54
10.3%	10.7%	7.0%	10.2%	12.5%	8.8%	7.1%	55-61
3.5%	3.6%	6.6%	5.1%	4.1%	4.0%	1.9%	62-64
7.5%	10.5%	24.3%	16.2%	13.6%	17.0%	4.8%	65-74
3.7%	7.6%	22.2%	10.9%	8.9%	20.0%	2.2%	75-84
0.8%	3.1%	12.9%	4.9%	2.6%	6.4%	1.1%	85 or more years
-	-	-	-	-	-	-	(Not Reported)
-	-	-	-	-	-	-	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	320,130	57,271	262,859	136,146
Additional Heating Not Required	1,838,033	647,178	1,190,855	550,794
(Not Reported)	(943,135)	(314,896)	(628,239)	(314,276)
Heating Breakdowns	248,084	36,413	211,671	120,048
No Breakdowns	1,893,655	664,398	1,229,257	562,691
(Not Reported)	(959,559)	(318,534)	(641,025)	(318,477)
Broken Plaster/Peeling Paint	266,313	38,726	227,587	131,488
No Broken Plaster/Peeling Paint	1,883,773	663,904	1,219,869	552,760
(Not Reported)	(951,211)	(316,715)	(634,496)	(316,967)
Cracked Interior Walls or Ceilings	248,819	27,067	221,752	132,764
No Cracked Interior Walls or Ceilings	1,911,501	676,866	1,234,635	556,322
(Not Reported)	(940,976)	(315,411)	(625,565)	(312,130)
Holes in Floor	129,765	9,550	120,215	76,998
No Holes in Floor	2,018,582	691,990	1,326,592	606,502
(Not Reported)	(952,951)	(317,805)	(635,146)	(317,716)
Rodent Infestation	471,125	67,825	403,300	239,888
No Infestation	1,690,770	637,201	1,053,569	448,908
(Not Reported)	(939,406)	(314,319)	(625,087)	(312,420)
Cockroach Infestation	607,138	68,894	538,244	303,384
No Infestation	1,520,349	627,401	892,948	373,196
(Not Reported)	(973,811)	(323,050)	(650,761)	(324,635)
Toilet Breakdown	258,047	63,851	194,196	98,946
No Toilet Breakdown/No Facilities	1,887,958	635,356	1,252,602	587,868
(Not Reported)	(955,292)	(320,138)	(635,154)	(314,399)
Water Leakage Inside Unit	361,281	78,627	282,654	166,073
No Water Leakage	1,797,411	624,804	1,172,607	522,591
(Not Reported)	(942,609)	(315,915)	(626,694)	(312,552)
Units in Buildings w. No Maintenance Defects	1,079,182	452,186	626,996	250,101
Units in Buildings w. 1 Maintenance Defect	477,085	149,266	327,819	158,490
Units in Buildings w. 2 Maintenance Defects	223,126	51,593	171,533	91,307
Units in Buildings w. 3 Maintenance Defects	132,086	16,796	115,290	63,696
Units in Buildings w. 4 Maintenance Defects	70,633	4,530	66,103	44,821
Units in Buildings w. 5+ Maintenance Defects	61,623	2,136	59,487	36,742
(Not Reported)	(1,057,562)	(342,839)	(714,723)	(356,058)
Condition of Neighboring Buildings				
Excellent	485,596	248,965	236,631	96,234
Good	1,192,236	384,888	807,348	373,532
Fair 396,041	64,021	332,020	178,255	
Poor Quality	83,001	5,543	77,458	39,063
(Not Reported)	(944,423)	(315,928)	(628,495)	(314,130)
Boarded Up/Broken Windows in Neighborhood	134,696	32,300	102,396	51,096
No Boarded Up/Broken Windows in Neighborhood	2,854,400	953,439	1,900,961	907,140
(Not Reported)	(112,202)	(33,606)	(78,596)	(42,979)

