
Changes to the Rent Stabilized Housing Stock in New York City in 2014

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What's New

- ✓ The study finds a net estimated gain of 169 rent stabilized units in 2014.
- ✓ Most of the additions to the rent stabilized stock in 2014 were due to two tax incentive programs: the 420-c and 421-a programs.
- ✓ In 2014, High Rent/Vacancy Deregulation made up the largest category of subtractions from the stabilized stock, accounting for 69% of the subtractions.
- ✓ Since 1994, New York City's rent stabilized housing stock has seen a minimum net loss of 103,986 units.

Overview

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

The figures in this study represent additions and subtractions of dwelling units to and from the rent stabilization system in 2014. These statistics are gathered from various City and State agencies.

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

Additions to the Rent Regulated Housing Stock

Since newly constructed or substantially rehabilitated units are exempt from rent regulation, increases to the regulated housing stock are frequently a result of owners "voluntarily" placing these new units under rent stabilization in exchange for tax benefits. These owners choose to place units under rent stabilization because of cost/benefit analyses concluding that short-term regulation with tax benefits is more profitable than free market rents without tax benefits. According to the New York State Division of Housing and Community Renewal (DHCR), the median legal rent of initially registered rent stabilized apartments as of the date of initial registration in 2014 was \$2,970. Events that lead to the addition of stabilized units include:

- Section 421-a Tax Exemption Program
- J-51 Property Tax Exemption and Abatement Program
- Mitchell-Lama buyouts
- Lofts converted to rent stabilized units
- 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 2014, an estimated total of 3,110 units were added to the rent stabilized stock through the 421-a program, 48% fewer than the 5,975 units added in 2013. The largest number of units were in Manhattan (1,371), followed by Brooklyn (1,106), Queens (417), the Bronx (216), and none on Staten Island. According to DHCR, the median legal rent of currently registered rent stabilized apartments receiving 421-a tax abatements in 2014 was \$3,559.

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 243 units to the rent stabilized stock in 2014, 40% fewer than in the prior year. (See Appendices 1 and 2.) These newly renovated units were located in two buildings on Staten Island; and one building each in Brooklyn and Queens.

Mitchell-Lama Buyouts

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

Section 236 financed buildings and project-based Section 8 buildings.

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

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

In 2014, 318 Mitchell-Lama rental units became rent stabilized, compared to none in 2013. Since 1994, 10,444 rental units have left the Mitchell-Lama system and became a part of the rent stabilized housing stock. (See Appendices 1 and 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 21 units entered the rent stabilization system in 2014, compared to 26 added in 2013. (See Appendix 1 and 2.)

Other Additions to the Stabilized Housing Stock

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

The 420-c program, a tax exemption program for low income housing projects that are developed in

conjunction with the Low Income Housing Tax Credit program, accounted for the greatest number of additions to the rent stabilized stock.¹ An estimated 5,279 units were added to the rent stabilized stock in 2014 through this program, up from 1,967 added the prior year. Of the total 420-c units that were added, 54% were located in the Bronx; 19% were in Manhattan; 16% were in Brooklyn; 10% were in Queens; and there were none on Staten Island.² (See Appendix 1.)

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 27,000.³ When a rent controlled unit is vacated, it either becomes rent stabilized or leaves the regulatory system. A rent controlled unit becomes rent stabilized when it is contained in a rental building with six or more units and the incoming tenant pays a legal regulated rent less than \$2,500 per month.⁴ This process results in a diminution of the rent controlled stock and an increase in the rent stabilized stock. Otherwise, the apartment is subject to deregulation and leaves the rent regulatory system entirely.

According to rent registration filings with the NYS Division of Housing and Community Renewal (DHCR), 211 units in 2014 were decontrolled and became rent stabilized, down 32% from the prior year. By borough, 51% of the units were in Manhattan; 19% were in Queens; 17% were in Brooklyn; 13% were in the Bronx; and there were none on Staten Island. (See Appendices 1 and 2.)

