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# 2016 Income and Expense Study

April 7, 2016

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# 2016 Income and Expense Study

## What's New

From 2013 to 2014, Net Operating Income (revenue remaining after operating expenses are paid) grew **3.5%**. This is the **tenth** consecutive year that net operating income has increased.

On average, in stabilized buildings, from 2013-2014:

- ✓ Rental income increased by **4.8%**.
- ✓ Total income rose by **4.9%**.
- ✓ Operating costs increased by **5.6%**.
- ✓ Net operating income (NOI) grew by **3.5%**.

## 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 revenue 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 2014, the year for which the most recent data is available, and also the extent by which these conditions changed from 2013.

## Local Law 63

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

Since 1990, the RGB has received data on samples of rent stabilized properties that file RPIE forms. Samples in the first two studies (data for 1988 and 1989) were limited to 500 buildings, because RPIE files were not automated. Upon computerization of I&E filings in 1992 (for cross-sectional data from 1990 and longitudinal data from 1989-90), the size of the samples used in RGB I&E studies has grown and this year includes 15,525 properties containing 698,801 units.

## Cross-Sectional Study

### Rents and Income<sup>1</sup>

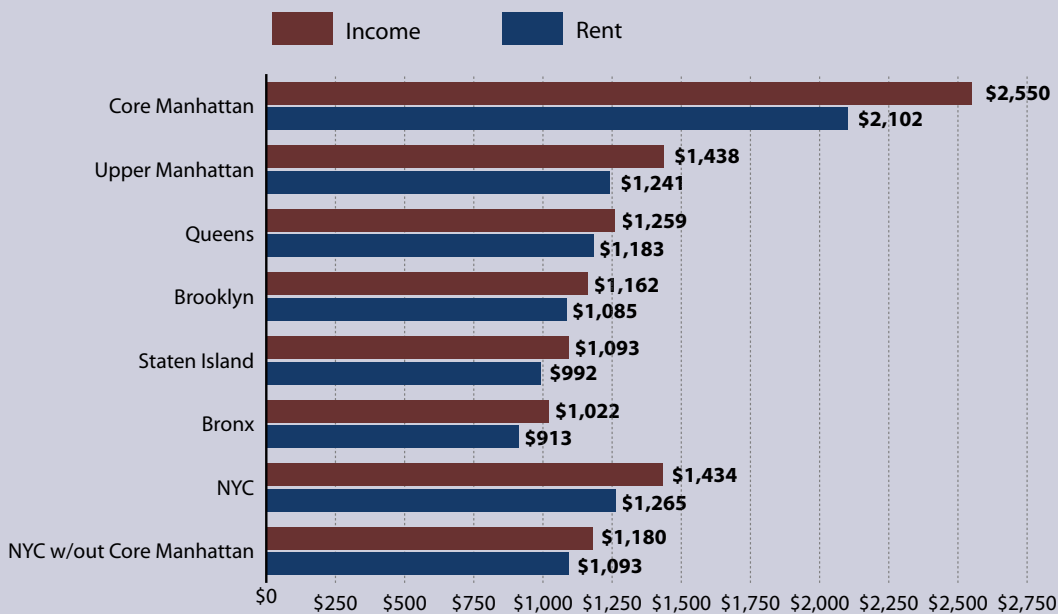
In 2014, rent stabilized property owners collected monthly rent averaging \$1,265 per unit. Similar to prior years, units in pre-war buildings rented for less on average (\$1,186 per month) than those in post-war buildings (\$1,474 per month).<sup>2</sup> At the borough level, the average monthly rents in stabilized buildings were \$1,758 in Manhattan (\$2,102 in Core Manhattan and \$1,241 in Upper Manhattan); \$1,183 in Queens; \$1,085 in Brooklyn; \$992 in Staten Island; and \$913 in the Bronx. Average monthly rent per unit in the City, excluding Core Manhattan, was \$1,093.

Looking at *median* figures, the median rent Citywide was \$1,090. At the borough level, median monthly rent was \$1,492 in Manhattan; \$1,143 in Queens; \$1,014 in Brooklyn; \$958 in Staten Island; and \$899 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 \$1,434 per unit in 2014, with pre-war buildings earning \$1,347 per unit and those in post-war properties earning \$1,663 per unit. Gross income was highest in Core Manhattan, at \$2,550 per unit per month, and lowest in the Bronx, at \$1,022. Monthly income per unit in the City, excluding Core Manhattan, was \$1,180. These gross income figures encompass rent from stabilized apartments as well as the sale of services (e.g., laundry, parking) and commercial income (e.g., retail, cell towers, billboards). Such proceeds accounted for an 11.8% share of the total income earned by building owners in 2014, up from 11.6% the prior year. By borough, income earned from the sale of services was 16.5% in Manhattan (17.6% in Core Manhattan and 13.7% in Upper Manhattan); 10.7% in the Bronx; 9.2% in Staten Island; 6.7% in

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

#### Rent and Income Were Highest in Manhattan in 2014



\* 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, 2014 RPIE Data

Brooklyn; and 6.1% in Queens. The graph on the previous page shows the average rent and income collected in 2014 by borough, and for the City as a whole.

Median Citywide income for owners in 2014 was \$1,186. At the borough level, Manhattan had the highest median income, at \$1,733; followed by Queens at \$1,179; Staten Island at \$1,058; Brooklyn at \$1,063; and the Bronx at \$983. (For rent and income averages and medians by borough and building age and size, see Appendices 3 and 4.)

### Comparing Rent Measurements

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

Rents included in RPIE filings are different than HVS and DHCR figures primarily because of differences in how average rents are computed. RPIE data reflects actual rent collections that account for vacancies or non-payment of rent. HVS data consists of contract rent (the amounts stated on leases, which includes both legal and preferential rents) while DHCR data consists of legal rents registered annually with the agency. Because HVS and DHCR rent data do not include vacancy and collection losses, in most years these rents are generally higher than RPIE rent collections data. Furthermore, RPIE information reflects rents collected over a 12-month period; DHCR data reflects rents registered on April 1, 2014; and 2014 HVS figures are contract rents in effect during the first four months of 2014. Because 2014 was the most recent year in which the HVS was conducted, it is possible to compare rent data from all three sources. In sum, despite the anomalies between the three rent indicators, the difference between RPIE rents and HVS or DHCR rents is a good estimate of vacancy and collection losses incurred by

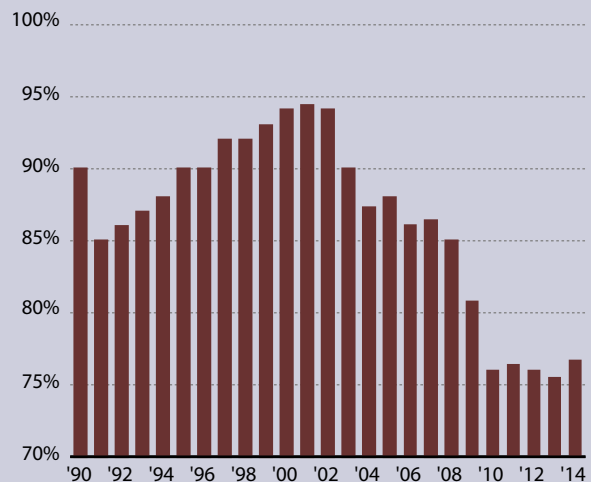
building owners, and the relative change in the gap is one way of estimating the change in such losses from year to year.

The latest RPIE and HVS data (2014) shows that the HVS average contract rent of \$1,317 for all rent stabilized apartments was 4.1% greater than the RPIE average collected rent of \$1,265 among buildings containing rent stabilized buildings.<sup>3</sup> In most years where the HVS and RPIE average rent figures could be compared, the HVS figure has generally exceeded the RPIE average. For instance, in 2011, the HVS average for all rent stabilized apartments was 6% greater than the RPIE average; in 2005, also 6%; in 1999, 2%; in 1996, 9%; in 1993, 6%; and in 1991, 4%. The only years when the average rent computed by the HVS did not exceed the RPIE average collected rent was in 2008, where they were virtually equal, and in 2002, when the RPIE rent exceeded the HVS rent by 5%.

HVS and RPIE data can also be analyzed by the age of the building. The 2014 HVS average contract rent in older, pre-war apartments was \$1,246, which was 5.1% higher than the RPIE average collected rent

### Average Monthly Citywide Collected Rents as a Share of Average Monthly DHCR Legal Registered Rents, 1990-2014

#### Percentage of Legal Rent Collected Increased in 2014



Source: DHCR Annual Rent Registrations; NYC Department of Finance, 1990-2014 RPIE Data.

of \$1,186. And the HVS average rent for units built after 1946, \$1,522, was 3.3% higher than the 2014 RPIE average rent of \$1,474.

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. By contrast, from 2002 until 2013, the gap grew almost every year. However, in 2014, the gap declined from 24.5% in 2013 to the

current 23.3%, as indicated by the average I&E rent of \$1,265 and DHCR's average stabilized rent of \$1,648.<sup>3</sup> The decrease in the gap between collected and legal rent indicates that building owners are collecting a higher proportion of their legal rent rolls in 2014 (see graph on the previous page).

At the borough level, the gap between collected and legal rent varies widely. In 2014, Manhattan property owners collected an average rent (\$1,758) that was 22.9% below DHCR's average legal rent for the borough (\$2,281), while owners in the other boroughs collected average rents that were 22.1% lower than legal rents in Queens; 23.7% lower in Brooklyn; 26.1% lower in the Bronx; and 31.9% lower in Staten Island. 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.<sup>4</sup>

Another benchmark that can help place RPIE rent data in context is the RGB Rent Index, which measures the overall effect of the Board's annual rent increases on contract rents each year. As the table on this page shows, average RPIE rent growth was higher than the renewal lease increases allowed by the RGB's guidelines for a fourth consecutive year. RPIE rent growth, up 4.8%, was greater than the increase in the RGB rent index, which was up 4.1%, between 2013 and 2014 (adjusted to a calendar year).<sup>5</sup> There are a number of ways in which rents may be raised beyond the RGB's guidelines, including the deregulation of apartment units; raising preferential rents; and through individual apartment and building-wide improvements.

An extended view of the three indices illustrates that overall, DHCR legal rents have grown faster than both collected rents and RGB rent guidelines from 1990 to 2014. During that period, DHCR adjusted legal rents increased 191.8%; RPIE collected rents increased 170.3%; and the RGB Rent Index increased 161.9% (these figures are not adjusted for inflation).<sup>6</sup>

## Rent Comparisons, 1990-2014

### 2013-14 DHCR Legal Rents Grew Faster Than RPIE Collected Rents and RGB Rent Index

	RPIE Rent Growth	DHCR Rent Growth (Adjusted)§	RGB Rent Index (Adjusted)Ø
90-91	3.4%	4.1%	4.1%
91-92	3.5%	3.0%	3.7%
92-93	3.8%	3.0%	3.1%
93-94	4.5%	2.4%	2.9%
94-95	4.3%	3.1%	3.1%
95-96	4.1%	4.1%	4.5%
96-97	5.4%	4.6%	5.2%
97-98	5.5%	3.3%	3.7%
98-99	5.5%	3.7%	3.8%
99-00	6.2%	4.4%	4.2%
00-01	4.9%	5.3%	5.0%
01-02	4.0%	4.4%	4.5%
02-03	3.6%	6.9%	4.1%
03-04‡	-	1.6%	5.5%
04-05	4.6%	5.8%	4.6%
05-06	5.6%	7.2%	4.3%
06-07	6.5%	6.0%	4.2%
07-08	5.8%	5.9%	4.7%
08-09	1.2%	5.4%	7.5%
09-10	0.7%	5.4%	5.2%
10-11	4.4%	5.7%	3.7%
11-12	5.0%	5.8%	4.4%
12-13	4.5%	5.4%	4.1%
13-14	4.8%	5.1%	4.1%
1990 to 2014*‡	170.3%	191.8%	161.9%

\* Not adjusted for inflation

§ See endnote 3 Ø See endnote 5

‡ See endnote 6

Sources: NYS DHCR Annual Rent Registrations; NYC Department of Finance, 1990-2014 RPIE Data

## Operating Costs

Rent stabilized apartment buildings regularly incur several types of expenses. RPIE filings include data on eight categories of operating and maintenance (O&M) costs: taxes; labor; utilities; fuel; insurance;

maintenance; administrative; and miscellaneous costs. Costs do not include debt service. 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-only buildings. Thus, the operating costs reported are comparatively high because they include maintenance costs for commercial space.

