Housing NYC

Rents, Markets & Trends 2022

NYC Rent Guidelines Board

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Chair's Acknowledgments

New York City continues to experience vacancy levels (4.54% Citywide for all rentals and 4.57% for rent stabilized units, according to the most recent data) that constitute a "housing emergency," requiring the Rent Guidelines Board (RGB), rather than the market, to set annual renewal lease adjustments for roughly one million rent stabilized apartments, lofts, and hotel units. Our role is to determine lease adjustments that are responsive to the costs of operating rental housing, but also be cognizant of the economic conditions faced by tenants.

Our annual task was made more difficult this year because of the ongoing COVID-19 pandemic. Nonetheless, we followed the long-established practice of prior Boards to determine the renewal lease adjustment rates for 2022: we relied upon the carefully gathered data provided by the RGB staff. Their reports in this edition of *Housing NYC: Rents, Markets and Trends* provide the foundation for the Board's deliberations and our decisions this year.

The Board is grateful to the RGB staff for their hard work, careful analysis, and clear presentation of data. This staff conducts research that is invaluable to the Board, as well as to the many people and organizations who participate in the public discussion of its work. These reports provide a thorough analysis of the New York City housing market and the larger economy, including a broad array of data concerning the costs of operating residential buildings; owner income; housing availability; tenant income; and changes to the housing stock. The Board is also appreciative for the testimony of outside experts who provide additional data and analysis for the Board's consideration.

This book is critical for those who are interested in the Board's decisions for a particular year. It is also the latest installment in a series of annual books produced by the RGB staff that provide a rich longitudinal data set and analysis for use by housing professionals, government officials, housing advocates, academics, and members of the public who care about the quality and affordability of New York City's rental housing.

Our Final Guidelines were rooted in the data compiled in this book, but the Board also benefitted from the people who attended this year's public hearings who told some of the individual stories that are behind the aggregated data. We are particularly grateful to the many members of the public who submitted testimony. This testimony gave us insight into the challenges faced by both tenants and owners. We also benefitted from the perspectives of the elected officials; representatives of tenant and owner groups; and public policy organizations who testified as well.

It remains my privilege to be part of this Board. We are given a weighty task and the members of the Board have committed themselves to careful and thoughtful decision-making. I thank the members of the Board, the RGB staff, and all of those who testified for their participation in this critically important endeavor.

David J. Reiss Chair of the Board

Executive Director's Acknowledgments

Housing NYC: Rents, Markets and Trends 2022 is a compilation of the NYC Rent Guidelines Board's reports produced by its research staff. These reports remain essential resources used by members of the Board in their promulgation of rent adjustments for rent stabilized dwelling units in New York City. These reports contain information and data from many different sources and they would not be complete without the contributions of many housing professionals and government agencies. Our gratitude goes out to all those who contributed their time and effort in helping us produce these reports. It is our sincere hope that you find the information contained within these pages a valuable tool in your understanding of the complex issues surrounding the NYC rental housing market.

The RGB is fortunate to have a seasoned research staff that provides comprehensive data to the Board members. Our Research Director, Brian Hoberman, authored the *2022 Income and Expense Study*, *2022 Mortgage Survey Report* and *Changes to the Rent Stabilized Housing Stock in New York City in 2021*. Deputy Research Director Danielle Burger authored the *2022 Income and Affordability Study*, the *2022 Housing Supply Report*, the *2022 Hotel Report* and contributed to the *2022 Price Index of Operating Costs*. Our thanks go out to both Brian and Danielle for their exemplary work and their commitment in presenting the Board with relevant and accurate housing data.

The annual *Price Index of Operating Costs (PIOC)*, which measures the change in operating and maintenance costs for rent stabilized buildings, is the most extensive project performed by the RGB. Although each member of the staff spends time working on this project, it would not be possible without our temporary survey data collector Michael Taylor. A veteran *PIOC* participant, Michael continues to excel in collecting timely and accurate during this annual data collection process. We would also like to thank Jim Hudson for his review of the *PIOC* spreadsheets and the final written report. His many years of experience on this project, along with his exceptional statistical expertise, ensures that the data we present to the Board is accurate and concise.

Although the reports contained in Housing NYC are written and compiled by our research team, our efforts would not be possible without the RGB's Office Manager/Public Information Officer, Charmaine Superville. She is our primary point person in answering the thousands of phone calls the RGB receives each year. Over the years, she has accumulated a vast knowledge of rent stabilization and housing issues in NYC, which she delivers to our callers with patience and kindness. Her varied and numerous administrative duties do not go unnoticed.

As Executive Director, I work closely with the members of the Board. I witness first-hand their dedication to public service. I enjoyed working with each and every member and I thank them for their hard work. I would especially like to extend my gratitude to Chair David Reiss. His support of the staff is unwavering and his vast knowledge of the issues that face the Board each year makes my job that much easier.

Although RGB reports are produced entirely "in-house," our research efforts would not be possible without assistance from many others. For both the information and expertise they provided, our gratitude goes out to: Orlando Vasquez at the NYC Comptroller's Office, who provides labor force data; Floralba Paulino at the Bureau of City Marshals, for information on evictions and possessions; Eugene Hurley, Alia Razzaq, and Annette Parisi at the NYC Civil Court, for data on housing court proceedings; Martha Cruz at the NYC Loft Board, for data concerning loft conversions to rent stabilization; Emre Edev at the City Council's

Finance Division for tax levy data; Christian Klossner, Aisha Watson, Jamie Kuzmicki, Aron Zimmerman, and Francine O'Keefe of the Mayor's Office of Special Enforcement for illegal hotel violations data; and Yaw Owusu-Ansah of the Independent Budget Office (IBO), for lending his expertise on real estate tax projections. At the Division of Housing and Community Renewal (DHCR), which is a division of New York State Homes and Community Renewal (HCR), we would like to thank Deputy Commissioner Woody Pascal and Michael Berrios for their assistance and expertise regarding owner registration data and Dan Murphy for their assistance with Mitchell-Lama data. In addition, our thanks go out to the following staff members of the NYC Department of Housing Preservation and Development (HPD): Elyzabeth Gaumer, Chief Research Officer, and Daniel Goldstein, Research Scientist, for facilitating the RGB's request for data; Meilan Chiu of the Tax Incentives Program, who provided data on tax benefit programs; Julie Walpert, Assistant Commissioner, Office of Housing Operations, who provides information regarding Mitchell-Lama units; and Neil Reilly, Director, Policy Development & Special Initiatives, Division of Housing Policy, for additional data points used in the *Housing Supply Report* and *Hotel Report*. We would like to thank the staff of NYC Department of Finance, in particular, Luke McGeehan, Judy Liu, Farah Khan, and Carmela Quintos, for providing summary data from the Real Property Income and Expense (RPIE) filings.

This past year has seen the continuation of a long and cooperative relationship with HPD. We would like to thank Assistant Commissioner Lucy Joffe, Elyzabeth Gaumer, and Jeremy Constancio for continuing and strengthening this relationship. Their support and hard work are truly appreciated.

Andrew McLaughlin
Executive Director

Income & Expense

New York City Rent Guidelines Board

2022 Price Index of Operating Costs

What's New

- ☑ The Price Index of Operating Costs (PIOC) for buildings that contain rent stabilized apartments increased 4.2% this year.
- ☑ Costs in natural-gas heated buildings increased 4.1%, while costs in fuel-oil heated buildings increased 4.3%.
- ☑ The "Core" PIOC, which excludes the changes in fuel oil prices, natural gas and steam costs, rose by 3.0% this year.
- ☑ The Hotel PIOC decreased 1.3% this year.
- ☑ Real estate taxes fell by 3.7%, the only decrease of any PIOC component, primarily due to a decline in assessments for Class Two properties.
- ☑ Fuel costs and Insurance costs rose by the greatest proportions, 19.6% and 10.9%, respectively.
- ☑ The Maintenance component increased by 9.2%.
- ☑ The Administrative component increased by 6.7%, due to a rise in attorney costs.
- ☑ The Utilities component increased by 5.8%.
- ☑ The Labor Costs component increased by 4.1%, due to increases in both union and non-union labor.
- ☑ The PIOC for buildings that contain rent stabilized apartments is projected to increase 4.7% next year.

Apartments

Change In Costs for Buildings that Contain Rent Stabilized Apartments, April 2021 to March 2022

Taxes	-3.7%
Labor Costs	4.1%
Fuel	19.6%
Utilities	5.8%
Maintenance	9.2%
Administrative Costs	6.7%
Insurance Costs	10.9%
All Costs	**4.2%**

Terms and Definitions

Price Index - the measure of price change in a market basket of goods and services.

Component - categories of goods and/or services, such as Labor Costs or Taxes, that comprise the market basket of a price index.

Item - individual good or service within a component, such as Plumbing, Non-union Wages, Faucet or Roof Repair.

Price Relative - the change of current and prior year's prices.

Expenditure Weight - the relative importance of the change in costs of different goods and services.

Specification - defined pricing unit with specific terms of sale, such as cash, volume or trade discounts.

Introduction

The Price Index of Operating Costs (PIOC) measures changes in the cost of purchasing a specified set of goods and services (market basket) used in the operation and maintenance of buildings that contain rent stabilized units in New York City. The PIOC consists of seven cost components: Taxes, Labor Costs, Fuel, Utilities, Maintenance, Administrative Costs and Insurance Costs. The specific goods and services (items) within each component were originally selected based on a study of 1969 expenditure patterns by owners of buildings that contain rent stabilized apartments. The specific items included in each component have changed over time in order to reflect changes in owner expenditure patterns. The methodology for determining the costs for each component is described in the final section of this report. The measured price changes (price relatives) in each index component are presented in Appendix B.2. The relative importance of each index component as a percentage of total operating and maintenance expenditures is shown by its "expenditure weight" (see Appendix B.2). The 2021-2022 price changes and expenditure weights are then combined to provide the overall change in the PIOC for 2021-2022.[1]

The Price Index of Operating Costs for Buildings that Contain Rent Stabilized Apartments Rose...

4.2%

Changes in the overall PIOC result from changes in the prices of individual goods and services, each weighted by its relative importance as a percentage of total operating and maintenance (O&M) expenditures. Because the market basket is fixed in the sense that the quantities of goods and services of each kind remain constant, the relative importance of the various goods and services will change when their prices change either more quickly or more slowly than average. Thus, the relative importance, or weight, attached to each good or service changes from year to year to reflect the different rates of price change among the various index items.

Overview

This year, the PIOC for all rent stabilized apartments increased by 4.2%. Increases occurred in all PIOC components, except Taxes, which fell by 3.7%. The largest proportional increase was seen in Fuel (19.6%), followed by Insurance (10.9%), Maintenance (9.2%), Administrative Costs (6.7%), Utilities (5.8%), and Labor Costs (4.1%). The growth in the Consumer Price Index (CPI), which measures inflation in a wide range of consumer goods and services was lower than the PIOC, rising 4.0% during this same time period.[2] See the table on this page and Appendix B.2 for changes in costs and prices for buildings that contain rent stabilized apartments from 2021-2022.

The "Core" PIOC, which excludes changes in fuel oil, natural gas and steam costs used for heating buildings, is useful for analyzing long-term inflationary trends. The Core PIOC rose by 3.0% this year and was lower than the overall PIOC due to the exclusion of costs in the Fuel component, which rose 19.6%. The PIOC for hotels decreased by 1.3%, while apartments heated by gas increased by 4.1% and those heated by oil increased by 4.3%.

Price Index Components — Apartments

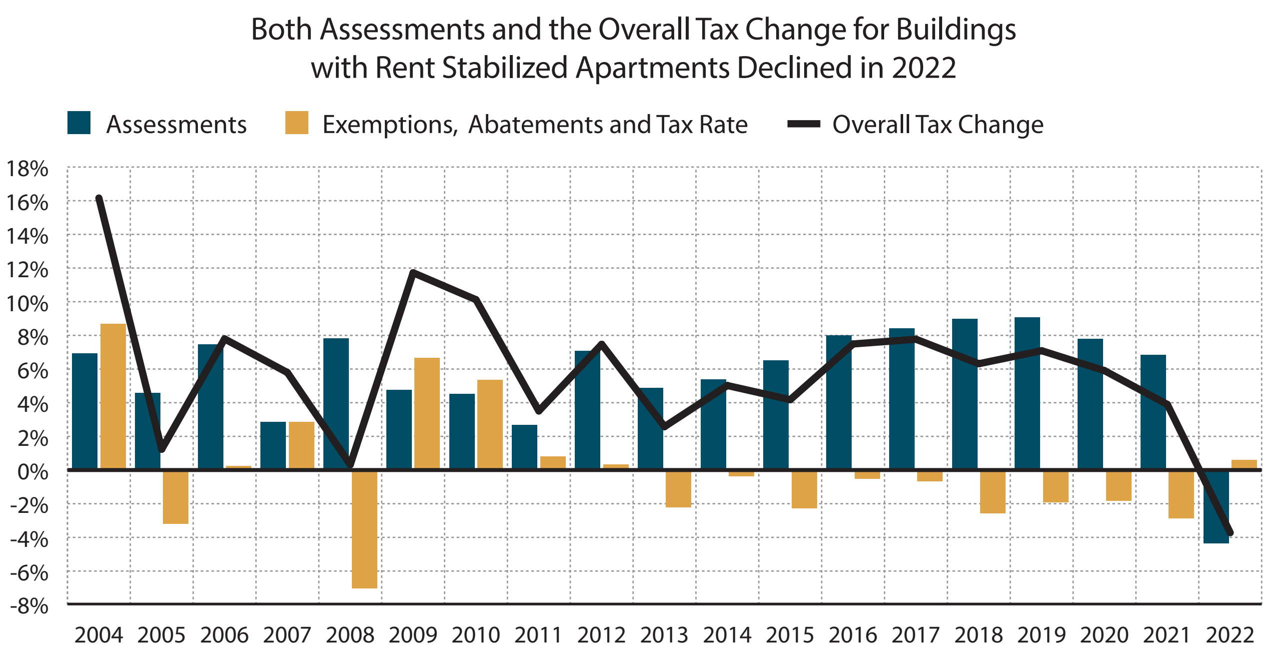
Taxes

The Taxes component of the PIOC is based entirely on real estate taxes and accounts for 36.1% of the overall price index. The change in tax cost is estimated by comparing aggregate taxes levied on buildings that contain rent stabilized apartments in Fiscal Year (FY) 2021 and FY 2022. Aggregate real estate taxes fell by 3.7%. The decline in taxes was primarily due to a 4.3% decline in assessments. There was also a slight decline in the tax rate of 0.3%. However, the decline in assessments and the tax rate was offset by a fall in the total value of exemptions, which had the effect of dampening the total decline in taxes by 0.8%. Change in tax abatements had little impact on the change in Taxes for 2022.

Tax Levy — The total tax levy for all properties in the City (commercial and residential) decreased by 5.2% from FY 2021 to FY 2022. The large majority of rent stabilized apartments are contained in multi-family buildings that are in Tax Class 2.[3] The total Class 2 property levy fell at a slower pace than that of the City as a whole, at a rate of 1.5%. The distribution of the levy among property classes tends to shift from year to year. From FY 2021 to FY 2022, the levy share for Class 2 properties increased by 1.5 percentage points, from 37.8% to 39.3% of the total tax burden. This is significantly higher than the 26.3% share that was established at the inception of the four-class tax system in 1983.

Tax Rate — The average annual FY 2021 Tax Class 2 rate of 12.267% decreased by 0.26%, resulting in a

Percent Change in Taxes due to Assessments and Exemptions/Abatements/Tax Rate 2004-2022



Source: New York City Department of Finance new annualized rate of 12.235% for FY 2022. This is the eighth time in the past ten years that the Class 2 tax rate decreased. For a historical perspective on changes in the tax rate, abatements, and exemptions, see the graph on the previous page.

Assessments — In the wake of the pandemic, assessed valuations of properties containing rent stabilized apartments fell by 4.3% Citywide in FY 2022. Assessments fell in all five boroughs, with Manhattan witnessing the greatest decline, at 5.1%, followed by the Bronx at 4.9%, Staten Island at 3.6%, and Queens at 3.0%. Brooklyn witnessed the smallest decline in assessments, falling by 0.6%. Buildings in Manhattan drive much of the change in assessed value Citywide. This was true in FY 2022, with 58% of the total assessed value attributed to this borough. For a historical perspective on changes in tax assessments, see the graph on the previous page.

Abatements and Exemptions — This year, the number of buildings that contain rent stabilized apartments receiving tax abatements decreased by 4.3% from the previous fiscal year. At the same time, the average benefit value of the typical tax abatement increased by 2.2% from FY 2021 to FY 2022. The net impact of the decrease in the number of buildings receiving abatements and the increase in the average abatement value was a negligible increase in the overall change in Taxes of just 0.1%.

In FY 2022, 1.3% fewer buildings benefited from tax exemptions and the value of the average tax exemption decreased by 1.7%. This combination of a decrease in the average value of tax exemptions and the decrease in the number of buildings receiving exemptions resulted in increasing the overall change in Taxes by 0.8% (see Appendices B.5 and B.6).

Labor Costs

The Price Index measure of Labor Costs includes union and non-union salaries and benefits, in addition to Social Security and unemployment insurance. The cost of non-unionized labor makes up more than 57% of the Labor Costs component. The entire Labor Costs component comprises 9.9% of the overall Price Index.

Labor Costs rose 4.1%, 1.3 percentage points higher than last year's rise of 2.8%. Wages comprise 80% of the Labor Costs component. Non-union pay increased by 3.6%, 1.4 percentage points higher than the increase seen in the 2021 PIOC (2.2%). Unionized wages also rose, rising by 3.2%, 0.7 percentage points lower than last year (3.9%). Health and welfare benefits, which comprises 14% of the Labor Costs component, increased 4.3%. An increase in unemployment insurance of 51.4% had minimal impact, since it accounts for only one percent of this component's weight. See Appendix B.2 for all Labor Costs item weights and price relatives.

Fuel

The Fuel component comprises 6.8% of this year's Price Index. The change in cost measured in this component considers both the change in weather and the change in prices for heating multifamily buildings by fuel oil, natural gas and steam.[4]

This year the Fuel component increased 19.6%, following a 3.3% decrease in the prior year. Natural gas costs, which account for 53% of the overall costs in this component, increased 22.6%. The cost for heating buildings by fuel oil makes up 40% of this component, and increased 16.8%. Steam costs increased 12.8%, but these costs account for only 7% of the Fuel component.

Along with measuring price, the PIOC also considers the effect of weather on the demand for fuel, especially during the heating season when the large majority of fuel is burned. Since the weather in the period of April 2021-March 2022 was warmer than the prior 12-month period, the Fuel Component increased by a lesser degree than would be seen based purely on price. For instance, the increase in fuel oil prices (20.1%) was offset by the warmer weather, decreasing the consumption of fuel oil and causing a lesser increase in the Fuel component, 16.8%. In years where the weather does not vary much from the prior year, the change

Fuel Oil Cost Relative vs. Change in Fuel Price, 2013-2022

PIOC Year	Fuel Oil Cost Relative*	Change in Fuel Oil Price**
2022	16.9%	20.1%
2021	-16.1%	-19.9%
2020	-8.6%	2.5%
2019	14.4%	9.4%
2018	19.9%	16.3%
2017	22.1%	7.3%
2016	-45.5%	-30.9%
2015	-23.4%	-22.5%
2014	7.8%	0.3%
2013	20.0%	2.9%

* The Fuel Oil Cost Relative factors in the effect of weather on total fuel oil consumption. In months that are colder than the same month in the prior year, the weather factor will put upward pressure on the fuel oil relative. In months that are warmer than the same month in the prior year, the weather factor will put downward pressure on the fuel oil relative.

** Weighted change in #2, #4 and #6 fuel oil prices. From 2016 forward, weighted change in #2 and #4 fuel oil prices only.

Source: Price Index of Operating Costs reports (2013-2022)

in the cost of fuel oil is roughly equal to that of the change in price, such as in 2015. See the table on this page for a comparison of the past ten years of fuel oil cost relatives to fuel oil prices. See Appendix B.2 for all Fuel item weights and price relatives.

Utilities

The Utilities component consists of non-heating natural gas and electricity costs, as well as water and sewer charges, and it comprises 9.5% of this year's Price Index. In the case of the gas and electricity items, changes in costs are measured using the PIOC specifications (e.g., the quantity of electricity and gas being purchased) and the changes in rate schedules. Water and sewer costs are based on rate adjustments set by the NYC Water Board and they account for 73% of the Utilities component.

This year Utilities increased 5.8%, compared to a 2.1% increase in the previous year. The increase in this component was driven primarily by the increase in the cost of electricity, which rose by 13.9% and accounts for 26% of this component. Water and sewer costs rose 2.76% this year, which served to lower the overall increase in this component. Gas costs, which account for less than two percent of the Utilities component, rose 18.7%. See Appendix B.2 for all Utilities item weights and price relatives.

Maintenance

The Maintenance component accounts for 16.3% of this year's Price Index. The Maintenance component rose 9.2%, 6.1 percentage points higher than last year's rise of 3.1%. Of the 29 expense items contained in this component, just four items account for 52% of its expenditure weight: Repainting, Plumbing (faucet), Plumbing (stoppage), and Electrician Services. This year, painters' rates rose 4.4%, more than the 3.7% recorded last year. Combined plumbing rates increased at a higher pace, rising 7.3%, more than last year's rise of 2.9%. Electrician Services also rose at a faster pace, 10.3%, more than last year's increase of 2.3%.

Other price relatives of note were boiler repairs (13.5%), floor maintenance (20.8%), Roof Repair (23.4%), and Extermination Services (12.8%), which represent a total of seven expense items and account for over 23% of this component. See Appendix B.2 for all Maintenance item weights and price relatives.

Administrative Costs

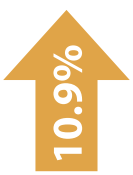
Fees paid to accountants, attorneys, and management companies make up 87% of this component. This year, Administrative Costs rose 6.7%, following a 0.7% fall in the prior year. Administrative Costs comprise 14.8% of the PIOC.

Much of the increase in the Administrative Costs component can be attributed to a rise in Attorney fees, which comprise a quarter of this component and rose 24.2%, compared to an increase of 5.3% last year.

However, in the wake of the pandemic, management fees fell for the second consecutive year, by 1.0%. These fees comprise almost half of this component. Management fees are often tied to apartment rental income and are affected by changes in rents and vacancies. This year's decline compares to a decrease of 5.1% last year, indicating that management companies' fees and/or rents continued to fall, but at a slower pace as compared to last year. This fall in management fees may also indicate that vacancies and/or collection losses in managed buildings rose as compared to the previous year.