@ 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:)
98,607	37,539	3,949	7,343	32,994	9,460	72,967	Additional Heating Required
383,601	167,193	25,117	34,061	104,146	39,268	437,469	Additional Heating Not Required
(218,347)	(95,929)	(10,835)	(17,574)	(46,669)	(13,380)	(225,505)	(Not Reported)
90,472	29,576	4,498	3,773	25,147	6,538	51,667	Heating Breakdowns
388,126	174,565	24,524	36,782	110,602	40,916	453,742	No Breakdowns
(221,957)	(96,520)	(10,879)	(18,423)	(48,060)	(14,654)	(230,532)	(Not Reported)
101,691	29,797	6,880	5,441	30,261	5,309	48,208	Broken Plaster/Peeling Paint
378,734	174,026	21,783	36,421	105,803	42,814	460,288	No Broken Plaster/Peeling Paint
(220,129)	(96,838)	(11,238)	(17,116)	(47,745)	(13,985)	(227,445)	(Not Reported)
110,891	21,873	6,138	4,737	28,488	6,393	43,232	Cracked Interior Walls or Ceilings
373,087	183,235	23,467	37,087	108,321	42,371	467,067	No Cracked Interior Walls or Ceilings
(216,577)	(95,553)	(10,296)	(17,154)	(47,000)	(13,344)	(225,641)	(Not Reported)
67,839	9,159	3,353	1,538	9,747	3,451	25,128	Holes in Floor
411,541	194,961	25,941	40,105	126,918	44,718	482,408	No Holes in Floor
(221,175)	(96,541)	(10,606)	(17,335)	(47,144)	(13,940)	(228,405)	(Not Reported)
189,365	50,523	9,115	10,458	42,202	17,733	83,904	Rodent Infestation
294,215	154,693	20,336	31,367	95,010	30,873	427,075	No Infestation
(216,975)	(95,445)	(10,450)	(17,154)	(46,598)	(13,503)	(224,962)	(Not Reported)
224,455	78,929	10,446	15,029	84,419	18,685	106,281	Cockroach Infestation
251,005	122,191	17,888	26,193	49,396	28,557	397,718	No Infestation
(225,095)	(99,540)	(11,567)	(17,757)	(49,995)	(14,866)	(231,941)	(Not Reported)
71,397	27,549	3,103	7,268	25,080	7,634	52,165	Toilet Breakdown
411,604	176,264	25,880	34,516	109,650	40,220	454,468	No Toilet Breakdown/No Facilities
(217,552)	(96,847)	(10,918)	(17,195)	(49,079)	(14,254)	(229,309)	(Not Reported)
129,829	36,244	7,017	5,823	29,210	9,572	64,959	Water Leakage Inside Unit
353,661	168,930	22,235	36,019	107,315	39,188	445,259	No Water Leakage
(217,065)	(95,487)	(10,649)	(17,137)	(47,284)	(13,349)	(225,723)	(Not Reported)
158,600	91,501	11,039	19,133	44,666	18,536	283,521	Units in Buildings w. No Maintenance Defects
109,084	49,406	6,484	8,299	33,883	12,869	107,794	Units in Buildings w. 1 Maintenance Defect
66,718	24,589	4,055	6,716	19,040	4,387	46,028	Units in Buildings w. 2 Maintenance Defects
49,750	13,946	2,874	2,757	15,309	3,913	26,741	Units in Buildings w. 3 Maintenance Defects
35,907	8,914	777	910	7,944	2,829	8,822	Units in Buildings w. 4 Maintenance Defects
31,373	5,369	1,477	993	7,048	2,108	11,119	Units in Buildings w. 5+ Maintenance Defects
(249,122)	(106,936)	(13,194)	(20,172)	(55,918)	(17,465)	(251,916)	(Not Reported)
							Condition of Neighboring Buildings
58,009	38,225	5,672	8,995	4,957	6,904	113,869	Excellent
254,585	118,947	15,833	21,544	64,144	26,110	306,185	Good
137,551	40,704	6,096	9,515	48,779	11,756	77,619	Fair
32,759	6,304	1,464	1,975	18,278	3,997	12,681	Poor Quality
(217,650)	(96,480)	(10,837)	(16,949)	(47,651)	(13,342)	(225,586)	(Not Reported)
44,512	6,584	2,698	1,535	7,566	1,961	37,540	Boarded Up/Broken Windows in Neighborhood
627,318	279,822	36,173	56,025	169,858	56,787	674,978	No Boarded Up/Broken Windows in Neighborhood
(28,725)	(14,254)	(1,030)	(1,418)	(6,386)	(3,360)	(23,423)	(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	14.8%	8.1%	18.1%	19.8%
Additional Heating Not Required	85.2%	91.9%	81.9%	80.2%
(Not Reported)	-	-	-	-
Heating Breakdowns	11.6%	5.2%	14.7%	17.6%
No Breakdowns	88.4%	94.8%	85.3%	82.4%
(Not Reported)	-	-	-	-
Broken Plaster/Peeling Paint	12.4%	5.5%	15.7%	19.2%
No Broken Plaster/Peeling Paint	87.6%	94.5%	84.3%	80.8%
(Not Reported)	-	-	-	-
Cracked Interior Walls or Ceilings	11.5%	3.8%	15.2%	19.3%
No Cracked Interior Walls or Ceilings	88.5%	96.2%	84.8%	80.7%
(Not Reported)	-	-	-	-
Holes in Floor	6.0%	1.4%	8.3%	11.3%
No Holes in Floor	94.0%	98.6%	91.7%	88.7%
(Not Reported)	-	-	-	-
Rodent Infestation	21.8%	9.6%	27.7%	34.8%
No Infestation	78.2%	90.4%	72.3%	65.2%
(Not Reported)	-	-	-	-
Cockroach Infestation	28.5%	9.9%	37.6%	44.8%
No Infestation	71.5%	90.1%	62.4%	55.2%
(Not Reported)	-	-	-	-
Toilet Breakdown	12.0%	9.1%	13.4%	14.4%
No Toilet Breakdown	88.0%	90.9%	86.6%	85.6%
(Not Reported)	-	-	-	-
Water Leakage Inside Unit	16.7%	11.2%	19.4%	24.1%
No Water Leakage	83.3%	88.8%	80.6%	75.9%
(Not Reported)	-	-	-	-
Units in Buildings w. No Maintenance Defects	52.8%	66.8%	45.9%	38.8%
Units in Buildings w. 1 Maintenance Defect	23.3%	22.1%	24.0%	24.6%
Units in Buildings w. 2 Maintenance Defects	10.9%	7.6%	12.5%	14.2%
Units in Buildings w. 3 Maintenance Defects	6.5%	2.5%	8.4%	9.9%
Units in Buildings w. 4 Maintenance Defects	3.5%	0.7%	4.8%	6.9%
Units in Buildings w. 5+ Maintenance Defects	3.0%	0.3%	4.4%	5.7%
(Not Reported)	-	-	-	-
Condition of Neighboring Buildings				
Excellent	22.5%	35.4%	16.3%	14.0%
Good	55.3%	54.7%	55.5%	54.4%
Fair 18.4%	9.1%	22.8%	25.9%	
Poor Quality	3.8%	0.8%	5.3%	5.7%
(Not Reported)	-	-	-	-
Boarded Up/Broken Windows in Neighborhood	4.5%	3.3%	5.1%	5.3%
No Boarded Up/Broken Windows in Neighborhood	95.5%	96.7%	94.9%	94.7%
(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:)
20.4%	18.3%	13.6%	17.7%	24.1%	19.4%	14.3%	Additional Heating Required
79.6%	81.7%	86.4%	82.3%	75.9%	80.6%	85.7%	Additional Heating Not Required
-	-	-	-	-	-	-	(Not Reported)
18.9%	14.5%	15.5%	9.3%	18.5%	13.8%	10.2%	Heating Breakdowns
81.1%	85.5%	84.5%	90.7%	81.5%	86.2%	89.8%	No Breakdowns
-	-	-	-	-	-	-	(Not Reported)
21.2%	14.6%	24.0%	13.0%	22.2%	11.0%	9.5%	Broken Plaster/Peeling Paint
78.8%	85.4%	76.0%	87.0%	77.8%	89.0%	90.5%	No Broken Plaster/Peeling Paint
-	-	-	-	-	-	-	(Not Reported)
22.9%	10.7%	20.7%	11.3%	20.8%	13.1%	8.5%	Cracked Interior Walls or Ceilings
77.1%	89.3%	79.3%	88.7%	79.2%	86.9%	91.5%	No Cracked Interior Walls or Ceilings
-	-	-	-	-	-	-	(Not Reported)
14.2%	4.5%	11.4%	3.7%	7.1%	7.2%	5.0%	Holes in Floor
85.8%	95.5%	88.6%	96.3%	92.9%	92.8%	95.0%	No Holes in Floor
-	-	-	-	-	-	-	(Not Reported)
39.2%	24.6%	30.9%	25.0%	30.8%	36.5%	16.4%	Rodent Infestation
60.8%	75.4%	69.1%	75.0%	69.2%	63.5%	83.6%	No Infestation
-	-	-	-	-	-	-	(Not Reported)
47.2%	39.2%	36.9%	36.5%	63.1%	39.6%	21.1%	Cockroach Infestation
52.8%	60.8%	63.1%	63.5%	36.9%	60.4%	78.9%	No Infestation
-	-	-	-	-	-	-	(Not Reported)
14.8%	13.5%	10.7%	17.4%	18.6%	16.0%	10.3%	Toilet Breakdown
85.2%	86.5%	89.3%	82.6%	81.4%	84.0%	89.7%	No Toilet Breakdown
-	-	-	-	-	-	-	(Not Reported)
26.9%	17.7%	24.0%	13.9%	21.4%	19.6%	12.7%	Water Leakage Inside Unit
73.1%	82.3%	76.0%	86.1%	78.6%	80.4%	87.3%	No Water Leakage
-	-	-	-	-	-	-	(Not Reported)
35.1%	47.2%	41.3%	49.3%	34.9%	41.5%	58.6%	Units in Buildings w. No Maintenance Defects
24.2%	25.5%	24.3%	21.4%	26.5%	28.8%	22.3%	Units in Buildings w. 1 Maintenance Defect
14.8%	12.7%	15.2%	17.3%	14.9%	9.8%	9.5%	Units in Buildings w. 2 Maintenance Defects
11.0%	7.2%	10.8%	7.1%	12.0%	8.8%	5.5%	Units in Buildings w. 3 Maintenance Defects
8.0%	4.6%	2.9%	2.3%	6.2%	6.3%	1.8%	Units in Buildings w. 4 Maintenance Defects
6.9%	2.8%	5.5%	2.6%	5.5%	4.7%	2.3%	Units in Buildings w. 5+ Maintenance Defects
-	-	-	-	-	-	-	(Not Reported)
							Condition of Neighboring Buildings
12.0%	18.7%	19.5%	21.4%	3.6%	14.2%	22.3%	Excellent
52.7%	58.3%	54.5%	51.3%	47.1%	53.5%	60.0%	Good
28.5%	19.9%	21.0%	22.6%	35.8%	24.1%	15.2%	Fair
6.8%	3.1%	5.0%	4.7%	13.4%	8.2%	2.5%	Poor Quality
-	-	-	-	-	-	-	(Not Reported)
6.6%	2.3%	6.9%	2.7%	4.3%	3.3%	5.3%	Boarded Up/Broken Windows in Neighborhood
93.4%	97.7%	93.1%	97.3%	95.7%	96.7%	94.7%	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, 2009