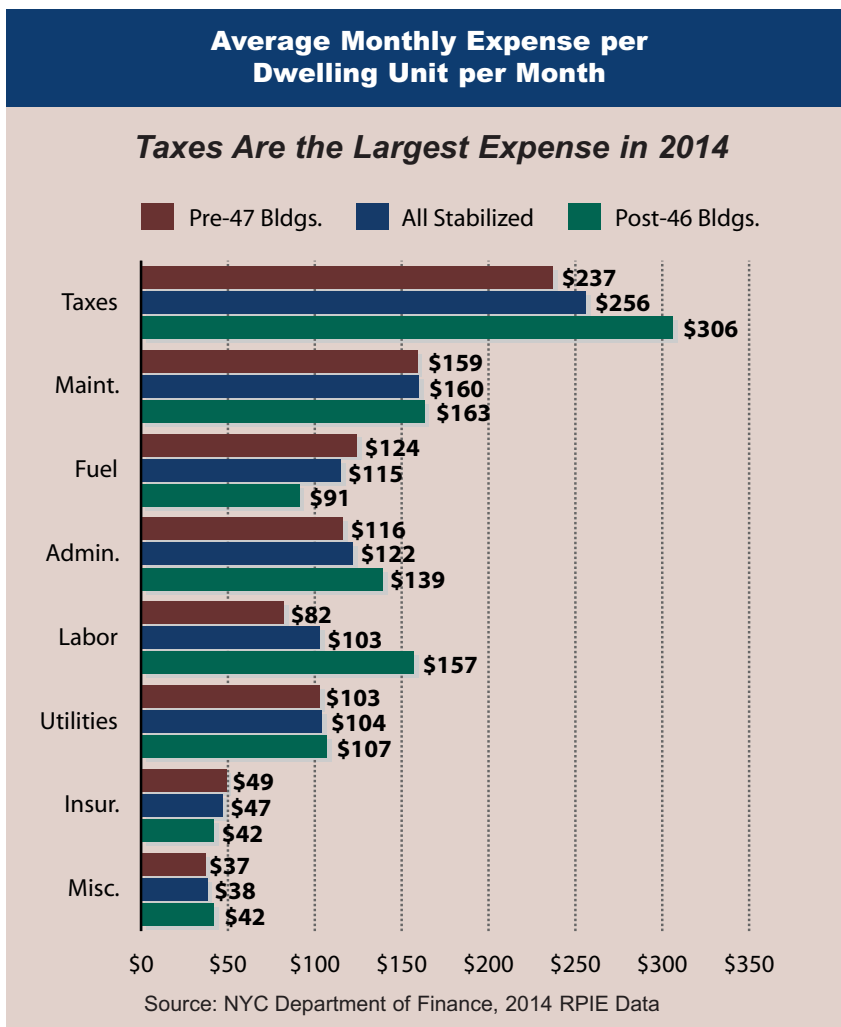
The average monthly operating cost for units in stabilized buildings was \$946 in 2014. Costs were lower in units in pre-war structures (\$907), and higher among post-war buildings (\$1,047). Geographically, average costs were lowest in Staten Island (\$749); Bronx (\$753); Brooklyn (\$756); and Queens (\$829); and highest in Manhattan (\$1,333). Looking more

closely at Manhattan buildings, costs for units located in Core Manhattan averaged \$1,545 a month, while the costs in Upper Manhattan were \$1,013. The average monthly operating costs for stabilized building owners in New York City, excluding Core Manhattan, reduces the City average to \$794. The graph on this page details average monthly expenses by cost category and building age for 2014. As the graph illustrates, taxes make up the largest share of expenses, averaging 27.1% of all costs.

Median Citywide expenses in 2014 were \$826. By borough, Manhattan had the highest median costs, at \$1,108; followed by Queens at \$773; the Bronx at \$732; Brooklyn at \$699; and Staten Island at \$681. (Appendices 1, 2 and 3 break down average costs by borough and building age; Appendix 4 details median costs; and Appendix 6 details distribution of costs.)

In 1992, the NYC Department of Finance and RGB staff tested RPIE expense data for accuracy. Initial examinations found that most “miscellaneous” costs were actually administrative or maintenance costs, while 15% were not valid business expenses. Further audits on the revenues and expenses of 46 rent stabilized properties discovered that O&M costs stated in RPIE filings were generally inflated by about 8%. Costs tended to be less accurate in small (11-19 units) properties and more precise for large (100+ units) buildings. However, these results are somewhat inconclusive since several owners of large stabilized properties refused to cooperate with the NYC Dept. of Finance’s assessors. Adjustment of the 2014 RPIE O&M cost (\$946) by the results of the 1992 audit results in an average monthly O&M cost of \$869 Citywide.

Just as buildings without commercial space typically generate



less revenue than stabilized properties with commercial space, operating expenses in these buildings tend to be lower on average than in buildings with a mixture of uses. In 2014, unaudited average O&M costs for “residential-only” buildings were \$869 per month and average audited O&M costs for these buildings were \$798 per month.

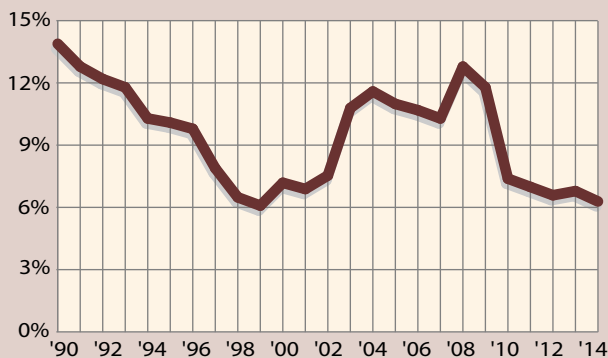
## "Distressed" Buildings

For the purposes of this study, buildings that have operating and maintenance costs greater than gross income are considered distressed. Among the properties that filed RPIEs for 2014, 982 buildings, or 6.3% of the cross-sectional sample, had O&M costs in excess of gross income, a half percentage point decline from the prior year's 6.8%. Since 1990, when 13.9% of the sample of stabilized properties were considered distressed, the proportion of distressed buildings declined each year until 1999, reaching a low of 6.1%. From 1999 until 2004, the proportion generally increased, but has declined for eight of the last ten years, and this year reached its lowest level in 15 years (see graph on this page).

Most distressed stabilized properties (61%) are mid-sized buildings, containing 20 to 99 units. In addition, the vast majority (93%) are pre-war buildings.

### Percent of Distressed Properties in Cross-Sectional Samples 1990-2014

#### Share of Distressed Properties Decrease in 2014



Source: NYC Department of Finance, 1990-2014 RPIE Data

Geographically, almost half (49%) of the buildings are located in Manhattan; while virtually all the remaining are in the Bronx (25%); Brooklyn (18%) and Queens (7%). (See Appendix 7 for a complete breakdown of distressed buildings by borough, building size and building age.)

## Net Operating Income

Revenues exceed operating costs in most stabilized buildings, yielding funds that can be used for mortgage payments, improvements and/or pre-tax profit. The amount of income remaining after operating and maintenance (O&M) expenses are paid is typically referred to as Net Operating Income (NOI). While financing costs, 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 \$488 of net income per month in 2014, with units in post-war buildings earning more (\$616 per month) than those in pre-war buildings (\$440 per month). Average monthly NOI tended to be greater for stabilized properties in Manhattan (\$774) than for those in the other boroughs: \$430 in Queens; \$406 in Brooklyn; \$344 in Staten Island; and \$269 per unit per month in the Bronx. There was a sizable difference when looking at NOI on a sub-borough level in Manhattan. Core Manhattan properties earned on average \$1,005 per unit per month in NOI, while properties in Upper Manhattan yielded an NOI of \$424. The monthly NOI average calculated Citywide, excluding Core Manhattan, was \$386. Looking at the NOI using audited expense figures, the Citywide NOI in 2014 was \$565.

Average monthly unaudited NOI in “residential-only” properties Citywide was \$437 per unit in 2014, 10.4% lower than the average for all stabilized buildings.

NOI reflects the revenue available after payment of operating costs; that is, the amount of money owners have for financing their buildings; making



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 \$488 per unit by the typical size of buildings in this year’s cross-sectional sample (an average of 45.0 units) yields an estimated average annual NOI of about \$264,000 in 2014. By contrast, examining the City, *excluding Core Manhattan*, the monthly NOI of \$386 per unit multiplied by the typical size of buildings in this year’s cross-sectional sample (an average of 45.4 units for this group) yields an estimated average annual Net Operating Income of about \$210,000.

## Operating Cost Ratios

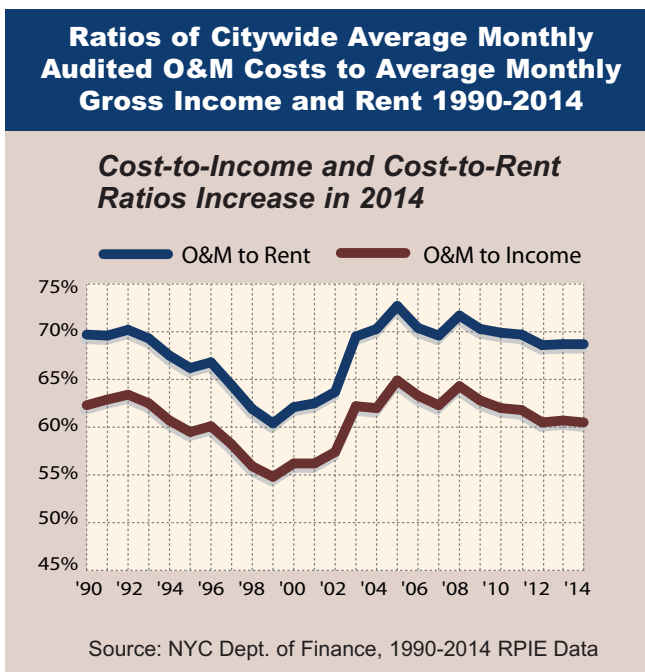
Another way to evaluate the profitability of New York City’s rent stabilized housing is by measuring the ratio of expenses to revenues. Traditionally, the RGB has used O&M Cost-to-Income and O&M Cost-to-Rent ratios to assess the overall health of the stabilized housing stock, presuming that buildings are better off by spending a lower percentage of revenue on

expenses. The graph on this page shows how over the period from 1990 to 2014, the proportion of total income and rent collections spent on audited operating costs has fluctuated. The audited Cost-to-Income ratio in 2014 was 60.6%, down 0.1 percentage point from the prior year’s 60.7%. This means that on average, owners of rent stabilized properties spent roughly 60.6 cents out of every dollar of revenue on operating and maintenance costs in 2014. Looking at unaudited expenses, the cost-to-income ratio in 2014 was 65.9%. The unaudited *median* cost-to-income ratio was 67% in 2014.

Examining the ratio of costs to rent collections, audited operating costs in 2014 were 68.7% of revenues from rent, unchanged from the prior year. Using unaudited expenses, the cost-to-rent ratio in 2014 was 74.8%. Looking at the unaudited *median* cost-to-rent ratio, it was 74% in 2014.

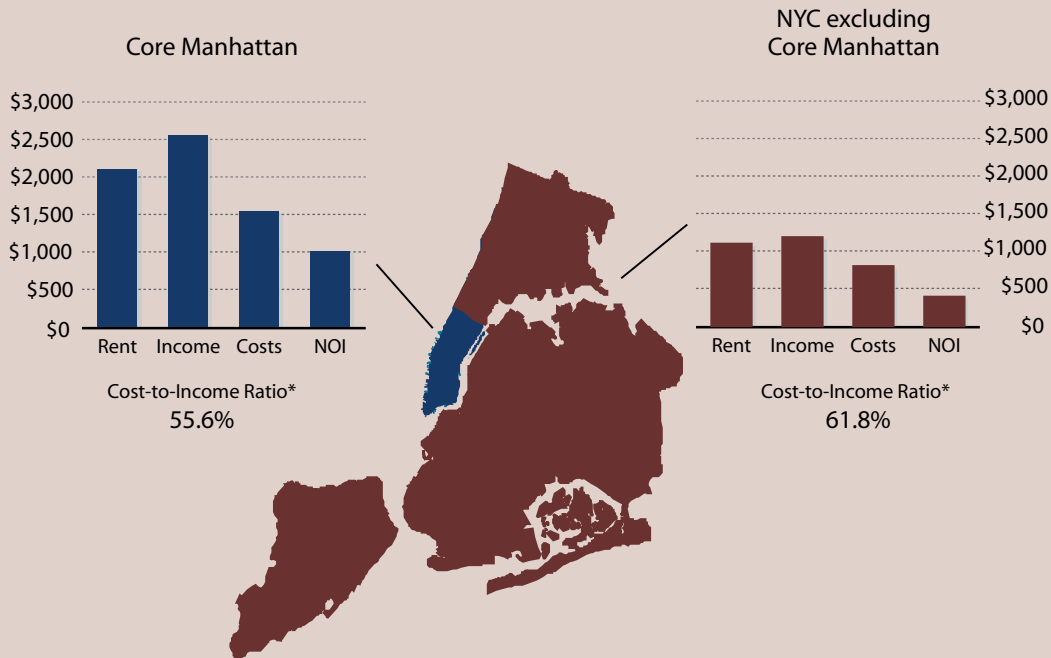
Rents, income, and costs per unit were on average highest in Core Manhattan in 2014 (see map and graphs on next page). When looking at the City with Core Manhattan excluded, the average revenue and costs figures are generally lower, resulting in expense to revenue ratios that are different. The audited Cost-to-Income Ratio for the rest of the City was 61.8%, higher than the Cost-to-Income Ratio for stabilized buildings in Manhattan’s Core (55.6%). These figures indicate that on average, owners of stabilized properties outside of Core Manhattan spend roughly six cents more of every dollar of revenue on expenses, as compared to their counterparts in Core Manhattan.

In an analysis of the distribution of operating costs in relation to total income in buildings by decile, it may be useful to examine the percentage of buildings with cost-to-income ratios at or below certain levels. The Department of Finance calculated decile levels, revealing that half of all rent stabilized buildings Citywide have unaudited cost-to-income ratios of 0.67 or less. This means that half the building owners spent no more than 67 cents out of every dollar of revenue on operating and maintenance costs in 2014. Looking at the 70% decile level Citywide, 70% of buildings pay no more than 76 cents of every dollar of revenue on operating and maintenance costs, and 30% pay more. The complete table of all ten decile levels Citywide and by borough can be found in Appendix 8.