Accounting fees increased in this year's PIOC by 2.7%, more than last year's rise of 1.0%. Communications, which accounts for about 5% of the Administrative Costs component, increased 1.9%. See Appendix B.2 for all Administrative Costs item weights and price relatives.

Insurance Costs



For the eleventh consecutive year there was an increase in the Insurance Costs component, rising 10.9%, compared to last year's increase of 18.8%. Insurance Costs account for 6.5% of the PIOC.

Changes in insurance costs for owners varied by the amount of the policy. Policies that cost more than $7,847, which represent half of all insurance quotes, saw an increase in cost of 11.4% upon renewal. Buildings with policies that cost $7,847 or less saw an increase of 7.3%.

PIOC by Building Type

The 1983 Expenditure Study provided a basis for calculating separate sets of expenditure weights for different types of buildings that contain rent stabilized apartments. In addition to the price index for all buildings that contain rent stabilized apartments, the PIOC includes separate indices for buildings constructed before 1947 (pre-1947) and for buildings constructed in 1947 or later (post-1946), as well as for gas-heated and oil-heated buildings (see Appendices B.2 and B.3).

This year, total costs in both the Pre-1947 Index and the Post-1946 Index rose by 4.1%. In addition, the Gas-Heated Index (4.1%) rose less than the Oil-Heated Index (4.3%).

Hotel PIOC

The Hotel Price Index includes separate indices for each of three categories of hotels that contain rent stabilized units (due to their dissimilar operating cost profiles) and a general index for all Hotels that includes all three. The three categories of hotels are: 1) "Traditional" Hotels — a Class A multiple dwelling that has amenities such as a front desk, maid or linen services; 2) Rooming Houses — a Class B multiple dwelling other than a hotel with thirty or fewer sleeping rooms; and 3) Single Room Occupancy (SROs) hotels — a Class A multiple dwelling which is either used in whole or in part for single room occupancy or as a furnished room house.

The Hotel Price Index for all hotels that contain rent stabilized units decreased 1.3% this year, a 3.2 percentage point decline from the 1.9% rise in 2021.

This year there were increases in all of the Hotel PIOC components except Taxes, which fell 14.0% and account for 42% of the entire Hotel Index. The Fuel component increased, rising 15.0% and accounts for 13% of the index. Insurance Costs rose by the second greatest proportion, 10.9%, and account for 6% of the index. The remaining four components all rose by lesser proportions, including Maintenance, which rose 7.6%; Utilities, 7.0%; Labor Costs, 3.6%; and Administrative Costs, 2.7%. See the table on the next page for changes in costs and prices for all hotels that contain rent stabilized units from 2021-2022.

Among the different categories of Hotels, the index for "Traditional" Hotels decreased 6.0%, while Rooming Houses increased by 4.6% and SROs increased by 3.6% (see Appendices B.4 and B.7).

Loft PIOC

The increase in the Loft PIOC this year was 5.3%, just slightly higher than the increase of 5.1% in 2021. Increases in costs were seen in all but two of the eight components that make up this index, with declines in Taxes and Administrative Costs-Other. Taxes declined by 3.7%, while Administrative

Costs-Other fell by 0.2%. All other components increased, including Administrative Costs-Legal (24.2%), Fuel (16.8%), Insurance Costs (10.9%), Maintenance (8.1%), Utilities (4.3%), and Labor Costs (3.7%). Note that historically Administrative Costs in the Loft Index has been split into two components — Administrative Costs-Legal and Administrative Costs-Other. Therefore, the Loft PIOC has eight components. See the table on this page and Appendix B.8 for changes in costs and prices for all rent stabilized lofts from 2021-2022.

The Core PIOC

The Core PIOC, which measures long-term trends by factoring out shifts in fuel costs for heating buildings that contain rent stabilized apartments in NYC, rose 3.0% in 2022. The rise in the 2022 Core PIOC was 1.2 percentage points lower than this year's Apartment Index (4.2%), and 0.5 percentage points lower than last year's Core Index (3.5%). This year's Core PIOC rose at a slower pace than the overall PIOC because fuel costs, which were not used to calculate the Core, increased 19.6%.

PIOC Projections for 2023

Section 26-510 of the Rent Stabilization Law requires the Board to consider prevailing and projected operating and maintenance costs for buildings containing rent stabilized apartments. Projections for components of the PIOC are calculated to provide the RGB with an estimate of how much costs are expected to rise in the year following the current Price Index.

Projecting changes in the PIOC has become more challenging in recent years. Energy prices have become increasingly volatile. Unpredictable geo-political events, recession, and changing weather patterns are some of the forces behind large changes in fuel costs that have in turn limited the accuracy of the PIOC projections in recent studies. The tax component, which accounts for almost 33% of the entire Price Index, has also become harder to project. This is due to changes in tax policy, such as tax rate adjustments and changes to the City's tentative assessment roll, after the period covered in this Price Index. In addition, the uncertainty of the post-pandemic economic recovery may also play a significant role in the accuracy of projected costs for the next PIOC year.

This year, operating costs in buildings that contain rent stabilized apartments increased by 4.2%, versus last year's projected PIOC increase of 0.8%, a difference of 3.4 percentage points. The component with the largest deviation between actual and projected changes in costs was Fuel. Fuel was projected to rise 0.1%, but actually rose 19.6% in the *2022 PIOC*, a 19.5

Hotels

Change In Costs for All Hotels that Contain Rent Stabilized Units, April 2021 to March 2022

Taxes	-14.0%
Labor Costs	3.6%
Fuel	15.0%
Utilities	7.0%
Maintenance	7.6%
Administrative Costs	2.7%
Insurance Costs	10.9%
All Costs	**-1.3%**

Lofts

Change In Costs for Rent Stabilized Lofts, April 2021 to March 2022

Taxes	-3.7%
Labor Costs	3.7%
Fuel	16.8%
Utilities	4.3%
Maintenance	8.1%
Admin Costs-Legal	24.2%
Admin Costs-Other	-0.2%
Insurance Costs	10.9%
All Costs	**5.3%**

2023 Projections	
Projected Change In Costs for Buildings that Contain Rent Stabilized Apartments, April 2022 to March 2023	
Taxes	5.1%
Labor Costs	3.9%
Fuel	-1.7%
Utilities	2.4%
Maintenance	5.7%
Administrative Costs	3.1%
Insurance Costs	15.4%
All Projected Costs	**4.7%**

percentage point difference. Insurance costs, which were projected to increase 18.0%, instead rose 10.9%, a 7.1 percentage point difference. This is the only component that rose by a smaller than projected increase. Administrative Costs, which were projected to rise 0.7% instead rose 6.7%, a 6.0 percentage point difference. Maintenance costs rose 9.2%, 5.5 percentage points higher than the projected increase of 3.7%. Utilities, which were projected to rise 1.9%, instead rose 5.8%, a 3.9 percentage point difference. The Labor Costs and Taxes components were the closet to the projections, with Taxes falling 3.7%, a 1.3 percentage point difference from the projection of 5.0%, and Labor Costs, which rose 4.1%, slightly higher than the projection of 3.7%.

Overall, the PIOC is expected to grow by 4.7% from 2022 to 2023. Costs are predicted to rise in each component except Fuel, with the largest growth (15.4%) projected to be in Insurance Costs. Other projected increases include Maintenance (5.7%), Labor Costs (3.9%), Administrative Costs (3.1%), and Utilities (2.4%). Taxes, the component that carries the most weight in the Index, is projected to increase 5.1%, while Fuel is projected to decrease 1.7%. The table on this page shows projected changes in PIOC components for 2023. The Core PIOC is projected to rise 5.2%, 0.5 percentage points higher than the overall projected PIOC for rent stabilized apartments.

Commensurate Rent Adjustments

Throughout its history, the Rent Guidelines Board has used formulas, known as commensurate rent adjustments, to help determine annual rent guidelines for rent stabilized apartments. In essence, the "commensurate" combines various data concerning operating costs, revenues and inflation into a single measure to determine how much rents would have to change for net operating income (NOI) for rent stabilized apartments to remain constant. While these formulas do not attempt to adjust rents in deregulated units, the various "commensurate" adjustments described below can provide a foundation for the discussion of prospective guidelines for any building that contains rent stabilized units.[5]

In its simplest form, a commensurate rent adjustment is the amount of rent change needed to maintain NOI for rent stabilized apartments at a constant level from year to year. In other words, the commensurate provides a set of illustrative one- and two-year renewal rent adjustments, or guidelines, that will compensate owners for the change in prices measured by the PIOC and keep net operating income constant.

The first commensurate method is called the "Net Revenue" approach. While this formula takes into consideration the term of leases actually signed by tenants, it does not adjust owners' NOI for inflation. The "Net Revenue" formula is presented in two ways: first, by adjusting for the mix of lease terms; and second, by adding an assumption for rent stabilized apartment turnover and the subsequent impact on revenue from vacancy leases. Under the "Net Revenue" formula, a guideline that would preserve NOI in the face of this year's 4.2% increase in the PIOC is 3.0% for a one-year lease and 6.0% for a two-year lease. Historically, the formula also includes the impact of estimated revenue from vacancy leases. However, an examination of HCR registration data from 2020 and 2021 (the most recent file available for analysis) for units reporting a vacancy lease showed that the median increase upon vacancy was 0.0%.[6] Therefore, in this year's report, the "Net Revenue" commensurate guideline that includes vacancy is the same as that which does not.

The second commensurate method considers the mix of lease terms while adjusting NOI upward to reflect general inflation, keeping both operating and maintenance (O&M) costs and NOI constant. This is commonly called the "CPI-Adjusted NOI" formula. A guideline that would preserve NOI in the face of the 4.0% increase in the Consumer Price Index (see Endnote 2) and the 4.2% increase in the PIOC is 4.5% for a one-year lease and 9.0% for a two-year lease. As explained in the "Net Revenue" section above, guidelines using this formula and adding the estimated impact of vacancy leases are equal this year.[7]

The third commensurate method, the "traditional" commensurate adjustment, is the formula that has been in use since the inception of the Rent Guidelines Board and is the only method that relies on the PIOC projection. The "traditional" commensurate yields 2.7% for a one-year lease and 4.3% for a two-year lease. This reflects the increase in operating costs of 4.2% found in the 2022 PIOC and the projection of a 4.7% increase next year.

All of these commensurate methods have limitations. The "Net Revenue" formula does not attempt to adjust NOI by the effect of inflation. The "CPI-Adjusted NOI" formula inflates the debt service portion of NOI. For both of these commensurate methods, including a consideration of the amount of income owners receive on vacancy (when there is such income) assumes that turnover rates are constant across the City.

As a means of compensating for cost changes, the "traditional" commensurate rent adjustment has two major flaws. First, although the formula is designed to keep owners' current dollar income constant, the formula does not consider the mix of one- and two-year lease renewals. Since only about two-thirds of leases are renewed in any given year, with a slight majority of leases being renewed having a one-year duration, the formula does not necessarily accurately estimate the amount of income needed to compensate owners for O&M cost changes.

A second flaw of the "traditional" commensurate formula is that it does not consider the erosion of owners' income by inflation. By maintaining current dollar NOI at a constant level, adherence to the formula may cause profitability to decline over time. However, such degradation is not an inevitable consequence of using the "traditional" commensurate formula.[8]

Finally, it is important to note that only the "traditional" commensurate formula uses the PIOC projection and that this projection is not used in conjunction with, or as part of, the "Net Revenue" and "CPI-Adjusted NOI" formulas. As stated previously, all three formulas attempt to compensate owners for the adjustment in their operating and maintenance costs measured each year in the PIOC. The "Net Revenue" and the "CPI-Adjusted NOI" formulas attempt to compensate owners for the adjustment in O&M costs

Commensurates

"Net Revenue" Commensurate Adjustment

1-Year Lease	2-Year Lease
3.0%	6.0%

"Net Revenue" Commensurate Adjustment with Vacancy Leases[10]

1-Year Lease	2-Year Lease
3.0%	6.0%

"CPI-Adjusted NOI" Commensurate Adjustment

1-Year Lease	2-Year Lease
4.5%	9.0%

"CPI-Adjusted NOI" Commensurate Adjustment with Vacancy Leases[11]

1-Year Lease	2-Year Lease
4.5%	9.0%

"Traditional" Commensurate Adjustment

1-Year Lease	2-Year Lease
2.7%	4.3%

by using only the known PIOC change in costs (4.2%). The traditional method differs from the other formulas in that it uses both the PIOC's actual change in costs as well as the projected change in costs (4.7%).

Each of these formulas may be best thought of as a starting point for deliberations. The data presented in other Rent Guidelines Board annual research reports (e.g., the *Income and Affordability Study* and the *Income and Expense Study*) along with public testimony can be used in conjunction with these various commensurates to determine appropriate rent adjustments.

Methodology

The Price Index measures changes in the cost of purchasing a specified set of goods and services, which must remain constant both in terms of quantity and quality from one year to the next. The need to exclude the effect of any alterations in the quality of services provided requires that very careful specifications of the goods and services priced must be developed and applied. The pricing specifications must permit the measurement of changes in prices paid for carefully defined pricing units with specific terms of sale, such as cash, volume, or trade discounts.

Note that the various components of the PIOC utilize cost/price changes from differing time periods throughout the PIOC year (April through March, the most current time period available for analysis). For instance, the change in Taxes is based on a point-to-point change from one fiscal year to the next, while other components, such as Maintenance, Labor Costs, Administrative Costs and Insurance Costs rely on a point-to-point change from one PIOC year to the next. For those components where owners receive a bill every month, such as Fuel and Utilities, prices are gathered each month and a bill for the entire year (April through March) is calculated and compared to the same period of the previous year.

The Methodology section of this report outlines the methods used to calculate each component of the 2022 PIOC, as well as the PIOC projection for 2023.

Owner Survey

The Owner Survey gathers information on management fees, insurance, and non-union labor from building managers and owners. A survey, accompanied by a letter describing the purpose of the PIOC, was mailed to the owners or managing agents of buildings that contain rent stabilized units. If a returned survey was not complete, an interviewer contacted the owner/manager and tried to gather the missing information. Owners could complete the survey online or by mail. The data gathered by the Owner Survey is the only owner-reported data used in the PIOC.

The sample frame for the Owner Survey included more than 40,000 buildings that contain rent stabilized units registered with New York State Homes and Community Renewal (HCR). RGB staff used a random sampling scheme to choose 15,000 addresses from this pool for the Owner Survey. The number of buildings chosen in each borough was nearly proportional to the share of buildings in that borough. Two successive mailings were sent at timed intervals to the owner or managing agent of each property selected in the survey sample.

To increase the number of responses, minor changes made in the methodology for the Owner Survey in 2021 were continued in 2022. Twice as many surveys (15,000, versus 7,500 in prior years) were sent to building owners and managers, reaching approximately one-third of all buildings that contain rent stabilized units. In addition, an analysis of surveys from previous PIOCs showed that submitted insurance and labor costs were largely accurate when verified with brokers and non-union employees. Therefore, not every response obtained through the Owner Survey was independently verified in this year's PIOC. For example, staff verified insurance policies that accounted for 80% of the cost of current year insurance policies.

However, because the number of buildings surveyed was doubled, a greater number of responses were received than in recent years. The increase in responses allowed more insurance policies, wage rates, and management fees to be used in the calculation of the components of the PIOC that rely on the owner survey, thus increasing accuracy.

Roughly 3.9% of the questionnaires mailed out received a response. This was a lower response rate than 2021 (4.7%), but the number of returned surveys was still higher than 2020 (the last year preceding the methodology changes). A total of 559 returned surveys contained usable information, down from 640 in 2021, but up from 503 in 2020. As a result, RGB staff was able to use 552 annual insurance premiums, 178 non-union labor wage rates, and 97 reported management fees. The number of prices in 2021 and 2022 for the Owner Survey is shown in Appendix B.1.

Taxes

The 2022 tax price relative was calculated by providing a list of properties registered with HCR to the NYC Department of Finance. Finance "matched" this list against its records to provide data on assessed value, tax exemptions, and tax abatements for over 36,000 buildings in FY 2021and FY 2022. This data was used to compute a tax bill for each building containing rent stabilized units in each of these fiscal years. The change computed for the PIOC is simply the percentage difference in aggregate tax bills for these buildings from FY 2021 to FY 2022.

Labor Costs

The Labor Costs component consists of the cost of unionized and non-unionized labor. Rate increases for unionized labor, including wage increases and health benefits, come directly from the contracts of unions that represent workers in buildings and hotels that contain rent stabilized units. The cost of Social Security and unemployment insurance is obtained from the NYS Department of Labor and the Internal Revenue Service (IRS). Wage increases for non-union labor are obtained from the Owner Survey (see "Owner Survey" section on the previous page regarding non-union labor wage methodology).

Fuel

The Fuel component consists of all types of fuel used for heating buildings, including oil, natural gas, electricity, and steam.

In order to calculate the change in cost of fuel oil, prices set by fuel oil vendors for a gallon of heating oil are gathered on a monthly basis. A monthly survey makes it possible to keep in touch with fuel oil vendors and to gather the data on a consistent basis (i.e., on the same day of the month for each vendor). Vendors are called each month to minimize the likelihood of misreporting and also to reduce the reporting burden for the companies by eliminating the need to look up a year's worth of prices. The number of fuel oil quotes gathered this year for #2 and #4 oil is higher than last year and is contained in Appendix B.1.

To calculate changes in fuel oil costs, monthly price data is weighted using a degree-day formula to account for changes in the weather. The number of Heating Degree Days (defined in Endnote 4) is a measure of heating requirements.

The Fuel component includes not only the cost of fuel oil, but also the cost to heat buildings with natural gas, electricity, and steam. For these items, RGB staff calculates a hypothetical monthly bill for utilities based in part on supply rates, fuel adjustments, delivery charges, taxes, and other surcharges and fees. Bills are calculated based on typical usage in a multi-family building in New York City, an amount that remains constant from year to year.

Because these items represent prices to heat buildings, monthly price data is adjusted to account for changes in weather. The price relatives for all items in the Fuel component were calculated by comparing the most recent April-March period with the prior April-March period.

Utilities

The Utilities component consists of costs for non-heating electricity and natural gas, as well as water and sewer charges. RGB staff calculates a hypothetical monthly bill for electricity and natural gas based in part on supply rates, fuel adjustments, delivery charges, taxes, and other surcharges and fees. Bills are calculated based on typical usage in a multi-family building in New York City, an amount that remains constant from year to year. The price relatives for electricity and natural gas items in the Utilities component were calculated by comparing the most recent April-March period with the prior April-March period.

Water and sewer price changes are based on annual rate adjustments set by the NYC Water Board.

Maintenance

All prices for items in this component are obtained using a Vendor Survey. This Survey is used to gather price quotes for items such as painting and other services performed by contractors; hardware and cleaning items; and appliances that need periodic replacement. Each year the database is updated by adding new vendors and by deleting those who no longer carry the products or perform the services outlined in the Vendor Survey item specifications. Vendor quotes were obtained over the telephone, and for non-service based items by telephone and from websites that carry items in the PIOC's market basket of goods. A total of 509 recorded price quotes were gathered (for both Maintenance and Administrative Costs). For a description of the items priced and the number of price quotations obtained for each item, refer to Appendix B.1.

Administrative Costs

Management fees are obtained directly from building owners and managers, using the Owner Survey (see "Owner Survey" section on Page 22). Other expense items, such as accountant and attorney fees, are obtained using the Vendor Survey, as described in the "Maintenance" section, above. For communications costs, because there are so many variations in types of plans for internet and phone service, staff relied on the national Consumer Price Index to obtain price changes for these items. Monthly price changes were obtained from the U.S. Bureau of Labor Statistics website and were calculated by comparing the most recent 12-month period from March-February with the prior March-February period. For a list of all the expense items contained in the Administrative Costs component, see Appendix B.1.

Insurance Costs

The Owner Survey asks owners to provide information about their current and prior year's insurance policies. Temporary workers call the relevant insurance agents/brokers to verify much of this information. As noted in the Owner Survey methodology, for the second consecutive year, because of an increased number of responses, not every insurance policy was verified. Staff verified insurance policies that accounted for 80% of the cost of current year insurance policies.

Price Index Projections

The PIOC Projections are estimated by using data from federal, state, and local agencies; estimates from industry experts; and trend forecasting using three-year or long-term averages. The projections in this report are for the time period from April 2022 to March 2023.

Taxes were projected by using data from the Department of Finance's tentative assessment roll for FY 2023 adjusted by estimates of how the final PIOC tax index has compared to the change in the tentative assessment roll over the last decade. These estimates produce a projected tax cost for owners of rental properties. Labor costs are projected by calculating the average wage and benefit increases of the most recent labor contracts for apartment workers union Local 32-BJ, and a ten-year geometric average (which compounds annual growth rate) of all other Labor Costs items. Fuel oil and natural gas costs for the Fuel component are projected by using data and information from the U.S. Energy Information Administration's (EIA) current "Short-Term Energy Outlook" report, which includes assumptions about changes in usage according to a projected return to the average temperature over the last five years. Utility costs are projected by taking the average of the last four New York City Water Board water and sewer rate adjustments as well as EIA projections for residential gas and electricity costs.[9]

The other components — Administrative Costs, Insurance Costs, and Maintenance — are projected by using three-year geometric averages of the component price relatives.

Acknowledgments

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Endnotes

1. Prior to 2015, the relative importance of the various goods and services in the market basket was based on a 1983 study of expenditure patterns of owners of buildings that contain rent stabilized units. In 2015, the Price Index of Operating Costs (PIOC) component expenditure weights for buildings that contain rent stabilized apartments were changed to the expenditure patterns found in the Rent Guidelines Board's annual Income and Expense (I&E) Study, which allows for the annual updating of expenditure patterns based on what owners report to the New York City Department of Finance as their actual costs on Real Property Income and Expense (RPIE) statements required by Local Law 63 (enacted in 1986). Note that only the Apartment PIOC is weighted with data from RPIE reports. The Hotel and Loft PIOCs continue to use the 1983 study. For a full description of the methodological changes to the expenditure weights used in the current PIOC, please refer to the RGB 2015 Price Index of Operating Costs report at https://rentguidelinesboard.cityofnewyork.us/research/.

2. The average CPI for All Urban Consumers, New York-Northeastern New Jersey for the year from March 2021 to February 2022 (294.7) compared to the average for the year from March 2020 to February 2021 (283.5) rose by 4.0%. This is the latest available CPI data and is roughly analogous to the 'PIOC year'.

3. New York City has four property tax classes. Most buildings that contain rent stabilized units are in Tax Class 2, which consists of rental buildings of four units or more and cooperative and condominium buildings of two units or more. A small building that contains rent stabilized units only because of a tax abatement or exemption program (such as 421-a or J-51) would more likely be in Tax Class 1, which consists of most residential property of up to three units (family homes and small stores or offices with one or two apartments attached), and most condominiums that are not more than three stories. In the tax file used by the RGB to compute the Taxes component, almost all of the more than 36,000 buildings analyzed were Tax Class 2.