	New Mortgages					Refinanced Mortgages				
Institution	Rate (%)	Points	Term (yrs)	Type	Volume	Rate (%)	Points	Term (yrs)	Type	Volume
7	6.00%	0	5 to 10 yr; 15 to 30 yr §	fixed	13	6.00%	0	5 to 10 yr; 15 to 30 yr	fixed	10
8	6.13%	0.5	5 to 7 yrs w/ 5 yr option, up to 30 yr §	adj	60	6.13%	0.5	5 to 7 yrs w/ 5 yr option, up to 30 yr §	adj	NR
14	6.00%	0	5 & 5	adj	NR	6.00%	0	5 & 5	adj	285
15	NR	1.5	5/7/10/15/20/25/30	fixed	NR	NR	1.5	5/7/10/15/20/25/30	fixed	NR
16	6.38%	0	5+5/30	adj	96	6.38%	0	5+5/30	adj	96
18	NR	NR	NR	NR	NR	NA	NA	NA	NA	NA
28	6.25%	1	10	fixed	225	6.25%	1	10	fixed	100
30	6.25%	1	Up to 30 yrs	fixed	25	6.25%	1	Up to 30 yrs	fixed	10
33	6.38%	0	3 or 5 yr *	fixed	25	6.56%	0	3 or 5 yr *	fixed	10
35	7.75%	0.5	15 yr	fixed	23	7.75%	0.5	15 yr	fixed	15
36	6.25%	0.75	10 yr term/30 yr §	fixed	12	6.25%	0.75	10 yr term/30 yr §	fixed	12
37	7.60%	1.5	120/180/240	NR	6	7.90%	1.5	120/180/240	NR	2
40	7.00%	2	15 yr or 10/25 *	fixed	2	7.00%	2	15 yr or 10/25 *	fixed	4
117	6.00%	0	5 yrs	fixed	108	6.00%	0	5 yrs	fixed	110
208	6.50%	0	5 yrs, 30 yr §	fixed	1	6.50%	0	5 yrs, 30 yr §	fixed	2
301	6.00%	0.5	5/25	fixed	3	6.00%	0.5	5/25	fixed	2
AVERAGE	**6.46%**	**0.62**	**†**	**†**	**46**	**6.50%**	**0.62**	**†**	**†**	**51**

§ Amortization **Adj** = adjustable rate mortgage † No average computed **NR** = no response to this question * Balloon
NA = Lender did not offer refinancing in 2008

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: 2009 Rent Guidelines Board Mortgage Survey

E.2 Typical Characteristics of Rent Stabilized Buildings, 2009

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
7	75%	1.30	5.0%	50-99	$899	$1,200
8	75%	1.25	3.0%	20-49	$450	$850
14	75%	1.20	3.0%	20-49	$0	$0
15	80%	1.25	5.0%	50-99	$750	$1,450
16	80%	1.20	8.0%	20-49	NR	$725
18	NR	NR	8.0%	20-49	NR	$950
28	75%	1.25	6.0%	100+	NR	$1,200
30	80%	1.25	3.0%	11-19	$450	$800
33	73%	1.25	5.0%	11-19	NR	NR
35	65%	1.15	3.0%	1-10	$500	$1,400
36	80%	1.25	4.0%	50-99	NR	$950
37	70%	1.20	2.0%	1-10	$250	$500
40	68%	1.20	4.0%	1-10	$395	$975
117	75%	1.25	5.0%	50-99	NR	$950
208	75%	1.25	3.0%	11-19	$0	$0
301	70%	1.25	3.0%	20-49	$600	$980
AVERAGE	**74.3%**	**1.23**	**4.38%**	**†**	**$537**	**$995**

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: 2009 Rent Guidelines Board Mortgage Survey

E.3 Interest Rates and Terms for New Financing, Longitudinal Study, 2008-2009

	Interest Rates		Points		Term		Type	
Lending Inst.	2009	2008	2009	2008	2009	2008	2009	2008
7	6.00%	6.00%	0.0	0.5	5 to 10 yr; 15 to 30 yr §	5 to 10 yrs; 15 to 20 yrs §	fixed	fixed
8	6.13%	5.63%	0.5	0.5	5 to 7 yrs w/ 5 yr option, up to 30 yr §	5-15 yrs; 15-30 §	adj	adj
14	6.00%	5.63%	0.0	0.0	5 & 5	5 & 5	adj	adj
15	NR	NR	1.5	0.5	5/7/10/15/20/25/30	5/7/10/15/20/25/30	fixed	both
16	6.38%	5.75%	0.0	0.0	5+5/30	5+5/30	adj	adj
18	NR	5.85%	NR	0.0	NR	5 yr fixed/30 yr *	NR	fixed
28	6.25%	5.75%	1.0	1.0	10	10 yrs	fixed	fixed
30	6.25%	6.25%	1.0	1.0	Up to 30 yrs	30 yr	fixed	fixed
33	6.38%	6.00%	0.0	0.0	3 or 5 yr *	5	fixed	fixed
35	7.75%	6.50%	0.5	0.5	15 yr	15 yrs	fixed	fixed
36	6.25%	6.02%	0.8	1.0	10 yr term/30 yr §	10/9.5/30	fixed	fixed
37	7.60%	8.00%	1.5	1.0	120/180/240	120/180/240	NR	fixed
117	6.00%	6.00%	0.0	NR	5 yrs	5	fixed	fixed
208	6.50%	NR	0.0	NR	5 yrs, 30 yr §	NR	fixed	NR
301	6.00%	6.00%	0.5	0.5	5/25	10 yr	fixed	fixed
AVERAGE	**6.42%**	**6.11%**	**0.52**	**0.50**	**†**	**†**	**†**	**†**

NR indicates no response to this question. † No average computed § Amortization * Balloon

Adj = adjustable rate mortgage

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: 2008 and 2009 Rent Guidelines Board Mortgage Surveys

E.4 Interest Rates and Terms for Refinanced Loans, Longitudinal Study, 2008-2009

	Interest Rates		Points		Term		Type	
Lending Inst.	2009	2008	2009	2008	2009	2008	2009	2008
7	6.00%	6.25%	0.0	0.0	5 to 10 yr; 15 to 30 yr	5 to 10 yrs; 15 to 20 yrs §	fixed	fixed
8	6.13%	5.63%	0.5	0.5	5 to 7 yrs w/ 5 yr option, up to 30 yr §	5-15 yrs; 15-30 §	adj	adj
14	6.00%	5.63%	0.0	0.0	5 & 5	5 & 5	adj	adj
15	0.00%	0.00%	1.5	0.5	5/7/10/15/20/25/30	5/7/10/15/20/25/30	fixed	both
16	6.38%	5.75%	0.0	0.0	5+5/30	5+5/30	adj	adj
18	NA	5.85%	NA	0.0	NA	5 yr fixed/30 yr *	NA	fixed
28	6.25%	5.75%	1.0	1.0	10	10 years	fixed	fixed
30	6.25%	6.25%	1.0	1.0	Up to 30 yrs	30 yr	fixed	fixed
33	6.56%	6.00%	0.0	0.0	3 or 5 yr *	5	fixed	fixed
35	7.75%	6.50%	0.5	0.5	15 yr	15 yrs	fixed	fixed
36	6.25%	6.02%	0.8	1.0	10 yr term/30 yr §	10/9.5/30	fixed	fixed
37	7.90%	7.75%	1.5	1.0	120/180/240	120/180/240	NR	fixed
117	6.00%	6.00%	0.0	NR	5 yrs	5 yrs	fixed	fixed
208	6.50%	0.00%	0.0	NR	5 yrs, 30 yr §	NR	fixed	NR
301	6.00%	6.00%	0.5	0.5	5/25	10 yrs	fixed	fixed
AVERAGE	**6.46%**	**6.11%**	**0.52**	**0.46**	**†**	**†**	**†**	**†**