**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, 2014**

**Cost-to-Income Ratio Lower in Core Manhattan in 2014**



\*Note: Ratios use audited costs.  
Source: NYC Department of Finance, 2014 RPIE Data

**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 2014 dollars) and comparing different base years to the latest data available is a useful way to assess the health of the stabilized housing stock and how well revenues have been meeting or exceeding expenses without erosion by inflation.

Point-to-point comparisons of average figures show that, from 1990 to 2014, *after* adjusting for inflation, NOI (the surrogate measure for profit) has increased 42.8% (see graph on next page). This indicates that revenues have outpaced expenses to the extent that average monthly NOI was worth 42.8% more in 2014

than it was in 1990, after adjusting for inflation. A different point-to-point comparison shows that between 2001 (NOI's second highest year since 1990) and 2014, NOI rose 4.4%, after adjusting for inflation.

Another way to look at how rent, income and costs, as well as 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 2014 period, inflation-adjusted rent increased a cumulative 33.6%, income by 35.3%, and costs by 31.8%, resulting in the aforementioned increase in NOI of 42.8%.

Examining the ratio of NOI to income, since 1990, the ratio has varied. From 1990-96, the ratio of NOI/income averaged 33%; from 1997-2002, 39%; from 2003-2008, 31%; and since 2009, the average ratio of NOI/income was about 33%. This means that on average, over the past six years, 33

cents of every dollar earned is net operating income for the owner.

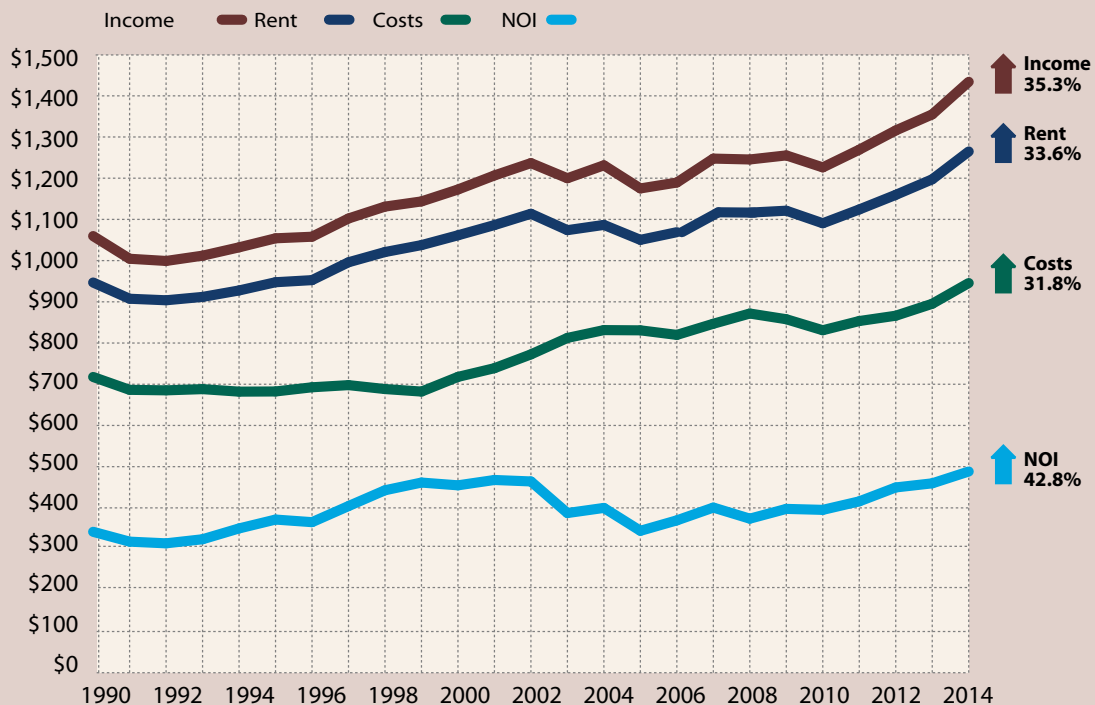
While the Citywide graph of inflation-adjusted revenue, expense and NOI figures is useful for demonstrating the overall stabilized rental housing market, disaggregating the same figures by borough shows how the market can differ from area to area (see

graphs on next page). Looking at each of the boroughs individually, from 1990 to 2014, all boroughs saw sizable increases in their net income, with Brooklyn seeing the most significant increase, up 86%; followed by Queens, up 57%; Manhattan, up 44%; and the Bronx, up 33%.

### Citywide Income, Rent, Costs and NOI After Inflation, 1990-2014

#### ***Inflation-Adjusted Net Operating Income Up 42.8% Since 1990***

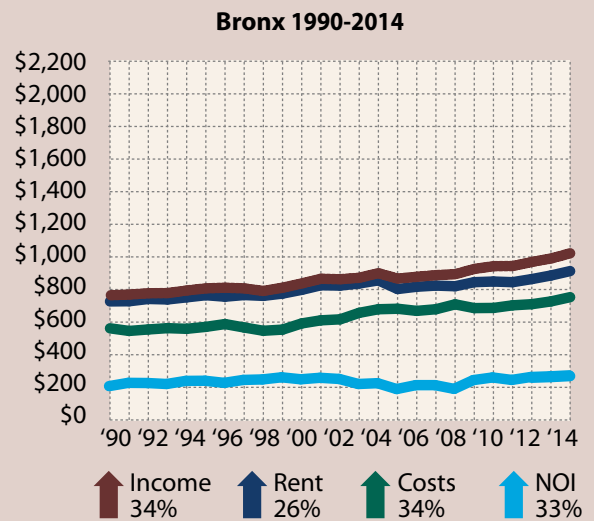
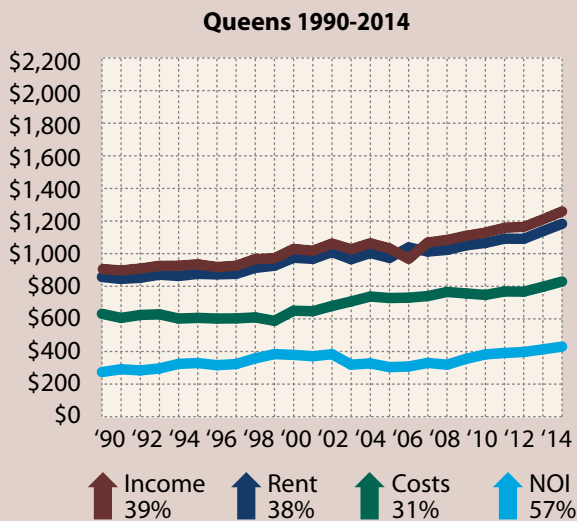
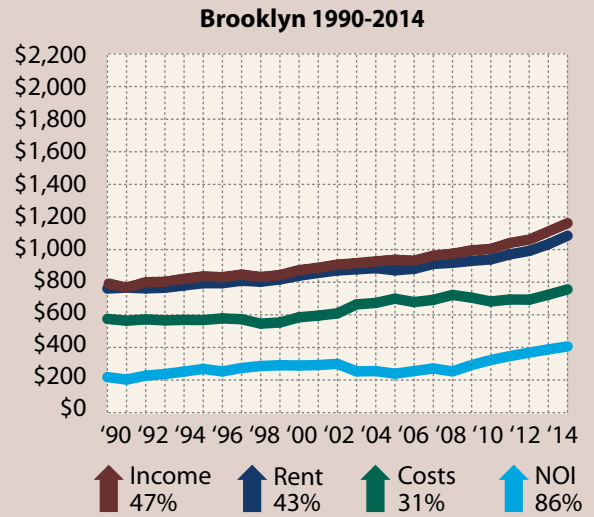
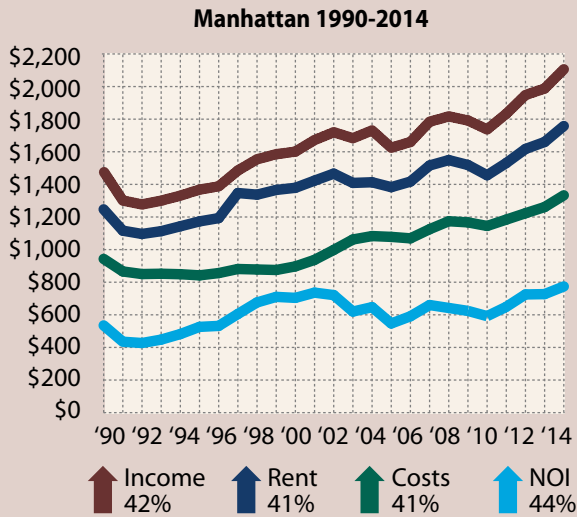
*(Average Monthly Income, Rent, Operating Costs and NOI per Dwelling Unit in Constant 2014 Dollars)*



Note: Percent changes are point-to-point measurements and should not be considered cumulatively.  
Sources: NYC Rent Guidelines Board *Income and Expense Studies*, 1992-2016.  
NYC Department of Finance, 1990-2014 RPIE Data.

## Income, Rent, Costs and NOI After Inflation per Borough, 1990-2014

**Since 1990, Inflation-Adjusted NOI Rises Citywide and in Each Borough**  
 (Average Monthly Income, Rent, Operating Costs and Net Operating Income per Dwelling Unit in Constant 2014 Dollars)



Note: Percent changes are point-to-point measurements and should not be considered cumulatively. Staten Island is excluded due to insufficient data from prior years. Sources: NYC Rent Guidelines Board *Income and Expense Studies*, 1992-2016. NYC Department of Finance, 1990-2014 RPIE Data.

## Longitudinal Study

The longitudinal section of this study measures changes in rent, income, costs, operating cost ratios, and net operating income that occurred in the same set of 12,973 buildings from 2013 to 2014.

## Rents and Income

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

Average rent collections in stabilized buildings rose by 4.8% in 2014. Rent collections in pre-war buildings grew at a higher rate, up 5.0%, than in post-war buildings, which increased by 4.3%. Rent collections increased the greatest among smaller, 11-19 unit buildings, up 5.7%; while rents rose 5.0% among mid-sized, 20-99 unit buildings; and the least

among large, 100+ unit buildings, up 3.9%. Examining rent collections by borough, Brooklyn saw the largest increase, up 5.2%; followed by the Bronx, up 4.8%; Manhattan, up 4.7%; Queens, up 4.3%; and Staten Island, up 1.6%. Within Manhattan, Upper Manhattan rents grew 4.9%, greater than the 4.6% increase in rents in Core Manhattan. Rent collections in the City, excluding Core Manhattan, rose 4.8%. The growth in *median* rent Citywide was 4.8%.

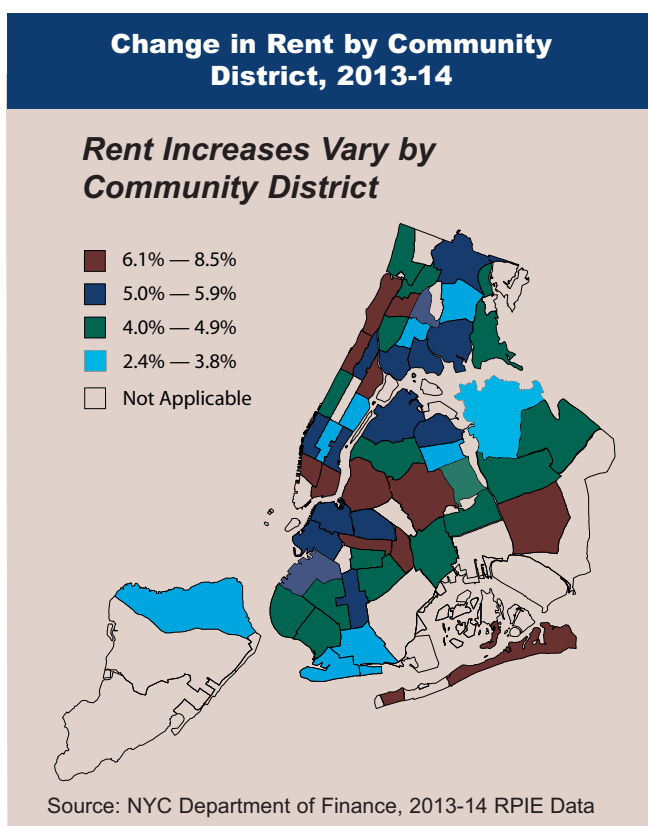
Looking at rent collections throughout New York City, every community district saw increases in average rent from 2013 to 2014.<sup>7</sup>

At the neighborhood level, the greatest rent growth was found in the Rockaways, Queens, rising 8.5%; Jamaica, Queens and East Harlem, Manhattan, both up 7.4%; and Morningside Heights/Hamilton Heights, Manhattan up 7.2%. Also among the largest rent increases were two Brooklyn neighborhoods: North Crown Heights/Prospect Heights, up 7.1%, and Brownsville, Ocean Hill, up 6.9%. The Bronx neighborhood seeing the largest increase was University Heights/Fordham, up 6.1%. See map on this page and Appendix 13 for a breakdown of rent increases by community district throughout NYC.

The average total income collected in rent stabilized buildings, comprising apartment rents, commercial rents and sales of services, increased by 4.9% from 2013 to 2014. Revenues rose faster in pre-war buildings, up 5.2%, than in post-war buildings, up 4.2%. Brooklyn saw the highest growth in income, rising 5.2%; followed by Manhattan, up 5.0%; the Bronx, up 4.6%; Queens, up 4.4%; and Staten Island, up 2.3%. Within Manhattan, Upper Manhattan income rose 6.0%; while Core Manhattan income rose 4.7%. Total income in the City, excluding Core Manhattan, rose 4.9%. The *median* growth in income Citywide was 5.0%.