4. The cost-weight relatives are calculated on an April to March time period. The April 2021 to March 2022 time period was 3.3% warmer than the previous April to March period. "Normal" weather, which is the standard set by National Oceanic and Atmospheric Administration (NOAA), refers to the typical number of Heating Degree Days measured at Central Park, New York City, over the 30-year period from 1991-2020. NOAA recalculates this 30-year average and issues a new "normal' every ten years. A Heating Degree Day is defined as, for one day, the number of degrees that the average temperature for that day falls below 65 degrees Fahrenheit.

5. The commensurate rent adjustments were first introduced before deregulation was wide-spread. At their inception, with little to no deregulation, these formulas largely reflected the rent stabilized stock at large, despite being designed to keep NOI constant in only those units subject to rent stabilization. Note that with deregulation permitted under State law from 1993 through 2019, thousands of buildings now contain both rent stabilized and deregulated units. Because the commensurates were not designed to keep NOI constant in deregulated units (where annual adjustments in rents are subject to changes in the real estate rental market), these formulas will not necessarily keep NOI constant for buildings that contain both rent stabilized and deregulated units.

6. From 1997 through 2019, vacancy increases of up to 20% were permitted under State law. In 2019, with the passage of the Housing Stability and Tenant Protection Act, vacancy increases were no longer permitted under State law, but vacancy increases equal to renewal lease guidelines were permitted. In addition, any vacant unit where the previous tenant was charged a preferential rent can charge the higher legal rent to the incoming tenant. Therefore, while vacancy increases are no longer permitted under State law, increases upon vacancy are possible. However, under RGB Order #51 (for renewal guidelines during the period of 10/1/19 to 9/30/20), vacancy increases were not specifically authorized. In the next guideline period (Order #52, from 10/1/20 to 9/30/21), while vacancy increases were authorized (in the amount equal to renewal guidelines), the one-year lease renewal guideline was 0.0%, as was the first year of the two-year guideline. While individual units within the HCR registration files showed increases and decreases on a point-to-point basis from April of 2020 to April of 2021 (the most recent file available), the median change was 0.0%.

7. The following assumptions were used in the computation of the commensurates: (1) the required change in owner revenue is 65.5% of the 2022 PIOC increase of 4.2%, or 2.7%. The 65.5% figure is the most recent ratio of average operating costs to average income in buildings that contain rent stabilized units; (2) for the "CPI-Adjusted NOI" commensurate, the increase in revenue due to the impact of inflation on NOI is 34.5% times the latest 12-month increase in the CPI ending February 2022 (4.0%), or 1.4%; (3) these lease terms are only illustrative—other combinations of one- and two-year guidelines could produce the adjustment in revenue; (4) assumptions regarding lease renewals and turnover were derived from the 2017 Housing and Vacancy Survey; (5) for the commensurate formulas, including the impact on revenue from vacancy leases, a 0.0% increase in vacancy leases was applied to the estimated 10.1% of rent stabilized units that turn over each year (as based on 2017 NYC Housing and Vacancy Survey data). This increase was derived from the median change in rent paid on leases noted as having a rent change due to vacancy in the 2021 HCR registration file (the most recent data available to the RGB). As noted in the text, because it was determined that there was no impact from the revenue derived from vacancy leases, the commensurates that include vacancy equal those that do not; and (6) the collectability of these commensurate adjustments are assumed.

8. Whether profits will actually decline depends on the level of inflation, the composition of NOI (i.e., how much is debt service and how much is profit), and changes in tax law and interest rates.

9. Source: "Short-Term Energy Outlook," March 2022. U.S. Energy Information Administration, Department of Energy. https://www.eia.gov/outlooks/steo/report/.

10. See Endnote 7 or the text in the "Commensurate Rent Adjustments" section for more information on why the commensurates that include vacancy are equal to those that do not.

11. See Endnote 7 or the text in the "Commensurate Rent Adjustments" section for more information on why the commensurates that include vacancy are equal to those that do not.

New York City Rent Guidelines Board

2022 Income and Expense Study

What's New

☑ This year's study reflects the significant impact of the first year of the COVID-19 pandemic on the NYC economy.

☑ From 2019 to 2020, Net Operating Income (revenue remaining after operating costs are paid) fell 7.8% for buildings containing rent stabilized units, the fourth decrease in the last 30 years.

☑ Rental income decreased an average of 3.8% between 2019 and 2020.

☑ Total income declined an average of 4.6% between 2019 and 2020.

☑ Operating costs fell an average of 2.8% between 2019 and 2020.

Introduction

As part of the process of establishing rent adjustments for stabilized apartments, as required by the Rent Stabilization Law, the NYC Rent Guidelines Board (RGB) since 1969 has analyzed the cost of operating and maintaining rental housing in New York City. Until 1990, the Board measured changes in prices and costs solely using 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, which include buildings that contain at least one rent stabilized unit.

Beginning in 1990, the RGB began using a new data source that greatly expanded the information base used in the rent adjustment-setting process: Real Property Income and Expense (RPIE) statements from buildings containing stabilized units collected by the NYC Department of Finance. RPIE data encompasses both revenue and expenses, allowing the Board to accurately gauge the overall economic condition of New York City's rent stabilized housing stock. By using consecutive RPIE filings from an identical set of buildings, a longitudinal comparison can also be made that illustrates changes in conditions over a two-year period.

This report examines the conditions that existed in New York's rent stabilized housing market in 2020, the year for which the most recent data set is available, and the extent to which these conditions changed from 2019. This Income & Expense Study reflects the extraordinary impact of the first year of the COVID-19 pandemic on NYC's housing market.

Local Law 63

The income and expense (I&E) data for stabilized properties originate from Local Law 63, enacted in 1986. This statute requires owners of apartment buildings 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 information on thousands of buildings containing stabilized units. To ensure only buildings that contain rent stabilized units are analyzed (see Methodology section for further details), the NYC Department of Finance releases data to the RGB only after matching I&E data with building registration data from NYS Homes and Community Renewal (HCR). The data used in this year's RGB Income and Expense (I&E) Study includes 14,828 properties containing 684,597 units.

RPIE Study

Rents and Income

RPIE rent figures include revenue collected for apartments (both rent regulated and unregulated), owner-occupied or related space and government subsidies. In 2020, rent stabilized property owners collected monthly rent averaging $1,422 per unit. As in previous years, units in pre-war buildings rented for less on average ($1,310 per month) than those in post-war buildings ($1,676 per month).[1]

At the borough level, the average monthly rents in buildings containing stabilized units were $1,870 in Manhattan ($2,363 in Core Manhattan and $1,369 in Upper Manhattan); $1,372 in Queens; $1,367 in Brooklyn; $1,115 in Staten Island; and $1,053 in the Bronx. Average monthly rent per unit in the City, excluding Core Manhattan[2], was $1,288.

The median monthly rent Citywide was $1,280 in 2020. At the borough level, median rent was $1,625 in Manhattan ($1,835 in Core Manhattan and $1,270 in Upper Manhattan); $1,317 in Queens; $1,221 in Brooklyn; $1,092 in Staten Island; and $1,043 in the Bronx. Median monthly rent per unit in the City, excluding Core Manhattan, was $1,184.

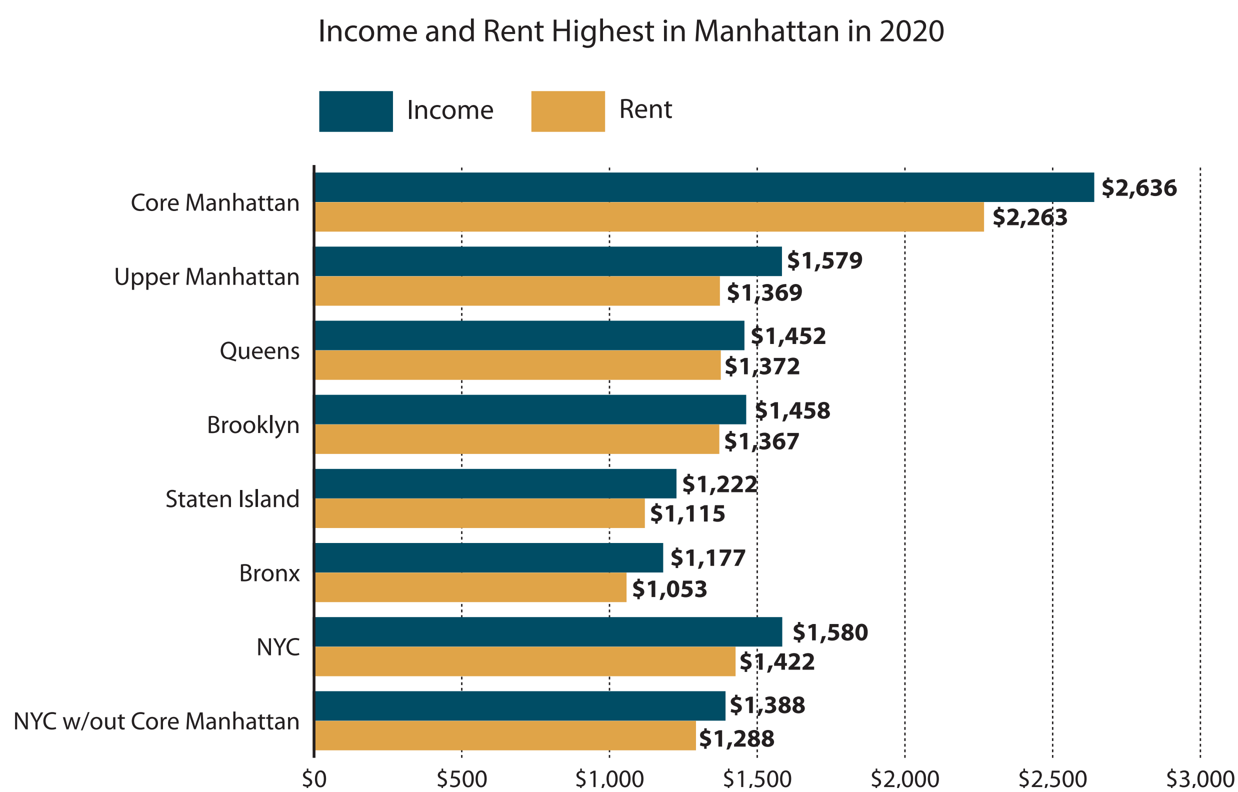
Many building owners supplement income from their apartment rents by selling services as well as by renting commercial space. Gross income encompasses all revenue from rent, including apartment rent; commercial rent (e.g., retail, cell towers, billboards); sales of services, such as laundry, parking, and vending; and all other operating income. Current RPIE filings show an average monthly gross income of $1,580 per unit in 2020, with pre-war buildings earning $1,458 per unit and post-war properties earning $1,857 per unit. Gross income was highest in Manhattan, at $2,172 per unit per month ($2,636 in Core Manhattan, and $1,579 in Upper Manhattan). In the remainder of the City, Brooklyn's gross income was $1,458; followed by Queens, at $1,452; Staten Island, at $1,222; and the Bronx, at $1,177. Monthly income per unit in the City, excluding Core Manhattan, was $1,388. Income from commercial space and services accounted for a 10.0% share of the total income earned by building owners in 2020, down eight-tenths of a percentage point from the previous year. By borough, income earned from services and commercial rents as a percentage of total building income was 13.9% in Manhattan (14.2% in Core Manhattan and 13.3% in Upper Manhattan); 10.5% in the Bronx; 8.8% in Staten Island; 6.3% in Brooklyn; and 5.5% in Queens. In the City excluding Core Manhattan, the proportion was 7.2%. The graph on this page shows the average rent and income collected in 2020 by borough, and for the City.

Median income for owners in 2020 was $1,389. At the borough level, Manhattan had the highest median income, at $1,846 ($2,090 in Core Manhattan and $1,409 in Upper Manhattan); followed by Queens, at $1,363; Brooklyn, at $1,289; Staten Island, at $1,186; and the Bronx, at $1,147. Median monthly income per unit in the City, excluding Core Manhattan, was $1,271. (For rent and income averages and medians by borough, building age, and size, see details in Appendices C.3 and C.4.)

Comparing Rent Measurements

Another data source, NYS Homes and Community Renewal (HCR) annual registration data, provides important comparative rent data to the collected rents stated in RPIE filings. A comparison of

Average Monthly Collected Income/Rent per Dwelling Unit by Borough



Note: Core Manhattan refers to the area south of W 110th and E 96th Streets. Upper Manhattan refers to the remainder of the borough.
Source: NYC Department of Finance, 2020 RPIE Data

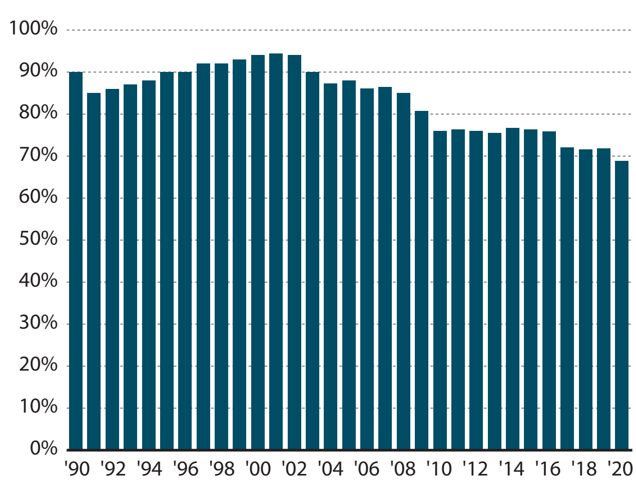
collected RPIE rents to HCR rents is an indicator that reflects conditions such as preferential rents, nonpayment and vacancies.

Rents included in RPIE filings are different than HCR figures primarily because of differences in how average rents are computed. RPIE data reflects actual rent collections, while HCR data consists of legal rents registered annually with the agency. Since HCR rent data does not reflect preferential rents, nor include vacancy and collection losses, these have always been higher than RPIE rent collection data. In addition, RPIE information includes unregulated apartments in buildings containing rent stabilized units. Further, the RPIE information reflects rents collected over a 12-month period while HCR data reflect rents registered, at a particular point in time, on April 1 of each year.

From 2019 to 2020, the gap between annual RPIE and HCR average rents was 31.1%, as indicated by the average RPIE rent of $1,422 and average HCR legal stabilized rent of $2,065. This is a 2.9 percentage point increase from the 28.2% gap the previous year, a growth in the gap that follows

Average Monthly Citywide Collected Rents as a Share of Average Monthly HCR Legal Registered Rents, 1990-2020

Percentage of Legal Rent Collected Decreased in 2020



Source: HCR Annual Rent Registrations; NYC Department of Finance, 1990-2020 RPIE Data

the general trend since 2002 of a growing gap in most years. (See graph on this page for a historical comparison of RPIE and HCR rent differences since 1990, when data first became available.)

At the borough level, the gap between collected and legal rent varies significantly. In 2020, Staten Island property owners collected an average rent ($1,115) that was 36.5% below HCR's average legal rent for the borough ($1,755), while owners in the other boroughs collected average rents that were 34.3% lower in Manhattan; 29.3% lower in Queens; 28.1% lower in Brooklyn; and 26.7% lower in the Bronx. At least part of this differential is due to preferential rents, usually offered when the legal stabilized rent exceeds the market rate for the area.[3] The gap this year was also exacerbated by the pronounced impact of declining market rents due to the COVID-19 pandemic.[4]

Another benchmark that can help place RPIE rent data in context is the RGB Rent Index, which measures the overall effect of the Board's annual rent increases on contract rents each year. As the table on the next page shows, average RPIE rent growth, reflecting the decline in market rents, fell 3.8%, while the RGB rent index increased 1.5% between 2019 and 2020 (adjusted to a calendar year).[5]

It is important to note that prior to passage of the *Housing Stability & Tenant Protection Act of 2019*, effective June 2019, there were several ways in which rents could be raised beyond the RGB's guidelines, including the deregulation of apartment units; raising of preferential rents; and vacancy allowances, impacting both RPIE and HCR rent growth.

An extended view of the three indices illustrates that overall, HCR legal rents have grown faster than both collected rents and RGB rent guidelines from 1990 to 2020. During this period, HCR adjusted legal rents increased 252.7%,[6] RPIE collected rents increased 209.4%, and the RGB Rent Index increased 191.9% (percentages not adjusted for inflation).[7]

Operating Costs

Rent stabilized apartment buildings regularly incur several types of expenses. RPIE filings categorize

Rent Comparisons, 1990-2020

2019-20 RPIE Collected Rent Decreased While Both HCR Legal Rents and the RGB Rent Index Increased

	RPIE Rent Growth	HCR Rent Growth (Adjusted)§	RGB Rent Index (Adjusted)Ø
1990-91	3.4%	4.1%	4.1%
1991-92	3.5%	3.0%	3.7%
1992-93	3.8%	3.0%	3.1%
1993-94	4.5%	2.4%	2.9%
1994-95	4.3%	3.1%	3.1%
1995-96	4.1%	4.1%	4.5%
1996-97	5.4%	4.6%	5.2%
1997-98	5.5%	3.3%	3.7%
1998-99	5.5%	3.7%	3.8%
1999-00	6.2%	4.4%	4.2%
2000-01	4.9%	5.3%	5.0%
2001-02	4.0%	4.4%	4.5%
2002-03	3.6%	6.9%	4.1%
2003-04‡	-	1.6%	5.5%
2004-05	4.6%	5.8%	4.6%
2005-06	5.6%	7.2%	4.3%
2006-07	6.5%	6.0%	4.2%
2007-08	5.8%	5.9%	4.7%
2008-09	1.4%	5.4%	7.5%
2009-10	0.7%	5.4%	5.2%
2010-11	4.4%	5.7%	3.7%
2011-12	5.0%	5.8%	4.4%
2012-13	4.5%	5.4%	4.1%
2013-14	4.8%	5.1%	4.1%
2014-15	4.4%	4.5%	2.2%
2015-16	3.1%	4.0%	1.6%
2016-17	3.0%	3.9%	1.9%
2017-18	3.7%	3.7%	2.4%
2018-19	3.3%	2.6%	2.5%
2019-20	-3.8%	0.7%	1.5%
1990 to 2020*‡	209.4%	252.7%	191.9%

§ See Endnote 5　Ø See Endnote 6
‡ See Endnote 7
** Not adjusted for inflation*
Sources: NYS HCR Annual Rent Registrations; NYC Department of Finance, 1990-2020 RPIE Data

operating and maintenance (O&M) costs into eight major categories: taxes; labor; utilities; fuel; insurance; maintenance; administrative; and miscellaneous costs. Costs do not include debt service. However, in contrast to revenues, expenses do not distinguish between commercial space and apartments, making the calculation of "pure" residential operating and maintenance costs impossible, except in a smaller data set of residential-only buildings. Thus, the operating costs, which are reported on an average per-unit basis, are comparatively high because they include various expenses for commercial space.

The average monthly O&M cost for units in buildings containing stabilized units was $1,035 in 2020. Costs were lower in units in pre-war structures ($997), and higher among post-war buildings ($1,122).

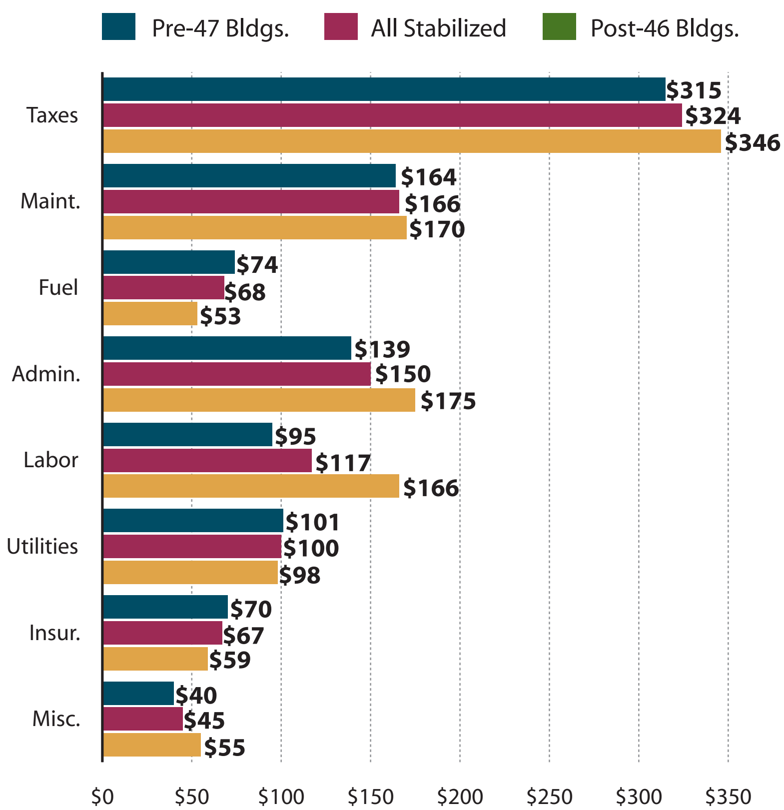
By borough, average costs were lowest in Staten Island ($810); followed by the Bronx ($811); Brooklyn ($895); and Queens ($934); and highest in Manhattan ($1,451). Within Manhattan, costs for units located in Core Manhattan averaged $1,752 a month, while the costs in Upper Manhattan were $1,066. Excluding Core Manhattan, the average monthly operating costs for stabilized building owners in New York City was $900. The graph on the next page details average monthly expenses by cost category and building age for 2020. The graph shows that taxes make up the largest expense, averaging 31.3% of all costs among buildings containing stabilized units.

Citywide, 2020 median O&M costs were $937. By borough, Manhattan had the highest median costs, at $1,245 ($1,407 in Core Manhattan and $976 in Upper Manhattan); followed by Queens at $886; Brooklyn at $849; the Bronx at $793; and Staten Island at $771. Median monthly expenses in the City, excluding Core Manhattan, were $853 (Appendices C.1-C.3 break down average costs by borough and building age; Appendix C.4 details median costs; and Appendix C.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 administrative or maintenance costs,

Average Monthly Expense per Dwelling Unit per Month

Taxes Remain Largest Expense in 2020



Source: NYC Department of Finance, 1990-2020 RPIE Data

while 15% were not valid business expenses. Further audits on the revenues and expenses of 46 rent stabilized properties revealed 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 Department of Finance's assessors. Adjustment of the 2020 RPIE O&M cost ($1,035) by the results of the 1992 audit results in an average monthly O&M cost of $951.[8]

Just as buildings without commercial space typically generate less revenue on a per-unit basis 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 2020, unaudited average O&M costs for "residential-only" buildings were $956 per month, and average audit-adjusted O&M costs for these buildings were $878 per month. Thus, residential-only buildings have average O&M costs that are 7.7% lower than all buildings.