Subtractions from the Rent Regulated Housing Stock

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

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

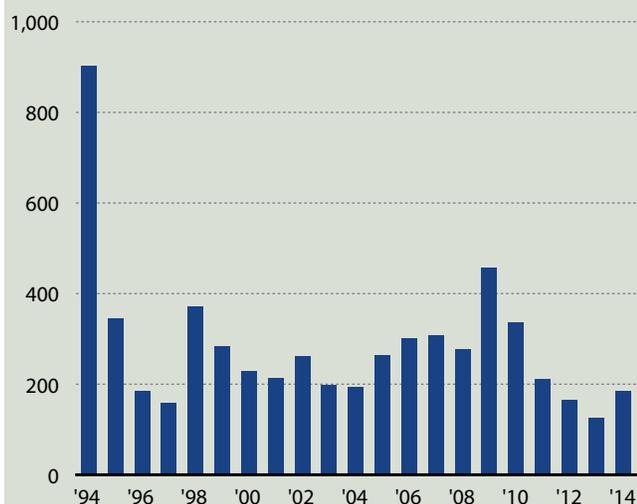
High Rent/High Income Deregulation

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

Deregulation occurs upon application by the owner and upon the expiration of the rent stabilized lease. This income-based deregulation process, which is administered by DHCR, relies upon data furnished to the NYS Department of Taxation and Finance as part of the verification process. Note that both the rent level and household income criteria have to be met for deregulation to take place. For example, if a household earning at least \$200,000 paid less than \$2,500 per month, rent regulation would remain in effect. Also note that the owner must apply to DHCR in order to deregulate the unit. If the owner did not submit a deregulation application, the occupying tenant would remain regulated regardless of rent level

High Rent/High Income Deregulation, 1994-2014

Number of Units Deregulated due to High Rent/Income Deregulation Increase



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

and household income. Because DHCR has to approve the orders of deregulation, an exact accounting exists of units leaving regulation as a result of High Rent/High Income Deregulation.

Based on DHCR processing records, High Rent/High Income Deregulation removed a total of 186 apartments from rent regulation in 2014, a 46% increase from the prior year, and the first increase in five years.⁵ Of these units, 80% were located in Manhattan; 11% in Brooklyn; 6% in Queens; and the remaining 2% in the Bronx. None were on Staten Island. (See endnote 2.)

Since 1994, a total of 5,984 units have been deregulated due to High Rent/High Income Deregulation, of which 88% have been located in Manhattan. (See graph on this page and Appendix 3.)

High Rent/Vacancy Deregulation

Similar to the provisions of High Rent/High Income Deregulation, High Rent/Vacancy Deregulation has

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

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

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

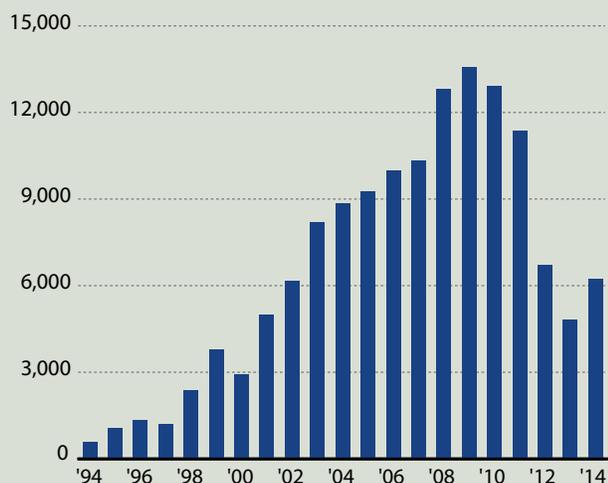
Later, in June of 1997, with the passage of the RRRRA of 1997, the state overrode the new City regulation. The determining factor was no longer the outgoing tenant's legal regulated rent but the incoming tenant's calculated legal regulated rent. Owners, upon a vacancy, could now apply a combination of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

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

According to DHCR rent registration records, 6,235 units were deregulated in 2014 under the High Rent/Vacancy Deregulation provisions of the RRRRA, up 30% from the number deregulated the prior year, the first increase in five years. Of these deregulated units, 57% were in Manhattan; 20% were in Brooklyn; 17%