## Operating Costs

Average expenses in stabilized buildings Citywide increased 5.6% from 2013 to 2014. However, the change in operating costs varied by building age and by borough. Pre-war buildings saw expenses increase 5.3%, while newer, post-war buildings saw expenses increase 6.1%. Breaking down the change in costs by



borough, costs rose the most in Brooklyn, up 5.9%; while costs rose 5.7% in both Manhattan and Staten Island; 5.6% in Queens; and 4.9% in the Bronx. Within Manhattan, Upper Manhattan costs rose 5.9%; while Core Manhattan costs rose 5.7%. Operating costs in the City, excluding Core Manhattan, rose 5.5%. Citywide, *median* expenses rose 4.8%. For a detailed breakdown of the changes in rent, income and costs by building size, age and location, see Appendices 10 and 11.

### RPIE Expenses and the PIOC

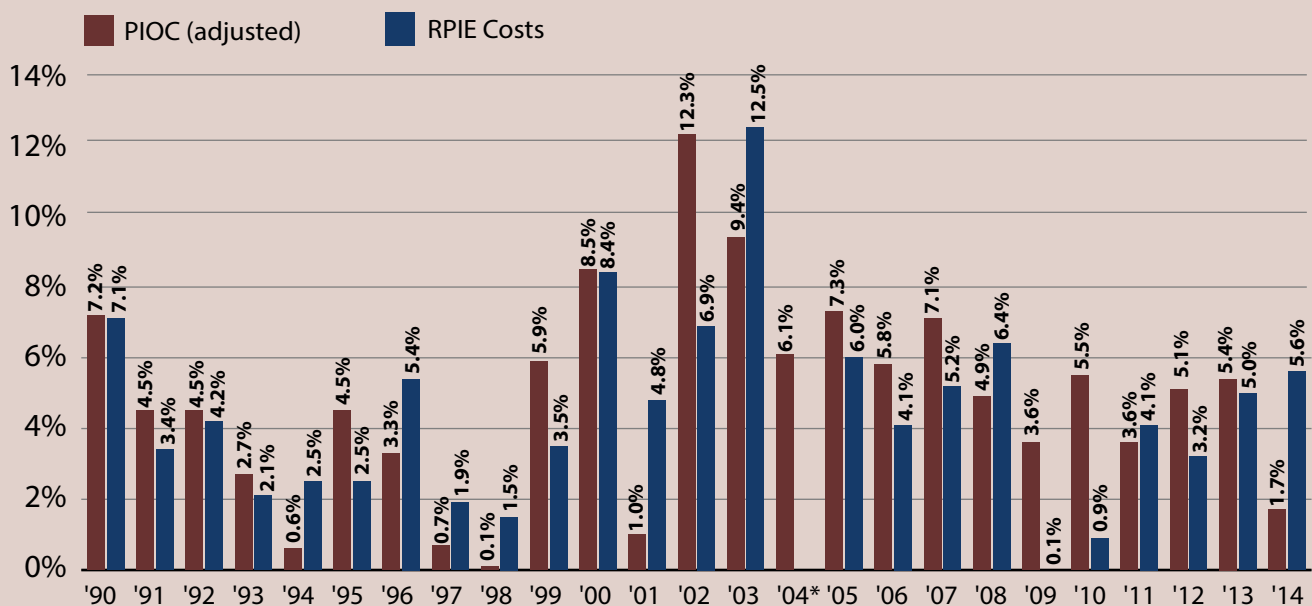
Data from the RPIE and the RGB’s long-running survey, the Price Index of Operating Costs (PIOC), each provide a form of independent verification for the expense findings in the other. However, comparison of I&E and PIOC data is somewhat distorted due to differences in the way each instrument defines 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 a March to March 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 1.7% from 2013 to 2014, the same period as the 5.6% increase in I&E costs, a 3.9 percentage point difference. (See graph on this page.)

From 1990-91 to 2013-14, cumulative growth in owners’ costs as measured by the two indices varied. Overall nominal costs measured in the PIOC increased at a greater rate, 184.6%, compared to RPIE data, which grew 164.6% over this period.<sup>8</sup>

### Change in Operating & Maintenance Costs, RPIE and the PIOC, 1990 to 2014

**In 2014, Owner-Reported RPIE Costs Increased at a Greater Rate than the PIOC**



\*Longitudinal RPIE data for 2003-04 is unavailable (see endnote 8).

Sources: NYC Department of Finance, 1990-2014 RPIE Data; NYC Rent Guidelines Board Price Index of Costs (PIOC) 1990-2014

## Operating Cost Ratios

Between 2013 and 2014, the proportion of gross income spent on audited expenses (the O&M Cost-to-Income ratio) increased, rising by 0.4 percentage points. The proportion of rental income used for audited expenses (the O&M Cost-to-Rent ratio) similarly rose, increasing by 0.5 percentage points.

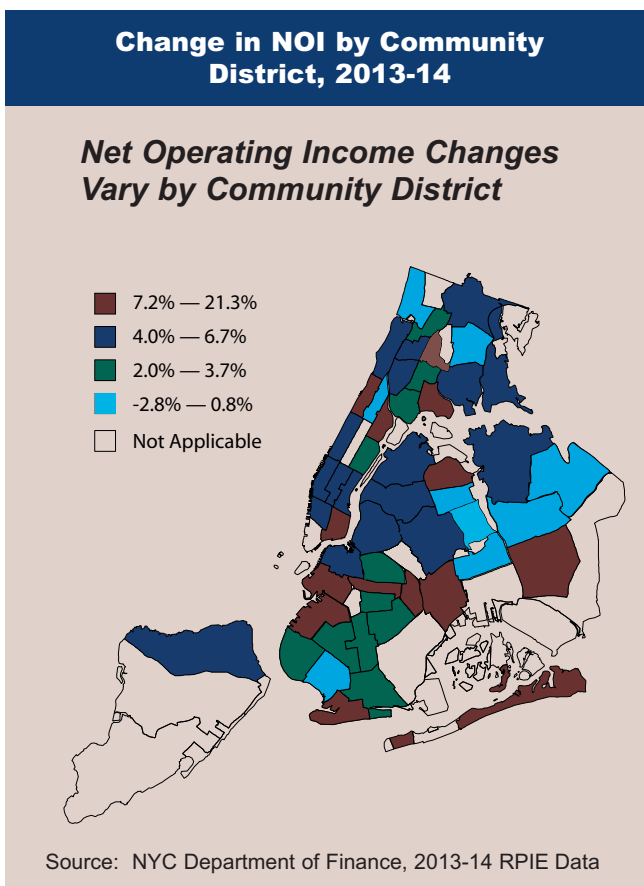
## Net Operating Income

Net Operating Income (NOI) refers to the earnings that remain after operating and maintenance (O&M) expenses are paid, but before payments of income tax and debt service. Since average actual collected income grew more than operating costs, Citywide net operating income in rent stabilized buildings increased by 3.5% in 2014, the tenth consecutive year that NOI has increased.

The average change in NOI from 2013 to 2014 differed throughout the City. Every borough except Staten Island saw NOI increase, with Manhattan

seeing the largest increase, up 3.9%; while NOI rose 3.8% in Brooklyn; 3.6% in the Bronx; and 2.1% in Queens. By contrast, NOI declined 4.3% in Staten Island. Within Manhattan, Upper Manhattan NOI increased 6.2%, while it rose 3.3% in Core Manhattan. Monthly NOI in the City excluding Core Manhattan rose 3.7%. See Appendix 12 for a breakdown of NOI by borough, building age and building size.

At the Community District level, change in NOI varied widely, with 90% of neighborhoods experiencing increases in NOI. Hunts Point/Longwood in the Bronx saw the largest growth in NOI, rising 21.3%; followed by Jamaica, Queens, up 17.2%; East Harlem, Manhattan, up 13.6%; the Rockaways, Queens, up 13.4%; and Sunset Park, Brooklyn, up 11.8%. By contrast, five neighborhoods saw NOI decline from 2013 to 2014. The largest decline was in Bayside/Little Neck, Queens, down 2.8%. The map on this page and Appendix 13 shows how change in NOI varied in each neighborhood. (See endnote 7.)



## Summary

RPIE filings, from over 15,500 rent stabilized buildings containing about 698,800 units in the cross-sectional sample and from almost 13,000 buildings containing about 595,600 units in the longitudinal sample, were analyzed in this year's *Income and Expense Study*. Citywide, average rent rose 4.8%, revenue collections rose 4.9%; and expenses rose by 5.6%. Despite the greater rate of increase in expenses, Net Operating Income (NOI) Citywide increased by 3.5%, the tenth consecutive year that NOI has increased. In addition, the proportion of distressed properties Citywide declined 0.5 percentage points, and the audited cost-to-income ratio was 60.6%, down 0.1 percentage point from the prior year.

## Methodology

The information in this report was generated by analyzing data derived from RPIE forms filed with the NYC Department of Finance in 2015 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 2014, was made available to NYC Rent Guidelines Board research staff in December, 2015 for analysis. Unit averages contained in this analysis were computed by the NYC Department of Finance. The averages were then weighted by the RGB using data

from the 2014 NYC Housing and Vacancy Survey, the most recent comprehensive data available, to calculate averages that are representative of the population of residential buildings in New York City. In addition, medians were calculated and included in this report. The medians derived from the sample were also

**Changes in Average Monthly Rents, Income, Operating Costs and Net Operating Income per Dwelling Unit, 1990-2014**

**Net Operating Income (NOI) Increased from 2013 to 2014,  
10<sup>th</sup> Consecutive Yearly Increase in NOI**

	<i>Avg. Rent Growth</i>	<i>Avg. Income Growth</i>	<i>Avg. Cost Growth</i>	<i>Avg. NOI Growth</i>
90-91	3.4%	3.2%	3.4%	2.8%
91-92	3.5%	3.1%	4.2%	1.2%
92-93	3.8%	3.4%	2.1%	6.3%
93-94	4.5%	4.7%	2.5%	9.3%
94-95	4.3%	4.4%	2.5%	8.0%
95-96	4.1%	4.3%	5.4%	2.3%
96-97	5.4%	5.2%	1.9%	11.4%
97-98	5.5%	5.3%	1.5%	11.8%
98-99	5.5%	5.5%	3.5%	8.7%
99-00	6.2%	6.5%	8.4%	3.5%
00-01	4.9%	5.2%	4.8%	5.9%
01-02	4.0%	4.1%	6.9%	-0.1%
02-03	3.6%	4.5%	12.5%	-8.7%
03-04	-	-	-	-
04-05	4.6%	4.7%	6.0%	1.6%
05-06	5.6%	5.5%	4.1%	8.8%
06-07	6.5%	6.5%	5.2%	9.3%
07-08	5.8%	6.2%	6.4%	5.8%
08-09	1.4%	1.8%	0.1%	5.8%
09-10	0.7%	1.2%	0.9%	1.8%
10-11	4.4%	4.5%	4.1%	5.6%
11-12	5.0%	5.3%	3.2%	9.6%
12-13	4.5%	4.5%	5.0%	3.4%
<b>13-14</b>	<b>4.8%</b>	<b>4.9%</b>	<b>5.6%</b>	<b>3.5%</b>

Source: NYC Department of Finance, 1990-2014 RPIE Data  
Note: Longitudinal data from 2003-04 is unavailable.



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produced by the NYC Department of Finance and are unweighted.

Two types of summarized data, cross-sectional and longitudinal, were obtained for stabilized buildings. Cross-sectional data, which provides a “snapshot” or “moment-in-time” view, comes from properties that filed RPIE forms in 2015, or alternatively, TCIE (Tax Commission Income & Expense) forms.<sup>9</sup> Data from the forms was used to compute average and median rents, operating costs, etc., that were typical of the year 2014. Longitudinal data, which provides a direct comparison of identical elements over time, encompasses properties that filed RPIE/TCIE forms for the years 2013 and 2014. 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 2014, while longitudinal data measures changes in conditions that occurred from 2013 to 2014.

This year, 15,525 buildings containing rent stabilized units were analyzed in the cross-sectional study and 12,973 buildings were examined in the longitudinal study. The sample of buildings was created by matching a list of properties registered with DHCR against building data found in 2015 RPIE or TCIE statements (or 2014 and 2015 statements for the longitudinal sample). A building is considered rent stabilized if it contains at least one rent stabilized unit.<sup>10</sup>

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

- Buildings containing fewer than 11 units. Owners of buildings with fewer than 11 apartments (without commercial units) are not required to file RPIE forms;
- Owners who did not file an RPIE or TCIE form in 2015 for the cross-sectional study, or an RPIE or TCIE form in both 2014 and 2015 for the longitudinal study;
- No unit count could be found in RPIE/TCIE records; and
- No apartment rent or income figures were recorded on the RPIE or TCIE forms. In these cases, forms were improperly completed or the building was vacant.