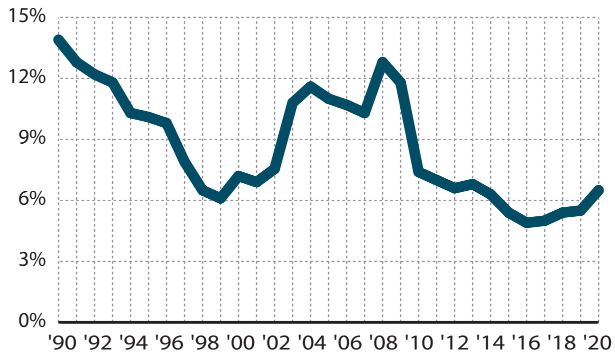
Distressed Buildings

Buildings that have operating and maintenance costs that exceed gross income are considered, for the purposes of this study, distressed. Among the properties in 2020 that filed RPIEs, 964 buildings, equal to 6.5% of the total number of buildings containing stabilized units, had reported O&M costs that exceeded gross income this year. This was one full percentage point higher than the prior year. Since 1990, when 13.9% of stabilized properties were considered distressed, the proportion of distressed buildings declined to as low as 4.9% in 2016. The proportion of distressed properties has since risen each the last four years, to the most recent 6.5%, the highest level since 2013. (See graph on the next page). Comparing Core Manhattan to the rest of the City, the proportion of distressed properties in Core Manhattan rose 3.1 percentage points from 2019 to 2020, compared to a 0.1 percentage point increase in the rest of the City.

By borough, 56.6% of distressed buildings are in Manhattan; while the remaining buildings are in Brooklyn (16.6%); the Bronx (15.7%); Queens (10.6%); and Staten Island (0.5%). (See Appendix C.7 for a complete breakdown of distressed buildings by borough, building size and building age.)

Proportion of Distressed Properties, 1990-2020

Share of Distressed Properties Increases in 2020



Source: NYC Department of Finance, 1990-2020 RPIE Data

Net Operating Income

Revenues exceed operating costs in nearly all 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, taxes, and appreciation help to 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 buildings containing stabilized units generated $545 of net income per month in 2020, with units in post-war buildings earning more ($735 per month) than those in pre-war buildings ($461 per month).

Average monthly, per-unit NOI is greater among stabilized properties in Manhattan ($721) than for those in the other boroughs: $563 in Brooklyn; $518 in Queens; $412 in Staten Island; and $366 in the Bronx. There was a notable difference when looking at NOI on a sub-borough level in Manhattan. Core Manhattan properties earned on average $884 per unit per month in NOI, 72% greater than properties in Upper Manhattan, which earned an average NOI of $513. The monthly NOI average calculated Citywide, excluding Core Manhattan, was $488.

Looking at the NOI using audit-adjusted expense figures, the monthly Citywide NOI in 2020 was $629 per unit. (See Endnote 8.)

Average monthly unaudited NOI in "residential-only" properties Citywide was $490 per unit in 2020, 10.2% lower than the average for all buildings containing stabilized units.

NOI reflects the revenue available after payment of operating costs; that is, the amount of money owners have for financing their buildings; making capital improvements; paying income taxes and taking profits. While NOI should not be the only criterion to determine the ultimate profitability of a property, it is a useful exercise to calculate the annual NOI for a hypothetical "average stabilized building" with 11 or more units. Multiplying the average unaudited monthly NOI of $545 per unit by the typical size of buildings in this year's analysis (an average of 46.2 units) yields an estimated average annual NOI of approximately $302,000 in 2020. In NYC excluding Core Manhattan, the monthly NOI of $488 per unit multiplied by the typical size of buildings in this year's analysis outside Core Manhattan (an average of 46.3 units) yields an estimated average annual NOI of approximately $271,000. (For NOI averages by borough, building age, and size, see details in Appendix C.5.)

Operating Cost Ratios

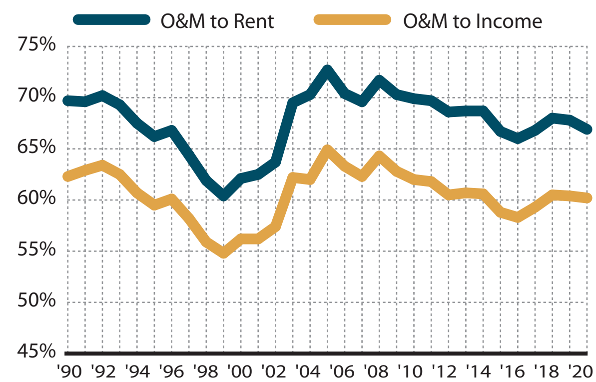
Another way to evaluate the financial condition of buildings that contain rent stabilized units is by measuring the ratio of expenses to revenues. Traditionally, the RGB has used O&M Cost-to-Income and O&M Cost-to-Rent ratios to assess the overall health of the stabilized housing stock, assuming that owners are better off by spending a lower percentage of revenue on expenses. The graph on the next page shows how over the period from 1990 to 2020, the proportion of total income and rent collections spent on audit-adjusted operating costs has fluctuated. The audit-adjusted Cost-to-Income ratio in 2020 was 60.2%, a two-tenths of a point decline from the prior year's 60.4%. This means that on average, owners of rent stabilized properties spent roughly 60.2 cents out of every dollar of revenue on operating and maintenance costs in 2020. Looking at unaudited expenses, the Cost-to-Income ratio in 2020 was 65.5, a 0.3 percentage point decline from the prior year. The unaudited median Cost-to-Income ratio was 67% in 2020, up from 66% last year.

Examining the ratio of costs to rent collections, audit-adjusted operating costs in 2020 were 66.9% of revenues from rent, down 0.9 percentage points from the prior year. (See Endnote 8.) Using unaudited expenses, the Cost-to-Rent ratio in 2020 was 72.8%, a full percentage point decline from last year's 73.8%. Looking at the unaudited median Cost-to-Rent ratio, it was 73% in 2020, up from 72% last year.

Rents, income, and costs per unit were on average highest in Core Manhattan in 2020 (see map and graphs on this page). Excluding Core Manhattan, average revenue and costs figures are lower, and have different expense to revenue ratios. In a reversal from prior years, the audit-adjusted Cost-to-Income Ratio for the rest of the City was 59.6%, lower than the Cost-to-Income Ratio for buildings in Manhattan's Core (61.0%). (See Endnote 8.) These figures indicate that on average, owners of buildings that contain stabilized units

Ratios of Citywide Average Monthly Audit-Adjusted O&M Costs to Average Monthly Gross Income and Rent 1990-2020

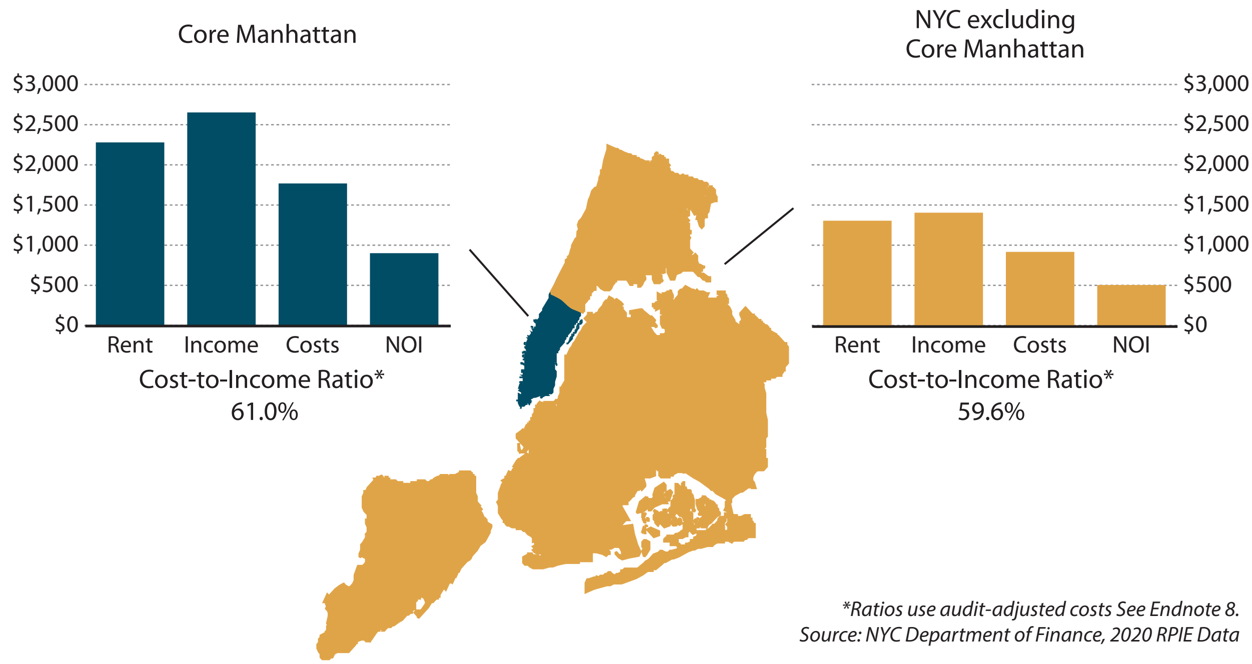
Cost-to-Income and Cost-to-Rent Ratios Decrease in 2020



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 This Year



**Ratios use audit-adjusted costs See Endnote 8.*
Source: NYC Department of Finance, 2020 RPIE Data

outside of Core Manhattan spend about 1.5 cents less of every dollar of revenue on expenses, as compared to their counterparts in Core Manhattan. This is the first time in the history of the survey that the Cost-to-Income ratio was greater in Core Manhattan than in the rest of the City.

In order to analyze Cost-to-Income ratios in more detail, DOF also calculates this ratio by decile. As previously discussed, half of all buildings containing stabilized units Citywide (or the 50th decile, also know at the median) 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 2020. Examining the 30% decile level , three out of every ten building owners Citywide pay no more than 61 cents of every dollar of revenue on operating and maintenance costs, and the remaining seven pay more. Looking at another decile level, 70%, seven out of every ten building owners Citywide pay no more than 75 cents of every dollar of revenue on O&M costs, and the remaining three pay more. The complete table of all ten decile levels Citywide and by borough can be found in Appendix C.8.

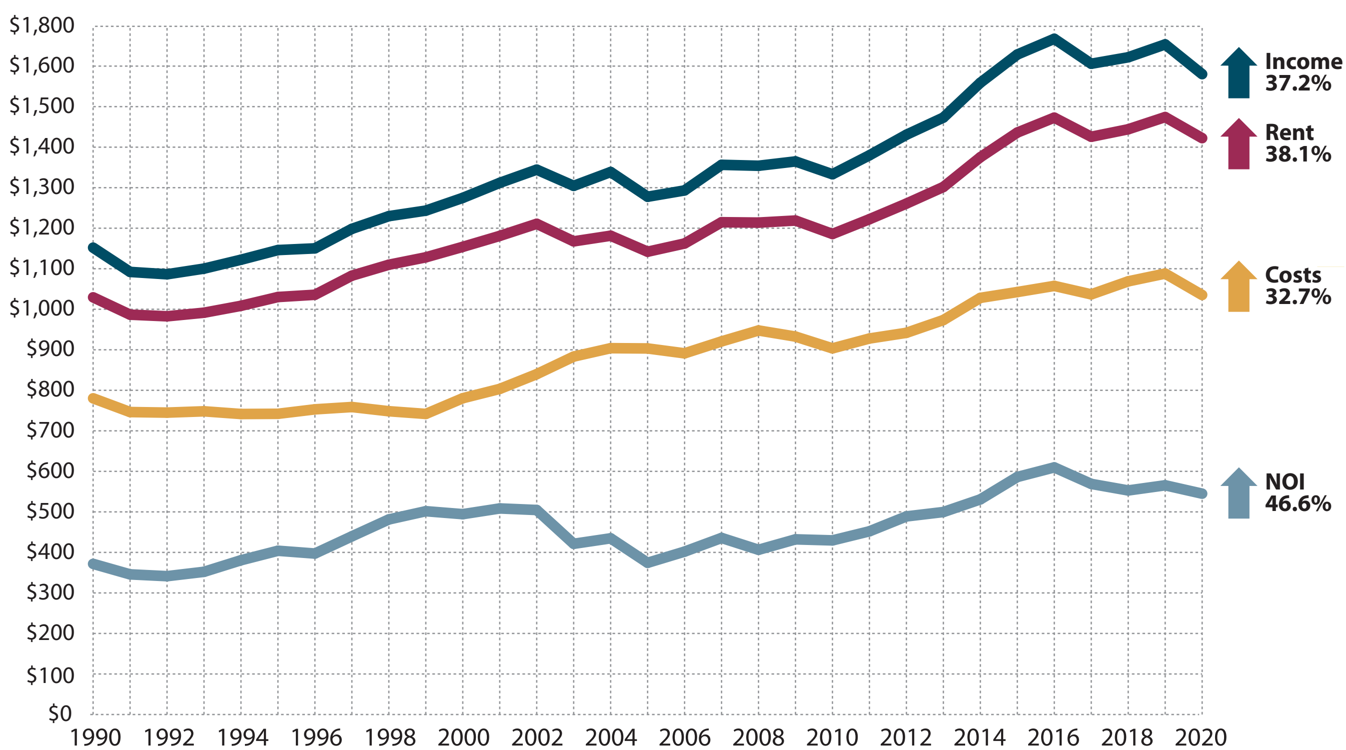
Net Operating Income After Inflation

The amount of net operating income is a function of the level of expense and the level of revenue in each year (revenues minus operating expenses equals net operating income). Adjusting NOI as well as rent, income and costs figures for inflation (in constant 2020 dollars), and comparing different base years to the latest data available is a useful way to assess the health of the stabilized housing stock

Citywide Income, Rent, 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)

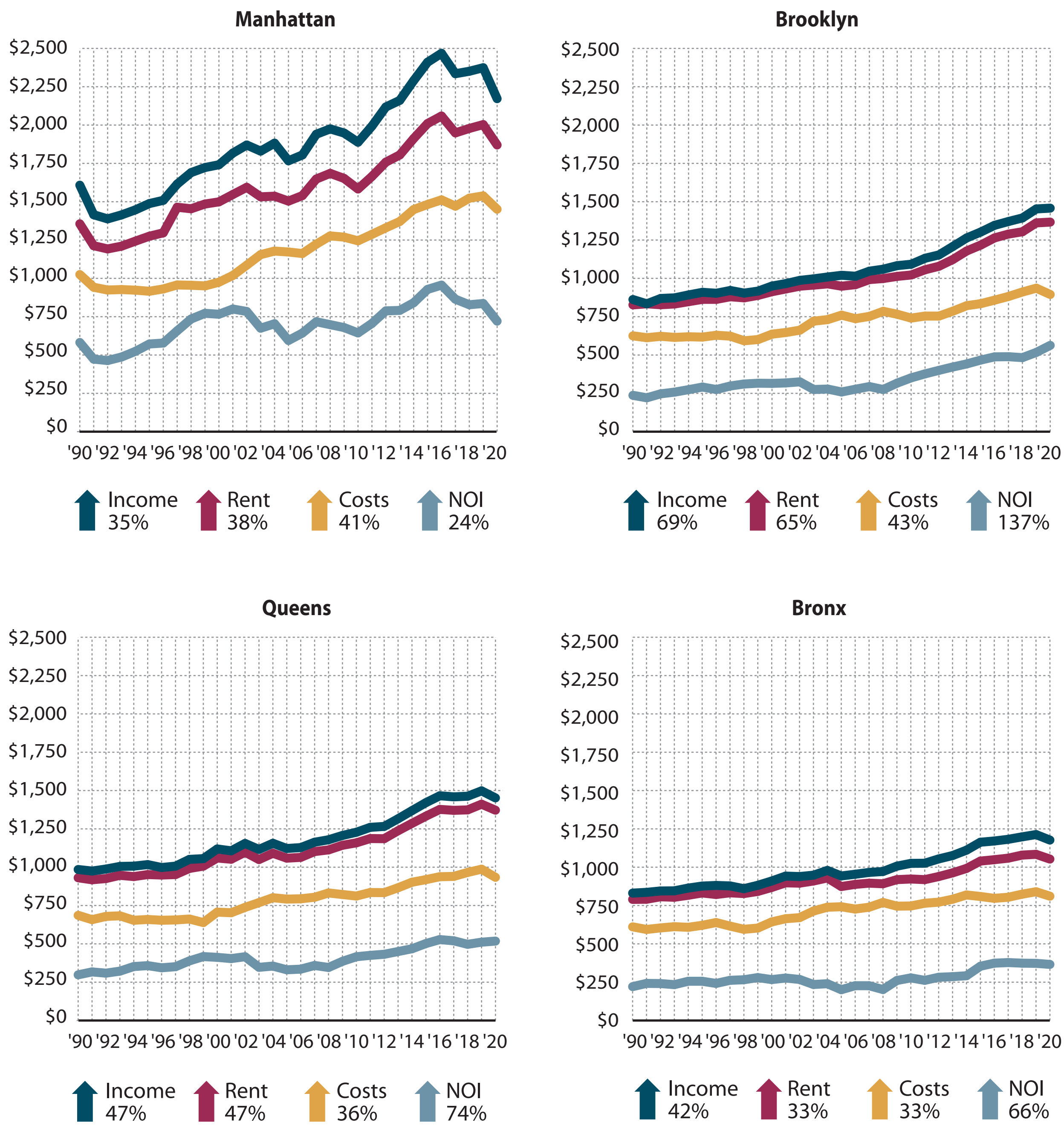


Note: Percent changes are point-to-point measurements.
Sources: NYC Rent Guidelines Board Income and Expense Studies, 1992-2022; NYC Department of Finance, 1990-2020 RPIE Data

Income, Rent, 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)



Notes: Percent changes are point-to-point measurements.
Staten Island is excluded due to insufficient data from prior years.
Sources: NYC Rent Guidelines Board Income and Expense Studies, 1992-2022;
NYC Department of Finance, 1990-2020 RPIE Data

because it helps to determine if buildings generate enough revenue to be properly maintained, as well as 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 2020, after adjusting for inflation, NOI has increased 46.6% (see graph on page 35). This indicates that revenues have outpaced expenses to the extent that average monthly NOI was 46.6% more in 2020 than it was in 1990, after adjusting for inflation.[9]

Rent, income, and costs can be compared similarly. Between 1990 and 2020, inflation-adjusted rent increased a cumulative 38.1%, income by 37.2%, and costs by 32.7%, resulting in the increase in NOI, after inflation, of 46.6%.

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. Looking at the boroughs individually, from 1990 to 2020, all boroughs saw sizable increases in their net income, with Brooklyn seeing the largest increase, with NOI increasing 137%; followed by Queens, up 74%; the Bronx, up 66%; and Manhattan, up 24% (see graphs on previous page).

Longitudinal Analysis

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 13,969 buildings from 2019 to 2020.

Rents and Income

Rent collections change for a number of reasons, including increases allowed under RGB guidelines; combining apartments; individual apartments improvements (IAIs); building-wide major capital improvements (MCIs); and varying levels of nonpayment of rent. In addition, with the consequential economic impact of the pandemic, overall market rents fell this year, with the borough of Manhattan hit the hardest. (See Endnote 4.)

Average rent collections in buildings containing stabilized units fell by 3.8% from 2019 to 2020. Rent collections in post-war buildings fell at a lower rate, down 2.9%, than pre-war buildings, which declined by 4.4%. Rent collections fell the most among 11-19 unit buildings, declining 5.6%; followed by large, 100+ unit buildings, down 4.0%; and mid-sized, 20-99 unit buildings, down 3.4%.

Examining rent collections by borough, Staten Island was the only borough to see rent collections increase, up 0.5%. The largest decline was in Manhattan, falling 7.4%; followed by Queens, down 2.1%; the Bronx, down 1.7% and Brooklyn, down 1.2%. Within Manhattan, Core Manhattan rents fell more, down 8.9%, while Upper Manhattan rents fell 4.2%. Rent collections in the City, excluding Core Manhattan, declined 2.0%. The decline in median rent Citywide was 2.8%.

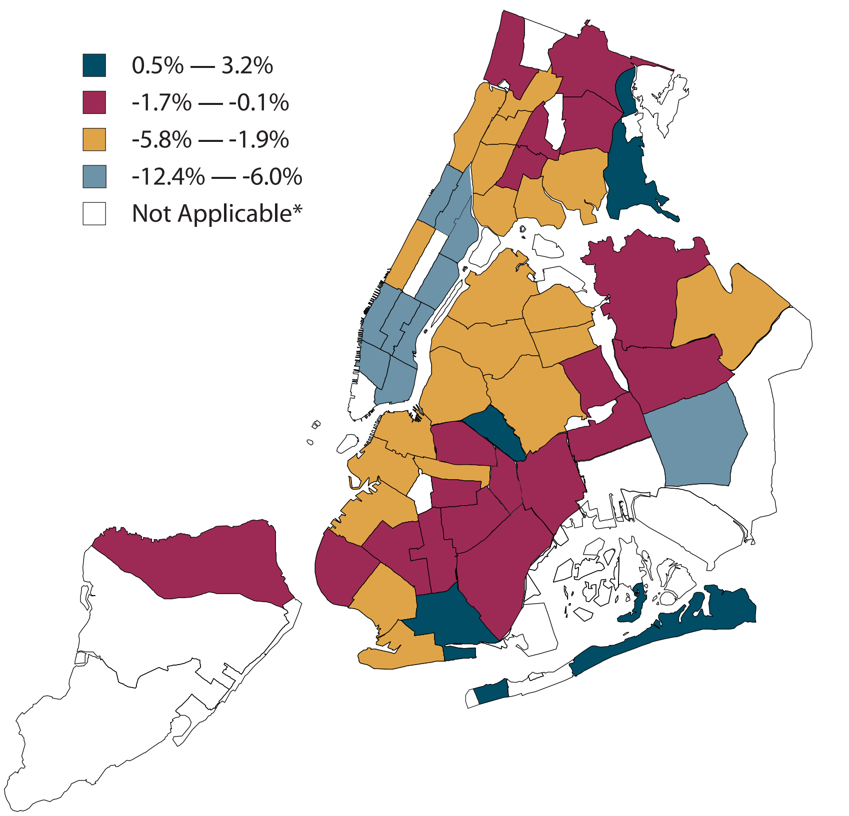
Looking at rent collections throughout New York City, the vast majority of Community Districts saw a decline in average rent from 2019 to 2020.[10]

At the neighborhood level, only four neighborhoods saw a growth in average rents: Bushwick, Brooklyn, up 3.2%; Throgs Neck/Co-op City, Bronx, up 1.4%; and Sheepshead Bay/Gravesend, Brooklyn and the Rockaways, Queens, both up 0.5%. The remaining districts experienced a decline in average rents, most significantly in Manhattan. Ten of the eleven largest declines in rent occurred in Manhattan neighborhoods. The largest was in Chelsea/Clinton, down 12.4%; Lower East Side/Chinatown, down 12.1%; Midtown, down 11.9%; Greenwich Village, down 11.5%; and Stuyvesant Town/Turtle Bay, down 10.7%. The largest decline in Queens was in Jamaica, down 10.0%. The largest decline in Brooklyn was in Sunset Park, down 5.1%; and the largest decline in the Bronx was in Hunts Point/Longwood, down 3.6%. See map on the next page and Appendix C.13 for a breakdown of changes in rent collections by Community District throughout NYC.