High Rent/Vacancy Deregulation, 1994-2014

Increase in 2014 in Number of Units Deregulated due to High Rent/Vacancy



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

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

were in Queens; 5% were in the Bronx; and 1% were on Staten Island. (See Endnote 2.) Since 1994, a total of 139,408 units were registered with the DHCR as being deregulated due to High Rent/Vacancy Deregulation, 72% of which have been located in Manhattan.⁷

Since 2001, the first year owners were asked, but not required, to file High Rent/Vacancy Deregulation registrations, the rate at which they have changed over the prior year has varied.⁸ From 2001 to 2002, High Rent/Vacancy Deregulation registrations increased by 23%, and from 2002 to 2003, they increased by 34%. From 2004 to 2009, the rate of increase was between 4% and 8% each year, with the exception of 2008, when the number of units registering as deregulated due to High Rent/Vacancy Deregulation increased 24% over the prior year. Between 2010 and 2013, the number of units subject to High Rent/Vacancy Deregulation declined each year. However, in 2014,

the number of units newly deregulated rose 30% over the prior year. (See graph on this page and Appendices 4 through 6.)

Co-operative & Condominium Conversions

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

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

In 2014, a total of 789 units located in co-ops or condos left the stabilized housing stock, 2% more than left the system the prior year. By borough, the largest proportion of units leaving rent stabilization and becoming co-op/condo was in Queens, with 37% of the units; followed by Manhattan (32%); Brooklyn (22%); the Bronx (8%); and Staten Island (1%). An estimated total of 47,685 co-op or condo units have left the stabilized stock since 1994. (See Appendices 5 and 6.)

Expiration of Section 421-a and J-51 Benefits

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

In 2014, expiration of 421-a benefits resulted in a total of 1,011 units removed from the rent stabilization system, 34% more units than the number removed the prior year. The expiration of J-51 benefits in 2014 resulted in a total of 137 units removed, 27% fewer than in 2013. Among both programs, the vast majority of expirations were in one borough, with 97% of all 421-a expirations and 87% of J-51 expirations located in Manhattan. Since 1994 Citywide, 21,934 421-a units have left the rent stabilization system and 15,106 J-51 units are no longer rent regulated. (See Appendices 5 and 6.)

Substantial Rehabilitation

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

In 2014, 226 units were removed from stabilization through substantial rehabilitation, down 27% from the prior year. A total of 8,763 units have been removed from the rent stabilization system through substantial rehabilitation since 1994. (See Appendix 5.)

Conversion to Commercial or Professional Status

Space converted from residential use to commercial or professional use are no longer subject to rent regulation. In 2014, 13 units were converted to nonresidential use, compared to 31 in the prior year.

Since 1994, 2,275 residential units have been converted to nonresidential use. (See Appendix 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 416 units were removed from the stabilized housing stock in 2014 due to these reasons, down 32% from the prior year. By borough, the largest proportion of units leaving rent stabilization due to other losses was in Manhattan, with 53% of the units; followed by Brooklyn (33%); Queens (11%); and the Bronx (3%). There were none on Staten Island. Since 1994, 24,810 units have been removed from rent stabilization due to these other types of losses. (See Appendix 5.)

Net Change in Rent Stabilized Units, 2003-2014

Net Gain in Number of Units under Rent Stabilization in 2014



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

Summary

In 2014, a minimum of 9,013 housing units left rent stabilization and approximately 9,182 units initially entered the stabilization system.

The built-in fluidity of the system resulted in a net gain of at least 169 units among the rent stabilized housing stock in 2014, following the estimated net gain of 1,087 units seen in 2013. (See graph on previous page and Summary Table on next page.)

The vast majority of additions to the stabilized stock in 2014 were the result of tax incentive programs. The creation of 420-c units equaled 57% of the additions and 421-a units resulted in 34%. By borough, the Bronx saw the most additions (34%); followed by Manhattan (31%); Brooklyn (23%); Queens (12%); and Staten Island (1%). (See Endnote 2 and Appendix 2.) Units added to the stabilized stock in 2014 registered median legal rents of \$2,970.

