Methodology

RPIE Filings from owners of buildings with 11 or more units

Data matched, merged, and screened

HCR registered buildings with at least one stabilized unit

RPIE Analysis
14,828 buildings, 684,597 units
Average revenues & costs for 2020

Longitudinal Analysis
13,969 buildings, 648,560 units
Change in revenue & costs from 2019-2020
RPIE Analysis

Rents in 2020

- Citywide average rent: $1,422 per unit per month
  - Median monthly rent: $1,280
- By building age:
  - $1,310 in pre-war buildings
  - $1,676 in post-war buildings
- By borough:
  - $1,870 in Manhattan
    - $2,363 in Core Manhattan
    - $1,369 in Upper Manhattan
  - $1,372 in Queens
  - $1,367 in Brooklyn
  - $1,115 in Staten Island
  - $1,053 in the Bronx
  - $1,288 NYC excluding Core Manhattan
RPIE Analysis

Income in 2020

• Citywide average gross income: $1,580 per unit per month
  • Median monthly income: $1,389
  • By building age:
    ✦ $1,458 in pre-war buildings
    ✦ $1,857 in post-war buildings
  • By borough:
    ✦ $2,172 in Manhattan
      ✦ $2,636 in Core Manhattan
      ✦ $1,579 in Upper Manhattan
    ✦ $1,458 in Brooklyn
    ✦ $1,452 in Queens
    ✦ $1,222 in Staten Island
    ✦ $1,177 in the Bronx
    ✦ $1,388 NYC excluding Core Manhattan
Average Monthly Collected Income/Rent per Dwelling Unit by Borough

Income and Rent Highest in Manhattan in 2020

Source: NYC Department of Finance, 2020 RPIE Data
RPIE Analysis

Income in 2020

• Sale of services and commercial income: 10.0% of total income
  ✦ Decline from 10.8% in 2019
  ✦ 13.9% in Manhattan
    ✦ 14.2% in Core Manhattan
    ✦ 13.3% in Upper Manhattan
  ✦ 10.5% in the Bronx
  ✦ 8.8% in Staten Island
  ✦ 6.3% in Brooklyn
  ✦ 5.5% in Queens
  ✦ 7.2% in City excluding Core Manhattan
RPIE Analysis

Expenses in 2020

• Citywide average costs: $1,035 per unit per month
  • Median monthly costs: $937
• By age:
  ✦ $997 in pre-war buildings
  ✦ $1,122 in post-war buildings
• By borough:
  ✦ $1,451 in Manhattan
    ✧ $1,752 in Core Manhattan
    ✧ $1,066 in Upper Manhattan
  ✦ $934 in Queens
  ✦ $895 in Brooklyn
  ✦ $811 in the Bronx
  ✦ $810 in Staten Island
  ✦ $900 in NYC excluding Core Manhattan
Average Monthly Expense per Dwelling Unit per Month

Taxes Remain Largest Expense in 2020

Breakdown of operating cost components by building age

Source: NYC Dept. of Finance, 2020 RPIE Data
RPIE Analysis

Distressed Properties in 2020

• 6.5% of buildings in survey are distressed
  ✦ One percentage point increase from last year’s 5.5%

• By Borough, majority are in Manhattan
  ✦ Manhattan: 56.6%
  ✦ Brooklyn: 16.6%
  ✦ Bronx: 15.7%
  ✦ Queens: 10.6%
  ✦ Staten Island: 0.5%
Percent of Distressed Properties in RPIE Analysis, 1990-2020

Share of Distressed Properties Increases in 2020

Source: NYC Dept. of Finance, 1990-2020 RPIE Data
RPIE Analysis

Net Operating Income in 2020

• Net Operating Income (NOI) equals the amount or income remaining after O&M expenses
• Apartments averaged $545 of net NOI per month
  ✦ $735 in post-war units
  ✦ $461 in pre-war units
• NOI in *residential-only* buildings was $490
  ✦ 10.2% less than for all buildings
RPIE Analysis

Net Operating Income in 2020

NOI by Borough:

• Highest in Manhattan: $721
  ✦ $884 in Core Manhattan
  ✦ $513 in Upper Manhattan
• $563 in Brooklyn
• $518 in Queens
• $412 in Staten Island
• $366 in the Bronx
• $488 in City excluding Core Manhattan
Cost-to-Income and Cost-to-Rent Ratios Decrease in 2020

- Operating costs 60.2% of gross income in 2020, a 0.2 percentage point decrease from the prior year
- Operating costs 66.9% of rent revenues in 2020, 0.9 percentage points lower than prior year

Source: NYC Dept. of Finance, 1990-2020 RPIE Data
Average Monthly Rent, Income, Operating Costs, NOI, and Cost-to-Income Ratios, Core Manhattan vs. Rest of the City, 2020