The average total income collected in buildings containing stabilized units, comprising apartment rents, commercial rents, and sales of services, fell 4.6% from 2019 to 2020. Revenues fell more in pre-war buildings, down 5.5%, compared to 3.0%

Change in Rent Collections by Community District, 2019-20

Collected Rents Decline in Vast Majority of Community Districts



**Community Districts with not enough buildings for reliable data.*
Source: NYC Department of Finance, 2019-20 RPIE Data

among post-war buildings.

Similar to the change in collected rent, only Staten Island saw income increase, up 0.4%. The largest income decline was in Manhattan, down 8.9%; followed by Queens, down 2.2%; the Bronx, down 1.9% and Brooklyn, down 1.2%. Within Manhattan, Core Manhattan income fell the most, down 10.7%, while Upper Manhattan income declined 4.7%. Total income in the City, excluding Core Manhattan, fell 2.2%. The median decline in income Citywide was 3.0%.

Operating Costs

Citywide, average expenses in buildings containing stabilized units declined 2.8% from 2019 to 2020. Pre-war buildings saw a larger decline in expenses, down 3.3%, while post-war buildings experienced a 1.8% decline in expenses. However, the change in operating costs varied by borough. Costs fell the most in Manhattan, down 3.9%; followed by Queens, declining 2.5%; Staten Island, down 2.3% and the Bronx and Brooklyn, both falling 2.0%. Within Manhattan, Upper Manhattan costs fell more, falling 4.5%, while costs declined 3.6% in Core Manhattan. Operating costs in the City, excluding Core Manhattan, fell 2.5%. Median Citywide expenses fell 2.6%.

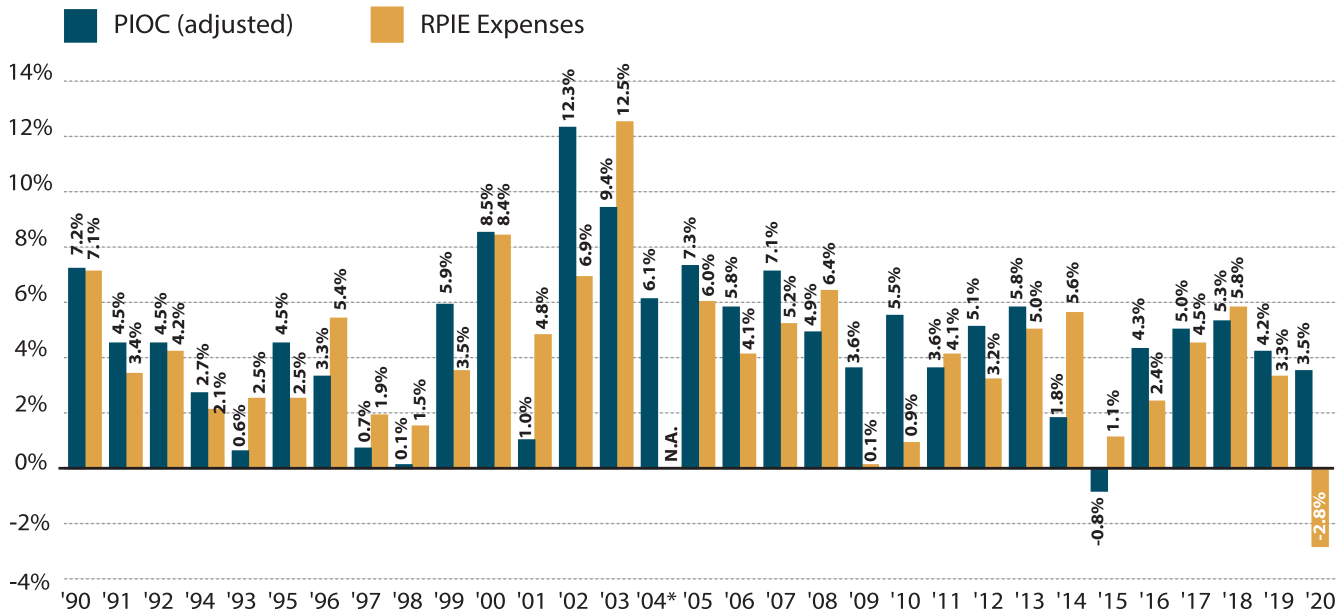
For a detailed breakdown of the changes in rent, income, and costs by building size, age, location, and stabilized unit proportions, see Appendices C.10 and C.11.

RPIE Expenses and the PIOC

Data sets from the RPIE and the RGB's long-running survey, the Price Index of Operating Costs (PIOC), provide a form of independent verification for the expense data in the other. However, precise comparison of I&E and PIOC data is somewhat difficult 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 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 April to March basis, while most RPIE statements filed by landlords are based on the calendar year. (See Endnote 5.) 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 grew by 3.5% from 2019 to 2020, the same period as a 2.8% decline in I&E costs, a 6.3 percentage point difference. (See graph on the next page.)

Change in Operating & Maintenance Costs, RPIE and the PIOC, 1990 to 2020

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



**Longitudinal RPIE data for 2004 is unavailable (see Endnote 7).*
Sources: NYC Department of Finance, 1990-2020 RPIE Data; RGB Price Index of Costs (PIOC) 1990-2020

From 1990-91 to 2019-20, cumulative growth in owners' costs as measured by the two indices varied. Overall nominal costs measured in the PIOC increased at a greater rate, 252.7%, compared to RPIE data, which grew 204.0% over this period.[11]

Operating Cost Ratios

Between 2019 and 2020, the proportion of gross income spent on audit-adjusted expenses (the O&M Cost-to-Income ratio) increased, rising by 1.1 percentage points. In addition, the proportion of rental income used for audit-adjusted expenses (the O&M Cost-to-Rent ratio) also increased, up seven-tenths of a percentage point from the prior year. (See Endnote 8.)

Similarly, examining unaudited expense data, the unaudited Cost-to-Income ratio rose by 1.2 percentage points from 2019 to 2020, and the unaudited Cost-to-Rent ratio increased seven-tenths of a percentage point.

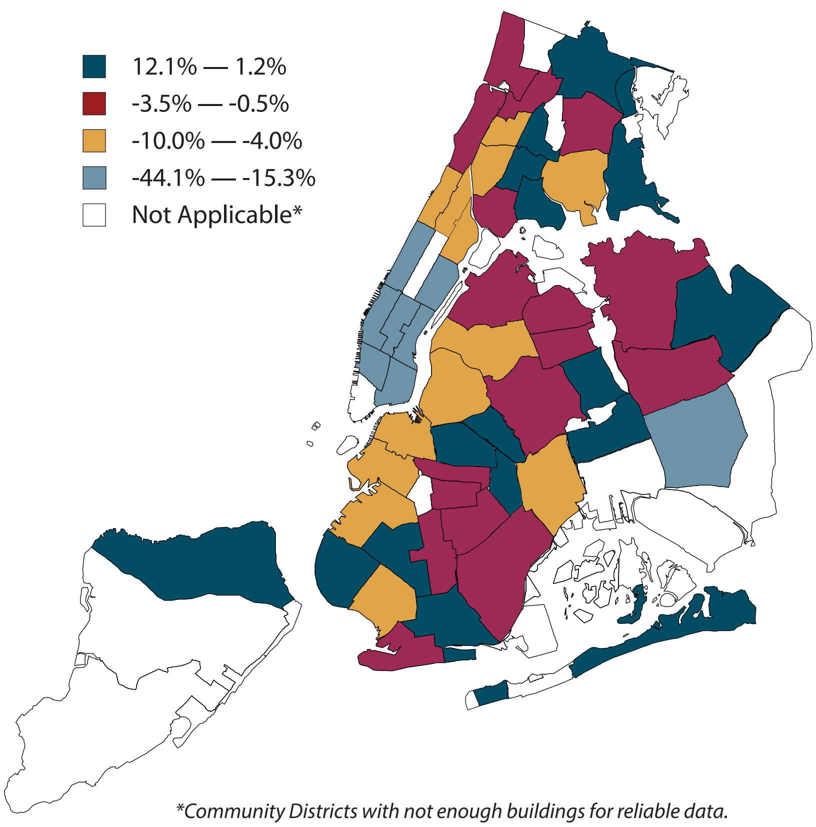
Net Operating Income

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. Citywide NOI in buildings containing stabilized units fell by 7.8% between 2019 and 2020. Since 1990-91, when this study first calculated the change in NOI, it has declined just four times: 2001-02, 2002-03, 2017-18 and this year. Citywide, NOI in post-war buildings fell 4.7%, while in older, pre-war buildings, it declined by 9.8%.

The average change in NOI from 2019 to 2020 varied throughout the City. NOI increased in Staten Island, where it rose 6.4%; as well as in Brooklyn, up 0.1%. However, NOI declined 17.5% in Manhattan; 1.8% in the Bronx; and 1.6% in Queens. Within Manhattan, NOI fell 22.0% in Core Manhattan and 5.2% in Upper Manhattan. Monthly NOI in the City, excluding Core Manhattan, fell 1.5%. See Appendix C.12 for a breakdown of NOI by borough, building age, and building size.

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 Department of Finance, 2019-20 RPIE Data

At the Community District level, NOI rose in 30% of the City's neighborhoods. The greatest growth in NOI occurred in Bushwick, Brooklyn, rising 12.1%; followed by Throgs Neck/Co-op City in the Bronx, up 9.7%; the Rockaways, Queens, up 8.7%; E. Tremont/Belmont in the Bronx, up 7.4%; and Kew Gardens/Woodhaven, Queens, up 7.1%. By contrast, not a single Manhattan neighborhood experienced an increase in NOI.

Five neighborhoods in Manhattan saw the greatest drop in NOI: Midtown, down 44.1%; Greenwich Village, down 32.4%; Chelsea/Clinton, down 32.2%; Lower East Side/Chinatown, down 32.1%; and Stuyvesant Town/Turtle Bay, down 26.7%. In each of the other boroughs, the neighborhoods seeing the largest declines were in Jamaica, Queens, down 21.9%; Park Slope/Carroll Gardens, Brooklyn, down 10.0%; and Highbridge/S. Concourse, the Bronx, down 9.2%. The map on this page and Appendix C.13 shows how NOI varied in each neighborhood throughout NYC. (See Endnote 10.)

Summary

This year's main *Income and Expense Study* includes a sample size of over 14,800 buildings that contain rent stabilized units (a total of over 648,600 units), while the longitudinal study includes almost 14,000 of these buildings (with a total of over 648,600 units). Citywide, average rent fell by 3.8%; revenue collections decreased by 4.6%; and expenses declined by 2.8%. Since income dropped at a greater rate than costs, NOI Citywide declined by 7.8%, the second largest decrease in NOI over the 30-year period of this study. (See table on the next page for historical data.) In addition, the proportion of distressed properties Citywide rose by a full percentage point, to 6.5%. However, the audit-adjusted Cost-to-Income ratio declined by two-tenths of a percentage points, to 60.2%. (See Endnote 8.)

Methodology

The information in this report was generated by analyzing data sets derived from RPIE forms filed with the NYC Department of Finance in 2021 by owners of apartment buildings with primarily eleven or more dwelling units. The data in these forms, which reflects financial conditions in buildings containing stabilized units for the year 2020, was made available to the RGB beginning in December 2021 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

Changes in Average Monthly Rent, Income, Operating Costs, and Net Operating Income per Dwelling Unit, 1990-2020

Net Operating Income (NOI) Fell from 2019 to 2020, the Fourth Decline in the Last 30 Years

	Avg. Rent Growth	Avg. Income Growth	Avg. Cost Growth	Avg. NOI Growth
1990-91	3.4%	3.2%	3.4%	2.8%
1991-92	3.5%	3.1%	4.2%	1.2%
1992-93	3.8%	3.4%	2.1%	6.3%
1993-94	4.5%	4.7%	2.5%	9.3%
1994-95	4.3%	4.4%	2.5%	8.0%
1995-96	4.1%	4.3%	5.4%	2.3%
1996-97	5.4%	5.2%	1.9%	11.4%
1997-98	5.5%	5.3%	1.5%	11.8%
1998-99	5.5%	5.5%	3.5%	8.7%
1999-00	6.2%	6.5%	8.4%	3.5%
2000-01	4.9%	5.2%	4.8%	5.9%
2001-02	4.0%	4.1%	6.9%	-0.1%
2002-03	3.6%	4.5%	12.5%	-8.7%
2003-04	-	-	-	-
2004-05	4.6%	4.7%	6.0%	1.6%
2005-06	5.6%	5.5%	4.1%	8.8%
2006-07	6.5%	6.5%	5.2%	9.3%
2007-08	5.8%	6.2%	6.4%	5.8%
2008-09	1.4%	1.8%	0.1%	5.8%
2009-10	0.7%	1.2%	0.9%	1.8%
2010-11	4.4%	4.5%	4.1%	5.6%
2011-12	5.0%	5.3%	3.2%	9.6%
2012-13	4.5%	4.5%	5.0%	3.4%
2013-14	4.8%	4.9%	5.6%	3.5%
2014-15	4.4%	4.4%	1.1%	10.8%
2015-16	3.1%	3.1%	2.4%	4.4%
2016-17	3.0%	3.0%	4.5%	0.4%
2017-18	3.7%	3.6%	5.8%	-0.6%
2018-19	3.3%	3.2%	3.3%	2.9%
2019-20	**-3.8%**	**-4.6%**	**-2.8%**	**-7.8%**

Note: Longitudinal data from 2003-04 is unavailable.   Source: NYC Department of Finance, 1990-2020 RPIE Data

2017 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. Owners are not required to report tax expenses; therefore, tax figures used in this report were calculated by the NYC Department of Finance. In addition, medians were calculated and included in this report. The medians derived from the data were also produced by the NYC Department of Finance (DOF), were not adjusted by the 2017 HVS, and are unweighted.

Two types of summarized data, primary RPIE data and longitudinal data, were obtained for buildings containing stabilized units. The primary RPIE data, which provides a "snapshot" or "moment-in-time" view, comes from properties that filed RPIE forms in 2020, or alternatively, TCIE (Tax Commission Income & Expense) forms.[12] Data from the forms were used to compute average and median rents, operating costs, etc., for 2020. Longitudinal data, which provide a direct comparison of identical elements over time, encompass properties that filed RPIE/TCIE forms for the years 2019 and 2020. The longitudinal data describe changing conditions in average rents, operating costs, etc., by comparing forms from the same buildings over two years. Thus, the main part this report measures conditions existing throughout 2020, while the longitudinal data section measures changes in conditions that occurred from 2019 to 2020.

This year, 14,828 buildings containing rent stabilized units were analyzed in the main RPIE study and 13,969 buildings were examined in the longitudinal study. (There were fewer buildings in the longitudinal study because not all buildings filed and/or could be matched both years.) The collection of buildings was created by matching a list of properties registered with HCR against building data found in 2021 RPIE or TCIE statements (or 2020 and 2021 statements for the longitudinal study). A building is considered rent stabilized if it contains at least one rent stabilized unit.

Once the two data sets 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;
- For the main part of this study, owners who did not file an RPIE or TCIE form in 2021; for the longitudinal study, owners who did not file an RPIE or TCIE form in both 2020 and 2021;
- 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 data so properties with inaccurate building information could be removed to protect the integrity of the data:

- 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 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 data. 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.

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

Endnotes

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

2. Core Manhattan represents the area south of W 110th and E 96th Streets. Upper Manhattan is the remainder of the borough.

3. 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 HCR, approximately 33.1% of all 2020 apartment registrations filed indicate a preferential rent. Effective June 2019, the Housing Stability & Tenant Protection Act of 2019 requires preferential rents to remain in effect for the duration of a tenancy, and rent may only be raised to the “legal rent” upon vacancy.

4. “The Real Estate Collapse of 2020: Deep Rent Cuts, but Not for All,” by Stefanos Chen, The New York Times. December 25, 2020.

5. According to the NYC Department of Finance, over 90% of owners filing RPIEs report income and expense data by calendar year. In earlier reports, adjusted HCR data was calculated on a July-to-June fiscal year. Beginning with the 2008 *Income and Expense Study*, adjustment of HCR Citywide data was calculated on the January-to-December calendar year, so figures may differ from data reported in prior years.

6. 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 5.

7. RPIE longitudinal data from 2003-04 is excluded from this study because no longitudinal data was available for 2003-04. Therefore, the growth in RPIE collected rents, 209.4%, is understated. To make a more valid comparison between the three indices, cumulative increases in both the RGB Rent Index and HCR contract rent calculations exclude 2003-04 data as well. If 2003-04 data were included, the RGB Rent Index increased 207.9%, and the HCR rent increased 258.4%.

8. Despite the length of time since the 1992 audit the RGB feels it is still useful to report audit-adjusted expenses, because the NYC Department of Finance acknowledges some erroneous overstatement of expenses in RPIE filings. Therefore, the RGB reports both audited and unaudited expenses.

9. The year 1990 is used as the beginning of a point-to-point comparison because that is the first year in which a greatly expanded base of Real Property Income and Expense (RPIE) data was made available.

10. Five Community Districts (CDs) 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 (not adjusted by the 2017 HVS) and do not necessarily represent the entire population of buildings in these Community Districts. All averages were computed by the NYC Department of Finance.

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

12. TCIE (Tax Commission Income & Expense) forms are used by the NYC Department of Finance when RPIE forms are not filed by owners. An owner may file a TCIE form when making a claim that their property was incorrectly assessed or improperly denied an exemption from real property tax.

New York City Rent Guidelines Board

2022 Mortgage Survey Report

What's New

- ☑ Average interest rates for new multifamily mortgages increased 15 basis points, to 3.91% this year, the first increase in four years.
- ☑ Average points for new loans rose fell from 0.38 points last year to 0.32 points this year.
- ☑ Average maximum loan-to-value ratios decreased from 74.1% last year to 73.8% this year.
- ☑ Vacancy and collection losses increased from 2.83% last year to 4.05% this year, the highest level since 2013.
- ☑ A total of 777 buildings containing rent stabilized units were sold Citywide in 2021, a 65% increase from the prior year.

Introduction

Section 26-510 (b)(iii) of the Rent Stabilization Law requires the NYC Rent Guidelines Board (RGB) to consider the "costs and availability of financing (including effective rates of interest)" in its deliberations. To assist the Board in meeting this obligation, each winter the RGB research staff surveys lending institutions that underwrite mortgages for multifamily properties containing rent stabilized units in New York City. The survey provides details about New York City's multifamily lending market during the 2021 calendar year as well as the first few months of 2022.

The survey is organized into three sections: financing availability and terms for buildings containing rent stabilized units; underwriting criteria; and additional mortgage questions, including vacancy and collection losses, operating and maintenance expenses, and portfolio performance information. In addition to the survey analysis, sales data of buildings containing rent stabilized units, obtained from the NYC Department of Finance, are also examined.

Overview

The Mortgage Survey this year found that interest rates rose after last year's record low, but points decreased. In addition, vacancy and collection losses increased; and maximum loan-to-value ratios fell. Furthermore, our analysis of sales of buildings containing rent stabilized units found that sales volume increased Citywide between 2020 and 2021.

This report will more fully detail this data, beginning with a discussion of the characteristics of all this year's survey respondents, followed by a longitudinal analysis of those responding both last and this year. Further, it will examine sales of buildings containing rent stabilized units by volume and price.

Survey Respondents

Ten financial institutions responded to this year's survey, two more than last year. This year's respondents include a variety of traditional lending institutions, such as savings and commercial banks, as well as non-traditional lenders.

Institutions holding deposits insured by the Federal Deposit Insurance Corporation (FDIC) supply details about their holdings on a quarterly basis to the FDIC, including their multifamily real estate loan portfolios, which vary considerably among the respondents. Seven surveyed lenders report their multifamily real estate loan portfolios to the FDIC, with values ranging between $300 million and $34.6 billion.[1] Two of this year's respondents reported multifamily holdings of over $10 billion, while three institutions held less than $865 million. The

Terms and Definitions

Basis Points - one basis point is equal to 1/100th of 1%, or 0.01 percentage point; they are commonly used to express differences in mortgage interest rates and fees

Debt Service - the cash required to make periodic repayments of loan principal and interest

Debt Service Coverage Ratio - net operating income divided by the debt service; measures the risk associated with a loan; the higher the ratio, the more money an institution is willing to lend

Loan-to-Value Ratio (LTV) - the amount institutions are willing to lend as a proportion of a building's value; the lower the LTV, the lower the risk to the lender

Maximum LTV - the maximum LTV ratio that a lender will consider when making a loan

Points - up-front service fees charged by lenders as a direct cost to the borrowers; one point equals one percent of the principal amount of the loan charged as the service fee

Term - the amount of time the borrower has to repay the loan multifamily real estate loan portfolio of our survey respondents averaged $7.7 billion in 2021, down 23% from the prior year.

Mortgage Survey Analysis

Financing Availability and Terms

As of March 2022, the average interest rate for new multifamily mortgages was 3.91%, a 15 basis points (or 4%) increase from a year earlier, the first increase in four years (see graph on this page and Appendices D.1 and D.5). This year's increase was preceded by last year's record low interest rate. The moving five-year average interest rate was 4.23%. In addition, the average interest rate reported by lenders for the full 2021 calendar year was 3.75%, a 16 basis points (or 4%) decrease from 2020.

Average interest rates as of March 2022 increased from a year earlier among the institutions surveyed, corresponding with the Federal Reserve (The Fed) raising interest rates in March 2022. The Discount Rate — the interest rate at which depository institutions borrow from a Federal Reserve Bank — rose 25 basis points in March 2022, the first increase in more than 3 ½ years.

