Introduction

The real estate boom of the late 1980s saw higher levels of new construction, especially of luxury buildings in Manhattan, and a flurry of cooperative and condominium conversions resulting from escalating property values despite double-digit mortgage interest rates.

Coinciding with the bullish private market, the City of New York committed unprecedented capital improvement funds to revamp its housing inventory. In the 1992 Fiscal Year, the City's most generous year of capital spending, it contributed nearly $700 million toward rehabilitating and managing the housing stock it accumulated through its *in rem* tax foreclosure policies. Capital funds were also used for moderate rehabilitation of private buildings at risk of abandonment and foreclosure. In all, billions of public dollars were infused into New York City's housing in the last ten years.

New York's rental market conditions in the early 1990s were in many ways a result of events that took place in the private housing market during the previous decade. Many properties, including newly converted cooperatives and condominiums in addition to rental buildings, were burdened with heavy mortgage debts that could not be supported by stagnant and occasionally sagging rent rolls. Some owners were forced into mortgage or tax foreclosure. This, in turn, led to the collapse of the savings and loan industry and the subsequent tightening of lending standards that persisted through 1993. Given the recession, tougher lending practices, higher default rates, and lenders merging or exiting the market altogether (conditions documented by

Summary

In last year's Housing Supply Report, RGB staff concluded that almost every measure of residential construction and rehabilitation declined. This year, all indicators from 1995 point to a moderate improvement in such activity. Specifically, new dwellings ready for occupancy increased 7% to 7,428 units, housing units authorized by new building permits climbed more than one-quarter (28%) to 5,135 dwellings, new units receiving 421-a tax abatements jumped nearly fourfold to 2,284 units, and the number of rehabilitated units approved for J-51 tax benefits rose by over one-quarter. Also, cooperative and condominium dwellings planned for new construction and rehabilitation grew by 50% over 1994 levels.

Though 1995 data is encouraging, viewing this data in a historical context shows that housing construction activity in New York City remains sluggish. Approximately half as many units have been completed in recent years as in the late 1980s. The annual number of housing units authorized by new building permits in the last five years resembles levels reported in 1975 and 1976 when the City was in the midst of its fiscal crisis and interest and inflation rates were in double digits (see page 4). Likewise, cooperative and condominium construction and conversion remains well below pre-recessionary levels (see page 7).

To be sure, the events in New York's real estate market in the late 1980s were unprecedented. This real estate boom brought somewhat more new construction than in the previous decade and a flurry of cooperative and condominium conversions arising from anticipation of greater profits.

It was during these expansionary years that the City commenced a major capital program to revamp its housing inventory. In its most generous year of capital spending, the City contributed nearly $700 million in FY 92 toward rehabilitating and selling the housing stock it accumulated through tax foreclosure. Capital commitments planned for Fiscal Years 1997-2000, by contrast, range from $100 to $300 million. With waning public funding and the threat of rising interest rates, it is questionable whether the mild growth sparked in 1995 will flourish into a true recovery.

RGB's annual Mortgage Surveys), housing construction bottomed out between 1991 and 1994.

In 1995, amidst cutbacks in public sector funding, residential construction activity picked up pace, providing evidence that private developers have re-entered the housing market.

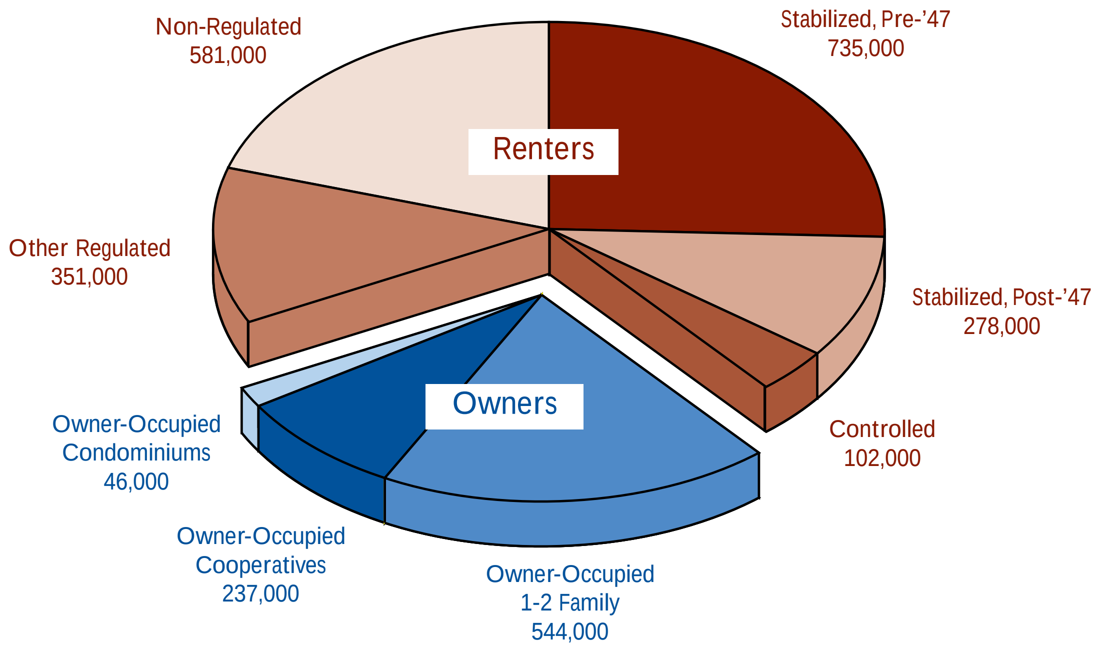
New York City's Housing Inventory

New York City's rate of home ownership falls well below that of the nation and other metropolitan areas. While nearly two-thirds (64%) of housing nationwide is occupied by owners according to the Current Housing Report issued by the Census Bureau, the 1993 Housing and Vacancy Survey (HVS) found that just over one-quarter (29%) of all New York City dwellings are owner-occupied. Though most of of New York's owner-occupied buildings are 1-2 family homes, nearly 10% of all New York City households occupy cooperatives or condominiums that they own. The former is the more common style of shared multi-unit housing, totaling almost 237,000 units compared with 46,000 condominium apartments.