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

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

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

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## ***Endnotes***

1. RPIE rent figures include money collected for apartments, owner-occupied or related space and government subsidies. Income encompasses all revenue from rents, sales of services, such as laundry, parking, and vending, and all other operating income.
2. Pre-war buildings refer to those built before 1947; post-war buildings refer to those built after 1946.
3. According to the NYC Department of Finance, over 90% of owners filing RPIE's report income and expense data by calendar year. In earlier reports, adjusted DHCR data was calculated on a July-to-June fiscal year. Beginning with the 2008 *Income and Expense Study*, adjustment of DHCR Citywide data was calculated on the January-to-December calendar year, so figures may differ from data reported in prior years.
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 can offer preferential rents when the current market cannot bear the legal rent. According to DHCR, 28% of all 2014 apartment registrations filed indicate a preferential rent.
5. Since the 2008 *Income and Expense Study*, adjustment of the RGB Rent Index has been calculated on a January-to-December calendar year. Also see Endnote 3.
6. RPIE 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, 164.6%, is understated. To make a more valid comparison between the three indices, cumulative increases in both the RGB Rent Index and DHCR contract rent calculations exclude 2003-04 data as well.
7. Seven Community Districts were excluded from this analysis because they contained too few buildings for the data to be reliable. Unlike Citywide and borough level rent and expense data, average CD rents and expenses are unweighted and do not necessarily represent the population of buildings in these Community Districts. All averages were computed by the NYC Department of Finance.
8. Due to the unavailability of RPIE longitudinal data for 2003-04, PIOC data from 2003-04 is also excluded from this comparison.
9. TCIE (Tax Commission Income & Expense) forms are used by the NYC Department of Finance when RPIE forms are not filed by owners.
10. Beginning with the 2014 RPIE, filers with buildings of an assessed value of \$250,000 or less had an option to complete a simpler Short Form. Just one building that contains rent stabilized units, registered with DHCR, and was required to file an RPIE in 2015, utilized the Short Form option.

# Appendices

## 1. Cross-Sectional Income and Expense Study, Estimated Average Operating & Maintenance Cost (2014) 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
<b>Citywide</b>	<b>\$237</b>	<b>\$82</b>	<b>\$124</b>	<b>\$75</b>	<b>\$28</b>	<b>\$159</b>	<b>\$116</b>	<b>\$49</b>	<b>\$37</b>	<b>\$907</b>
11-19 units	\$293	\$78	\$127	\$78	\$32	\$171	\$129	\$53	\$45	\$1,007
20-99 units	\$209	\$71	\$126	\$76	\$26	\$154	\$111	\$49	\$35	\$857
100+ units	\$397	\$194	\$101	\$65	\$37	\$180	\$140	\$43	\$38	\$1,194
<b>Bronx</b>	<b>\$121</b>	<b>\$67</b>	<b>\$146</b>	<b>\$82</b>	<b>\$27</b>	<b>\$141</b>	<b>\$96</b>	<b>\$53</b>	<b>\$22</b>	<b>\$755</b>
11-19 units	\$120	\$79	\$153	\$86	\$36	\$145	\$103	\$55	\$27	\$802
20-99 units	\$121	\$65	\$146	\$82	\$27	\$141	\$96	\$53	\$22	\$752
100+ units	\$125	\$87	\$133	\$78	\$22	\$153	\$98	\$48	\$9	\$753
<b>Brooklyn</b>	<b>\$167</b>	<b>\$60</b>	<b>\$92</b>	<b>\$75</b>	<b>\$23</b>	<b>\$144</b>	<b>\$94</b>	<b>\$46</b>	<b>\$33</b>	<b>\$734</b>
11-19 units	\$191	\$62	\$101	\$76	\$24	\$164	\$101	\$49	\$33	\$801
20-99 units	\$161	\$56	\$92	\$75	\$23	\$141	\$92	\$46	\$33	\$718
100+ units	\$187	\$94	\$77	\$68	\$24	\$137	\$103	\$41	\$28	\$759
<b>Manhattan</b>	<b>\$404</b>	<b>\$118</b>	<b>\$133</b>	<b>\$73</b>	<b>\$34</b>	<b>\$193</b>	<b>\$161</b>	<b>\$51</b>	<b>\$54</b>	<b>\$1,220</b>
11-19 units	\$439	\$96	\$137	\$81	\$39	\$196	\$176	\$59	\$64	\$1,288
20-99 units	\$354	\$92	\$136	\$73	\$29	\$187	\$153	\$50	\$53	\$1,127
100+ units	\$630	\$299	\$105	\$58	\$52	\$217	\$185	\$43	\$43	\$1,632
<b>Queens</b>	<b>\$212</b>	<b>\$71</b>	<b>\$116</b>	<b>\$68</b>	<b>\$24</b>	<b>\$140</b>	<b>\$87</b>	<b>\$42</b>	<b>\$35</b>	<b>\$794</b>
11-19 units	\$198	\$57	\$129	\$66	\$21	\$135	\$67	\$43	\$26	\$741
20-99 units	\$211	\$67	\$116	\$68	\$24	\$139	\$91	\$41	\$33	\$791
100+ units	\$237	\$117	\$91	\$69	\$22	\$152	\$92	\$41	\$63	\$886
<b>Core Man</b>	<b>\$556</b>	<b>\$142</b>	<b>\$112</b>	<b>\$64</b>	<b>\$37</b>	<b>\$203</b>	<b>\$182</b>	<b>\$51</b>	<b>\$51</b>	<b>\$1,398</b>
11-19 units	\$540	\$90	\$127	\$75	\$38	\$202	\$185	\$60	\$52	\$1,369
20-99 units	\$514	\$102	\$110	\$63	\$31	\$194	\$176	\$49	\$56	\$1,294
100+ units	\$699	\$325	\$101	\$55	\$56	\$228	\$194	\$43	\$37	\$1,738
<b>Upper Man</b>	<b>\$227</b>	<b>\$90</b>	<b>\$156</b>	<b>\$82</b>	<b>\$30</b>	<b>\$180</b>	<b>\$137</b>	<b>\$51</b>	<b>\$57</b>	<b>\$1,009</b>
11-19 units	\$236	\$107	\$158	\$92	\$41	\$183	\$156	\$57	\$89	\$1,119
20-99 units	\$224	\$83	\$157	\$81	\$28	\$181	\$133	\$50	\$51	\$989
100+ units	\$272	\$164	\$126	\$69	\$32	\$156	\$138	\$40	\$71	\$1,068
<b>City w/o Core</b>	<b>\$169</b>	<b>\$69</b>	<b>\$126</b>	<b>\$78</b>	<b>\$26</b>	<b>\$149</b>	<b>\$102</b>	<b>\$48</b>	<b>\$34</b>	<b>\$801</b>
11-19 units	\$190	\$73	\$127	\$79	\$29	\$158	\$105	\$50	\$42	\$853
20-99 units	\$163	\$66	\$128	\$78	\$25	\$148	\$101	\$49	\$32	\$791
100+ units	\$198	\$108	\$99	\$71	\$24	\$147	\$103	\$42	\$39	\$830

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

Source: NYC Department of Finance, RPIE Filings.

## 2. Cross-Sectional Income and Expense Study, Estimated Average Operating & Maintenance Cost (2014) 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
<b>Citywide</b>	<b>\$306</b>	<b>\$157</b>	<b>\$91</b>	<b>\$66</b>	<b>\$42</b>	<b>\$163</b>	<b>\$139</b>	<b>\$42</b>	<b>\$42</b>	<b>\$1,047</b>
11-19 units	\$156	\$94	\$84	\$75	\$46	\$167	\$141	\$46	\$16	\$825
20-99 units	\$210	\$94	\$89	\$68	\$36	\$151	\$117	\$43	\$37	\$844
100+ units	\$407	\$220	\$93	\$62	\$46	\$173	\$158	\$40	\$50	\$1,248
<b>Bronx</b>	<b>\$116</b>	<b>\$87</b>	<b>\$113</b>	<b>\$76</b>	<b>\$43</b>	<b>\$131</b>	<b>\$116</b>	<b>\$43</b>	<b>\$20</b>	<b>\$745</b>
11-19 units	-	-	-	-	-	-	-	-	-	-
20-99 units	\$116	\$77	\$113	\$75	\$41	\$128	\$105	\$46	\$20	\$722
100+ units	\$115	\$108	\$111	\$77	\$47	\$130	\$136	\$37	\$19	\$781
<b>Brooklyn</b>	<b>\$176</b>	<b>\$105</b>	<b>\$71</b>	<b>\$68</b>	<b>\$37</b>	<b>\$158</b>	<b>\$121</b>	<b>\$45</b>	<b>\$38</b>	<b>\$818</b>
11-19 units	-	-	-	-	-	-	-	-	-	-
20-99 units	\$178	\$88	\$72	\$69	\$35	\$162	\$122	\$46	\$36	\$809
100+ units	\$182	\$138	\$68	\$64	\$38	\$138	\$105	\$41	\$48	\$823
<b>Manhattan</b>	<b>\$669</b>	<b>\$304</b>	<b>\$103</b>	<b>\$54</b>	<b>\$58</b>	<b>\$219</b>	<b>\$217</b>	<b>\$44</b>	<b>\$55</b>	<b>\$1,724</b>
11-19 units	\$295	\$112	\$107	\$67	\$66	\$214	\$191	\$55	\$6	\$1,114
20-99 units	\$453	\$135	\$95	\$53	\$44	\$201	\$171	\$42	\$68	\$1,261
100+ units	\$730	\$353	\$104	\$54	\$62	\$224	\$229	\$44	\$51	\$1,852
<b>Queens</b>	<b>\$230</b>	<b>\$120</b>	<b>\$85</b>	<b>\$68</b>	<b>\$32</b>	<b>\$137</b>	<b>\$106</b>	<b>\$36</b>	<b>\$49</b>	<b>\$864</b>
11-19 units	\$175	\$90	\$89	\$80	\$44	\$137	\$120	\$41	\$15	\$790
20-99 units	\$223	\$98	\$89	\$68	\$31	\$136	\$99	\$38	\$39	\$821
100+ units	\$243	\$144	\$82	\$66	\$31	\$138	\$110	\$34	\$62	\$910
<b>St. Island</b>	<b>\$177</b>	<b>\$118</b>	<b>\$80</b>	<b>\$51</b>	<b>\$25</b>	<b>\$163</b>	<b>\$83</b>	<b>\$36</b>	<b>\$13</b>	<b>\$745</b>
11-19 units	-	-	-	-	-	-	-	-	-	-
20-99 units	\$141	\$63	\$49	\$51	\$31	\$155	\$97	\$43	\$11	\$641
100+ units	-	-	-	-	-	-	-	-	-	-
<b>Core Man</b>	<b>\$773</b>	<b>\$333</b>	<b>\$102</b>	<b>\$53</b>	<b>\$59</b>	<b>\$229</b>	<b>\$226</b>	<b>\$46</b>	<b>\$62</b>	<b>\$1,883</b>
11-19 units	\$564	\$110	\$99	\$77	\$61	\$277	\$201	\$59	\$13	\$1,460
20-99 units	\$562	\$146	\$86	\$48	\$41	\$215	\$182	\$43	\$66	\$1,388
100+ units	\$822	\$378	\$105	\$54	\$63	\$232	\$236	\$46	\$61	\$1,998
<b>Upper Man</b>	<b>\$234</b>	<b>\$182</b>	<b>\$105</b>	<b>\$59</b>	<b>\$54</b>	<b>\$176</b>	<b>\$174</b>	<b>\$38</b>	<b>\$25</b>	<b>\$1,049</b>
11-19 units	-	-	-	-	-	-	-	-	-	-
20-99 units	\$185	\$105	\$113	\$64	\$49	\$164	\$140	\$40	\$73	\$933
100+ units	-	-	-	-	-	-	-	-	-	-
<b>City w/o Core</b>	<b>\$189</b>	<b>\$112</b>	<b>\$88</b>	<b>\$68</b>	<b>\$37</b>	<b>\$145</b>	<b>\$116</b>	<b>\$40</b>	<b>\$37</b>	<b>\$833</b>
11-19 units	\$151	\$94	\$84	\$75	\$46	\$165	\$140	\$46	\$16	\$816
20-99 units	\$178	\$89	\$89	\$70	\$36	\$145	\$111	\$43	\$34	\$795
100+ units	\$208	\$144	\$86	\$66	\$37	\$143	\$119	\$36	\$44	\$882

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

Source: NYC Department of Finance, RPIE Filings.