NR indicates no response to this question. † No average computed § Amortization * Balloon

NA = Lender did not offer refinancing in 2008 **Adj** = adjustable rate mortgage

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: 2008 and 2009 Rent Guidelines Board Mortgage Surveys

E.5 Lending Standards and Relinquished Rental Income, Longitudinal Study, 2008-2009

	Max Loan-to-Value		Debt Service Coverage		V&C Losses	
Lending Inst.	2009	2008	2009	2008	2009	2008
7	75%	75%	1.30	1.25	5.0%	5.0%
8	75%	NR	1.25	NR	3.0%	2.0%
14	75%	80%	1.20	1.15	3.0%	3.0%
15	80%	80%	1.25	1.20	5.0%	5.0%
16	80%	80%	1.20	1.20	8.0%	5.0%
18	0%	75%	0.00	1.20	8.0%	5.0%
28	75%	80%	1.25	1.20	6.0%	4.0%
30	80%	80%	1.25	1.25	3.0%	5.0%
33	73%	75%	1.25	1.25	5.0%	5.0%
35	65%	65%	1.15	1.15	3.0%	4.0%
36	80%	80%	1.25	1.15	4.0%	5.0%
37	70%	70%	1.20	1.20	2.0%	2.0%
117	75%	75%	1.25	1.20	5.0%	4.0%
208	75%	NR	1.25	NR	3.0%	0.0%
301	70%	80%	1.25	1.15	3.0%	2.0%
AVERAGE	**74.8%**	**76.5%**	**1.24**	**1.20**	**4.4%**	**4.0%**

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: 2008 and 2009 Rent Guidelines Board Mortgage Surveys

E.6 Retrospective of New York City's Housing Market, 1982-2009

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%*	34,260 Ø	33,911 Ø
2009	6.5%	•	•

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

* The 2008 figure has been revised from the prior year 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: Rent Guidelines Board, Annual Mortgage Surveys; U.S. Bureau of the Census, Manufacturing & Construction Division, Residential Construction Branch.

E.7 2009 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 2008)

Points : _________

Terms : _________

Type: Fixed / Adjustable (*circle one*)

Special conditions: ______________________

1b. How many loans were made by your institution in 2008 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 2008)

Points : __________

Terms : __________

Type: Fixed / Adjustable (*circle one*)

Special conditions: ______________________ (if any)

2b. How many loans did your institution refinance in 2008 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?

____

____

____

____

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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 _______ %.

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

❑ None

❑ Approximately _______ %.

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

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

❑ We sell all our mortgages to secondary markets.

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

11b. To whom do you sell your mortgages? (*Please check and fill in all applicable choices.*)

❑ Fannie Mae

❑ Freddie Mac

❑ Other: ____________________________

____

____

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

____

____

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

❑ No

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

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

$ ________________ ***per unit per month***

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

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

$ ________________ ***per unit per month***

16. Do any of your lending or underwriting standards differ for *rent stabilized buildings* as opposed to non-stabilized multifamily properties? (*Please check all that apply*)

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

17. On average, how does your portfolio of *rent stabilized buildings* perform as compared with expectations at the time of the initial loan originations? (*Please check all that apply*)

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

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18. Please estimate, *on average*, what percentage of Net Operating Income 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. Has the nationwide mortgage-related credit crunch impacted your rent stabilized mortgage lending in any way? If so, how? 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.

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E.8 Rent Stabilized Building Median Sales Price and Sales Volume, by Borough and Building Size, and Percent Change, 2007-2008

	2007 Median Sale Price	2008 Median Sale Price	Percent Change from 2007-08	2007 # of Sales	2008 # of Sales	Percent Change from 2007-08
Citywide						
All buildings*	$2,255,000	$1,951,000	-	1,474	1,021	-30.7%
6-10 units	$800,000	$828,500	3.6%	612	416	-32.0%
11-19 units	$2,090,000	$1,875,000	-10.3%	223	141	-36.8%
20-49 units	$3,550,000	$2,874,411	-19.0%	409	294	-28.1%
50-99 units	$6,000,000	$6,875,000	14.6%	176	134	-23.9%
Bronx						
All buildings*	$2,400,000	$2,435,000	-	319	171	-46.4%
6-10 units	$700,000	$750,000	7.1%	45	31	-31.1%
11-19 units	$1,005,000	$1,080,000	7.5%	55	20	-63.6%
20-49 units	$2,392,500	$2,370,000	-0.9%	130	70	-46.2%
50-99 units	$5,182,325	$6,000,000	15.8%	80	47	-41.3%
Brooklyn						
All buildings*	$882,500	$977,500	-	520	426	-18.1%
6-10 units	$700,000	$765,000	9.3%	350	253	-27.7%
11-19 units	$1,606,250	$1,350,000	-16.0%	50	37	-26.0%
20-49 units	$3,292,500	$3,000,000	-8.9%	68	89	30.9%
50-99 units	$7,000,000	$5,546,386	-20.8%	41	38	-7.3%
Manhattan						
All buildings*	$4,508,653	$3,850,000	-	470	243	-48.3%
6-10 units	$3,500,000	$3,390,552	-3.1%	119	63	-47.1%
11-19 units	$3,942,500	$3,250,000	-17.6%	104	57	-45.2%
20-49 units	$5,036,300	$3,820,000	-24.2%	192	81	-57.8%
50-99 units	$10,509,000	$11,925,000	13.5%	36	21	-41.7%
Queens						
All buildings*	$1,070,000	$1,626,304	-	165	181	9.7%
6-10 units	$834,000	$800,000	-4.1%	98	69	-29.6%
11-19 units	$2,030,000	$1,875,000	-7.6%	19	27	42.1%
20-49 units	$3,600,000	$3,105,000	-13.8%	19	54	184.2%
50-99 units	$8,500,000	$9,620,000	13.2%	19	28	47.4%

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 data, as well as 100+ unit buildings, are excluded due to the small number of buildings sold.

* “All buildings” totals include buildings with 100 or more units. Therefore, these figures do 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, 1997-2008

Unemployment Rate	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Bronx	11.7%	9.9%	8.2%	7.2%	7.4%	9.8%	10.0%	9.2%	7.5%	6.7%	6.9%	7.4%
Brooklyn	10.7%	9.3%	8.0%	6.4%	6.6%	8.7%	9.0%	7.6%	6.2%	5.4%	5.5%	5.9%
Manhattan	7.8%	6.7%	5.9%	5.1%	5.7%	7.7%	7.5%	6.2%	5.0%	4.3%	4.4%	4.9%
Queens	8.5%	6.9%	6.1%	5.3%	5.4%	7.2%	7.4%	6.3%	5.2%	4.5%	4.5%	4.9%
Staten Island	8.4%	6.9%	5.8%	5.1%	5.2%	7.0%	7.4%	6.4%	5.2%	4.5%	4.6%	5.0%
NYC	**9.4%**	**7.9%**	**6.9%**	**5.8%**	**6.1%**	**8.0%**	**8.3%**	**7.1%**	**5.8%**	**5.0%**	**4.9%**	**5.5%**
U.S.	**4.9%**	**4.5%**	**4.2%**	**4.0%**	**4.7%**	**5.8%**	**6.0%**	**5.5%**	**5.1%**	**4.6%**	**4.6%**	**5.8%**
Labor Force Participation Rate												
NYC ∅	58.6%	58.7%	59.0%	59.0%	58.7%	59.3%	58.8%	58.5%	58.7%	59.0%	59.5%	60.0%
U.S.	67.1%	67.1%	67.1%	67.1%	66.8%	66.6%	66.2%	66.0%	66.0%	66.2%	66.0%	66.0%
Employment-Population Ratio												
NYC ∅	53.1%	54.0%	54.9%	55.6%	55.2%	54.6%	54.0%	54.3%	55.3%	56.1%	56.5%	56.7%
U.S.	63.8%	64.1%	64.3%	64.4%	63.7%	62.7%	62.3%	62.3%	62.7%	63.1%	63.0%	62.2%
Gross City Product (NYC)												
(billions, in 2000 $)	370.3	394.7	415.3	437.8	431.8	415.4	405.3	415.9	431.3	446.6	461.05	462.18
% Change	5.35%	6.59%	5.22%	5.42%	-1.37%	-3.80%	-2.43%	2.62%	3.70%	3.55%	3.24%	0.25%
Gross Domestic Product (U.S.)												
(billions, in 2000 $)	8,703.5	9,066.9	9,470.3	9,817.0	9,890.7	10,048.8	10,301.0	10,675.8	10,989.5	11,294.8	11,523.9	11,652.7
% Change	4.50%	4.17%	4.45%	3.66%	0.75%	1.60%	2.51%	3.64%	2.9%	2.8%	2.0%	1.1%