The remaining three-quarters (71%) of households in New York City reside in rental housing that comes in many varieties. More than one million rental dwellings fall under the state's rent regulation laws and are either rent stabilized or controlled. About 350,000 rentals in New York City are operated by the New York City Housing Authority or are regulated by other local or federal housing agencies, (e.g., HUD, Mitchell Lama, *in rem*, and loft units). The remaining half million rentals are unregulated, composed of dwellings that were never regulated, were deregulated, or are in cooperatives or condominiums. (See pie chart below for a breakdown of rental and owner-occupied housing.)

With almost three-quarters of all households renting their homes, any report on New York City's housing stock must focus on its rental inventory. The number of renter-occupied dwellings in New York City shrank steadily from the early 1970s to the late 1980s. After peaking at 2.2 million rental units in 1970, the next twenty years brought reductions of more than 250,000 rental units that were demolished, converted, or rendered uninhabitable. Since the late 1980s, about half as many rentals have returned to New York City's housing

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



Note: Figures include vacant dwelling units.

Source: U.S. Census Bureau, New York City Housing and Vacancy Survey, 1993.

inventory through new construction, rehabilitation, conversions from non-residential properties, and subdivisions. The 1993 HVS reported that there were 2,047,000 total renter-occupied units.

Though newly constructed housing is exempt from rent regulations, the rent stabilized inventory grew by 57,000 units between 1981 and 1993. This influx of stabilized housing stems primarily from rent controlled units that fall under rent stabilization rules upon vacancy. Rehabilitated and newly constructed units collecting tax exemptions and abatements also fall under stabilization.

Rent regulations are tied to the proportion of the rental stock that is vacant and available for rent. The percent of available rental units reached "emergency" levels in the late 1960s (1.2% in 1968) causing the state legislature to place post-war housing under rent regulation in New York City, while pre-war buildings remained under rent control. New York City's rental vacancy rate has remained well below the standard of 5% for decades but finally climbed above 3% in 1991 for the first time in nearly 30 years. Currently, the rental vacancy rate is 3.4% (1993 HVS).

It is difficult to attribute the small increase in rental vacancies to any one factor, though it is probably related to the larger increase in rents compared with incomes, a trend which causes families to "double-up" in order to afford rising rents. The slight increase in crowding rates since the early 1980s corroborates this theory.

New York City's Rental Housing - Additions and Renovations

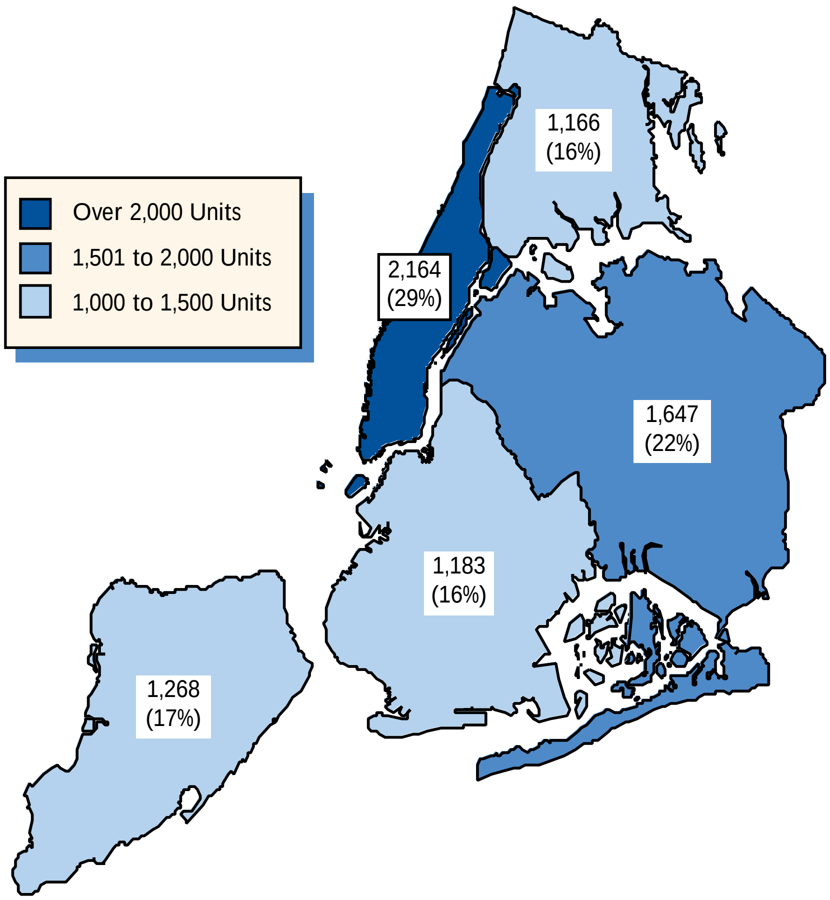
Units are traditionally added to a housing inventory through new construction. Data on the annual number of newly constructed housing units issued certificates of occupancy is readily available from the Department of City Planning, and the number of dwellings issued permits for new construction to be completed in the next year or so is compiled by the U.S. Census Bureau.