### 3. Cross-Sectional Income and Expense Study, Estimated Average Rent, Income and Costs (2014) per Apartment per Month by Building Size and Location

	Post-46			Pre-47			All		
	Rent	Income	Costs	Rent	Income	Costs	Rent	Income	Costs
<b>Citywide</b>	<b>\$1,474</b>	<b>\$1,663</b>	<b>\$1,047</b>	<b>\$1,186</b>	<b>\$1,347</b>	<b>\$907</b>	<b>\$1,265</b>	<b>\$1,434</b>	<b>\$946</b>
11-19 units	\$1,327	\$1,473	\$825	\$1,265	\$1,532	\$1,007	\$1,272	\$1,526	\$987
20-99 units	\$1,201	\$1,309	\$844	\$1,128	\$1,259	\$857	\$1,141	\$1,268	\$855
100+ units	\$1,732	\$1,997	\$1,248	\$1,577	\$1,843	\$1,194	\$1,683	\$1,949	\$1,231
<b>Bronx</b>	<b>\$1,000</b>	<b>\$1,107</b>	<b>\$745</b>	<b>\$894</b>	<b>\$1,004</b>	<b>\$755</b>	<b>\$913</b>	<b>\$1,022</b>	<b>\$753</b>
11-19 units	-	-	-	\$862	\$1,014	\$802	\$868	\$1,023	\$804
20-99 units	\$998	\$1,068	\$722	\$892	\$1,000	\$752	\$903	\$1,007	\$749
100+ units	\$1,002	\$1,170	\$781	\$991	\$1,081	\$753	\$996	\$1,124	\$766
<b>Brooklyn</b>	<b>\$1,180</b>	<b>\$1,287</b>	<b>\$818</b>	<b>\$1,051</b>	<b>\$1,118</b>	<b>\$734</b>	<b>\$1,085</b>	<b>\$1,162</b>	<b>\$756</b>
11-19 units	-	-	-	\$1,092	\$1,192	\$801	\$1,104	\$1,204	\$803
20-99 units	\$1,150	\$1,247	\$809	\$1,029	\$1,089	\$718	\$1,041	\$1,105	\$727
100+ units	\$1,163	\$1,284	\$823	\$1,185	\$1,261	\$759	\$1,172	\$1,276	\$798
<b>Manhattan</b>	<b>\$2,431</b>	<b>\$2,876</b>	<b>\$1,724</b>	<b>\$1,564</b>	<b>\$1,884</b>	<b>\$1,220</b>	<b>\$1,758</b>	<b>\$2,106</b>	<b>\$1,333</b>
11-19 units	\$1,534	\$1,806	\$1,114	\$1,559	\$2,038	\$1,288	\$1,558	\$2,037	\$1,286
20-99 units	\$1,842	\$2,136	\$1,261	\$1,479	\$1,729	\$1,127	\$1,508	\$1,762	\$1,137
100+ units	\$2,594	\$3,081	\$1,852	\$2,037	\$2,509	\$1,632	\$2,395	\$2,876	\$1,773
<b>Queens</b>	<b>\$1,221</b>	<b>\$1,318</b>	<b>\$864</b>	<b>\$1,143</b>	<b>\$1,200</b>	<b>\$794</b>	<b>\$1,183</b>	<b>\$1,259</b>	<b>\$829</b>
11-19 units	\$1,254	\$1,392	\$790	\$1,049	\$1,108	\$741	\$1,069	\$1,136	\$746
20-99 units	\$1,169	\$1,250	\$821	\$1,146	\$1,198	\$791	\$1,152	\$1,212	\$799
100+ units	\$1,261	\$1,366	\$910	\$1,261	\$1,338	\$886	\$1,261	\$1,359	\$903
<b>St. Island</b>	<b>\$993</b>	<b>\$1,108</b>	<b>\$745</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$992</b>	<b>\$1,093</b>	<b>\$749</b>
11-19 units	-	-	-	-	-	-	-	-	-
20-99 units	\$966	\$1,026	\$641	-	-	-	\$980	\$1,037	\$675
100+ units	-	-	-	-	-	-	-	-	-
<b>Core Man</b>	<b>\$2,650</b>	<b>\$3,149</b>	<b>\$1,883</b>	<b>\$1,864</b>	<b>\$2,291</b>	<b>\$1,398</b>	<b>\$2,102</b>	<b>\$2,550</b>	<b>\$1,545</b>
11-19 units	\$1,795	\$2,271	\$1,460	\$1,688	\$2,270	\$1,369	\$1,690	\$2,270	\$1,372
20-99 units	\$2,047	\$2,366	\$1,388	\$1,829	\$2,161	\$1,294	\$1,843	\$2,174	\$1,301
100+ units	\$2,792	\$3,332	\$1,998	\$2,170	\$2,694	\$1,738	\$2,539	\$3,073	\$1,893
<b>Upper Man</b>	<b>\$1,496</b>	<b>\$1,715</b>	<b>\$1,049</b>	<b>\$1,210</b>	<b>\$1,404</b>	<b>\$1,009</b>	<b>\$1,241</b>	<b>\$1,438</b>	<b>\$1,013</b>
11-19 units	-	-	-	\$1,290	\$1,558	\$1,119	\$1,291	\$1,554	\$1,111
20-99 units	\$1,312	\$1,540	\$933	\$1,191	\$1,374	\$989	\$1,195	\$1,379	\$987
100+ units	-	-	-	\$1,332	\$1,526	\$1,068	\$1,423	\$1,625	\$1,082
<b>City w/o Core</b>	<b>\$1,173</b>	<b>\$1,282</b>	<b>\$833</b>	<b>\$1,063</b>	<b>\$1,142</b>	<b>\$779</b>	<b>\$1,093</b>	<b>\$1,180</b>	<b>\$794</b>
11-19 units	\$1,320	\$1,461	\$816	\$1,042	\$1,128	\$771	\$1,083	\$1,177	\$777
20-99 units	\$1,123	\$1,212	\$795	\$1,039	\$1,113	\$761	\$1,055	\$1,132	\$767
100+ units	\$1,214	\$1,345	\$882	\$1,197	\$1,285	\$842	\$1,209	\$1,328	\$871

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

Source: NYC Department of Finance, RPIE Filings.

#### 4. Cross-Sectional Income and Expense Study, Estimated Median Rent, Income and Costs (2014) per Apartment per Month by Building Size and Location

	Post-46			Pre-47			All		
	Rent	Income	Costs	Rent	Income	Costs	Rent	Income	Costs
<b>Citywide</b>	<b>\$1,173</b>	<b>\$1,269</b>	<b>\$839</b>	<b>\$1,076</b>	<b>\$1,174</b>	<b>\$824</b>	<b>\$1,090</b>	<b>\$1,186</b>	<b>\$826</b>
11-19 units	\$1,231	\$1,378	\$865	\$1,187	\$1,357	\$941	\$1,188	\$1,360	\$939
20-99 units	\$1,112	\$1,175	\$782	\$1,050	\$1,130	\$793	\$1,056	\$1,136	\$792
100+ units	\$1,299	\$1,420	\$998	\$1,210	\$1,318	\$882	\$1,279	\$1,395	\$958
<b>Bronx</b>	<b>\$987</b>	<b>\$1,042</b>	<b>\$688</b>	<b>\$891</b>	<b>\$976</b>	<b>\$736</b>	<b>\$899</b>	<b>\$983</b>	<b>\$732</b>
11-19 units	-	-	-	\$842	\$960	\$775	\$851	\$962	\$774
20-99 units	\$985	\$1,025	\$685	\$892	\$974	\$732	\$899	\$980	\$728
100+ units	\$1,014	\$1,115	\$708	\$982	\$1,092	\$751	\$1,004	\$1,107	\$745
<b>Brooklyn</b>	<b>\$1,097</b>	<b>\$1,187</b>	<b>\$756</b>	<b>\$1,003</b>	<b>\$1,054</b>	<b>\$694</b>	<b>\$1,014</b>	<b>\$1,063</b>	<b>\$699</b>
11-19 units	-	-	-	\$1,024	\$1,080	\$732	\$1,030	\$1,085	\$734
20-99 units	\$1,082	\$1,141	\$734	\$993	\$1,044	\$680	\$999	\$1,052	\$683
100+ units	\$1,135	\$1,240	\$798	\$1,099	\$1,182	\$674	\$1,129	\$1,233	\$760
<b>Manhattan</b>	<b>\$2,033</b>	<b>\$2,400</b>	<b>\$1,446</b>	<b>\$1,463</b>	<b>\$1,698</b>	<b>\$1,090</b>	<b>\$1,492</b>	<b>\$1,733</b>	<b>\$1,108</b>
11-19 units	\$1,616	\$1,942	\$1,186	\$1,524	\$1,893	\$1,191	\$1,527	\$1,893	\$1,190
20-99 units	\$1,779	\$1,965	\$1,152	\$1,414	\$1,578	\$1,030	\$1,434	\$1,598	\$1,038
100+ units	\$2,673	\$3,095	\$1,742	\$1,871	\$2,226	\$1,450	\$2,393	\$2,812	\$1,659
<b>Queens</b>	<b>\$1,190</b>	<b>\$1,265</b>	<b>\$830</b>	<b>\$1,121</b>	<b>\$1,153</b>	<b>\$747</b>	<b>\$1,143</b>	<b>\$1,179</b>	<b>\$773</b>
11-19 units	\$1,158	\$1,326	\$729	\$1,052	\$1,083	\$699	\$1,059	\$1,088	\$705
20-99 units	\$1,169	\$1,237	\$806	\$1,142	\$1,171	\$758	\$1,147	\$1,180	\$771
100+ units	\$1,243	\$1,334	\$898	\$1,224	\$1,286	\$842	\$1,243	\$1,320	\$885
<b>St. Island</b>	<b>\$956</b>	<b>\$1,057</b>	<b>\$649</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$958</b>	<b>\$1,058</b>	<b>\$681</b>
11-19 units	-	-	-	-	-	-	-	-	-
20-99 units	\$961	\$1,029	\$612	-	-	-	\$968	\$1,031	\$681
100+ units	-	-	-	-	-	-	-	-	-
<b>Core Man</b>	<b>\$2,328</b>	<b>\$2,727</b>	<b>\$1,589</b>	<b>\$1,701</b>	<b>\$2,007</b>	<b>\$1,202</b>	<b>\$1,732</b>	<b>\$2,039</b>	<b>\$1,229</b>
11-19 units	\$1,674	\$2,058	\$1,355	\$1,631	\$2,053	\$1,255	\$1,633	\$2,053	\$1,257
20-99 units	\$1,942	\$2,151	\$1,250	\$1,731	\$1,938	\$1,147	\$1,745	\$1,958	\$1,153
100+ units	\$2,837	\$3,193	\$1,823	\$2,109	\$2,654	\$1,657	\$2,590	\$3,067	\$1,777
<b>Upper Man</b>	<b>\$1,290</b>	<b>\$1,424</b>	<b>\$887</b>	<b>\$1,102</b>	<b>\$1,244</b>	<b>\$907</b>	<b>\$1,107</b>	<b>\$1,254</b>	<b>\$907</b>
11-19 units	-	-	-	\$1,133	\$1,340	\$987	\$1,133	\$1,343	\$976
20-99 units	\$1,200	\$1,329	\$860	\$1,096	\$1,227	\$893	\$1,098	\$1,233	\$893
100+ units	-	-	-	\$1,175	\$1,296	\$925	\$1,289	\$1,424	\$990
<b>City w/o Core</b>	<b>\$1,105</b>	<b>\$1,178</b>	<b>\$773</b>	<b>\$991</b>	<b>\$1,065</b>	<b>\$749</b>	<b>\$1,005</b>	<b>\$1,079</b>	<b>\$752</b>
11-19 units	\$1,107	\$1,318	\$734	\$1,008	\$1,091	\$769	\$1,011	\$1,095	\$765
20-99 units	\$1,072	\$1,136	\$745	\$983	\$1,056	\$745	\$993	\$1,062	\$745
100+ units	\$1,167	\$1,265	\$854	\$1,112	\$1,187	\$776	\$1,150	\$1,235	\$821

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

Source: NYC Department of Finance, RPIE Filings.

## 5. Cross-Sectional Income and Expense Study, Average Net Operating Income in 2014 per Apartment per Month by Building Size and Location

	Post-46	Pre-47	All		Post-46	Pre-47	All
<b>Citywide</b>	<b>\$616</b>	<b>\$440</b>	<b>\$488</b>	<b>Core Man</b>	<b>\$1,266</b>	<b>\$892</b>	<b>\$1,005</b>
11-19 units	\$647	\$526	\$539	11-19 units	\$811	\$901	\$898
20-99 units	\$465	\$401	\$413	20-99 units	\$978	\$867	\$873
100+ units	\$749	\$649	\$717	100+ units	\$1,334	\$956	\$1,180
<b>Bronx</b>	<b>\$362</b>	<b>\$249</b>	<b>\$269</b>	<b>Upper Man</b>	<b>\$666</b>	<b>\$395</b>	<b>\$424</b>
11-19 units	-	\$212	\$219	11-19 units	-	\$439	\$443
20-99 units	\$346	\$248	\$258	20-99 units	\$607	\$385	\$392
100+ units	\$389	\$328	\$358	100+ units	-	\$458	\$543
<b>Brooklyn</b>	<b>\$468</b>	<b>\$384</b>	<b>\$406</b>	<b>City w/o Core</b>	<b>\$450</b>	<b>\$363</b>	<b>\$386</b>
11-19 units	-	\$391	\$401	11-19 units	\$645	\$357	\$400
20-99 units	\$438	\$371	\$378	20-99 units	\$418	\$352	\$365
100+ units	\$461	\$502	\$478	100+ units	\$463	\$443	\$457
<b>Manhattan</b>	<b>\$1,152</b>	<b>\$664</b>	<b>\$774</b>				
11-19 units	\$692	\$751	\$750				
20-99 units	\$875	\$602	\$624				
100+ units	\$1,229	\$877	\$1,103				
<b>Queens</b>	<b>\$454</b>	<b>\$406</b>	<b>\$430</b>				
11-19 units	\$602	\$367	\$390				
20-99 units	\$429	\$407	\$413				
100+ units	\$456	\$452	\$456				
<b>St. Island</b>	<b>\$363</b>	<b>-</b>	<b>\$344</b>				
11-19 units	-	-	-				
20-99 units	\$385	-	\$362				
100+ units	-	-	-				

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

Source: NYC Department of Finance, RPIE Filings.