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.

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.

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

F.2 Average Payroll Employment by Industry for NYC, 1999-2008 (in thousands)

Industry Employment	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2007-2008 Change
Manufacturing	186.8	176.8	155.5	139.4	126.6	120.8	113.9	106.1	101.0	95.1	-5.8%
Construction, Natural Resources & Mining ∅	112.5	120.5	122.1	115.8	112.7	111.8	113.3	118.5	127.3	131.5	3.3%
Trade, Transport & Utilities	556.3	569.6	557.4	536.5	533.6	539.3	547.5	558.3	569.7	573.2	0.6%
Leisure & Hospitality	243.7	256.7	260.1	255.3	260.3	270.1	276.7	284.9	297.8	308.3	3.5%
Financial Activities	481.0	488.8	473.6	445.1	433.6	435.5	445.1	458.3	467.6	465.1	-0.5%
Information	172.8	187.3	200.4	176.9	163.9	160.2	162.8	164.6	165.5	167.7	1.3%
Professional & Business Svcs.	552.9	586.5	581.9	550.4	536.6	541.6	555.6	571.8	593.2	605.0	2.0%
Educational & Health Svcs.	604.4	615.2	627.1	646.0	658.2	665.3	678.8	694.7	705.1	719.3	2.0%
Other Services	141.5	147.4	148.7	149.7	149.1	150.5	153.2	154.3	157.7	161.4	2.3%
Total Private Sector	3,051.9	3,148.8	3,126.7	3,015.0	2,974.5	2,995.0	3,046.9	3,111.4	3,184.8	3,226.6	1.3%
Government ‡	567.0	568.9	562.4	566.2	556.6	554.4	555.6	555.2	559.0	563.6	0.8%
City of New York	453.3	451.8	450.8	456.2	448.3	447.9	449.8	450.4	453.9	458.1	0.9%
Total	**3,618.8**	**3,717.7**	**3,689.1**	**3,581.1**	**3,531.1**	**3,549.4**	**3,602.5**	**3,666.6**	**3,743.8**	**3,790.2**	**1.2%**

Notes: Totals may not add up due to rounding. Categories and figures have been revised from prior years due to new classification system used by the US Bureau of Labor Statistics and the NYS Department of Labor. Total excludes farm employment but includes unclassified jobs.

∅ 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, 2000-2007 (2007 dollars)

	SIC SYSTEM	NAICS CLASSIFICATION SYSTEM								
Industry	2001	2000	2001	2002	2003	2004	2005	2006	2007	2006-07 % Change
Construction	$58,001	$64,861	$67,147	$66,326	$66,079	$63,376	$62,218	$62,800	$64,976	3.5%
Manufacturing	$64,990	$44,411	$46,288	$47,767	$49,019	$49,933	$51,551	$49,834	$52,687	5.7%
Transportation	$59,129	$48,093	$49,462	$49,700	$48,568	$47,430	$45,616	$45,418	$46,924	3.3%
Trade	$37,465	$48,043	$48,261	$48,068	$47,820	$47,485	$47,566	$47,594	$48,553	2.0%
FIRE	$161,388	$177,554	$180,325	$160,120	$155,204	$173,945	$178,907	$200,765	$227,889	13.5%
Services	$50,000	$53,352	$53,051	$52,051	$52,260	$52,867	$53,018	$53,552	$54,758	2.3%
Information	Ω	$93,478	$95,409	$92,600	$96,739	$98,559	$99,228	$100,733	$102,383	1.6%
Private Sector	$67,306	$76,545	$77,221	$72,997	$71,690	$74,626	$75,576	$79,235	$84,753	7.0%
Government	$49,240	$56,510	$56,494	$56,269	$56,432	$57,009	$55,193	$53,753	$53,581	-0.3%
Total Industries	**$74,045**	**$73,495**	**$74,044**	**$70,318**	**$69,258**	**$71,843**	**$72,401**	**$75,340**	**$80,071**	**6.3%**

Note: The New York State Department of Labor revises the statistics annually. Real wages reflect 2007 dollars and differ from those found in this table in prior years.

Ω Statistic not available. These categories were created when the NYS Dept. of Labor began tracking wages with the NAICS Classification System in 2000.

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

F.4 Average Nominal Wage Rates by Industry for NYC, 2000-2007

	SIC SYSTEM	NAICS CLASSIFICATION SYSTEM								
Industry	2001	2000	2001	2002	2003	2004	2005	2006	2007	2006-07 % Change
Construction	$54,863	$52,160	$55,359	$56,085	$57,594	$57,193	$58,314	$61,073	$64,976	6.4%
Manufacturing	$61,474	$35,714	$38,162	$40,392	$42,725	$45,062	$48,316	$48,464	$52,687	8.7%
Transportation	$55,930	$38,675	$40,779	$42,026	$42,332	$42,803	$42,754	$44,169	$46,924	6.2%
Trade	$35,438	$38,635	$39,789	$40,646	$41,680	$42,852	$44,581	$46,285	$48,553	4.9%
FIRE	$152,658	$142,785	$148,668	$135,397	$135,275	$156,975	$167,681	$195,245	$227,889	16.7%
Services	$47,295	$42,904	$43,738	$44,014	$45,549	$47,710	$49,691	$52,080	$54,758	5.1%
Information	Ω	$75,173	$78,660	$78,302	$84,317	$88,944	$93,002	$97,963	$102,383	4.5%
Private Sector	$63,665	$61,556	$63,665	$61,726	$62,485	$67,346	$70,834	$77,056	$84,753	10.0%
Government	$46,576	$45,444	$46,576	$47,581	$49,186	$51,447	$51,730	$52,275	$53,581	2.5%
Total Industries	**$61,046**	**$59,103**	**$61,045**	**$59,461**	**$60,365**	**$64,834**	**$67,858**	**$73,268**	**$80,071**	**9.3%**

Note: The New York State Department of Labor revises the statistics annually.

Ω Statistic not available. These categories were created when the NYS Dept. of Labor began tracking wages with the NAICS Classification System in 2000.