Certificates of Occupancy

Fewer housing units were issued certificates of occupancy in 1993 (5,510) than in any year since 1945. New housing has rebounded somewhat since then, jumping 26% between 1993 and 1994 and inching up an additional 7% last year to 7,428 dwellings.

New Dwellings Topped 7,000 Units in 1995

(Number of New Units Issued Certificates of Occupancy in 1995)



Note: Number in parentheses represents the percent of total units issued permits in each borough in 1995.
Source: New York City Department of City Planning.

Though Queens saw the most new units in 1994, Manhattan won out in 1995 comprising 29% of all new housing units constructed citywide. Queens had the second highest construction level in 1995 with 22%, while new construction in the Bronx, Brooklyn, and Staten Island each comprised 16%-17% of the total. (See map on the previous page.)

Permits

The number of permits authorized for new construction in any one year forecasts how many new dwellings will be completed and ready for occupancy one to three years in the future, depending on the type of housing structure and weather conditions. 1992 saw the fewest new units permitted (3,882) than any year since 1975. Though permits have risen slightly in the last three years, new units remain low by historical standards. In 1995, 5,135 units were authorized, approximately 1,000 more than in 1994.

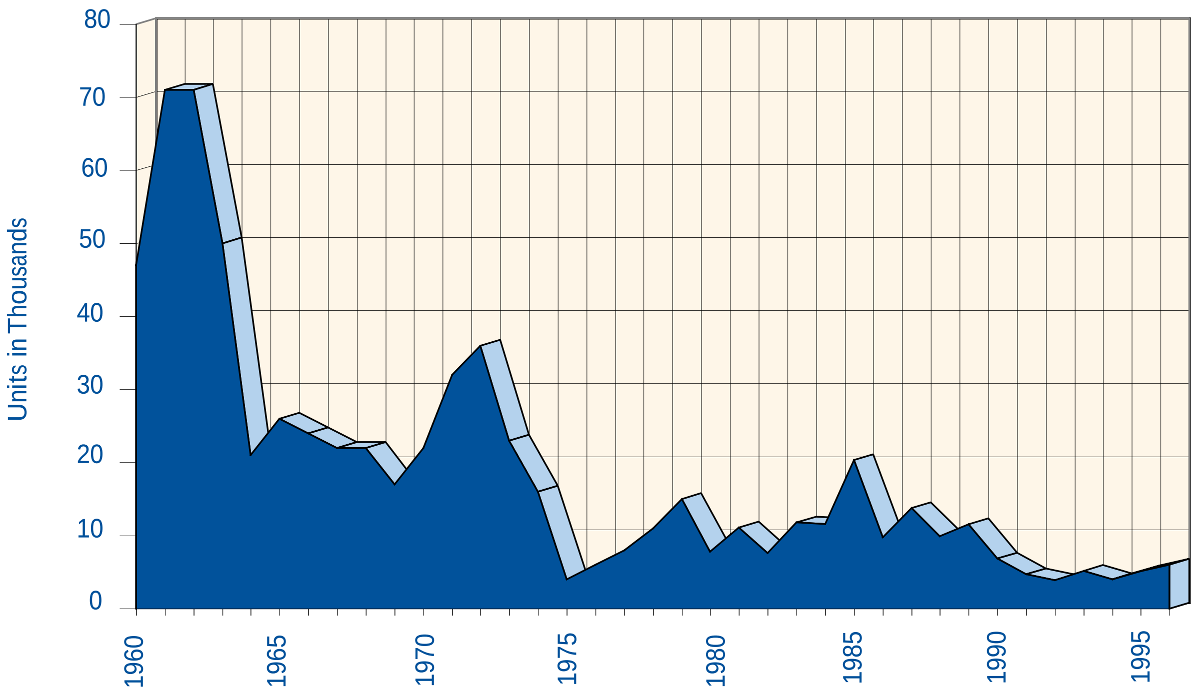
About 1,800 of the units authorized with permits in 1995 were in buildings with 5 or more dwellings. Though most of the 1,800 dwellings will be available to renters, at least one-third will be owner-occupied cooperatives and condominiums (plans for more than 600 new cooperative and condominium units were filed in 1995, see graph on page 7 of this report).

Manhattan had the highest increase in permits for new dwellings in 1995, more than doubling from 428 apartments in 1994 to 1,129 this year. Judging from cooperative and condominium data for 1995, about half of the 1,129 units are in multifamily rental buildings. Queens (738) and Staten Island (1,472) also saw increases in new units permitted, 32% and 16% respectively, while the Bronx and Brooklyn remained virtually unchanged at respectively 853 and 943 units.

The number of units issued new permits in the first three months of 1996 was 17% higher than the comparable period in 1995. About one-fifth of these are in buildings with 5 or more units. Sustaining this pace

Permits for New Construction Rose in 1995... but Remain Far Below Historical Levels

(Units in Buildings Authorized by New Permits)



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

throughout 1996 would lead to more than 6,000 new units permitted this year, the highest number since 1990.