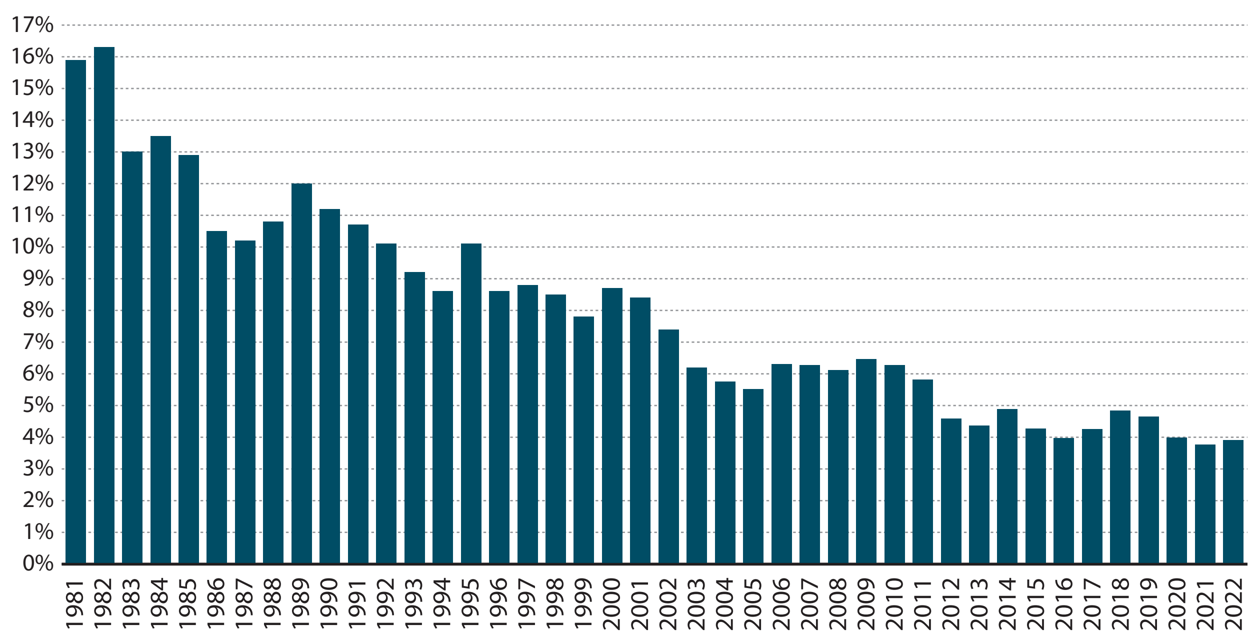
Similarly, the Federal Funds Rate — the interest rate at which depository institutions lend balances at the Federal Reserve to other depository institutions — also rose 25 basis points in March 2022.[2] After two years of holding borrowing costs near zero to protect the economy during the COVID-19 pandemic, the Federal Reserve is expected to raise rates several times this year to tackle the highest level of inflation in decades.[3]

Some lenders charge a separate up-front fee, called points, as a direct cost to borrowers. The average service fee charged on new loans by lenders fell to 0.32 points, down from last year's 0.38 points. Among survey respondents, points ranged between zero and 0.92, with five surveyed lenders charging no points on new loans. Average points reported in the survey have remained around or below one point for twenty-five years. (See graph on the next page).

Surveyed lenders, for the most part, remained flexible in the loan maturity terms they offered their

Average Interest Rates for New Loans, 1981-2022

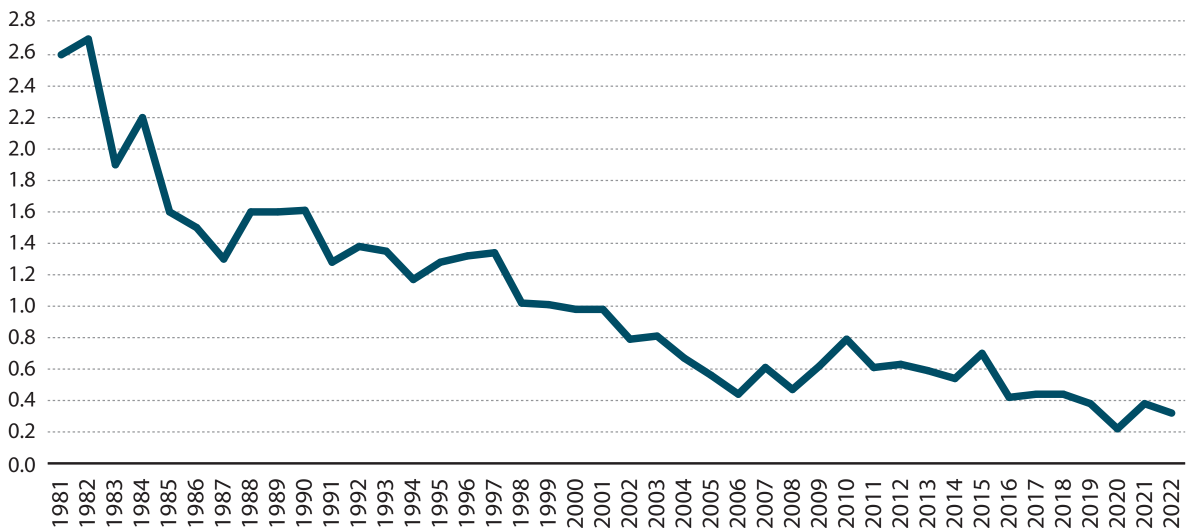
Multifamily Mortgage Interest Rates Increase This Year



Source: NYC Rent Guidelines Board, annual Mortgage Surveys

Points for New Loans, 1981-2022

Average Points Charged by Lenders Decreased This Year



Source: NYC Rent Guidelines Board, annual Mortgage Surveys

borrowers. Since survey respondents typically offer a wide range of terms, it is not possible to provide an average for the range of terms offered by institutions. Nonetheless, they remained like those offered in recent years. Mortgage terms reported by most respondents fell within a 5- to 15-year range.

The average volume of new mortgage originations in our survey fell from 98 last year to 75 this year, a 23% decline. However, the median number of new loans rose from 15 last year to 25 this year. The average number of refinanced loans rose to 55 this year, more than doubling from last year's 25 loans. Likewise, the median number of refinanced loans doubled from last year, to 20 this year.

Underwriting Criteria

The survey asked lenders for their typical underwriting standards when approving new and refinanced mortgages to owners of buildings containing rent stabilized units. Most lenders this year reported that lending standards minimally changed from the prior year, when the pandemic began.

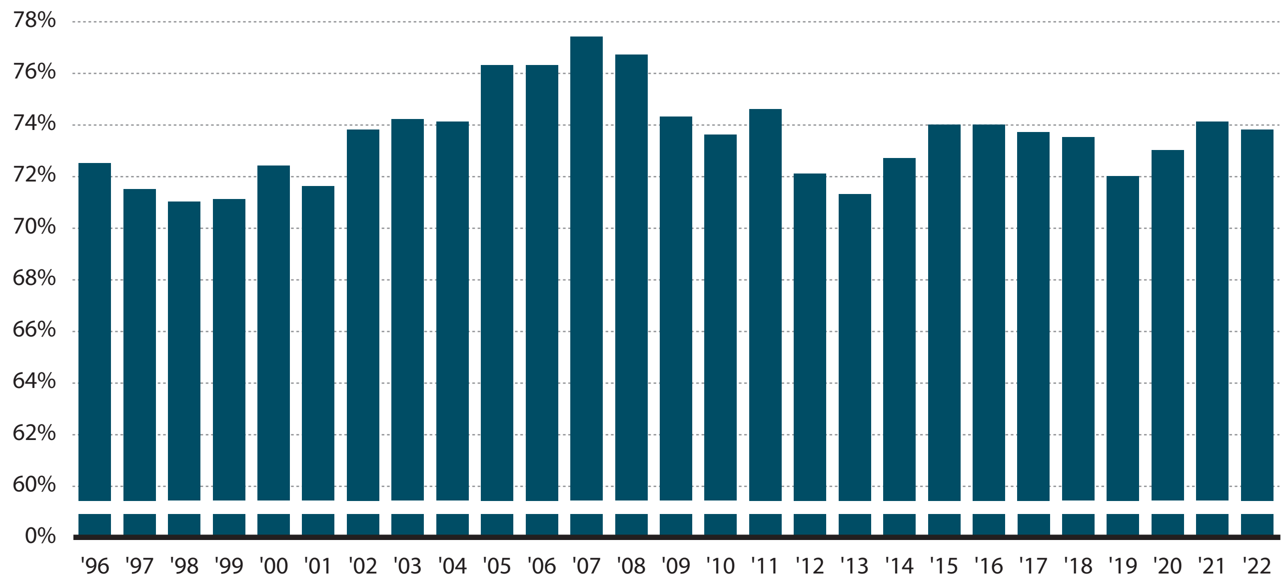
Among surveyed institutions, the typical maximum Loan-to-Value (LTV) ratio — the maximum amount respondents were willing to lend based on a building's value — ranged from 60% to 83%. This year's average, 73.8%, decreased 0.3 percentage points from last year's 74.1% (see graph on the next page).

Another important lending criterion is the debt service coverage ratio (DSCR) — an owner's ability to cover mortgage payments using its net operating income (NOI). The higher the DSCR, the less money a lender is willing to loan given constant net income. The debt service coverage ratio (or NOI divided by the debt service) remained the same as last year, at 1.24. (See Appendix D.2). Overall, debt service coverage ratios at all institutions ranged between 1.15 and 1.30. Three of the ten surveyed lenders reported that they adjusted their underwriting standards over the past year, most commonly by implementing more stringent approvals and increasing monitoring requirements.

Lenders also noted additional standards they use when evaluating loan applications. The most cited standard is good building maintenance, with half of the lenders indicating that it is an important consideration when reviewing a loan application. Four in ten lenders also required a specific minimum number of units in a building.

1996-2022 Average Loan-to-Value Standards

Maximum Loan-to-Value Ratios Decrease Slightly This Year



Source: NYC Rent Guidelines Board, annual Mortgage Surveys

The survey asked lenders whether their lending standards differ for buildings containing rent stabilized units versus non-stabilized multifamily properties. Respondents were asked whether their new financing rates; refinancing rates; LTV ratios; and DSCR for properties containing rent stabilized units were higher, lower, or the same as for other properties. This year, 70% of lenders reported that their standards for stabilized lending were no different than their other residential properties.

Non-Performing Loans & Foreclosures

The number of lenders reporting that they had non-performing loans changed minimally from last year. Two lenders reported that less than 1% of their portfolios were non-performing, compared to one lender last year. In addition, one lender reported a few foreclosures this year, compared to none last year. A majority of lenders continued to offer varying terms for payment deferrals and forbearance due to the ongoing pandemic. However, most lenders this year reported improved rental income and fewer COVID-related loan modifications than the prior year. Among lenders offering loan modifications, they were typically in the range of 3- to 6-month payment deferrals.

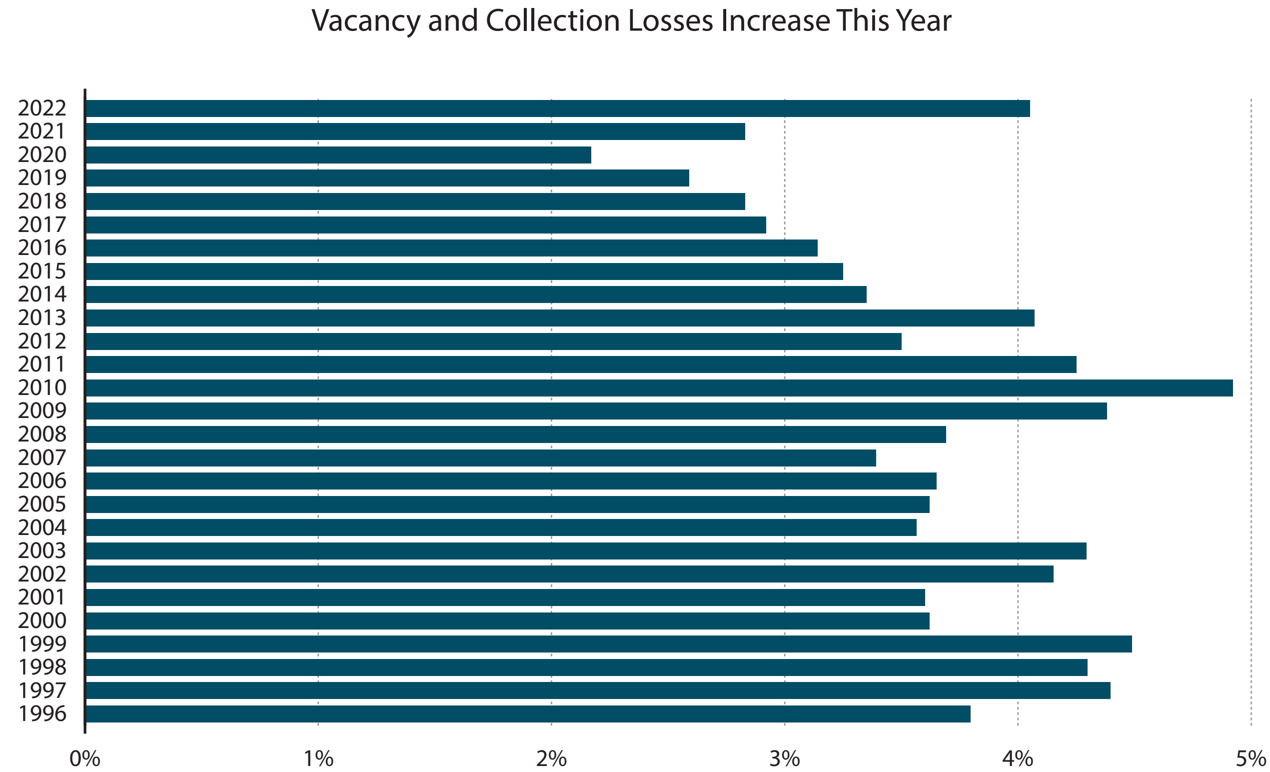
Building Characteristics

The size of buildings in surveyed lenders' portfolios varies. The average size of buildings varied widely among lenders. Three lenders reporting a typical building of 11-19 units; another three 20-49 units and another three reporting a typical building size of 50-99 units. One lender typically lent to 100+ unit buildings.

Average vacancy and collection (V&C) losses increased this year, rising from 2.83% last year to 4.05% this year, the highest level since 2013. (See graph on the next page.) Some lenders reported differing proportions of rent collection issues among their borrowers because of the pandemic, ranging from 0% and 30% of a majority of lenders' portfolios facing lower rent collections in 2021.

Average operating and maintenance (O&M) expenses and average rents among buildings in

Average Vacancy and Collection Losses, 1996-2022



Source: NYC Rent Guidelines Board, annual Mortgage Surveys

lenders' portfolios both rose this year. Estimated rent per unit per month increased 16%, to $1,737 this year, while estimated expenses rose 28%, to $813. (See Appendix D.2). Because average expenses increased more than average rent, the average reported O&M cost-to-rent ratio rose from 42.5% last year to 46.8% this year.

The NYC Rent Guidelines Board's annual *Income and Expense (I&E) Study* examines the average O&M cost-to-rent ratio as well.[4] However, its findings should not be compared to the cost-to-rent ratio reported in the *Mortgage Survey Report* because the sources are very different, and the data studied in each report are from different time periods. In the *2022 I&E Study,* which reported on data from calendar year 2020, the average O&M cost-to-rent ratio was 72.8%.[5]

The survey asks lenders whether they retain their mortgages or sell them in the secondary market. 60% of lenders reported retaining all their mortgages, down from last year's 67%.

Lenders are also asked whether buildings containing rent stabilized units that are offered mortgage financing contain commercial space. This information is useful to help understand the extent to which owners earn income from sources other than residential tenants. Every lender but one reported this year that buildings in their portfolio contain commercial space, though the proportion varies depending on the lender. On average, lenders report that 28% of their portfolios have commercial space, virtually unchanged from 29% last year.

Loan Expectations

The survey asks lenders how their portfolios of buildings containing stabilized apartments perform as compared with what was expected at the time of the initial loan originations in three areas: net operating income (NOI); debt service coverage ratio; and O&M expenses. Most lenders reported that their expectations had been met or exceeded in all

Selected 2022 Mortgage Survey Data Compared to 2021 Mortgage Survey Data							
Average Interest Rates, Loan Volume, Points, Loan-to-Value Ratios, Debt Service Coverage Ratios, and Vacancy & Collection Losses							
(Averages)	NF Interest Rate	NF Loan Volume Avg	NF Points	RF Loan Volume Avg	Max LTV Ratio	DSC Ratio	V&C Losses
2022 Mortgage Survey Data	3.91%	75	0.32	55	73.8%	1.24	4.05%
2021 Mortgage Survey Data	3.76%	98	0.38	25	74.1%	1.24	2.83%

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

Source: NYC Rent Guidelines Board, Annual Mortgage Surveys

areas among their stabilized portfolio. Specifically, 75% of lenders who responded to this question said this year that their expectations were equaled or exceeded among all three categories, up from 63% last year.

Longitudinal Analysis

Information regarding buildings containing rent stabilized units can also be examined longitudinally to assess changes more accurately in the lending market, since many respondents reply to the Mortgage Survey in at least two successive years. This longitudinal comparison helps to clarify whether changes highlighted in the primary mortgage survey analysis reflect actual variations in the lending market or simply the presence of a different group of lenders from year-to-year. Among the ten respondents that completed the survey this year, eight also responded last year. The eight lenders that make up the longitudinal group, and their responses from both this year and last year, are compared in this section to illustrate changes between the two years.

Financing Availability and Terms

Similar to the main survey analysis, the longitudinal group saw interest rates rise. As of March 2022, interest rates were reported as 3.93%, up from 3.76% a year earlier (see Appendix D.3).

Among the longitudinal group, average points offered by lenders fell slightly, from 0.38 last year to 0.36 this year.

Underwriting Criteria and Loan Performance

The average maximum loan-to-value (LTV) ratio increased among the longitudinal group this year, rising from 74.1% last year to 75.3% this year. The average debt service ratio rose remained unchanged, at 1.24. And like the main mortgage survey analysis, vacancy and collection (V&C) losses among the longitudinal group increased, from 2.83% last year to 4.19% this year (see Appendix D.4).

Examining delinquencies among the longitudinal group, two lenders reported non-performing loans, up from one last year. And one lender reported a few foreclosures this year, as opposed to none the prior year.

Sales Data Analysis

The NYC Department of Finance collects and provides public property sales information. Utilizing this data, this report examines sales of buildings containing rent stabilized units from 2021 and compares them with the prior year. These properties are identified by matching buildings that are registered with NYS Homes and Community Renewal (HCR); have not converted to co-op/condo; and have sold for at least $1,000.

Building Sales Volume

In 2021, 777 buildings containing rent stabilized units were sold in New York City, a 65% increase from the prior year. Sales more than doubled in the Bronx, rising 101%; followed by 78% in Queens; 58% in Brooklyn; and 52% in Manhattan. (As in prior years, Staten Island was not included in this analysis because there were too few sales of buildings containing rent stabilized units to meaningfully measure change from year-to-year.)[6] See the table on this page for a numerical breakdown in the change in the number of buildings sold in each borough and Citywide.

Among buildings containing 6-10 residential units, sales volume in 2021 almost doubled from the prior year, rising 96%. Sales rose the most in Queens, up 108%; followed by Brooklyn, up 102%; Manhattan, up 85%; and the Bronx, up 72%.

Sales volume among 11-19 unit buildings rose 26% Citywide in 2021. Sales increased the most in the Bronx, rising from five buildings sales in 2020 to 20 buildings in 2021. In Queens, sales rose 45%; in Brooklyn, 15%; and in Manhattan, 2%.

Among 20-99 unit buildings, sales volume Citywide increased 59% in 2021. Sales rose the most in Manhattan, up 89%; followed by the Bronx, up 85%; Queens, up 33%; and Brooklyn, up 4%.

Among the largest buildings, which contain 100 or more units, sales volume Citywide fell from 16 buildings in 2020 to 11 buildings in 2021. We do not analyze year-to-year changes in sales by borough among the largest building category because of the comparatively small number of buildings sold. However, these buildings sales are included in the totals by borough and Citywide.[7]

Over the 19-year period for which we have data, Citywide sales were at their peak in 2005, with 1,816 buildings sold. Sales reached their lowest point in 2020, with 470 buildings sold. See the graph at the top of the next page and Appendix D.6 for annual sales volume Citywide. See Appendix D.7 for a list since 2003 of the total number of buildings sold; the total number of residential units located in buildings containing stabilized units sold each year; and the average number of residential units per building containing stabilized units sold each year.

Comparison of Building Sales in 2020 vs. 2021

Sales Volume Rose Citywide

	2020	2021	Change
Bronx	70	141	101%
Brooklyn	161	255	58%
Manhattan	172	262	52%
Queens	67	119	78%
Citywide	**470**	**777**	**65%**

Note: Citywide figures exclude Staten Island.
Source: NYC Department of Finance

Building Sales Prices

We also examine sales prices of buildings containing rent stabilized units Citywide and by borough. However, in reporting sales prices, we are not able to take into consideration the condition of the building or the neighborhood where each building is sold, factors important in determining the sales price.

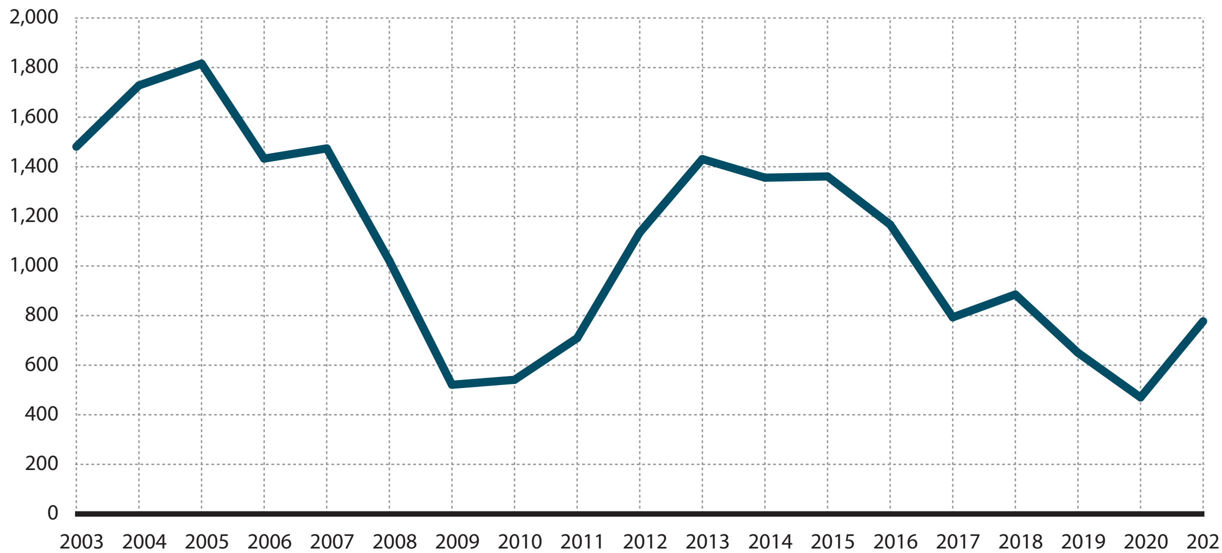
Examining sales for all sizes of buildings, the median Citywide sales price in 2021 was $4.3 million. The highest median sales price was in Manhattan ($7.8 million); followed by the Bronx ($5.2 million); Brooklyn ($2.8 million); and Queens ($1.7 million).