Meanwhile, High Rent/Vacancy Deregulation was the largest source of measured subtractions from the rent stabilized housing stock in 2014, accounting for 69% of the total number of subtractions. By borough, 60% of all units leaving rent stabilization were located in Manhattan, a total of 5,406 units. Second largest was Brooklyn, representing 19% (1,711 units) removed; followed by Queens, 16% (1,446 units); the Bronx, 4% (394 units); and Staten Island, representing 1% (56 units) of the total number of units removed from rent stabilization in 2014. (See Appendix 6.)

Since 1994, the first year for which we have data, a total of 161,979 units have been added to the rent stabilization system, while a minimum of 265,965 rent stabilized units have been deregulated, for a minimum net loss to the rent stabilization system of 103,986 units over the last 21 years.⁹ □

Endnotes

1. The 420-c tax incentive program provides a complete exemption from real estate taxes for the term of the regulatory agreement (up to 30 years). Eligible projects are owned or controlled by a not-for-profit Housing Development Fund Company, subject to an HPD regulatory agreement which requires use as low-income housing and are financed in part with a loan from the City or State in conjunction with federal low-income housing tax credits.
2. Percentages do not total 100% due to rounding.
3. The 2014 Housing and Vacancy Survey reported a total of 27,039 rent controlled units in New York City.
4. The Rent Act of 2011, contained within Chapter 97 of the Laws of 2011, raised the threshold for deregulation upon vacancy from \$2,000 to \$2,500 effective June 24, 2011.
5. The final count for petitions for High Rent/High Income Deregulation may be slightly reduced as they are subject to appeal or in some cases, to review by a court of competent jurisdiction.
6. Deregulation of certain high rent apartments was instituted in New York City twice before, in 1964 and in 1968.
7. An October 2009 court decision, Roberts v Tishman Speyer Props., L.P., found that about 4,000 apartments in the Stuyvesant Town and Peter Cooper Village complexes in Manhattan were improperly deregulated because the buildings were receiving J-51 tax benefits. This ruling may affect other apartments deregulated elsewhere in the city. Data on the precise number of units returned to rent stabilization status is unavailable.
8. In March 2000, New York City enacted Local Law No. 12 (2000), which amended the administrative code of the City of New York in relation to extending the rent stabilization laws with certain amendments to such laws and the rent control law. However, NYC cannot supersede State law on these matters. Therefore, it is not binding, particularly with regard to filing a High Rent/Vacancy Deregulation form.
9. Almost the entire number of the estimated net loss of units to the rent stabilized housing stock will remain as housing units in New York City. These units would convert from rent stabilization to either forms of ownership or to non-regulated rental units unless they are demolished.

Summary Table of Additions and Subtractions to the Rent Stabilized Housing Stock in 2014

Program	Number of Units
ADDITIONS	
421-a	+ 3,110
J-51 conversions	+ 243
Mitchell-Lama buyouts	+ 318
Loft conversions	+ 21
420-c	+ 5,279
CHANGES	
Rent control to rent stabilization	+ 211
Subtotal Additions & Changes	+ 9,182
SUBTRACTIONS	
Co-op and Condo subtractions	- 789
High Rent/Vacancy Deregulation	- 6,235
High Rent/High Income Deregulation	- 186
421-a Expiration	- 1,011
J-51 Expiration	- 137
Substantial Rehabilitation	- 226
Commercial/Professional Conversion	- 13
Other Subtractions	- 416
Subtotal Subtractions	- 9,013
NET TOTAL	
Net Estimated Loss	+ 169