While the increase in permits in 1995 and early 1996 is encouraging, putting these figures into historical perspective shows that comparatively little new construction has taken place in recent years, especially in multifamily buildings. Throughout the 1980s, roughly 10,000 units were permitted each year and more than 20,000 were authorized in 1985 alone, a surge attributed to pending legislation to restrict much of Manhattan from 421-a eligibility. Further, permits issued in the 1980s pale in comparison to the number issued between 1960 and 1974 when as many as 70,000 units were authorized for construction in a single year (1961 and 1962). The Department of City Planning finds that the 1961-1962 surge was due to builders and developers rushing to file plans for new construction before new zoning regulations took effect.[1] (A graph depicting changes in permits issued each year appears on the previous page.)

The percent of units issued permits in buildings with five or more units has steadily declined since the late 1980s when one-half of units issued permits were in multifamily (five or more units) buildings. In the last five years, the proportion has ranged from one-quarter to one-third of permitted units. New construction in Manhattan remains almost exclusively large buildings with 100 or more units, while new buildings in the outer boroughs typically contain 1-4 dwellings. Throughout the last decade, about one-quarter to one-third of all new units issued permits have been in Staten Island where few permits are for buildings with more than four dwellings.

421-a Tax Abatements

Much new housing built in New York City (except in Manhattan below 96th Street and loosely ending at 14th Street on the East side and Houston Street on the West side) receives tax exemptions under the City's 421-a tax incentive program which is intended to promote new housing construction. Owners are exempt from paying additional property taxes on the increased value of the property due to the housing structure. Newly constructed multifamily buildings (3 or more units) are eligible for the 421-a program, while 421-b exemptions are available to conventional homes, those with 1-2 dwellings.

The level and duration of 421-a benefits depend on geographic location, reservation of units for low- and moderate-income occupants, construction periods, and government involvement. Properties are eligible for exemptions during the construction phase, up to three years, and continue to receive benefits for 10 to 25 years. While receiving tax benefits, owners must abide by all rent regulations.

Since fewer new units are being built, it is not surprising that the number of units receiving 421-a benefits for the first time have been declining somewhat steadily since the late 1980s when 8,000 to 10,000 apartments were issued preliminary certificates annually. In 1995, 2,284 apartments were issued preliminary certificates for 421-a benefits, the highest annual number issued since 1992 when 2,650 units first entered the program.

By 1994, more than 17,000 apartments were benefiting from 421-a exemptions, providing an estimate of newly constructed units that temporarily fall under the stabilization system.

Conversions and Subdivisions

While thousands of rental properties have been built in New York City since World War II - even in the lean 1990s, new apartment buildings have sprung up throughout the City - the rapid influx of people into the City has outstripped the new supply, making New York's one of the tightest housing markets in the country. Since new construction has not kept pace with the growing number of households, alternate sources of housing have been tapped, such as subdividing single-family homes into several apartments. This type of conversion is particularly evident in brownstone buildings lining the streets of Manhattan and Brooklyn which now contain as many as 8 to 10 apartments in what were, earlier in this century, one- or two-family homes. A second form of conversion involves constructing residential space from former commercial properties. Witness the ongoing metamorphosis of downtown Manhattan's warehouses and office buildings to spacious residential lofts.

1 *New Housing in New York City 1992*, Department of City Planning.

All new residential units, including converted or subdivided properties, relieve the housing shortage and resulting upward pressure on rents by providing additional dwellings for households to move into. While new construction data is readily available, conversion activity is more difficult to measure. The Department of Buildings requires owners to submit applications before commencing such work; however, much conversion activity is done illegally without permits from the City. Even when owners obtain permits, this data is difficult to compile and is not classified into distinct categories such as rehabilitation, subdivisions, or the like. Rather, the type of construction activity must be inferred from the inspection records maintained by the Department. The RGB staff intends to work with the Buildings Department this year to assemble this data for use in future reports.

Until then, the RGB continues to rely on certificates of occupancy and the number of vacant *in rem* buildings as indicators of newly constructed and returned dwellings and J-51 tax benefits as a measure of rehabilitation activity to assess New York City's housing performance in a given year.

Returned Losses

As the housing stock ages, properties are prone to deteriorate beyond the point of habitability. Buildings that have already been abandoned by tenants, and in some cases by their owners as well, can be brought back to the housing market through substantial or gut rehabilitation. Such units are completely rebuilt and are essentially new dwellings.

The City of New York has been responsible for returning hundreds of uninhabitable buildings to the housing inventory in the last decade by rehabilitating vacant *in rem* housing and turning over the management responsibilities, as well as the ownership, to private and non-profit entities.

Through 1990, the City owned more vacant than occupied dwellings in its Centrally Managed system. The total number of vacant units the City had accumulated peaked at over 56,000 units in the mid-1980s, but fell to just over 10,000 in recent years. Because these figures represent City-owned units in the Centrally Managed stock, they mask thousands of additional dwellings that the City rehabilitated through its DAMP (Division of Alternative Management) programs and through various preservation programs aimed at privately owned properties.

Rehabilitation

While the median age of New York City's rental housing is about 50 years, much of the existing stock was built prior to 1930. As housing ages, it requires periodic renovation in addition to regular maintenance to remain habitable. As mentioned previously, owners wishing to undertake building alterations must apply for permits with the Department of Buildings. Since this data is not compiled, the RGB relies on J-51 data as an indication of rehabilitation activity in recent years.