Looking at the smallest buildings (containing 6-10 residential units), the median sales price Citywide was $2.0 million. By borough, prices were highest in Manhattan, at $6.0 million; followed by Brooklyn, at $1.8 million; Queens, at $1.4 million; and the Bronx, at $1.3 million.

Among 11-19 unit buildings, the median Citywide price was $4.8 million. By borough, prices were highest in Manhattan, at $6.7 million; followed by Brooklyn, at $4.1 million. (There were

Sales of Buildings Containing Rent Stabilized Units, 2003-2021

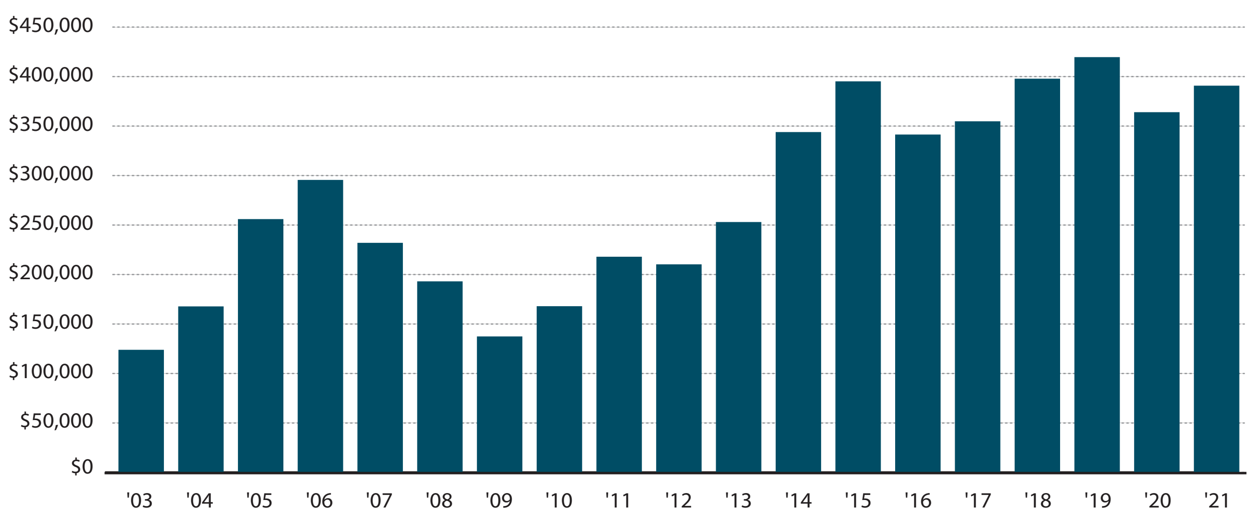
Citywide Building Sales Increase This Year



Note: Figures exclude Staten Island.
Source: NYC Department of Finance

Average Sales Price per Residential Unit in Buildings Containing Rent Stabilized Units, Adjusted for Inflation, 2003-2021 (In 2021 dollars)

Average Sales Price per Residential Unit Increases This Year



Note: Figures exclude Staten Island.
Source: NYC Department of Finance

too few 11-19 unit building sales in Queens and the Bronx in the prior year to analyze.)

Buildings with 20-99 units sold Citywide at a median price of $8.0 million. By borough, these buildings sold for the most in Manhattan, at a median price of $8.9 million; followed by Queens, at $8.5 million; Brooklyn, at $7.8 million; and the Bronx, at $7.5 million.

Among the largest buildings, which contain 100 or more units, too few buildings were sold Citywide to accurately report building prices. See Appendix D.8 for a breakdown of median sales prices in each borough among different sized buildings.

Newly added to this report is an analysis of average sales prices per residential unit in buildings containing stabilized units. In 2021, the average sales price per unit Citywide was $389,581, an inflation-adjusted increase of 7.4% over the prior year. Around the City, average sales price per unit was highest in Manhattan, at $526,570; followed by Brooklyn, at $447,515; Queens, at $272,660; and the Bronx, at $216,955. See the graph on the bottom of page 53 for the average sales price per residential unit in NYC since 2003, adjusted for inflation. See Appendices D.9 and D.10 for average sales price per unit Citywide and by borough since 2003, in both nominal and real dollars.

Summary

Following a record low last year, average interest rates increased this year, but points declined. Vacancy and collection losses increased, and maximum loan-to-value ratios fell, though LTV rose among the longitudinal group. The number of buildings containing rent stabilized units sold increased. ❐

Endnotes

1. Federal Deposit Insurance Corporation (FDIC) website: https://fdic.gov.
2. Federal Reserve Board website: https://federalreserve.gov/monetarypolicy/openmarket.htm and https://frbdiscountwindow.org.
3. “Fed Lifts Rates a Quarter Point and Signals More Hikes to Come,” by Rich Miller, Bloomberg News. March 16, 2022.
4. The per unit, per month O&M expense and rent figures reported in the Mortgage Survey reflect a very small, non-random sample of the City’s regulated stock. The rent and expense figures in the NYC Rent Guidelines Board’s *Income and Expense Study* are derived from a substantially larger number of buildings containing rent stabilized units and can be viewed as more representative.
5. The O&M cost-to-rent ratio from the *2022 Mortgage Survey* reflects estimates by lenders of expenses and rents for buildings containing rent stabilized units as of approximately March 2022. The average ratio is calculated from just six respondents. By comparison, the latest available O&M cost-to-rent ratio from the *Income and Expense (I&E) Study*, in which average rent was $1,422 and average unaudited cost was $1,035, reflects rents and expenses reported by owners for calendar year 2020. Average monthly costs per unit in the Mortgage Survey this year are lower than those reported in the *I&E Study*. This is due to differences in the two data sources: lenders’ estimated average of buildings in their portfolio vs. a weighted average of a large number of owner-reported data; the large variance between the two sample sizes; and the difference between the buildings studied in each analysis. (Buildings required to file Real Property Income and Expense (RPIE) forms must generally have an assessed value greater than $40,000 and eleven or more units, while the Mortgage Survey does not exclude these buildings).
6. The data reflect sales of buildings that had been registered with the New York State Homes and Community Renewal (HCR) as containing at least one rent stabilized unit in 2020, the most recent year for which comprehensive registration records were available. It excludes those buildings where the sales price was listed as less than $1,000. It also excludes those buildings listed as co-ops/condos. Furthermore, all of Staten Island is excluded from all analyses due to the small number of eligible buildings sold.
7. All 100+ unit building borough categories are excluded due to the small number of buildings sold. However, while these categories are not discussed, these buildings are included in the overall statistics and analyses.

Income & Affordability

New York City Rent Guidelines Board

2022 Income and Affordability Study

What's New

☑ NYC's economy grew by an inflation-adjusted 5.6% in 2021.

☑ Average inflation-adjusted wages were up 6.8% in the most recent time period studied (the fourth quarter of 2020 through the third quarter of 2021). Total wages increased by 3.2% during this same period.

☑ The City gained an average of 86,700 jobs in 2021, a 2.1% increase from 2020.

☑ The unemployment rate fell in 2021, to an average of 9.9%, down from 12.4% in 2020.

☑ Concurrent with pandemic eviction moratoriums, fewer persons were staying in NYC Department of Homeless Services shelters each night of 2021, down 14.4% from 2020.

☑ Concurrent with pandemic eviction moratoriums, non-payment filings in housing court decreased 47.8% in 2021, while non-payment cases actually heard decreased 54.2%. The number of residential evictions fell 95.5%.

☑ Cash assistance caseloads rose 2.3% in 2021, while the number of SNAP (food stamp) recipients rose 5.3%, and Medicaid enrollees rose 2.5%.

☑ As of April 13, 2022, the New York State Emergency Rental Assistance Program has made 107,311 payments on behalf of tenants for rent assistance within NYC. The average payment amount is $13,552.

Introduction

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

This study highlights year-to-year changes in many of the major economic factors affecting NYC's tenant population and takes into consideration a broad range of market forces and public policies affecting housing affordability, such as unemployment rates; wages; housing court and eviction data; and rent and poverty levels.

Overview

NYC's economy in 2021 showed many strengths as compared with the preceding year. Positive indicators include rising employment levels, which increased by 2.1%. Gross City Product also increased, rising in inflation-adjusted terms by 5.6% in 2021. The unemployment rate fell, decreasing by 2.5 percentage points, to 9.9%. Both average wages and total wages increased in the most recent 12-month period, rising by an inflation-adjusted 6.8% and 3.2%, respectively. Personal bankruptcy filings also fell in 2021, dropping 24.2%, to their lowest level since at least 2000. Concurrent with various eviction moratoriums, homeless levels also fell for the third consecutive year, by 14.4%, as did evictions (which fell by 95.5%), and both non-payment filings and non-payment calendared cases in Housing Court (which fell by 47.8% and 54.2%, respectively).

However, negative indicators include an increase in caseloads for cash assistance of 2.3%; for SNAP (food stamps) of 5.3%; and for Medicaid of 2.5%. In addition, while many indicators are positive as compared to 2020, this is not necessarily the case when measured against 2019 (the last full year preceding the pandemic). Inflation-adjusted GCP was slightly lower in 2021 than 2019, while the unemployment rate is much higher and employment levels are much lower. It is also expected that both non-payment filings and evictions will increase sharply by the end of 2022, following the end of the eviction moratorium.

The most recent quarter for which there is comprehensive data is the fourth quarter of 2021. As compared to the fourth quarter of 2020, the fourth quarter of 2021 shows many positive indicators, including the unemployment rate, down 5.8 percentage points; employment levels, up 5.8%; GCP, up 4.0% in real terms; homeless levels, down 15.0%; cash assistance caseloads, down 1.3%; Medicaid enrollees, down 0.1%; and in Housing Court, the number of non-payment filings, down 61.9% and the number of non-payment cases heard (calendared), down 75.0%.[1] However, SNAP caseloads are up 0.5%. Appendix E.8 summarizes the change in each of these data points for each quarter of 2021.

Fourth quarter data can also be analyzed in relation to the third quarter of 2021, to illustrate more recent trends. As based on seasonally adjusted employment data, there was a decrease of 1.5 percentage points in the NYC unemployment rate in the fourth quarter of 2021 as compared to the third, and an increase of 1.9% in total employment. There was also a decrease of 1.7% in SNAP caseloads, 1.6% in Medicaid enrollees, and 15.8% in non-payment calendared cases in Housing Court. GCP in real terms also increased on an annualized basis, up by 1.9%. However, homeless levels were up 1.3%; cash assistance caseloads were up 3.4%; and in Housing Court, non-payment filings were up 11.8% in the fourth quarter of 2021 as compared to the third.

Economic Conditions

Economic Output and Consumer Prices

Forecasts from the NYC Comptroller's Office show NYC's economy growing during 2021, following the first drop in 12 years during 2020.[2] NYC's Gross City Product (GCP), which measures the total value of goods and services produced, increased by 5.6% in inflation-adjusted ("real") terms during

2021, following a decrease of 5.3% in 2020. During 2021, as compared to the preceding quarter, GCP (in real terms) rose an annualized 7.7% during the first quarter; 4.2% during the second quarter; 2.3% during the third quarter; and 1.9% during the fourth quarter. For 2021 as a whole, United States Gross Domestic Product (GDP) increased by roughly the same proportion as NYC, increasing by a "real" 5.7% during 2021, as compared to a decrease of 3.4% during 2020.[3]

The Consumer Price Index (CPI), which measures the change in the cost of typical household goods, increased 3.3% in the NYC metropolitan area during 2021, an increase from the 1.7% rise seen during 2020.[4] This increase was the largest seen since 2008, but was 1.4 percentage points lower than the increase in prices seen in the U.S. as a whole, 4.7%. Inflation in the first quarter of 2022 has been higher than that of 2021 as a whole. The inflation rate in the NYC metro area was 5.5% in the first quarter of 2022, lower than inflation in the U.S. as a whole, 8.0%, but 4.0 percentage points higher than the first quarter of 2021.

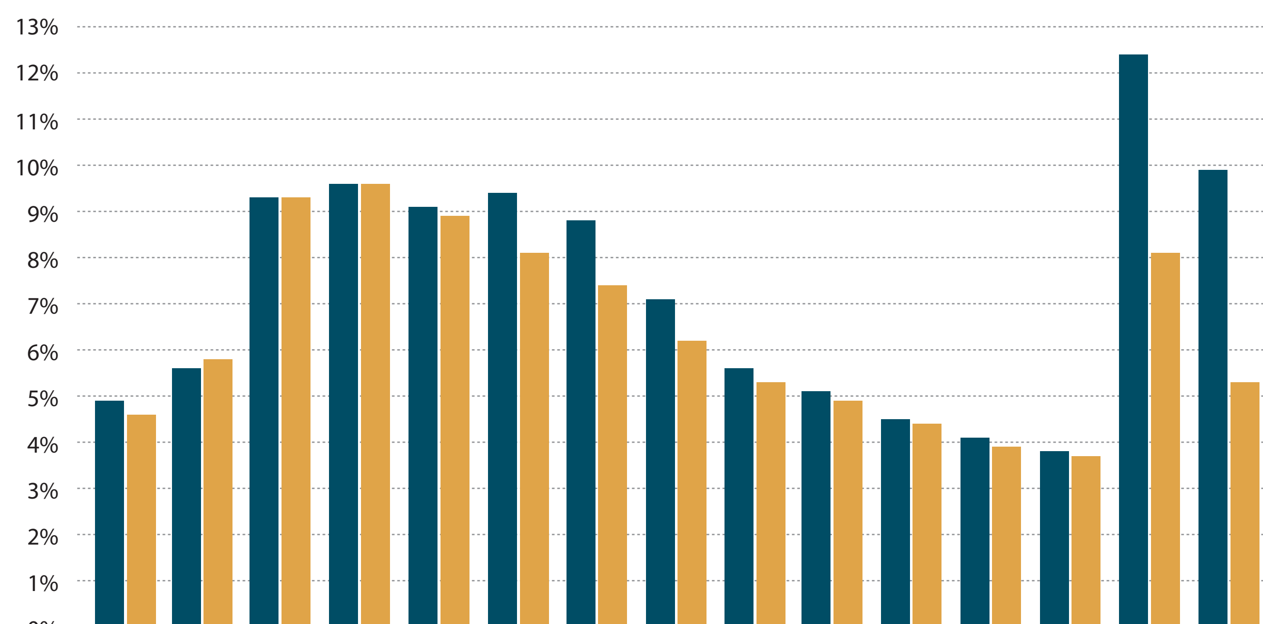
Unemployment Statistics

Per data from the Local Area Unemployment Statistics program, the average unemployment rate in NYC fell 2.5 percentage points in 2021, to 9.9%.[5] This follows a sharp increase in 2020, when the rate rose to the highest level since at least 1976 (12.4%). Despite this drop, the average unemployment rate is the second highest since 1993.[6] The U.S. unemployment rate decreased by 2.8 percentage points during this same period, falling from 8.1% in 2020 to 5.3% in 2021.[7] (See graph on this page and Appendix E.1.)

Each quarter of 2021 had an unemployment rate lower than the quarter preceding it. The unemployment rate was 12.5% in the first quarter

NYC and U.S. Average Unemployment Rates, 2007-2021

NYC Average Unemployment Rate Falls after 2020 Historic High



	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
NYC	4.9%	5.6%	9.3%	9.6%	9.1%	9.4%	8.8%	7.1%	5.6%	5.1%	4.5%	4.1%	3.8%	12.4%	9.9%
US	4.6%	5.8%	9.3%	9.6%	8.9%	8.1%	7.4%	6.2%	5.3%	4.9%	4.4%	3.9%	3.7%	8.1%	5.3%

Source: U.S. Bureau of Labor Statistics and NYS Department of Labor, Local Area Unemployment Statistics Program
Data is updated annually and may differ from that in prior reports.

Initial Unemployment Claims (New York City, New York State, and the United States)

Initial Unemployment Claims, 2020, 2021, and Five-Year Average (2015-2019)

Year/Geography	Q1	Q2	Q3	Q4	Annual
2020					
NYC	344,568	1,005,548	358,434	260,286	1,968,836
NYS	809,757	1,995,967	667,088	540,010	4,012,822
U.S.*	13,888,632	33,663,746	13,212,652	11,195,842	71,960,872
2021					
NYC	291,660	229,690	101,572	71,806	694,728
NYS	683,644	519,834	212,502	195,802	1,611,782
U.S.*	12,473,734	7,659,160	4,993,316	3,658,164	28,784,374
5-Year Average (2015-2019)					
NYC	98,266	90,298	92,919	82,123	363,607
NYS	245,843	203,036	198,611	232,077	879,567
U.S.*	3,445,751	2,989,302	2,769,830	3,493,489	12,698,372

Change in Initial Unemployment Claims, 2020, 2021, and Five-Year Average (2015-2019)

Year/Geography	Q1	Q2	Q3	Q4	Annual
2020-2021					
NYC	-15%	-77%	-72%	-72%	-65%
NYS	-16%	-74%	-68%	-64%	-60%
U.S.	-10%	-77%	-62%	-67%	-60%
5-Year Avg. (2015-2019)-2020					
NYC	251%	1,014%	286%	217%	441%
NYS	229%	883%	236%	133%	356%
U.S.	303%	1026%	377%	220%	467%
5-Year Avg. (2015-2019)-2021					
NYC	197%	154%	9%	-13%	91%
NYS	178%	156%	7%	-16%	83%
U.S.	262%	156%	80%	5%	127%

Source: NYS Department of Labor and U.S. Department of Labor

of 2021; 10.6% in the second quarter; 9.3% in the third quarter; and 7.1% in the fourth quarter. While the unemployment rate rose 8.4 percentage points in the first quarter of 2021 (as compared to the largely pre-pandemic first quarter of 2020), it fell 6.8 percentage points in the second quarter; 6.6 percentage points in the third quarter; and 5.8 percentage points in the fourth quarter. Comparing the two most recent periods since the start of the pandemic, the second through fourth quarters of 2021 to 2020, the Citywide unemployment rate decreased an average of 6.4 percentage points.

At the borough level, Manhattan had the lowest average annual unemployment rate, 7.6%, with Staten Island at 8.7%; Queens, at 9.6%; Brooklyn, at 10.1%; and the Bronx, consistently the borough with the highest unemployment rate, 13.6%. Unemployment rates fell in every borough during 2021, decreasing 3.0 percentage points in Queens; 2.6 percentage points in the Bronx; 2.5 percentage points in Brooklyn; 2.0 percentage points in

Manhattan; and 1.9 percentage points in Staten Island. Rates increased in each borough during the first quarter of 2021 as compared to the same quarter of 2020 (by as much as 11.4 percentage points, in the Bronx), but decreased in each of the second through fourth quarters of 2021, including an 8.3 percentage point drop during the second quarter of 2021 (in Queens). (See Appendix E.8 for unemployment data by quarter.)

In the first quarter of 2022, the most recently available data, the unemployment rate for NYC (6.7%) was 5.8 percentage points below that of the same quarter of the previous year (12.5%). The seasonally adjusted unemployment rate (which allows for comparisons of the unemployment rate from month to month by accounting for seasonal changes in employment), was 7.6% in the fourth quarter of 2021, and fell in the first quarter of 2022, to 6.5%. For comparison, the U.S. unemployment rate was 4.1% in the first quarter of 2022, 2.4 percentage points lower than the first quarter of 2021 (6.5%). The seasonally adjusted national unemployment rate was 4.2% in the fourth quarter of 2021, and fell to 3.8% in the first quarter of 2022.