## 6. Cross-Sectional Distribution of Operating Costs in 2014, by Building Size and Age

	Taxes	Maint.	Labor	Admin.	Utilities	Fuel	Misc.	Insurance	Total
<b>Pre-47</b>	26.1%	17.5%	9.1%	12.8%	11.4%	13.7%	4.1%	5.4%	100.0%
11-19 units	29.1%	17.0%	7.8%	12.8%	10.9%	12.6%	4.5%	5.3%	100.0%
20-99 units	24.4%	18.0%	8.3%	12.9%	11.9%	14.7%	4.1%	5.7%	100.0%
100+ units	33.2%	15.1%	16.3%	11.7%	8.5%	8.4%	3.2%	3.6%	100.0%
<b>Post-46</b>	29.2%	15.6%	15.0%	13.2%	10.3%	8.7%	4.0%	4.0%	100.0%
11-19 units	18.9%	20.2%	11.4%	17.1%	14.6%	10.2%	1.9%	5.6%	100.0%
20-99 units	24.8%	17.9%	11.1%	13.8%	12.3%	10.5%	4.4%	5.1%	100.0%
100+ units	32.6%	13.8%	17.7%	12.6%	8.7%	7.4%	4.0%	3.2%	100.0%
<b>All Bldgs</b>	27.1%	16.9%	10.9%	12.9%	11.0%	12.2%	4.1%	5.0%	100.0%
11-19 units	28.1%	17.3%	8.1%	13.2%	11.2%	12.4%	4.2%	5.3%	100.0%
20-99 units	24.5%	18.0%	8.8%	13.1%	12.0%	13.9%	4.2%	5.6%	100.0%
100+ units	32.8%	14.2%	17.2%	12.3%	8.6%	7.7%	3.7%	3.3%	100.0%

Source: NYC Department of Finance, RPIE Filings.

## 7. Cross-Sectional Number of “Distressed” Buildings, 2014 RPIE Data

	Citywide	Bronx	Brooklyn	Manhattan	Queens	St. Island	Core Man	Upper Man
<b>Pre-47</b>								
11-19 units	348	63	68	193	22	2	115	78
20-99 units	553	165	92	263	32	1	89	174
100+ units	12	1	0	11	0	0	7	4
<b>All</b>	<b>913</b>	<b>229</b>	<b>160</b>	<b>467</b>	<b>54</b>	<b>3</b>	<b>211</b>	<b>256</b>
<b>Post-46</b>								
11-19 units	4	2	0	2	-	0	2	0
20-99 units	49	12	13	9	15	0	6	3
100+ units	16	4	1	7	3	1	7	0
<b>All</b>	<b>69</b>	<b>18</b>	<b>14</b>	<b>18</b>	<b>18</b>	<b>1</b>	<b>15</b>	<b>3</b>
<b>All Bldgs.</b>								
11-19 units	352	65	68	195	22	2	117	78
20-99 units	602	177	105	272	47	1	95	177
100+ units	28	5	1	18	3	1	14	4
<b>All</b>	<b>982</b>	<b>247</b>	<b>174</b>	<b>485</b>	<b>72</b>	<b>4</b>	<b>226</b>	<b>259</b>

Source: NYC Department of Finance, RPIE Filings.

## 8. Operating Cost-to-Income Ratios by Decile, 2014 RPIE Data

	# of Bldgs	10%	20%	30%	40%	50%	60%	70%	80%	90%	100%
<b>Citywide</b>	<b>15,525</b>	<b>0.49</b>	<b>0.54</b>	<b>0.59</b>	<b>0.63</b>	<b>0.67</b>	<b>0.71</b>	<b>0.76</b>	<b>0.82</b>	<b>0.93</b>	<b>5.48</b>
Manhattan	6,488	0.47	0.52	0.56	0.59	0.64	0.68	0.74	0.81	0.95	5.48
Bronx	3,342	0.56	0.63	0.67	0.71	0.75	0.79	0.83	0.89	0.97	2.65
Brooklyn	3,588	0.50	0.55	0.59	0.63	0.66	0.69	0.73	0.79	0.89	2.47
Queens	2,024	0.50	0.55	0.59	0.62	0.65	0.69	0.74	0.79	0.87	2.27
St. Island	83	0.50	0.54	0.57	0.62	0.65	0.68	0.72	0.77	0.84	1.29

Source: NYC Department of Finance, RPIE Filings.



## 9. Cross-Sectional Sample, 2014 RPIE Data

	Post-46		Pre-47		All	
	Bldgs.	DU's	Bldgs.	DU's	Bldgs.	DU's
<b>Citywide</b>	<b>1,854</b>	<b>192,759</b>	<b>13,671</b>	<b>506,042</b>	<b>15,525</b>	<b>698,801</b>
11-19 units	144	2,135	3,652	55,255	3,796	57,390
20-99 units	1,130	64,445	9,634	381,376	10,764	445,821
100+ units	580	126,179	385	69,411	965	195,590
<b>Bronx</b>	<b>373</b>	<b>29,729</b>	<b>2,969</b>	<b>127,189</b>	<b>3,342</b>	<b>156,918</b>
11-19 units	15	229	353	5,387	368	5,616
20-99 units	288	16,761	2,542	111,634	2,830	128,395
100+ units	70	12,739	74	10,168	144	22,907
<b>Brooklyn</b>	<b>371</b>	<b>34,707</b>	<b>3,217</b>	<b>116,021</b>	<b>3,588</b>	<b>150,728</b>
11-19 units	23	351	887	13,318	910	13,669
20-99 units	250	15,280	2,269	95,310	2,519	110,590
100+ units	98	19,076	61	7,393	159	26,469
<b>Manhattan</b>	<b>487</b>	<b>69,848</b>	<b>6,001</b>	<b>204,229</b>	<b>6,488</b>	<b>274,077</b>
11-19 units	56	843	2,006	30,237	2,062	31,080
20-99 units	207	10,690	3,814	132,481	4,021	143,171
100+ units	224	58,315	181	41,511	405	99,826
<b>Queens</b>	<b>565</b>	<b>54,219</b>	<b>1,459</b>	<b>57,345</b>	<b>2,024</b>	<b>111,564</b>
11-19 units	43	613	396	6,157	439	6,770
20-99 units	349	20,300	998	41,495	1,347	61,795
100+ units	173	33,306	65	9,693	238	42,999
<b>St. Island</b>	<b>58</b>	<b>4,256</b>	<b>25</b>	<b>1,258</b>	<b>83</b>	<b>5,514</b>
11-19 units	7	99	10	156	17	255
20-99 units	36	1,414	11	456	47	1,870
100+ units	15	2,743	4	646	19	3,389
<b>Core Man</b>	<b>387</b>	<b>59,376</b>	<b>3,759</b>	<b>123,238</b>	<b>4,146</b>	<b>182,614</b>
11-19 units	42	637	1,516	22,865	1,558	23,502
20-99 units	147	7,500	2,108	65,693	2,255	73,193
100+ units	198	51,239	135	34,680	333	85,919
<b>Upper Man</b>	<b>100</b>	<b>10,472</b>	<b>2,242</b>	<b>80,991</b>	<b>2,342</b>	<b>91,463</b>
11-19 units	14	206	490	7,372	504	7,578
20-99 units	60	3,190	1,706	66,788	1,766	69,978
100+ units	26	7,076	46	6,831	72	13,907

Source: NYC Department of Finance, RPIE Filings.

DU = Dwelling Unit

## 10. Longitudinal Income and Expense Study, Estimated Average Rent, Income and Costs Changes (2013-2014) by Building Size and Location

	Post-46			Pre-47			All		
	Rent	Income	Costs	Rent	Income	Costs	Rent	Income	Costs
<b>Citywide</b>	<b>4.3%</b>	<b>4.2%</b>	<b>6.1%</b>	<b>5.0%</b>	<b>5.2%</b>	<b>5.3%</b>	<b>4.8%</b>	<b>4.9%</b>	<b>5.6%</b>
11-19 units	8.3%	8.4%	9.9%	5.3%	5.3%	5.0%	5.7%	5.6%	5.4%
20-99 units	4.4%	4.6%	6.9%	5.1%	5.3%	5.4%	5.0%	5.1%	5.6%
100+ units	4.0%	3.8%	5.5%	3.7%	4.5%	5.6%	3.9%	4.0%	5.5%
<b>Bronx</b>	<b>4.4%</b>	<b>4.0%</b>	<b>6.1%</b>	<b>4.9%</b>	<b>4.7%</b>	<b>4.7%</b>	<b>4.8%</b>	<b>4.6%</b>	<b>4.9%</b>
11-19 units	-	-	-	4.2%	4.3%	4.0%	5.9%	5.2%	4.9%
20-99 units	4.4%	3.8%	4.3%	5.1%	4.8%	4.7%	5.0%	4.7%	4.7%
100+ units	3.3%	3.9%	8.8%	3.0%	2.9%	4.3%	3.2%	3.5%	7.1%
<b>Brooklyn</b>	<b>5.3%</b>	<b>5.3%</b>	<b>6.8%</b>	<b>5.2%</b>	<b>5.1%</b>	<b>5.6%</b>	<b>5.2%</b>	<b>5.2%</b>	<b>5.9%</b>
11-19 units	-	-	-	5.3%	5.5%	5.0%	6.5%	6.7%	5.5%
20-99 units	4.8%	4.6%	8.2%	4.9%	4.8%	5.6%	4.8%	4.7%	6.2%
100+ units	4.6%	4.7%	3.4%	7.6%	7.2%	6.9%	5.9%	5.8%	4.8%
<b>Manhattan</b>	<b>4.1%</b>	<b>4.0%</b>	<b>5.4%</b>	<b>5.0%</b>	<b>5.5%</b>	<b>5.9%</b>	<b>4.7%</b>	<b>5.0%</b>	<b>5.7%</b>
11-19 units	14.9%	12.7%	4.9%	5.6%	5.4%	5.3%	5.7%	5.5%	5.3%
20-99 units	3.5%	4.7%	7.2%	5.3%	5.8%	6.1%	5.1%	5.7%	6.2%
100+ units	4.1%	3.8%	5.1%	3.1%	4.5%	5.6%	3.8%	4.0%	5.3%
<b>Queens</b>	<b>3.9%</b>	<b>4.0%</b>	<b>6.8%</b>	<b>4.7%</b>	<b>4.7%</b>	<b>4.3%</b>	<b>4.3%</b>	<b>4.4%</b>	<b>5.6%</b>
11-19 units	-	4.1%	11.5%	4.6%	4.8%	4.2%	4.1%	4.6%	6.2%
20-99 units	4.4%	4.9%	7.0%	5.3%	5.4%	4.2%	5.0%	5.2%	5.3%
100+ units	3.7%	3.4%	6.1%	1.6%	1.5%	4.6%	3.3%	3.0%	5.8%
<b>Staten Island</b>	<b>1.8%</b>	<b>2.7%</b>	<b>7.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.6%</b>	<b>2.3%</b>	<b>5.7%</b>
11-19 units	-	-	-	-	-	-	-	-	-
20-99 units	-	-	-	-	-	-	2.6%	2.8%	0.5%
100+ units	-	-	-	-	-	-	-	-	-
<b>Core Manhattan</b>	<b>4.4%</b>	<b>3.9%</b>	<b>6.0%</b>	<b>4.8%</b>	<b>5.2%</b>	<b>5.5%</b>	<b>4.6%</b>	<b>4.7%</b>	<b>5.7%</b>
11-19 units	12.2%	11.1%	8.2%	5.9%	5.4%	4.8%	6.0%	5.5%	4.8%
20-99 units	4.3%	5.0%	7.4%	5.1%	5.3%	5.9%	5.0%	5.3%	6.1%
100+ units	4.4%	3.8%	5.7%	3.1%	4.6%	5.3%	4.0%	4.0%	5.6%
<b>Upper Manhattan</b>	<b>1.9%</b>	<b>4.1%</b>	<b>1.3%</b>	<b>5.4%</b>	<b>6.2%</b>	<b>6.5%</b>	<b>4.9%</b>	<b>6.0%</b>	<b>5.9%</b>
11-19 units	-	-	-	4.8%	5.5%	6.7%	5.0%	5.6%	6.6%
20-99 units	0.2%	3.2%	6.4%	5.6%	6.5%	6.3%	5.3%	6.4%	6.3%
100+ units	-	-	-	3.5%	3.8%	8.4%	2.7%	4.1%	2.4%
<b>All City w/o Core</b>	<b>4.2%</b>	<b>4.4%</b>	<b>6.2%</b>	<b>5.1%</b>	<b>5.2%</b>	<b>5.3%</b>	<b>4.8%</b>	<b>4.9%</b>	<b>5.5%</b>
11-19 units	8.2%	8.4%	10.0%	4.9%	5.2%	5.2%	5.5%	5.7%	5.8%
20-99 units	4.4%	4.5%	6.8%	5.1%	5.2%	5.2%	5.0%	5.1%	5.5%
100+ units	3.5%	3.8%	5.2%	4.4%	4.3%	6.0%	3.8%	3.9%	5.4%

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

Source: NYC Department of Finance, RPIE Filings.