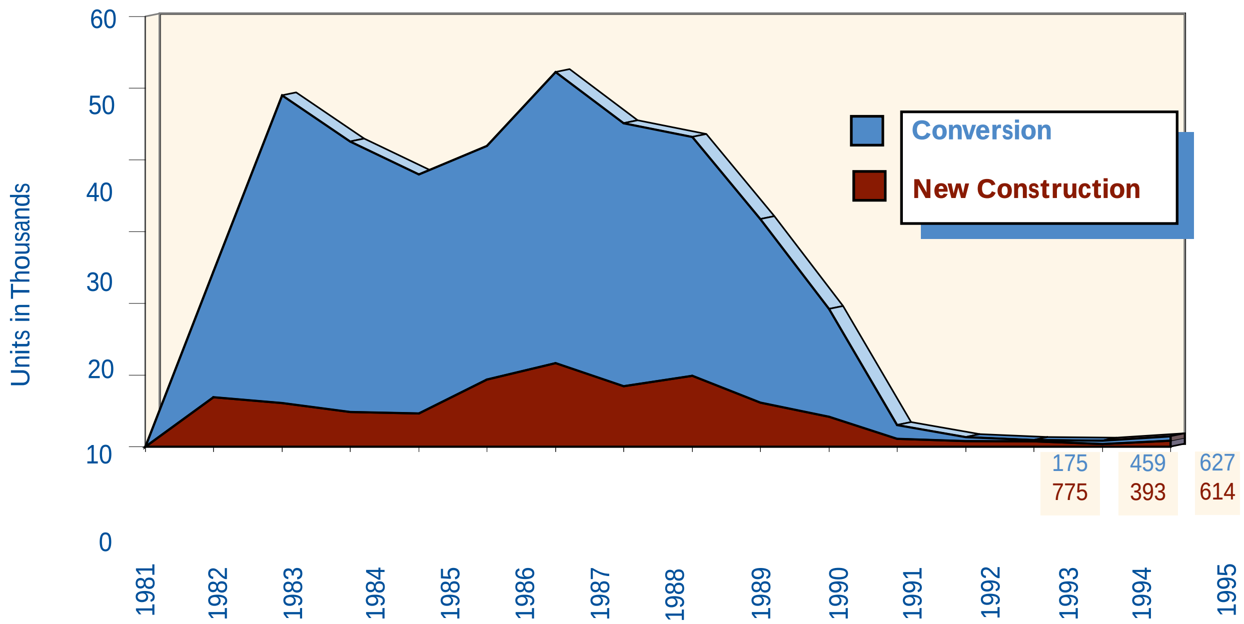
As under the 421-a program, apartments in rental properties receiving J-51 tax abatements and exemptions are subject to rent regulation during the benefit period. Eligible rehabilitation activities include Major Capital Improvements (MCIs), substantial rehabilitation, conversions from non-residential to residential properties, and moderate rehabilitation. Renovations qualifying as MCIs receive a tax exemption on the increase in assessed value due to renovation or rehabilitation for 14 years (10 years of full exemption followed by a 4-year phase-out period designed for a less abrupt transition to full taxation) and abatements on existing taxes up to 90% of the reasonable cost of rehabilitation at 8-1/3% per year up to 20 years.

Moderate rehabilitation projects, which require a significant improvement to at least one major building-wide system, receive a 34-year tax exemption and abatements for up to 20 years to a ceiling of 100% of the reasonable cost. Government assisted housing receives "enriched" benefits including tax exemption for 34 years on the increase in assessed value and an abatement of 12.5% annually up to the actual claimed cost for as many as 20 years. Enriched exemption and abatements benefits are also available for conversions of Class A multiple dwellings and rehabilitation of Class A buildings that are not entirely vacant.

In the late 1980s and early 1990s, the number of units approved for initial J-51 tax abatements and exemptions each year was typically above 100,000 units, but has declined since. The largest number of units approved for

Units in Newly Constructed and Converted Co-ops & Condos Increased in 1995

(Number of Units in Plans Accepted for filing by the Attorney General's Office)



Source: New York State Attorney General's Office, Real Estate Financing Division.

benefits in recent years was in 1992 when 143,593 units first received benefits, while only half as many dwellings (77,072) received J-51 tax benefits in 1995.

By Fiscal Year 1994, total J-51 benefits were imparted to nearly half a million rental apartments (417,140). Those apartments that were not stabilized prior to receiving tax benefits will no longer be subject to rent regulations once their tax benefits expire. Unfortunately, the data does not indicate what proportion of J-51 apartments are in regulated properties.

Other Changes in New York City's Housing Inventory

Demolitions

The number of housing units demolished in New York City each year is miniscule considering the size of its housing stock, and has been declining over the last ten years. Only 220 dwellings were demolished in 1995, 22 of which were in buildings with 5 or more units. This marks a steady decline since 1985 when 2,325 total dwelling units were destroyed, three-quarters of which were in buildings with 5 or more units. This rapid decline in demolitions reflects the City's preservation and anti-abandonment policies.

Cooperative and Condominium Activity

The overall housing stock is enlarged by newly constructed cooperatives and condominiums which help relieve the pressure on the rental market, assuming purchasers of these shared multifamily dwellings formerly resided in rental apartments or would otherwise choose to rent apartments in New York City. Also, some apartments in these buildings will be offered for rent by their owners. Plans for more than 76,000 newly constructed cooperative and condominium units have been filed with the New York State Attorney General's Office in the last fifteen years. Most of them were filed in the 1980s, while fewer than 1,800 units were contained in plans in the last three years. About 50% more cooperative and condominium dwellings were slated for new construction in 1995 (614 units) compared with the previous year (393 units).