Cost-to-Income Ratio Higher in Core Manhattan

Source: NYC Dept. of Finance, 2020 RPIE Data
*Note: Ratios use audit-adjusted costs
Citywide Income, Rents, Costs, and NOI After Inflation, 1990-2020

Inflation-Adjusted Net Operating Income Up 46.6% Since 1990
(Average Monthly Income, Rent, Operating Costs, and NOI per Dwelling Unit, in Constant 2020 Dollars)

Source: NYC Dept. of Finance, 1990-2020 RPIE Data
Income, Rents, Costs, and NOI After Inflation per Borough, 1990-2020

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 2020 Dollars)

Source: NYC Dept. of Finance, 1990-2020 RPIE Data
Longitudinal Study

Change in Rents from 2019 to 2020

• Longitudinal analysis tracks same set of buildings over two years
• Average monthly rent collections fell by 3.8%

Citywide

✦ Post-war rents fell by 2.9%
✦ Pre-war rents fell by 4.4%

• Rent collection decline by building size
  ✦ Small (11-19 unit) bldgs.: 5.6% decline
  ✦ Medium (20-99 unit) bldgs.: 3.4% decline
  ✦ Large (100+ unit) bldgs.: 4.0% decline
Longitudinal Study
Change in Rents from 2019 to 2020

• Rent change by borough:
  ✦ Staten Island: 0.5% increase
  ✦ Manhattan: 7.4% decline
    ✦ Core Manhattan: 8.9% decline
    ✦ Upper Manhattan: 4.2% decline
  ✦ Queens: 2.1% decline
  ✦ Bronx: 1.7% decline
  ✦ Brooklyn: 1.2% decline
  ✦ City excluding Core Manhattan: 2.0% decline

• Median rent fell by 2.8% Citywide
Change in Rent by Community District, 2019-2020

Collected Rents Decline in Vast Majority of Community Districts

*Community Districts with not enough buildings for reliable data.

Source: NYC Dept. of Finance, 2019-20 RPIE Data
Longitudinal Study

Change in Income from 2019 to 2020

• Average gross income declined by 4.6% Citywide
  ✦ 5.5% decline in pre-war buildings
  ✦ 3.0% decline in post-war buildings

• Income change by borough:
  ✦ Staten Island: 0.4% increase
  ✦ Manhattan: 8.9% decline
    ✦ Core Manhattan: 10.7% decline
    ✦ Upper Manhattan: 4.7% decline
  ✦ Queens: 2.2% decline
  ✦ Bronx: 1.9% decline
  ✦ Brooklyn: 1.2% decline
  ✦ City excluding Core Manhattan: 2.2% decline

• Median income fell by 3.0% Citywide
Longitudinal Study
Change in Expenses from 2019 to 2020

• Monthly expenses declined 2.8% Citywide
  ✦ 3.3% decline in pre-war buildings
  ✦ 1.8% decline in post-war buildings
• By borough:
  ✦ Manhattan: 3.9% decline
    ✦ Upper Manhattan: 4.5% decline
    ✦ Core Manhattan: 3.6% decline
  ✦ Queens: 2.5% decline
  ✦ Staten Island: 2.3% decline
  ✦ Bronx & Brooklyn: Both decline 2.0%
  ✦ City excluding Core Manhattan: 2.5% decline
• Median costs fell 2.6% Citywide
Change in Operating & Maintenance Costs, RPIE and the PIOC, 1990 to 2020

In 2020, PIOC Costs Grew While Owner-Reported RPIE Expenses Declined

*Note: Longitudinal I&E Data for 2003-04 unavailable.

Source: NYC Dept. of Finance, 1990-2020 RPIE Data; NYC Rent Guidelines Board PIOC 1990-2020
Longitudinal Study
Change in NOI from 2019 to 2020

- Average Net Operating Income fell by 7.8% Citywide
  - Fourth Decline in the Last 30 Years
  - Down 4.7% in post-war buildings
  - Down 9.8% in pre-war buildings
Longitudinal Study
Change in NOI from 2019 to 2020

• Change in Net Operating Income (NOI) around NYC:
  ✦ Staten Island: up 6.4%
  ✦ Brooklyn: up 0.1%
  ✦ Manhattan: down 17.5%
    ✦ Core Manhattan: down 22.0%
    ✦ Upper Manhattan: down 5.2%
  ✦ Bronx: down 1.8%
  ✦ Queens: down 1.6%
  ✦ City excluding Core Manhattan: down 1.5%
Change in NOI by Community District, 2019-20

Net Operating Income Declines in 70% of Community Districts

*Community Districts with not enough buildings for reliable data.

Source: NYC Dept. of Finance, 2019-20 RPIE Data
Net Operating Income (NOI) Fell from 2019 to 2020, the Fourth Decline in the Last 30 Years

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Source: NYC Dept. of Finance, 1990-2020 RPIE Data

Note: 2003-04 data unavailable.
NYC Rent Guidelines Board

2022 Income and Expense Study

March 31, 2022