## **11. Longitudinal Income and Expense Study, Estimated Median Rent, Income and Costs Changes (2013-2014) by Building Size and Location**

	Post-46			Pre-47			All		
	Rent	Income	Costs	Rent	Income	Costs	Rent	Income	Costs
<b>Citywide</b>	<b>4.2%</b>	<b>4.9%</b>	<b>6.4%</b>	<b>4.8%</b>	<b>5.1%</b>	<b>4.5%</b>	<b>4.8%</b>	<b>5.0%</b>	<b>4.8%</b>
11-19 units	4.8%	4.5%	14.2%	6.1%	5.3%	5.2%	6.0%	5.2%	5.4%
20-99 units	4.4%	4.3%	6.2%	5.0%	5.0%	4.3%	4.7%	4.8%	4.5%
100+ units	4.0%	4.0%	5.2%	3.0%	3.0%	6.2%	4.2%	4.1%	5.0%
<b>Bronx</b>	<b>3.8%</b>	<b>2.9%</b>	<b>2.8%</b>	<b>4.3%</b>	<b>4.0%</b>	<b>4.4%</b>	<b>4.5%</b>	<b>3.8%</b>	<b>4.3%</b>
11-19 units	-	-	-	3.2%	3.6%	4.9%	3.6%	3.1%	5.9%
20-99 units	3.4%	3.0%	2.4%	4.4%	3.9%	4.4%	4.6%	3.9%	3.9%
100+ units	4.7%	4.9%	0.7%	4.2%	3.9%	5.0%	3.5%	3.9%	6.9%
<b>Brooklyn</b>	<b>5.0%</b>	<b>4.9%</b>	<b>4.9%</b>	<b>4.9%</b>	<b>4.5%</b>	<b>4.8%</b>	<b>5.1%</b>	<b>4.7%</b>	<b>4.8%</b>
11-19 units	-	-	-	5.6%	4.9%	3.7%	5.3%	5.0%	3.7%
20-99 units	3.3%	2.9%	6.9%	4.8%	4.8%	5.1%	4.7%	4.4%	4.9%
100+ units	4.2%	3.4%	3.2%	4.8%	4.0%	-0.6%	5.6%	4.4%	5.3%
<b>Manhattan</b>	<b>3.8%</b>	<b>4.6%</b>	<b>7.4%</b>	<b>5.9%</b>	<b>6.3%</b>	<b>5.6%</b>	<b>5.9%</b>	<b>6.0%</b>	<b>6.1%</b>
11-19 units	6.4%	21.1%	2.0%	6.9%	6.8%	6.4%	6.9%	7.1%	6.3%
20-99 units	6.0%	3.1%	6.9%	6.2%	6.2%	6.8%	6.0%	6.6%	6.5%
100+ units	4.1%	2.9%	2.1%	1.2%	3.2%	4.8%	4.1%	2.5%	4.4%
<b>Queens</b>	<b>4.0%</b>	<b>4.8%</b>	<b>7.8%</b>	<b>5.0%</b>	<b>4.9%</b>	<b>3.9%</b>	<b>4.7%</b>	<b>4.8%</b>	<b>5.2%</b>
11-19 units	-	-	-	5.7%	4.4%	2.3%	5.4%	4.8%	2.8%
20-99 units	4.5%	6.7%	8.0%	4.9%	4.9%	4.4%	4.6%	4.7%	5.3%
100+ units	5.0%	5.1%	5.3%	1.5%	-1.3%	1.7%	4.9%	3.6%	5.5%
<b>Staten Island</b>	<b>-0.8%</b>	<b>3.9%</b>	<b>3.6%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-0.2%</b>	<b>2.6%</b>	<b>7.9%</b>
11-19 units	-	-	-	-	-	-	-	-	-
20-99 units	-	-	-	-	-	-	4.0%	6.4%	2.8%
100+ units	-	-	-	-	-	-	-	-	-
<b>Core Manhattan</b>	<b>5.1%</b>	<b>5.6%</b>	<b>6.9%</b>	<b>5.8%</b>	<b>6.4%</b>	<b>6.0%</b>	<b>5.2%</b>	<b>5.1%</b>	<b>6.0%</b>
11-19 units	7.1%	9.3%	7.8%	5.6%	6.0%	6.1%	5.6%	6.2%	6.3%
20-99 units	2.0%	3.6%	7.4%	5.3%	5.3%	4.9%	5.2%	5.4%	5.2%
100+ units	3.9%	2.6%	5.3%	0.5%	3.8%	4.7%	3.1%	4.0%	4.1%
<b>Upper Manhattan</b>	<b>2.6%</b>	<b>3.9%</b>	<b>4.2%</b>	<b>6.0%</b>	<b>6.4%</b>	<b>6.0%</b>	<b>5.9%</b>	<b>6.5%</b>	<b>6.0%</b>
11-19 units	-	-	-	7.1%	7.9%	3.9%	7.1%	7.8%	3.3%
20-99 units	1.7%	3.8%	8.6%	6.3%	6.4%	6.0%	6.0%	6.9%	6.0%
100+ units	-	-	-	4.3%	7.1%	4.0%	5.9%	8.1%	-0.6%
<b>All City w/o Core</b>	<b>4.3%</b>	<b>4.0%</b>	<b>6.1%</b>	<b>4.5%</b>	<b>4.7%</b>	<b>4.7%</b>	<b>4.7%</b>	<b>4.6%</b>	<b>4.9%</b>
11-19 units	8.7%	5.2%	8.6%	4.5%	4.8%	3.5%	4.4%	4.8%	3.6%
20-99 units	3.9%	4.5%	5.2%	5.0%	4.6%	4.9%	4.7%	4.6%	4.9%
100+ units	2.7%	4.8%	5.2%	4.0%	4.3%	7.0%	3.8%	3.8%	5.2%

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

Source: NYC Department of Finance, RPIE Filings.

## 12. Longitudinal Income and Expense Study, Avg. Net Operating Income Changes (2013-2014) by Bldg. Size & Location

	Post-46	Pre-47	All		Post-46	Pre-47	All
<b>Citywide</b>	<b>1.1%</b>	<b>4.8%</b>	<b>3.5%</b>	<b>Core Manhattan</b>	<b>1.0%</b>	<b>4.6%</b>	<b>3.3%</b>
11-19 units	6.5%	5.9%	6.0%	11-19 units	16.7%	6.4%	6.5%
20-99 units	0.6%	5.0%	4.1%	20-99 units	1.9%	4.4%	4.1%
100+ units	1.0%	2.5%	1.4%	100+ units	0.8%	3.4%	1.6%
<b>Bronx</b>	<b>0.0%</b>	<b>4.8%</b>	<b>3.6%</b>	<b>Upper Manhattan</b>	<b>9.4%</b>	<b>5.6%</b>	<b>6.2%</b>
11-19 units	-	5.7%	6.2%	11-19 units	-	2.4%	3.0%
20-99 units	2.7%	5.1%	4.6%	20-99 units	-2.2%	7.0%	6.4%
100+ units	-4.6%	-0.3%	-3.3%	100+ units	-	-5.2%	7.6%
<b>Brooklyn</b>	<b>2.9%</b>	<b>4.2%</b>	<b>3.8%</b>	<b>All City w/o Core</b>	<b>1.2%</b>	<b>4.9%</b>	<b>3.7%</b>
11-19 units	-	6.5%	9.1%	11-19 units	6.4%	5.3%	5.6%
20-99 units	-1.6%	3.3%	2.0%	20-99 units	0.3%	5.2%	4.1%
100+ units	7.2%	7.5%	7.4%	100+ units	1.2%	1.2%	1.2%
<b>Manhattan</b>	<b>1.8%</b>	<b>4.9%</b>	<b>3.9%</b>				
11-19 units	29.7%	5.7%	5.8%				
20-99 units	1.1%	5.3%	4.8%				
100+ units	1.9%	2.6%	2.1%				
<b>Queens</b>	<b>-0.8%</b>	<b>5.7%</b>	<b>2.1%</b>				
11-19 units	-	6.0%	1.7%				
20-99 units	1.2%	7.7%	5.0%				
100+ units	-1.8%	-4.1%	-2.2%				
<b>St. Island</b>	<b>-5.0%</b>	<b>-</b>	<b>-4.3%</b>				
11-19 units	-	-	-				
20-99 units	-	-	8.2%				
100+ units	-	-	-				

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

Source: NYC Department of Finance, RPIE Filings.

### 13. Longitudinal Income and Expense Study, Change in Rent and Net Operating Income by Community District (2013-2014)

CD	Neighborhood	Rent Change	NOI Change
<b>Manhattan</b>			
102	Greenwich Village	6.3%	4.1%
103	Lower East Side/Chinatown	6.8%	7.2%
104	Chelsea/Clinton	5.9%	5.2%
105	Midtown	2.4%	5.0%
106	Stuyvesant Town/Turtle Bay	5.6%	6.1%
107	Upper West Side	4.8%	6.3%
108	Upper East Side	3.7%	2.9%
109	Morningside Hts./Hamilton Hts.	7.2%	9.2%
110	Central Harlem	5.6%	-1.5%
111	East Harlem	7.4%	13.6%
112	Washington Hts./Inwood	4.0%	4.4%
<b>Bronx</b>			
201	Mott Haven/Port Morris	5.7%	2.0%
202	Hunts Point/Longwood	5.7%	21.3%
203	Morrisania/Melrose/Claremont	3.8%	2.4%
204	Highbridge/S. Concourse	4.8%	5.2%
205	University Heights/Fordham	6.1%	4.0%
206	E. Tremont/Belmont	5.2%	9.5%
207	Kingsbridge Hts./Mosholu/Norwood	4.4%	2.0%
208	Riverdale/Kingsbridge	4.1%	-0.6%
209	Soundview/Parkchester	5.5%	6.3%
210	Throgs Neck/Co-op City	4.0%	6.7%
211	Pelham Parkway	3.6%	0.8%
212	Williamsbridge/Baychester	5.6%	4.4%
<b>Brooklyn</b>			
301	Williamsburg/Greenpoint	6.2%	5.6%
302	Brooklyn Hts./Fort Greene	5.6%	4.2%
303	Bedford Stuyvesant	5.5%	3.7%
305	East New York/Starett City	4.9%	7.5%
306	Park Slope/Carroll Gardens	5.5%	7.8%
307	Sunset Park	5.6%	11.8%
308	North Crown Hts./Prospect Hts.	7.1%	8.9%
309	South Crown Hts.	4.5%	2.6%
310	Bay Ridge	4.3%	3.3%
311	Bensonhurst	4.5%	-0.3%
312	Borough Park	4.6%	3.4%
313	Coney Island	2.7%	8.7%
314	Flatbush	5.5%	2.3%
315	Sheepshead Bay/Gravesend	2.9%	3.7%
316	Brownsville/Ocean Hill	6.9%	8.9%
317	East Flatbush	4.3%	2.5%
<b>Queens</b>			
401	Astoria	5.0%	4.8%
402	Sunnyside/Woodside	4.3%	4.6%
403	Jackson Hts.	5.7%	8.9%
404	Elmhurst/Corona	3.2%	0.5%
405	Middle Village/Ridgewood	6.5%	6.3%
406	Forest Hills/Rego Park	4.0%	0.6%
407	Flushing/Whitestone	3.2%	4.0%
408	Hillcrest/Fresh Meadows	4.5%	-1.7%
409	Kew Gardens/Woodhaven	4.4%	0.3%
411	Bayside/Little Neck	4.1%	-2.8%
412	Jamaica	7.4%	17.2%
414	Rockaways	8.5%	13.4%
<b>Staten Isl.</b>			
501	North Shore	3.8%	4.5%

Note: Seven Community Districts (CDs) contained too few buildings to be included in the analysis.

Source: NYC Department of Finance, RPIE Filings.

## 14. Longitudinal Sample, 2013 & 2014 RPIE Data

	Post-46		Pre-47		All	
	Bldgs.	DU's	Bldgs.	DU's	Bldgs.	DU's
<b>Citywide</b>	<b>1,555</b>	<b>165,016</b>	<b>11,418</b>	<b>430,547</b>	<b>12,973</b>	<b>595,563</b>
11-19 units	113	1,658	2,943	44,625	3,056	46,283
20-99 units	944	54,625	8,138	323,981	9,082	378,606
100+ units	498	108,733	337	61,941	835	170,674
<b>Bronx</b>	<b>315</b>	<b>25,547</b>	<b>2,468</b>	<b>106,381</b>	<b>2,783</b>	<b>131,928</b>
11-19 units	12	178	288	4,370	300	4,548
20-99 units	242	14,278	2,116	93,147	2,358	107,425
100+ units	61	11,091	64	8,864	125	19,955
<b>Brooklyn</b>	<b>297</b>	<b>29,529</b>	<b>2,626</b>	<b>96,888</b>	<b>2,923</b>	<b>126,417</b>
11-19 units	15	227	693	10,420	708	10,647
20-99 units	195	12,237	1,882	80,303	2,077	92,540
100+ units	87	17,065	51	6,165	138	23,230
<b>Manhattan</b>	<b>414</b>	<b>58,113</b>	<b>5,068</b>	<b>176,151</b>	<b>5,482</b>	<b>234,264</b>
11-19 units	50	747	1,637	24,751	1,687	25,498
20-99 units	182	9,477	3,271	113,960	3,453	123,437
100+ units	182	47,889	160	37,440	342	85,329
<b>Queens</b>	<b>487</b>	<b>48,172</b>	<b>1,237</b>	<b>50,063</b>	<b>1,724</b>	<b>98,235</b>
11-19 units	32	454	319	4,990	351	5,444
20-99 units	301	17,609	859	36,140	1,160	53,749
100+ units	154	30,109	59	8,933	213	39,042
<b>St. Island</b>	<b>42</b>	<b>3,655</b>	<b>19</b>	<b>1,064</b>	<b>61</b>	<b>4,719</b>
11-19 units	4	52	6	94	10	146
20-99 units	24	1,024	10	431	34	1,455
100+ units	14	2,579	3	539	17	3,118
<b>Core Manhattan</b>	<b>335</b>	<b>49,247</b>	<b>3,257</b>	<b>110,259</b>	<b>3,592</b>	<b>159,506</b>
11-19 units	39	590	1,273	19,261	1,312	19,851
20-99 units	136	6,977	1,860	58,341	1,996	65,318
100+ units	160	41,680	124	32,657	284	74,337
<b>Upper Manhattan</b>	<b>79</b>	<b>8,866</b>	<b>1,811</b>	<b>65,892</b>	<b>1,890</b>	<b>74,758</b>
11-19 units	11	157	364	5,490	375	5,647
20-99 units	46	2,500	1,411	55,619	1,457	58,119
100+ units	22	6,209	36	4,783	58	10,992

Source: NYC Department of Finance, RPIE Filings.

DU = Dwelling Unit