Conversions of rental properties to cooperatives and condominiums, on the other hand, do not lead to a net increase in housing units. Further, eviction method conversions reduce the the number of apartments available to renters. Not all households are evicted from their homes in eviction conversions, though; some residents choose to purchase their units or otherwise are allowed to remain in their homes. In addition, not all apartments in buildings that are converted to cooperatives and condominiums (through either eviction or non-eviction conversions) become owner-occupied. Many remain rentals even when they are purchased, because they are offered for rent by their owners. Nonetheless, about 250,000 dwelling units have been converted to cooperatives and condominiums through non-eviction plans and 70,000 dwellings have been converted through eviction plans since the early 1980s.

Eviction conversion plans increased in 1995 (426) to nearly twice the level in 1994 (283), while non-eviction conversions inched up from 176 units last year to 201 in 1995. (See the graph on the previous page which shows newly constructed and converted cooperative and condominium dwellings since 1981.)

Last year was the first time the RGB collected data on rehabilitated cooperative and condominium units. Such rehabilitations increased by more than 50% from 1994 to 1995, while most were sponsored by the City's Department of Housing Preservation and Development in both years.

Proponents of ownership claim, with much merit, that owner-occupants have more incentive to care for their properties and surrounding communities. However, purchasing a housing unit requires substantial up-front capital (conventional mortgages frequently require 20% of the purchase price as a down payment), a sizable income flow to support mortgage payments, and a relatively long-term commitment to the dwelling. Further, cooperatives often require approval of a board which can lead to income, racial, and various forms of discrimination against children and others. These obstacles preclude many New Yorkers from owning their apartments, forcing them to be "captured" by the rental market.

Tax-Delinquent Properties

Through 1993, the City of New York took possession of hundreds of tax delinquent buildings under its *in rem* tax foreclosure program. The City accumulated tens of thousands of occupied dwellings, at the same time that vacant units in its Centrally Managed inventory swelled to more than 50,000 apartments in nearly 6,000 buildings. It is these vacant units that the City has successfully returned to the housing inventory throughout the last decade. This commitment has prevented a more severe housing shortage than already exists caused by lack of new construction. The occupied *in rem* inventory, on the other hand, has not yet declined by 50% of its mid-1980s peak.

Because of the vast sum the City has expended on *in rem* properties, it finally halted its foreclosure policy in late 1993 after sixteen years of taking title to properties in tax arrears, and rehabilitating, managing, and selling thousands of City-owned properties. HPD now aims to quickly sell its occupied inventory. Since 1993, fewer than 100 properties have been vested, while several hundred buildings have been sold. The City's housing agency now has only one disposition program (Tenant Interim Lease, or TIL) that directly involves HPD in the rehabilitation of *in rem* properties prior to sale.

In an attempt to more aggressively recoup back taxes as well as to preserve the housing inventory, the City devised a new plan that includes an early-warning system and sales of tax liens on delinquent properties. The City expects to raise $150 million by selling select residential [2] and commercial properties with liens worth twice this amount to approved bidders. Bidders purchase the claim for unpaid taxes from the City and collect taxes from delinquent property owners. The City receives an immediate payment (though less than the value of the lien) and the purchaser receives the difference between the outstanding tax plus interest and the amount paid to the City.

This new strategy will be employed in conjunction with the City's broader plan to prevent the need for selling tax liens or vesting properties by first employing an early-warning system and allowing HPD to transfer title to third parties without taking title to delinquent properties. HPD will alternatively vest those properties that require the resources of the City, ones that have little economic value, to ensure they remain habitable. While

2 The first lien sale excludes Class I properties, buildings that are cooperatives and condominiums, and rental properties that are considered at risk.

this strategy will certainly reduce direct costs the City incurs in maintaining its housing stock, it is uncertain how it will impact marginal properties in the City's poorest neighborhoods.

Future Additions to New York City's Housing Stock

All data in this year's Housing Supply Report suggests that New York City's housing market is in recovery, but this upswing appears fragile. New housing permits, which reflect new owner-occupied units as well as rentals and cooperatives and condominiums, rose in 1995 by one-quarter over 1994. Rehabilitation efforts and conversions from non-residential properties are also on the rise.

In addition, a recent announcement by Fannie Mae bodes well for New York's housing stock. Fannie Mae unveiled its *House New York* program in which it will invest $8 billion in the five boroughs and the four New York State counties that surround the City. One billion dollars of these funds are earmarked for multifamily housing initiatives including acquisition, new construction, and rehabilitation. The plan focuses on housing in both Manhattan and smaller properties in the outer boroughs. The remaining $7 billion will be used to promote homeownership in traditional single family homes, as well as in cooperatives, condominiums, and 2-4 family properties.

On the down side, Congress is proposing a sunset of Low Income Housing Tax Credits (LIHTC), a program designed to encourage construction and rehabilitation of residential properties by private developers begun in 1987. The sunset would apply to future allocations rather than to existing projects which would continue to receive tax benefits. States would be required to allocate all unused credits by the end of 1998. Further, proposed cuts in Section 8 certificates and vouchers could jeopardize plans for future low- and moderate-income housing, since many such projects rely on market rents to cover operating and capital costs. These economic rents are otherwise unaffordable to target families.