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

F.5 New York City Population Statistics, 1900-2008

Year	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Citywide	Citywide Change from Prior Decade
1900	200,507	1,166,582	1,850,093	152,999	67,021	3,437,202	--
1910	430,980	1,634,351	2,331,542	284,041	85,969	4,766,883	38.7%
1920	732,016	2,018,356	2,284,103	469,042	116,531	5,620,048	17.9%
1930	1,265,258	2,560,401	1,867,312	1,079,129	158,346	6,930,446	23.3%
1940	1,394,711	2,698,285	1,889,924	1,297,634	174,441	7,454,995	7.6%
1950	1,451,277	2,738,175	1,960,101	1,550,849	191,555	7,891,957	5.9%
1960	1,424,815	2,627,319	1,698,281	1,809,578	221,991	7,781,984	-1.4%
1970	1,471,701	2,602,012	1,539,233	1,986,473	295,443	7,894,862	1.5%
1980	1,168,972	2,230,936	1,428,285	1,891,325	352,121	7,071,639	-10.4%
1990	1,203,789	2,300,664	1,487,536	1,951,598	378,977	7,322,564	3.5%
2000	1,334,381	2,466,952	1,539,610	2,231,845	445,562	8,018,350	9.5%
2008	**1,391,903**	**2,556,598**	**1,634,795**	**2,293,007**	**487,407**	**8,363,710**	**4.3%**∅

Note: 1900-1990 figures as of April 1 of each year. 2000-2008 figures is of July 1 of that year. Percent population change between 1990 and 2000 has not been adjusted to take into account the increased number of households surveyed for the 2000 Census.

∅ Percentage change is from 2000-2008. Source: U.S. Census Bureau, Population Division

F.6 Consumer Price Index for All Urban Consumers, NY-Northeastern NJ, 1998-2008

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
March	173.0	175.5	181.5	186.4	191.1	197.1	203.4	212.4	218.2	224.6	233.1
June	173.1	176.8	182.0	188.3	191.5	196.9	206.0	210.7	222.6	228.3	238.6
September	174.4	178.2	184.4	188.0	193.3	199.6	205.9	215.8	222.9	228.3	240.1
December	174.7	178.6	184.2	187.3	193.1	199.3	206.8	214.2	221.3	229.4	233.0
Quarterly Average	173.8	177.3	183.0	187.5	192.3	198.2	205.5	213.3	221.3	227.6	236.2
Yearly Average	**173.6**	**177.0**	**182.5**	**187.1**	**191.9**	**197.8**	**204.8**	**212.7**	**220.7**	**226.9**	**235.8**

12-month percentage change in the CPI

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
March	1.35%	1.45%	3.42%	2.70%	2.52%	3.14%	3.20%	4.42%	2.73%	2.91%	3.82%
June	1.64%	2.14%	2.94%	3.46%	1.70%	2.82%	4.62%	2.28%	5.65%	2.54%	4.52%
September	1.57%	2.18%	3.48%	1.95%	2.82%	3.26%	3.16%	4.81%	3.29%	2.43%	5.16%
December	1.63%	2.23%	3.14%	1.68%	3.10%	3.21%	3.76%	3.58%	3.31%	3.66%	1.58%
Quarterly Average	1.55%	2.00%	3.24%	2.45%	2.53%	3.11%	3.68%	3.77%	3.74%	2.88%	3.77%
Yearly Average	**1.64%**	**1.96%**	**3.11%**	**2.52%**	**2.57%**	**3.07%**	**3.54%**	**3.86%**	**3.76%**	**2.83%**	**3.90%**

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

F.7 Housing Court Actions, 1987-2008

Year	Filings	Calendared	Evictions & Possessions
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	23,669
2007	251,390	121,793	24,696
2008	246,147	120,420	25,027

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.

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

F.8 Homeless Statistics, 1982-2008

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	6,988	14,559	9,296	35,124
2008	**6,809**	**14,595**	**8,971**	**34,354**

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

Source: New York City Department of Homeless Services

F.9 Housing and Vacancy Survey Data, Rent Stabilized Apartments, 2005 and 2008

	2005[1]		2008[2]	
	Number	Percent	Number	Percent
Household Income				
<$5,000/Loss/No Income	64,525	6.4%	81,160	8.1%
$5,000 to $9,999	90,279	8.9%	75,931	7.6%
$10,000 to $14,999	85,943	8.5%	72,875	7.3%
$15,000 to $19,999	81,219	8.0%	65,103	6.5%
$20,000 to $24,999	76,142	7.5%	69,779	7.0%
$25,000 to $29,999	61,208	6.0%	56,132	5.6%
$30,000 to $34,999	70,502	6.9%	56,129	5.6%
$35,000 to $39,999	54,090	5.3%	49,316	4.9%
$40,000 to $49,999	105,567	10.4%	97,563	9.7%
$50,000 to $59,999	72,804	7.2%	74,875	7.5%
$60,000 to $69,999	56,074	5.5%	65,464	6.5%
$70,000 to $79,999	48,053	4.7%	52,232	5.2%
$80,000 to $89,999	37,982	3.7%	39,009	3.9%
$90,000 to $99,999	23,909	2.4%	24,526	2.4%
$100,000 to $124,999	35,698	3.5%	53,799	5.4%
$125,000 or More	51,660	5.1%	67,320	6.7%
Median	$32,000	-	$36,000	-
Mean	$45,836	-	$52,157	-
Contract Rent				
<$100	1,801	0.2%	172	0.0%
$100 to $199	11,648	1.2%	5,595	0.6%
$200 to $299	16,542	1.7%	12,527	1.3%
$300 to $399	17,631	1.8%	21,872	2.2%
$400 to $499	38,865	3.9%	30,868	3.1%
$500 to $599	88,030	8.8%	48,814	4.9%
$600 to $699	128,376	12.8%	94,628	9.6%
$700 to $799	129,635	13.0%	101,296	10.3%
$800 to $899	143,463	14.4%	119,910	12.1%
$900 to $999	112,047	11.2%	138,616	14.0%
$1,000 to $1,249	155,349	15.5%	207,590	21.0%
$1,250 to $1,499	70,229	7.0%	90,533	9.2%
$1,500 to $1,749	45,334	4.5%	56,845	5.8%
$1,750 or More	40,734	4.1%	58,924	6.0%
No Cash Rent	15,970	-	13,027	-
Median	$844	-	$925	-
Mean	$908	-	$1,008	-
Contract-Rent-to-Income Ratio				
<10%	67,976	7.0%	71,804	7.7%
10% to 14%	115,289	11.9%	106,782	11.4%
15% to 19%	115,896	12.0%	118,275	12.6%
20% to 24%	107,210	11.1%	110,665	11.8%
25% to 29%	88,068	9.1%	81,558	8.7%
30% to 34%	70,089	7.3%	64,091	6.9%
35% to 39%	55,636	5.8%	48,359	5.2%
40% to 49%	80,600	8.4%	79,437	8.5%
50% to 59%	50,537	5.2%	54,780	5.9%
60% to 69%	45,330	4.7%	38,976	4.2%
70% to 79%	27,339	2.8%	27,405	2.9%
80% or More	140,892	14.6%	132,865	14.2%
Not Computed	50,791	-	66,218	-
Median	29.1%	-	28.5%	-
Mean	37.5%	-	39.0%	-

1. 2005 HVS reflects 2004 incomes.
2. 2008 HVS reflects 2007 incomes.

Note: 2005 and 2008 data values are imputed.