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

Appendix

1. Additions to the Stabilized Housing Stock, 1994-2014

Year	421-a	J-51	Mitchell-Lama Buyouts		Lofts	421-g	420-c	Formerly Controlled	Total
			State	City					
1994	-	114	0	0	-	-	-	-	114
1995	-	88	306	0	-	-	-	-	394
1996	-	8	0	0	-	-	-	-	8
1997	-	38	323	0	-	-	-	-	361
1998	-	135	574	1,263	64	-	-	-	2,036
1999	-	33	286	0	71	-	-	-	390
2000	-	224	0	0	96	-	-	-	320
2001	-	494	0	0	56	-	-	-	550
2002	-	260	0	232	16	-	-	-	508
1994-2002	20,240	1,394	1,489	1,495	303	865	5,500	31,159	62,445
2003	1,929	171	0	279	20	41	1,781	916	5,137
2004	4,941	142	0	229	129	188	1,973	706	8,308
2005	3,380	25	251	481	66	79	1,664	721	6,667
2006	2,264	130	285	2,755	81	5	1,798	634	7,952
2007	2,838	135	2,227	290	35	441	2,558	592	9,116
2008	1,856	55	0	101	35	865	4,767	887	8,566
2009	2,438	18	112	0	36	0	5,413	519	8,536
2010	7,596	80	0	0	9	0	4,211	451	12,347
2011	3,155	498	0	0	6	0	3,982	438	8,079
2012	2,509	108	132	0	17	0	3,834	360	6,960
2013	5,975	407	0	0	26	0	1,967	309	8,684
2014	3,110	243	318	0	21	0	5,279	211	9,182
Total	62,231	3,406	4,814	5,630	784	2,484	44,727	37,903	161,979

421-a Notes: Between 1994-2002, a count of 26,987 421-a units includes co-op and condo units that were created under the 421-a program. Analysis of the RPAD database shows that on average from 1994 to 2002, 25% of 421-a units were owner units and 75% were rental units. Therefore an estimated 20,240 units were added to the rent stabilized stock. Since 2003, 421-a data is obtained from DHCR, which provides 12 months worth of data from April 1 to March 31 of the following year, as shown above.

J-51 Notes: The numbers represent units that were not rent stabilized prior to entering the J-51 Program. Most units participating in the J-51 Program were rent stabilized prior to their J-51 status and therefore are not considered additions to the rent stabilized stock.

Loft Notes: Loft conversion counts are not available from 1994 to 1997.

421-g, 420-c and Rent Controlled Notes: Counts for individual years between 1994 and 2002 are not available; only an aggregate is available.

421-g Note: The 421-g tax incentive program provides 14-year tax exemption and abatement benefits for the conversion of commercial buildings to multiple dwellings in the Lower Manhattan Abatement Zone, generally defined as the area south of the centerline of Murray, Frankfort and Dover Streets, excluding Battery Park City and the piers. All rental units in the project become subject to rent stabilization for the duration of the benefits. Since the program required building permits be dated on or before June 30, 2006, it is not expected to add any further units.

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

2. Additions to the Stabilized Housing Stock by Borough, 2014

	<u>Bronx</u>	<u>Brooklyn</u>	<u>Manhattan</u>	<u>Queens</u>	<u>S.I.</u>	<u>Total</u>
4421-a	216	1,106	1,371	417	0	3,110
420-c	2,870	857	1,014	538	0	5,279
J-51	0	69	0	70	104	243
Mitchell-Lama Buyouts (City & State)	0	0	318	0	0	318
Lofts	0	6	15	0	0	21
Formerly Controlled	27	36	107	41	0	211
Total Additions	3,113	2,074	2,825	1,066	104	9,182

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

3. Subtractions from the Stabilized Housing Stock Due to High Rent/High Income Deregulation by Borough, 1994-2014

<u>Year</u>	<u>Bronx</u>	<u>Brooklyn</u>	<u>Manhattan</u>	<u>Queens</u>	<u>S.I.</u>	<u>Total</u>
1994	0	0	904	0	0	904
1995	0	0	346	0	0	346
1996	1	0	180	4	0	185
1997	1	0	157	2	0	160
1998	3	0	366	3	0	372
1999	2	1	279	1	0	283
2000	2	1	227	0	0	230
2001	3	0	209	2	0	214
2002	1	1	258	2	0	262
2003	2	13	177	6	0	198
2004	0	13	173	8	0	194
2005	4	30	220	11	0	265
2006	8	28	244	21	0	301
2007	9	45	241	14	0	309
2008	10	50	198	20	0	278
2009	16	57	364	20	0	457
2010	9	44	256	27	0	336
2011	6	38	149	19	0	212
2012	5	31	119	10	0	165
2013	3	32	74	18	0	127
2014	4	21	149	12	0	186
Total	89	405	5,290	200	0	5,984