Reviewing patterns of new housing construction over the past few decades reveals that developers respond to government incentive and subsidy programs and to stricter zoning regulations, as well as to economic downturns, when building all types of housing. Less government assistance would surely result in fewer new developments. q

I. New Construction in New York City, 1960-95

Year	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Total
1960	4,970	9,860	5,018	14,108	1,292	**35,248**
1961	4,424	8,380	10,539	10,632	1,152	**35,127**
1962	6,458	10,595	12,094	15,480	2,677	**47,304**
1963	8,780	12,264	19,398	17,166	2,423	**60,031**
1964	9,503	13,555	15,833	10,846	2,182	**51,919**
1965	6,247	10,084	14,699	16,103	2,319	**49,452**
1966	7,174	6,926	8,854	6,935	2,242	**32,131**
1967	4,038	3,195	7,108	5,626	3,069	**23,036**
1968	3,138	4,158	2,707	4,209	3,030	**17,242**
1969	1,313	2,371	6,570	3,447	3,768	**17,469**
1970	1,652	1,695	3,155	4,230	3,602	**14,334**
1971	7,169	2,102	4,708	2,576	2,909	**19,464**
1972	11,923	2,593	1,931	3,021	3,199	**22,667**
1973	6,294	4,340	2,918	3,415	3,969	**20,936**
1974	3,380	4,379	6,418	3,406	2,756	**20,339**
1975	4,469	3,084	9,171	2,146	2,524	**21,394**
1976	1,373	10,782	6,760	3,364	1,638	**23,917**
1977	721	3,621	2,547	1,350	1,984	**10,223**
1978	464	345	3,845	697	1,717	**7,068**
1979	405	1,566	4,060	1,042	2,642	**9,715**
1980	1,709	708	3,306	783	2,380	**8,886**
1981	396	454	4,416	1,152	2,316	**8,734**
1982	997	332	1,812	2,451	1,657	**7,249**
1983	757	1,526	2,558	2,926	1,254	**9,021**
1984	242	1,975	3,500	2,291	2,277	**10,285**
1985	557	446	754	1,871	1,939	**5,567**
1986	968	2,398	4,266	1,776	2,718	**12,126**
1987	1,177	1,735	4,057	2,347	3,301	**12,617**
1988	1,248	1,631	5,548	2,100	2,693	**13,220**
1989	847	2,098	5,979	3,560	2,201	**14,685**
1990	872	929	6,376	2,340	1,384	**11,901**
1991	656	764	2,595	1,996	1,627	**7,638**
1992	802	1,337	2,720	1,905	1,136	**7,900**
1993	886	616	1,222	1,320	1,466	**5,510**
1994	891	1,035	1,465	2,001	1,572	**6,964**
1995	1,166	1,647	2,164	1,183	1,268	**7,428**

Source: New York City Department of City Planning, Certificates of Occupancy issued in Newly Constructed Buildings.

II. Permits Issued For Housing Units in New York City, 1960-96

Year	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Total
1960	--	--	--	--	--	**46,792**
1961	--	--	--	--	--	**70,606**
1962	--	--	--	--	--	**70,686**
1963	--	--	--	--	--	**49,898**
1964	--	--	--	--	--	**20,594**
1965	--	--	--	--	--	**25,715**
1966	--	--	--	--	--	**23,142**
1967	--	--	--	--	--	**22,174**
1968	--	--	--	--	--	**22,062**
1969	--	--	--	--	--	**17,031**
1970	--	--	--	--	--	**22,365**
1971	--	--	--	--	--	**32,254**
1972	--	--	--	--	--	**36,061**
1973	--	--	--	--	--	**22,417**
1974	--	--	--	--	--	**15,743**
1975	--	--	--	--	--	**3,810**
1976	--	--	--	--	--	**5,435**
1977	--	--	--	--	--	**7,639**
1978	--	--	--	--	--	**11,096**
1979	--	--	--	--	--	**14,524**
1980	--	--	--	--	--	**7,800**
1981	--	--	--	--	--	**11,060**
1982	--	--	--	--	--	**7,649**
1983	--	--	--	--	--	**11,795**
1984	--	--	--	--	--	**11,566**
1985	1,263	1,068	12,079	2,211	3,711	**20,332**
1986	920	1,278	1,622	2,180	3,782	**9,782**
1987	931	1,650	3,811	3,182	4,190	**13,764**
1988	967	1,629	2,460	2,506	2,335	**9,897**
1989	1,643	1,775	2,986	2,339	2,803	**11,546**
1990	1,182	1,634	2,398	704	940	**6,858**
1991	1,093	1,024	756	602	1,224	**4,699**
1992	1,257	646	373	351	1,255	**3,882**
1993	1,293	1,015	1,150	530	1,185	**5,173**
1994	846	911∫	428	560	1,265	**4,010∫**
1995	853	943	1,129	738	1,472	**5,135**
1996 π	42 (204)	332 (195)	141 (110)	174 (160)	412 (269)	**1,101 (938)**

∫ Number was revised upward by 800 units since last year's Housing Supply Report.
π First three months of 1996. The number of permits issued in the first three months of 1995 is in parentheses.

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

III. Number of Residential Cooperative and Condominium Plans Accepted for Filing By the Attorney General's Office, 1994-95

	1994	1995
Private Plans	Plans (Units)	Plans (Units)
New Construction	13 (383)	17 (614)
Rehabilitation	8 (111)	19 (428)
Conversion (Non-Eviction)	10 (176)	9 (201)
Conversion (Eviction)	1 (88)	1 (321)
Total	**32 (758)**	**46 (1,564)**
HPD Sponsored Plans	Plans (Units)	Plans (Units)
New Construction	1 (10)	0 (0)
Rehabilitation	37 (696)	37 (830)
Conversion (Non-Eviction)	0 (0)	0 (0)
Conversion (Eviction)	10 (195)	4 (105)
Total	**48 (901)**	**41 (935)**

Note: Figures exclude "Homeowner" and "Commercial" plans/units. The "Rehabilitation" category was not included in previous years.
Source: New York State Attorney General's Office, Real Estate Financing.