Source: 2005 and 2008 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, 1960-2009

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 (1st Qtr)$^{\Omega}$	164 (862)	137 (1,603)	151 (485)	508 (705)	117 (238)	**1,077 (3,893)**

Ω First three months of 2009. The number of permits issued in the first three months of 2008 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), 2000-2008

Year/Borough	1-Family	2-Family	3/4 Family	5 or More-Family	Total Buildings
2000					
Bronx	7.7%	67.8%	22.5%	1.9%	466
Brooklyn	15.9%	50.7%	23.5%	9.9%	837
Manhattan	0.0%	13.8%	43.1%	43.1%	109
Queens	10.9%	58.4%	25.0%	5.7%	801
Staten Island	71.8%	27.9%	0.0%	0.3%	1,895
Citywide	*39.4%*	*42.6%*	*13.4%*	*4.6%*	*4,108*
2001					
Bronx	3.7%	59.7%	31.9%	4.8%	543
Brooklyn	22.3%	44.6%	24.1%	9.0%	1,028
Manhattan	2.8%	3.5%	56.3%	37.3%	142
Queens	14.1%	58.8%	23.5%	3.6%	1,007
Staten Island	72.6%	27.3%	0.1%	0.0%	1,799
Citywide	*37.6%*	*41.4%*	*16.4%*	*4.6%*	*4,519*
2002					
Bronx	2.7%	57.4%	35.4%	4.6%	676
Brooklyn	15.8%	41.9%	27.5%	14.8%	1,197
Manhattan	4.1%	4.1%	24.3%	67.6%	74
Queens	17.7%	53.8%	23.8%	4.7%	1,210
Staten Island	69.3%	29.4%	1.1%	0.2%	1,317
Citywide	*29.9%*	*43.2%*	*19.9%*	*7.1%*	*4,474*
2003					
Bronx	9.2%	50.3%	30.5%	9.9%	596
Brooklyn	8.2%	46.1%	31.5%	14.2%	1,446
Manhattan	1.3%	8.8%	2.5%	87.5%	80
Queens	12.1%	54.2%	28.6%	5.2%	1,335
Staten Island	64.8%	34.6%	0.5%	0.1%	1,887
Citywide	*29.1%*	*44.0%*	*19.3%*	*7.6%*	*5,344*
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***

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

G.3 New Dwelling Units Completed in New York City, 1960-2008

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	4,445	7,073	7,521	5,940	1,450	**26,429**
2008 π	**4,241**	**7,306**	**6,141**	**5,672**	**1,021**	**24,381**

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 2004-2008 now includes Final Certificates of Occupancies (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, 2003-2008

	2003	2004	2005	2006	2007	2008
	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)
Private Plans						
New Construction	190 (4,870)	268 (6,018)	361 (12,210)	644 (19,780)	573 (19,511)	454 (13,998)
Rehabilitation	18 (418)	18 (334)	6 (223)	0	8 (71)	4 (130)
Conversion (Non-Eviction)	10 (639)	16 (1,550)	24 (2,356)	53 (6,331)	66 (5,441)	50 (2,582)
Conversion (Eviction)	0	0	0	0	0	0
Private Total	**218 (5,927)**	**302 (7,902)**	**391 (14,789)**	**697 (26,201)**	**647 (25,023)**	**508 (16,710)**
	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)	0	15 (274)	18 (269)	13 (273)	16 (248)	18 (241)
HPD Total	**0**	**15 (274)**	**18 (269)**	**13 (273)**	**16 (248)**	**18 (241)**
Grand Total	**218 (5,927)**	**317 (8,176)**	**409 (15,058)**	**710 (26,474)**	**663 (25,271)**	**526 (16,951)**

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, 1982-2008

Year	New Construction	Conversion Eviction	Conversion Non-Eviction	Rehabilitation	**Total New Construction Conversion & Rehab**	Units in HPD Sponsored Plans
1982	6,096	26,469	16,439	--	**49,004**	1,948
1983	4,865	18,009	19,678	--	**42,552**	906
1984	4,663	7,432	25,873	--	**37,968**	519
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**

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, 2006-2008

Buildings Receiving Certificates for 421-a Exemptions, 2006-2008

	2006		2007		2008	
	Certificates	Units	Certificates	Units	Certificates	Units
Bronx	10	114	24	1,020	34	1,521
Brooklyn	57	736	50	825	55	1,241
Manhattan	32	2,375	24	1,939	26	1,237
Queens	52	650	44	428	49	516
Staten Island	0	0	0	0	1	6
TOTAL	**151**	**3,875**	**142**	**4,212**	**165**	**4,521**

Buildings Receiving J-51 Tax Abatements and Exemptions, 2006-2008

	2006			2007			2008		
	Buildings	Units	Certified Cost ($1,000s)	Buildings	Units	Certified Cost ($1,000s)	Buildings	Units	Certified Cost ($1,000s)
Bronx	279	13,766	35,979	153	7,381	16,757	248	7,767	18,203
Brooklyn	249	13,167	28,300	283	12,470	24,575	312	14,858	29,858
Manhattan	271	21,884	27,969	208	12,348	24,302	369	26,110	26,720
Queens	287	17,106	12,600	309	23,148	15,487	431	15,340	10,193
Staten Island	4	87	43	4	334	158	91	403	805
TOTAL	**1,090**	**66,010**	**104,891**	**957**	**55,681**	**81,278**	**1,451**	**64,478**	**85,779**

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, 1981-2008

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**

Source: New York City Department of Housing Preservation and Development, Office of Development, Tax Incentive Programs.

G.8 City-Owned Properties, Fiscal Years 1988-2008

	Central Management				Alternative Management		Vestings		Buildings Sold
Fiscal Year	Occupied Units	Occupied Buildings	Vacant Units	Vacant Buildings	Units	Buildings	Units	Buildings	Buildings
1988	37,355	3,628	37,734	3,972	14,494	624	--	--	58 +
1989	32,377	3,359	45,724	3,542	17,621	780	--	--	72
1990	33,851	3,303	37,951	3,110	14,800	705	3,323	292	112
1991	32,783	3,234	30,534	2,796	12,695	615	2,288	273	140
1992	32,801	3,206	22,854	2,368	--	--	1,462	197	--
1993	32,078	3,098	17,265	2,085	9,237	470	2,455	211	162
1994	30,358	2,992	13,675	1,763	8,606	436	715	69	81
1995	27,922	2,885	11,190	1,521	7,903	433	240	17	170
1996	24,503	2,684	9,971	1,349	6,915	393	49	2	386
1997	22,298	2,484	8,177	1,139	5,380	289	0	0	253
1998	19,084	2,232	7,511	1,021	6,086	305	0	0	206
1999	15,333	1,905	6,664	869	6,640	401	0	0	251
2000	13,613	1,730	6,295	805	6,282	382	0	0	136
2001	8,299	1,203	4,979	633	7,973	504	0	0	321
2002	5,715	919	3,762	524	7,756	477	0	0	302
2003	4,049	610	2,370	367	7,064	441	0	0	184
2004	1,970	373	1,806	275	7,348	466	0	0	217
2005	1,114	235	1,294	221	6,516	451	0	0	169
2006	727	175	826	155	5,582	373	0	0	171
2007	466	133	517	92	5,039	316	0	0	105
2008	**415**	**115**	**415**	**75**	**4,242**	**259**	**0**	**0**	**66**

Note: HPD could not confirm vestings data prior to FY 1990.
Source: NYC Department of Housing Preservation and Development.

G.9 Building Demolitions in New York City, 1988-2008

	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**
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	--	1128	--	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**

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, 1994-2008

			Mitchell-Lama Buyouts					Formerly	
Year	421-a	J-51	State	City	Lofts	421-g	420-c	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
Total	**37,448**	**2,052**	**4,252**	**5,630**	**669**	**2,484**	**20,041**	**35,615**	**108,191**

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. In 2003, 51% of 421-a units were rental units, therefore, of the 3,782 units created under the 421-a program in 2003, 1,929 were rentals that are rent stabilized. In 2004, 72% of 421-a units were rental units, therefore, of the 6,862 units created under the 421-a program in 2004, 4,941 were rentals that are rent stabilized. In 2005, 67% of new 421-a units were rentals, 3,380 of a total of 5,062 units. In 2006, 58% of new 421-a units were rentals, 2,264 of a total of 3,875. In 2007, 67% of new 421-a units were rentals, 2,838 of a total of 4,212. In 2008, 41% of new 421-a units were rentals, 1,856 of a total of 4,521.