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

4. Subtractions from the Stabilized Housing Stock Due to High Rent/Vacancy Deregulation by Borough, 1994-2014

Year	Bronx	Brooklyn	Manhattan	Queens	S.I.	Total
1994	3	9	544	9	0	565
1995	1	111	927	8	0	1,047
1996	10	106	1,203	6	0	1,325
1997	6	77	1,121	0	0	1,204
1998	7	116	2,247	14	0	2,384
1999	11	151	3,586	37	0	3,785
2000	7	279	2,586	62	0	2,934
2001	53	294	4,490	145	0	4,982
2002	64	391	5,431	251	7	6,144
2003	83	640	7,048	416	17	8,204
2004	101	758	7,271	697	29	8,856
2005	184	852	7,303	904	29	9,272
2006	217	1,408	7,187	1,106	65	9,983
2007	375	1,409	7,114	1,380	64	10,342
2008	447	1,884	8,600	1,787	82	12,800
2009	537	2,013	8,718	2,195	94	13,557
2010	581	2,154	7,807	2,290	79	12,911
2011	654	2,256	6,378	2,032	44	11,364
2012	281	1,189	4,289	922	32	6,713
2013	197	994	2,924	654	32	4,801
2014	309	1,247	3,572	1,056	51	6,235
Total	4,128	18,338	100,346	15,971	625	139,408

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

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

5. Subtractions from the Stabilized Housing Stock, 1994-2014

Year	High Rent/ High Income Deregulation	High Rent/ Vacancy Deregulation	Co-op/Condo Conversion	421-a Expiration	J-51 Expiration	Substantial Rehab	Commercial/ Professional Conversion	Other	Total
1994	904	565	5,584	2,005	1,345	332	139	1,904	12,778
1995	346	1,047	4,784	990	1,440	334	113	1,670	10,724
1996	185	1,325	4,733	693	1,393	601	117	1,341	10,388
1997	160	1,204	3,723	1,483	1,340	368	109	1,365	9,752
1998	372	2,384	3,940	2,150	1,412	713	78	1,916	12,965
1999	283	3,785	2,822	3,514	1,227	760	110	1,335	13,836
2000	230	2,934	3,147	3,030	884	476	729	1,372	12,802
2001	214	4,982	2,153	770	1,066	399	88	1,083	10,755
2002	262	6,144	1,774	653	1,081	508	45	954	11,421
2003	198	8,204	1,474	651	854	340	59	912	12,692
2004	194	8,856	1,564	493	609	268	79	954	13,017
2005	265	9,272	1,692	451	545	692	111	1,017	14,045
2006	301	9,983	1,567	263	236	350	135	1,139	13,974
2007	309	10,342	1,455	161	270	297	66	1,304	14,204
2008	278	12,800	1,405	376	176	421	56	1,321	16,833
2009	457	13,557	1,153	1,075	286	441	62	1,557	18,588
2010	336	12,911	1,130	657	143	274	32	1,424	16,907
2011	212	11,364	1,098	415	230	174	29	653	14,175
2012	165	6,713	924	336	244	481	74	562	9,499
2013	127	4,801	774	757	188	308	31	611	7,597
2014	186	6,235	789	1,011	137	226	13	416	9,013
Total	5,984	139,408	47,685	21,934	15,106	8,763	2,275	24,810	265,965

Co-op/Condo Note: Subtractions from the stabilized stock in co-ops and condos are due to two factors: (1) stabilized tenants vacating rental units in previously converted buildings and (2) new conversions of stabilized rental units to ownership.

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

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

6. Subtractions from the Stabilized Housing Stock by Borough, 2014

	Bronx	Brooklyn	Manhattan	Queens	S.I.	Total
High Rent/High Income Deregulation	4	21	149	12	0	186
High Rent/Vacancy Deregulation	309	1,247	3,572	1,056	51	6,235
Co-op/Condo Conversion	66	174	252	292	5	789
421-a Expirations	0	1	977	33	0	1,011
J-51 Expirations	2	16	119	0	0	137
Substantial Rehabilitation	0	112	112	2	0	226
Commercial/Professional Conversion	1	1	4	7	0	13
Other	12	139	221	44	0	416
Total Subtractions	394	1,711	5,406	1,446	56	9,013

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

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