IV. Number of Units in Cooperative and Condominium Plans Accepted for Filing By the Attorney General's Office, 1981-1995

Year	New Construction	Conversion Eviction	Conversion Non-Eviction	Total	Units in HPD Sponsored Plans
1981	6,926	13,134	4,360	**24,420**	925
1982	6,096	26,469	16,439	**49,004**	1,948
1983	4,865	18,009	19,678	**42,552**	906
1984	4,663	7,432	25,873	**37,968**	519
1985	9,391	2,276	30,277	**41,944**	935
1986	11,684	687	39,874	**52,245**	195
1987	8,460	1,064	35,574	**45,098**	1,175
1988	9,899	1,006	32,283	**43,188**	1,159
1989	6,153	137	25,459	**31,749**	945
1990	4,203	364	14,640	**19,207**	1,175
1991	1,111	173	1,757	**3,041**	2,459
1992	793	0	566	**1,359**	1,674
1993	775	41	134	**950**	455
1994	393	283	176	**852**	901
1995	614	426	201	**1,241**	935

Note: HPD Plans are a subset of all plans and include rehabilitation plans explaining why HPD plans are higher than the total in some years.
Source: New York State Attorney General's Office, Real Estate Financing.

V. Tax Incentive Programs

Buildings Receiving Preliminary Certificates for 421-a Exemptions, 1994-95

	1994		1995	
	Prelim. Certificates	Prelim. Units	Prelim. Certificates	Prelim. Units
Bronx	10	235	7	136
Brooklyn	31	139	37	400
Manhattan	3	114	5	1,441
Queens	11	131	19	261
Staten Island	1	8	1	46
Total	**56**	**627**	**69**	**2,284**

Buildings Receiving J-51 Tax Abatements and Exemptions, 1994-95

	1994			1995		
	Buildings	Units	Certified Cost ($1,000s)	Buildings	Units	Certified Cost ($1,000s)
Bronx	305	13,413	$52,690	235	12,201	$23,400
Brooklyn	446	16,275	$23,560	393	18,801	$27,682
Manhattan	367	16,340	$39,311	422	24,167	$34,536
Queens	307	14,569	$9,199	453	21,848	$13,265
Staten Island	10	277	$290	1	55	$121
Total	**1,435**	**60,874**	**$125,050**	**1,504**	**77,072**	**$99,004**

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

VI. Tax Incentive Programs - Units Receiving Initial Benefits, 1981-1995

Year	421-a	J-51
1981	3,505	--
1982	3,620	--
1983	2,088	--
1984	5,820	--
1985	5,478	--
1986	8,569	--
1987	8,286	--
1988	10,079	109,367
1989	5,342	64,392
1990	980	113,009
1991	3,323	115,031
1992	2,650	143,593
1993	914	122,000
1994	627	60,874
1995	2,284	77,072

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

VII. City-Owned Properties, 1985-1996

	Central Management				Alternative Management		Vestings		Buildings Sold
Year	Occupied Units	Occupied Buildings	Vacant Units	Vacant Buildings	Units	Buildings	Units	Buildings	Buildings
1985	38,561	4,102	56,474	5,732	12,825	542	--	--	531
1986	39,632	4,033	55,782	5,662	13,375	583	--	--	275
1987	38,201	4,042	48,987	4,638	13,723	587	--	--	621
1988	37,355	3,628	37,734	3,972	14,494	624	--	--	58 +
1989	32,377	3,359	45,724	3,542	17,621	780	--	--	72
1990	33,851	3,303	37,951	3,110	14,800	705	3,323	292	112
1991	32,783	3,234	30,534	2,796	12,695	615	2,288	273	140
1992	32,801	3,206	22,854	2,368	--	--	1,462	197	--
1993	32,078	3,098	17,265	2,085	9,237	470	2,455	211	162
1994	30,358	2,992	13,675	1,763	8,606	436	715	69	81
1995	27,922	2,885	11,190	1,521	7,903	433	240	17	170
1996†	25,385	2,539	10,146	1,401	6,255	363	49	2	456

Note: HPD could not confirm vestings data prior to FY 1990.

† Plan for 1996.

Source: New York City Office of Operations, Mayor's Management Report; New York City Department of Housing Preservation and Development.

VIII. Apartments Demolished in New York City, 1985-1995

	Bronx		Brooklyn		Manhattan		Queens		Staten Island		Total	
Year	5+ Units	Total	5+ Units	Total	5+ Units	Total	5+ Units	Total	5+ Units	Total	5+ Units	Total
1985	1,176	1,329	59	189	549	587	20	169	7	51	**1,811**	**2,325**
1986	685	804	137	462	209	271	27	337	30	132	**1,088**	**2,006**
1987	249	318	17	193	291	325	14	356	60	150	**631**	**1,342**
1988	41	91	18	265	256	317	10	363	0	175	**325**	**1,211**
1989	137	222	77	307	290	353	21	317	0	112	**525**	**1,311**
1990	23	60	28	220	312	334	25	172	0	71	**388**	**857**
1991	86	130	132	264	121	131	6	88	0	34	**345**	**647**
1992	103	185	40	132	80	83	5	57	0	40	**228**	**497**
1993	0	35	34	145	0	3	18	76	0	5	**52**	**264**
1994	75	90	28	139	80	80	10	57	0	9	**193**	**375**
1995	12	43	0	102	0	0	10	52	0	23	**22**	**220**

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