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 each year between 1994 and 2002 are not available; only an aggregate is available.

Sources: 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, 2008

	Bronx	Brooklyn	Manhattan	Queens	S.I.	Total
421-a	523	450	538	342	3	1,856
421-g	0	0	865	0	0	865
420-c	815	2,399	1,252	301	0	4,767
J-51	0	26	21	8	0	55
Mitchell-Lama Buyouts (City & State)	101	0	0	0	0	101
Lofts	0	0	35	0	0	35
Total*	**1,439**	**2,875**	**2,711**	**651**	**3**	**7,679**

*Note: The totals for each borough and citywide do not include formally rent controlled units since borough level data was not provided to the Rent Guidelines Board this year.

Sources: 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 Decontrol by Borough, 1994-2008

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
Total	**46**	**182**	**4,179**	**94**	**0**	**4,501**

Source: NYS Division of Housing and Community Renewal (DHCR), Office of Rent Administration, annual registration data, grants by year of filing petition cycle.

H.4 Subtractions from the Stabilized Housing Stock Due to High Rent/Vacancy Decontrol by Borough, 1994-2008

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
Total	**1,569**	**8,485**	**66,658**	**6,822**	**293**	**83,827**

Note: Registration of deregulated units with DHCR was voluntary and not required from 1994-2000. These totals represent a 'floor' or minimum count of the actual number of deregulated units in these years. The NYC City Council required proof of registration with DHCR of the unit as exempt to be sent to the tenant beginning in March 2000 (see Endnote 7).

Source: NYS Division of Housing and Community Renewal (DHCR), Office of Rent Administration, annual registration data.

H.5 Subtractions from the Stabilized Housing Stock, 1994-2008

Year	High Rent/ High Income Decontrol	High Rent/ Vacancy Decontrol	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
Total	**4,501**	**83,827**	**41,817**	**17,683**	**13,878**	**6,859**	**2,034**	**19,587**	**190,186**

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 Decontrol Note: See Appendix 4 note.

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, 2008

	Bronx	Brooklyn	Manhattan	Queens	S.I.	Total
High Rent/High Income Decontrol	10	50	198	20	0	278
High Rent/Vacancy Decontrol	447	1,884	8,600	1,787	82	12,800
Co-op/Condo Conversion	289	243	347	518	8	1,405
421-a Expirations	2	13	198	161	2	376
J-51 Expirations	0	56	115	5	0	176
Substantial Rehabilitation	22	234	138	27	0	421
Commercial/Professional Conversion	15	19	13	8	1	56
Other	171	370	668	109	3	1,321
Total	**956**	**2,869**	**10,277**	**2,635**	**96**	**16,833**

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“

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 type of loan that is partially amortized, which means 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: 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: 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, commonly referred to as Luxury Decontrol (a.k.a. High-Income High-Rent Decontrol) and Vacancy Decontrol (a.k.a High-Rent Decontrol). See these terms for 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 $19,284 per year and a two- or more-person household must make a combined household income no more than $27,780 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): 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.

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 17,000 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"): 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. E.g., (1) if an apartment's legal rent were $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 1/40th 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 1/40th increase.

Initial Legal Registered Rent: Under rent stabilization, the lawful rent for the use and occupancy of housing accommodations under the Rent Stabilization Law or the Emergency Tenant Protection Act, as first registered with the DHCR, which has not been challenged pursuant to regulation, or if challenged, has been determined by the DHCR.

In Rem: *In Rem* units include those located in structures owned by the City of New York as a result of an in rem proceeding initiated by the City after the owner failed to pay tax on the property for one or more years. Though many of these units in multiple dwellings had previously been subject to either rent control or rent stabilization, they are exempt from both regulatory systems during the period of city ownership.

J-51 Tax Incentive Program: A New York City program under which, in order to encourage development and rehabilitation, property tax abatements and exemptions are granted. In consideration of receiving these tax abatements, and at least for the duration of the abatements, the owner of these buildings agree to place under rent stabilization those apartments which would not otherwise be subject to rent stabilization This program provides real estate tax exemptions and abatements to existing residential buildings that are renovated or rehabilitated in ways that conform to the requirements of the statute. It also provides these benefits to residential buildings that were converted from commercial structures.

Legal Rent: The maximum rent level that a landlord is entitled to charge a tenant for a rent regulated unit. The landlord of a rent stabilized unit must annually register that legal rent with DHCR.

Legislature: The New York State Legislature.

Loft Board: A New York City agency that regulates lofts. Lofts are governed by Article 7-C of the Multiple Dwelling Law, and are not (until brought up to Code) within DHCR's rent regulatory jurisdiction.

Loan-to-Value Ratio (LTV): An expression of the safety of a mortgage principal based on the value of the collateral (e.g., an LTV of 50% means that a lender is willing to provide a mortgage up to half the value of a building). A decline in LTV may indicate a tightening of lending criteria and vice versa.

Longitudinal: The type of analysis that provides a comparison of identical elements over time, such as comparing data from 2007 to the same data in 2006.

Low Rent Supplement: See "Supplemental Adjustment."

Luxury Decontrol (High-Rent/High-Income 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 $175,000 in two or more consecutive years, and (2) the apartment's monthly rent is $2,000 or greater.

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 or are obligated to pay to the owner. In any one calendar year, the collectible rent shall be increased by no more than 7.5% until the MBR is reached. Other increases not associated with the MBR system are possible in the same year, in addition to the 7.5%, such as fuel cost adjustments and approved increases for individual apartment improvements and/or major capital improvements. The MCR generally is less than the MBR. For example, if a tenant's rent (MCR) on 12/31/87 was $200, and his/her MBR was $233, then on 1/1/88 (effective date of MBR) his/her rent (MCR) would rise 7.5% to $215 and the MBR ceiling would rise by 16.4% (1988/89 MBR factor) to $271.22. On 1/1/89, the MBR would remain the same (since MBRs cover a two year period), but the MCR would rise by another 7.5% to $231.12.

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 Guideline 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 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 Guideline 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. A pending revision was also proposed in 2008.

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 Citizens' 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 2009-2010 guideline period, the one-year vacancy guideline is 17% (17.5% if heat is provided by the owner) and the two-year guideline is 20%.

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 Decontrol (High-Rent Vacancy Decontrol): A process by which a rent regulated unit becomes deregulated if at the time it next becomes vacant, the legal rent is $2,000 or greater. If the in-place tenant is rent regulated, vacancy decontrol cannot occur even if that in-place tenant's monthly rent eventually exceeds $2,000. Such decontrol can occur only following the next vacancy unless the unit is "luxury decontrolled" (See "Luxury Decontrol"). Further, the $2,000 level may be reached in a variety of ways, including (1) by already being at or over $2,000 when the next vacancy occurs, (2) reaching the $2,000 level as a result of the next "vacancy allowance," or (3) reaching the $2,000 level as a result of the next "vacancy allowance" coupled with any "1/40th/individual apartment improvement" increase, MCIs or a vacancy bonus.

Vacancy Lease: When a person rents a rent stabilized apartment for the first time, or, when a new name (not the spouse or domestic partner) is added to an existing lease, this is a vacancy lease. This written lease is a contract between the owner and the tenant which includes the terms and conditions of the lease, the length of the lease and the rights and responsibilities of the tenant and the owner. The Rent Stabilization Law gives the new tenant (also called the vacancy tenant) the choice of a one- or two-year lease term. The rent the owner can charge may not be more than the last legal regulated rent plus all increases authorized by the Rent Stabilization Code, including increases for improvements to the vacant apartment.

Warranty of Habitability: Real Property Law Section 235-b entitles tenants to a livable, safe and sanitary apartment and building and remedies are specified when these conditions are not met.

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Housing NYC: Rents, Markets, and Trends 2009

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