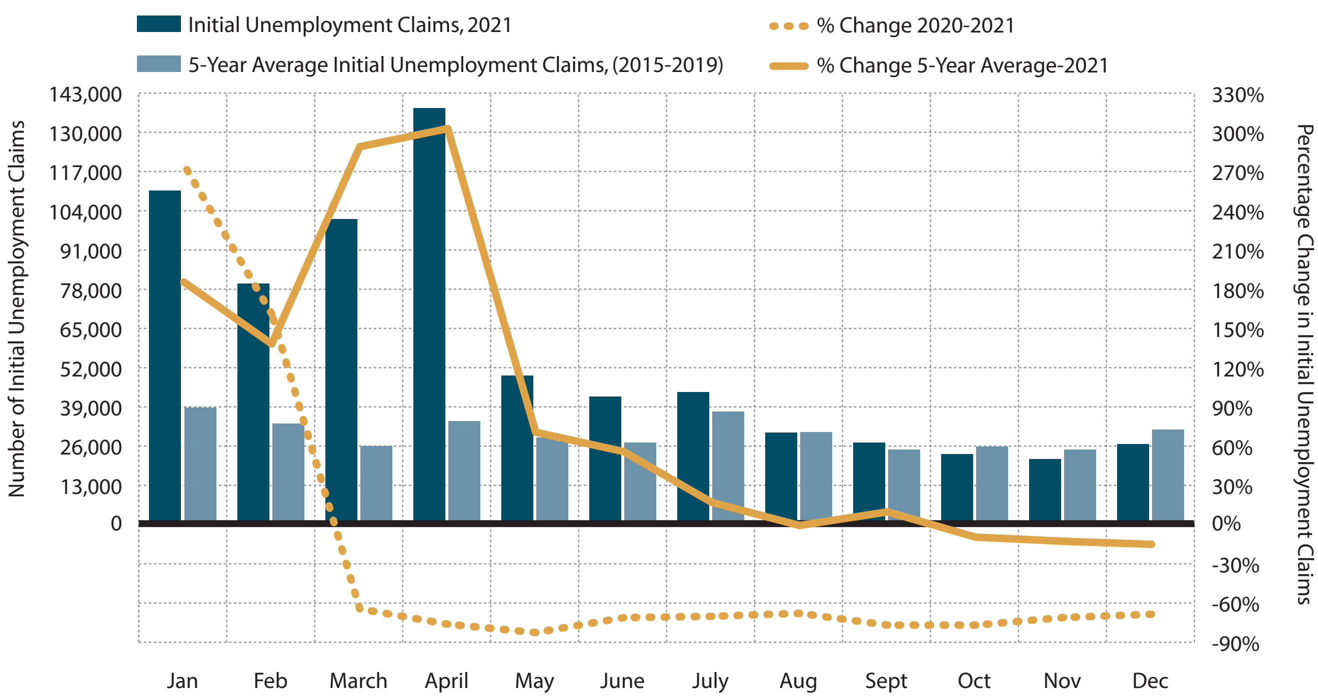
Initial Unemployment Claims

The NYS Department of Labor and the U.S. Department of Labor publish estimates of initial unemployment (IU) claims, defined as a claimant request for a determination of basic eligibility for unemployment insurance.[8]

IU claims in the first weeks of the pandemic rose exponentially, rising to a high of just over one million claims in NYC in the second quarter of 2020, a more than 11-fold increase (1,014%) over the average of the same quarter in recent

Monthly Initial Unemployment Claims

Monthly Initial Unemployment Claims Generally Fall In 2021 as Compared to 2020, but Are Higher Than Average in all but Four Months of the Year



Source: NYS Department of Labor

years. IU claims generally fell after this point, but remained much higher than average through the second quarter of 2021. But IU claims were just 9% higher in the third quarter of 2021 and 13% lower in the fourth quarter of 2021, as compared to the average of the same quarters of recent years. The table on Page 60 summarizes IU claims in NYC, NYS, and the U.S. Data is presented both annually and by quarter for 2020 and 2021, as well as the 5-year (2015-2019) average of each of these time periods. The percentage change from 2020 and 2021 is also calculated, as is the change from the five-year average to both 2020 and 2021. A related graph, on the previous page, illustrates IU claims in each month of 2021; the average number of claims in each month between 2015 and 2019; and the monthly percentage change in claims between 2020 and 2021, as well as between the 5-year average and 2021.[9]

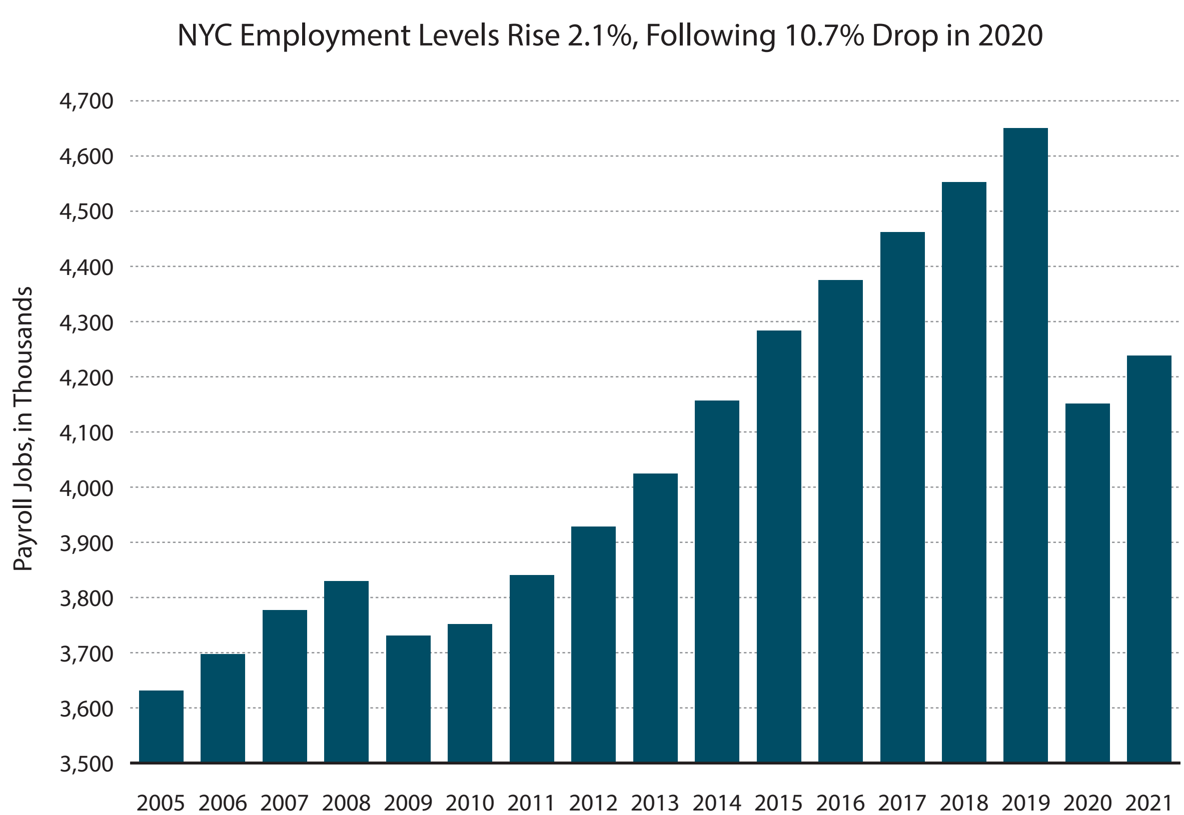
Note that the trend of stabilizing UI claims has continued in 2022. There were 94,411 IU claims from NYC residents in the first quarter of 2022 (the most recent data available), roughly comparable to the same months of the 5-year average.

Employment Statistics

For the sixteenth time in the last eighteen years, the number of people employed in NYC increased (see graph, below). Per data from the Current Employment Statistics Program, among both City residents as well as those commuting into the City, NYC gained an average of 86,700 jobs in 2021, a 2.1% increase from 2020.[10] This follows a decline of 10.7% in 2020. For comparison, the U.S. as a whole gained 2.8% of its jobs during 2021.[11]

Average employment levels rose in all but two industries during 2021, decreasing in both the Government sector, which fell by 1.9% (11,200 jobs) and the Financial Activities sector, which fell by 1.3% (5,900 jobs). Following a drop of 41.1% in 2020, the Leisure and Hospitality sector rose

Average Annual Payroll Employment, NYC, 2005-2021



Source: NYS Department of Labor, Current Employment Statistics Program by the greatest proportion in 2021, rising by 9.4% (25,900 jobs). The Information sector rose by the second greatest proportion, 6.6% (13,800 jobs). All other sectors rose between 1.5% and 2.9%. (See Appendix E.2 for more detailed employment data.)

While annual average employment in most industries rose in 2021 as compared to 2020, as of December 2021 employment is down in all but one sector as compared to December of 2019. While employment in the Information sector is up 3.8% in December of 2021 as compared to December of 2019, employment is down by at least 1.8% in all others, including Leisure and Hospitality, which is down 23.5%, and Manufacturing, which is down 15.6%. Overall employment is down 6.5% in this two-year time period.

On a quarterly basis, total employment fell by 12.1% during the first quarter of 2021 as compared to the largely pre-pandemic first quarter of 2020. Employment rose in each of the second through fourth quarters of 2021, but at a slower pace as the year progressed. Employment rose 10.2% in the second quarter of 2021; 7.0% in the third quarter; and 5.8% in the fourth quarter. Comparing the two most recent periods since the start of the pandemic, the second through fourth quarters of 2021 to 2020, employment levels increased an average of 7.6%. (See Appendix E.8 for more detailed employment data by quarter.)

During the first quarter of this year, total employment levels were up 7.0% as compared to the same quarter of 2021. Average employment levels were up in all but one sector during the first quarter of 2022, including Leisure and Hospitality, which rose by the greatest proportion, 53.4%. However, there was a drop in the Construction sector, falling 3.4%, as compared to the same months of the prior year. Considering seasonal changes in employment, there was a gain of 1.2% in employment in the first quarter of 2022 as compared to the fourth quarter of 2021. For comparison, in the U.S. as a whole, employment was up 4.7% in the first quarter of 2022, as compared to the same quarter of 2021. There were also gains in seasonally adjusted employment in the nation during the first quarter of 2022, with an increase of 1.2% as compared to the fourth quarter of 2021.

In the wake of the pandemic, The Center for NYC Affairs at the New School has published both reports and biweekly Covid-19 Economic Updates regarding employment trends within NYC and NYS.[12] Last year's *I&A* report highlighted a comprehensive February 2021 report on NYC employment, and a similar report was published in December of 2021 highlighting the lagging recovery in NYS as a whole. The biweekly updates spotlight selected aspects of employment within NYC, such as various industries; racial/gender/age disparities; or a comparison of NYC to other areas of the country or the nation as a whole, among other topics. The following section uses some of the methodology of these reports to present updated data on the recovery of jobs within NYC since the start of the pandemic.

As based on seasonally adjusted employment data, between February and April of 2020, NYC lost 919,740 jobs among all sectors.[13] Between April and December of 2020, 321,920 of these jobs returned, or 35.0% of the total lost.[14] By December of 2021, a total of 611,070 jobs returned, or 66.4% of the total lost between February and April of 2020.[15] For comparison, in the U.S. as a whole, 54.5% of jobs returned between April and December of 2020 and 85.2% of jobs returned between April of 2020 and December of 2021.[16]

The February 2021 report identified three broad categories of jobs to analyze in more detail within NYC — "Essential" (health care and social assistance, utilities, and government); "Face-to-Face" (restaurants, hotels, transportation, construction, neighborhood personal services, administrative and building services, retail trade, wholesale trade, and manufacturing); and "Remote" (information, financial, professional, and managerial services).[17] Almost 80% of the job losses between February and April were in the Face-to-Face industries. Employment in these industries collectively fell by 732,900 jobs, or 36.2%, in this two-month period. Between April of 2020 and December of 2020, 279,000 of these jobs returned, or 38.1% of the total lost. By December of 2021, 474,750 of these jobs had been recovered, or 64.8% of the total lost between April and February 2020. In the same time period, the other broad job categories fared better than the Face-to-Face industries, with 72.8% of Essential jobs and 73.3% of Remote jobs recovered by December of 2021. As noted earlier, overall, 66.4% of jobs were recovered as of December 2021.

While one-third of the jobs lost in the first two months of the pandemic have not been recovered as of December of 2021, it is important to note that the overall change in average employment is a different metric. The average employment level in December of 2021 is 6.6% lower than the average in February of 2020.[18] Declines are greatest in the Face-to-Face industries (down 12.7%), followed by the Essential industries (down 2.2%), and the Remote industries (down 1.6%). While all of these broad categories are down in December 2021 as compared to February 2020, the Information sector (classified as part of the Remote category) gained employment in December of 2021 as compared to February of 2020, rising by 2.3%. However, many industries continued to struggle. In the Arts, Entertainment, and Recreation sector, employment is down 22.5% in December of 2021 as compared to February 2020, and the Accommodation and Food Services sector is down 22.9%. The industries of Construction, Manufacturing, and Retail Trade are also down significantly as compared with the month preceding the pandemic, with employment levels down 16.9%, 13.6%, and 12.6%, respectively.

Two other employment indices are tracked in the *I&A Study*. The NYC labor force participation rate measures the proportion of all non-institutionalized people, age 16 and older, who are employed or actively looking for work. This ratio increased 0.9 percentage points in 2021, to 58.9%.[19] This was lower than the U.S. rate, which remained at 61.7% for the second consecutive year, its lowest level since 1976.[20] For context, the average labor force participation rate in the last 20 years is 59.7% in NYC, and 64.2% in the U.S. A related statistic, the NYC employment/population ratio, measures the proportion of those who are actually employed as a ratio of all non-institutionalized people age 16 or older. This rate rose 2.2 percentage points in 2021, to 53.1%, up from 50.9% in 2020. The U.S. employment/population ratio also rose in 2021, increasing 1.6 percentage points from 2020, to reach 58.4%. For context, the average employment/population ratio in the last 20 years is 55.5% in NYC, and 60.3% in the U.S.

Wage Data

This report also examines wage data of employees working in NYC (regardless of where they live). Highly accurate wage data can be derived from data published by the NYS Department of Labor from the Quarterly Census of Employment and Wages (QCEW), though the analysis is limited by the fact that there is a significant lag time in the reporting of wage data. QCEW data, which includes data on total wages and employment from individual employers, is submitted quarterly and released to the public approximately five to six months later.

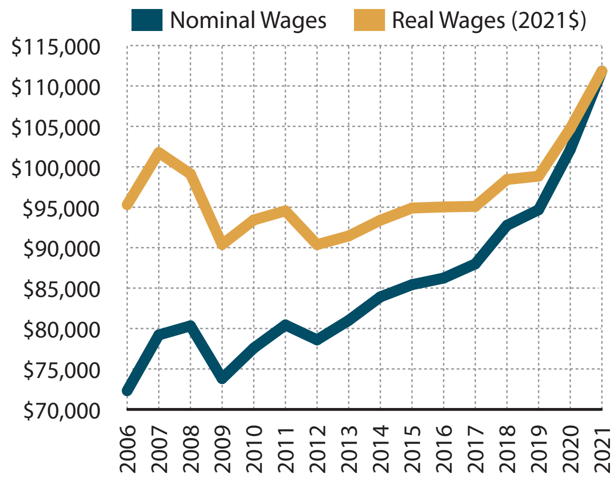
The QCEW data allows for analysis of both the change in *average* wages (total expenditure by employers on wages in each quarter, divided by the number of employees receiving such wages), as well as the change in *total* wages (the total amount of wages paid to employees during each quarter, regardless of the number of employees).

Due the lag time in reporting of QCEW data, the most recent annual numbers cover the 2020 calendar year and show an increase in both average nominal wages (wages in current dollars), as well as in average "real" wages (wages adjusted for inflation).[21] Among all industries, average nominal wages increased by 11.2% between 2019 and 2020, following a 3.2% increase in the prior year. Average "real" wages increased by 9.3% in 2020, following an increase of 1.5% in the prior year. "Real" wages rose from $97,256 in 2019 (in 2020 dollars) to $106,315 in 2020. The increases in NYC in 2020 were higher than those in the U.S. as a whole, which saw wage increases of 6.8% in real terms and 8.1% in nominal terms.[22]

Only one sector in NYC saw a decline in "real" wages during 2020 — Accommodation and Food Services, which fell by 4.8%. The greatest proportional increase was in the Arts, Entertainment, and Recreation sector, which rose by 14.7% in real terms. Just over a quarter of all wages earned in NYC are within the Finance and Insurance sector, which rose by 4.9% in real terms.

Avg. "Real" and Nominal Wages, 2006-2021

Both Average "Real" and Nominal Wages Increase During Most Recent 12-Month Time Period



Source: NYS Department of Labor, QCEW Filings

Note: Due to lag times in data reporting, each "year" consists of the first three quarters of that year, and the fourth quarter of the preceding year.

Despite hundreds of thousands of individuals working in NYC losing employment in 2020, average wages rose sharply because job losses were not distributed evenly among wage classes. These shifting patterns of employment can be seen when analyzing total wages, which fell in both nominal and real terms during 2020. For all industries, total nominal wages decreased by 1.1% between 2019 and 2020, following a 5.9% increase in the prior year. Total "real" wages decreased by 2.7% in 2020, following an increase of 2.4% in the prior year. While total wages fell in many industries during 2020, they fell by the greatest proportion in the Accommodation and Food Services and the Arts, Entertainment, and Recreation sectors, declining by 44.4% and 29.4% in real terms, respectively. The greatest proportional increase was in the Information sector, which rose by 9.5% in real terms.[23] In the sector with the greatest share of all wages earned in NYC, Finance and Insurance, total wages increased by a "real" 3.2%.

As previously noted, QCEW data is submitted by employers quarterly to New York State and released to the public approximately five to six months later. Due to this lag time, as of the publication of this report, QCEW data is current only through the third quarter of 2021 (note that 2021 data is preliminary).[24] In order to present the most recent statistics possible, staff has formulated a "year" of QCEW data that comprises the four most recent quarters (in this case, the fourth quarter of 2020 through the third quarter of 2021). This "year" was then compared with the equivalent period of the preceding "year," which in this most recent time period showed that average wages across all industries increased by 6.8% in real terms and 9.5% in nominal terms. This compares to increases in the preceding 12-month period of 6.0% in real terms and 7.8% in nominal terms. It also compares to increases in the U.S. as a whole in the most recent "year" of 3.9% in real terms and 7.3% in nominal terms. (See Appendices E.3 and E.4, and graph on this page.)

Average wages grew in each borough during the most recent 12-month time period, including an increase in "real" wages of 10.1% in Manhattan, which accounts for three-quarters of the wages earned within NYC. "Real" wages in the outer boroughs grew at a slower pace than Manhattan, with average wages rising 2.3% in Queens, 2.4% in Brooklyn, 2.8% in Staten Island, and 3.2% in the Bronx.

Average wages in the Finance and Insurance sector, which account for just over a quarter of all wages earned during the most recent time period, increased by a "real" 10.5% during the most recent 12-month time period. This compares to an increase of 2.3% in the prior 12-month period. The sector with the second greatest weight, the Professional and Technical Services sector (accounting for 15% of all wages) rose by a "real" 8.1%. The Government sector (with 11% of all wages) rose by 2.6%. The Health and Social Services sector (accounting for 10% of all wages), rose by a "real" 1.2% during this time period. Just two sectors saw average wages decrease in real terms, but account for only 1.0% of overall wages. (See Appendices E.3 and E.4 for more detailed wage data.)

Each year this report estimates "yearly" QCEW average wage change absent the impact of the Finance and Insurance sector. Overall average wages are often pulled higher or lower as a result of this sector, which has both the largest proportion of total wages, as well as the highest average wages. In the most recent 12-month period, this sector had the effect of increasing overall average wages. If this sector were removed from the analysis, average wages would have risen by 5.3% in real terms and 8.0% in nominal terms, lower than the overall growth of 6.8% and 9.5%, respectively.

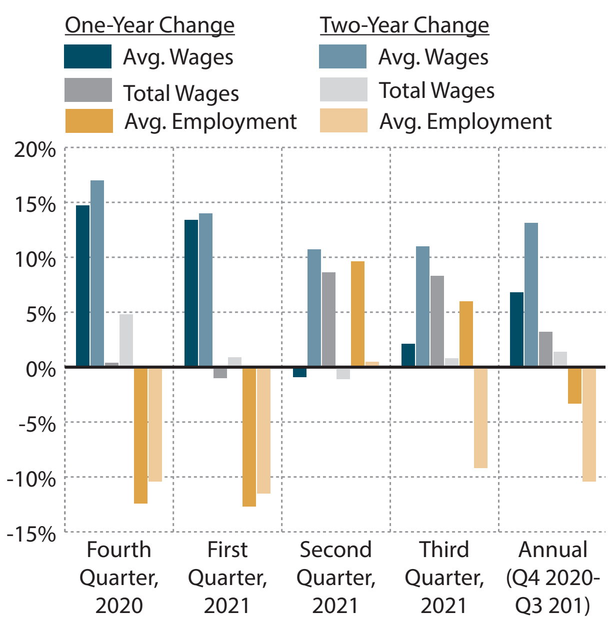
On a quarterly basis, average "real" wages as reported by the QCEW rose by 13.4% in the first quarter of 2021 as compared to the same quarter of 2020; fell 0.9% in the second quarter; and rose 2.1% in the third quarter. "Yearly" wage growth also includes the fourth quarter of 2020, when average wages rose 14.7% in real terms. (See the dark purple bars on the graph below.)

This was the second consecutive "year" of

% Change in "Real" Wages and Employment

(Most Recent 12-Month Period Compared to the Same Period of the Prior Year and Two Years Prior*)

Both Average and Total Wages Generally Rose Faster than Employment in the Past Year



Source: NYS Department of Labor, QCEW Filings

**The "One-Year Change" refers to the change between the most recent 12-month period (the fourth quarter of 2020 through the third quarter of 2021) and the same period of the prior year. The "Two-Year Change" refers to the change between the most recent time period and the same time period two years prior (the most recent pre-pandemic "year"). Due to lag times in data reporting, each "year" consists of the first three quarters of that year, and the fourth quarter of the preceding year.*

sharp increases in average wages. As noted in last year's *I&A* report, the effect of the pandemic on employment patterns led to particularly high increases in average wages during the second and third quarters of 2020, but a decline in total wages as those with higher wages were more likely to retain employment than those with lower wages. However, in this most recent 12-month period, total wages in nominal terms increased in each of the quarters, and increased in real terms in three of the four quarters. Total wages increased by a "real" 0.4% in the fourth quarter of 2020; 8.6% in the second quarter of 2021; and 8.3% in the third quarter of 2021, as compared to the same quarters of the prior year. Total "real" wages fell 1.0% in the first quarter of 2021. On an annual basis, total wages increased by 3.2% over the same time period of the preceding year. (See the dark gray bars on the graph on this page.) As compared to the U.S. as a whole, NYC did proportionally worse. Nationwide, during the most recent 12-month time period, total wages increased by a "real" 4.4%, 1.2 percentage points higher than NYC.

Both average and total wages in NYC during the most recent 12-month time period can also be compared to the same period two years prior (the last 12-month period preceding the pandemic, or the fourth quarter of 2018 through the third quarter of 2019). Average wages are 18.1% higher in nominal terms over this time period, and 13.1% higher in real terms. Total wages are 5.8% higher in nominal terms over this time period, and 1.4% higher in real terms. (See the light purple and light gray bars on the graph on this page.)

Many industries saw a decline in total wages in the most recent 12-month period, including the Accommodation and Food Services, and Arts, Entertainment, and Recreation industries, which saw decreases in real terms of 13.7% and 11.9%, respectively in the past "year." As compared to the "year" just preceding the start of the pandemic, total "real" wages in these industries are down 40.7% and 27.8%, respectively, the largest proportional decreases of any sectors. Per employment data submitted in conjunction with wage data in QCEW filings, the decrease in total wages correlates with a decrease in employment in these sectors.

These two industries, which collectively saw a loss of employment of 40.8% over this two-year period, accounted for 6.8% of jobs in NYC during the most recent 12-month period, and accounted for 10.4% in the same period two years prior.

However, other industries, such as Finance and Insurance and Information saw relatively large increases in "real" total wages in the most recent 12-month time period as compared to the "year" prior (of 7.8% and 11.5% in real terms, respectively). These two industries account for more than one-third of all wages within NYC and helped propel the overall increase in total wages during this time period. As compared to the "year" just preceding the start of the pandemic, total "real" wages in these industries are up 9.6% and 20.4%, respectively, the largest proportional increases of any sectors during this two-year period.[25] However, unlike the sectors of Accommodation and Food Services and Arts, Entertainment, and Recreation, the change in total wages in these two sectors did not necessarily correlate to the change in employment. While the Information sector saw an increase in employment over this two-year period (of 2.4%), in the highest paid sector, Finance and Insurance, employment fell 3.0% over the two-year time period. Collectively, these two industries accounted for 13.4% of jobs in NYC during the most recent 12-month period, and accounted for 12.1% in the same period two years prior.

As reported last year, in the 12-month period of the fourth quarter of 2019 through the third quarter of 2020, both total wages and employment fell as compared to the "year" prior (see the *2021 I&A* for more details). As discussed on the previous page, in the most current 12-month period, total wages increased as compared to the "year" prior. However, they did so despite total employment falling. Only two industries saw an increase in employment in this most recent 12-month time period, while all others fell by at least 1.2%.[26] Overall employment, as reported in the QCEW filings, decreased by 3.3%, proportionally worse than the U.S. as a whole, which saw an increase in employment of 0.5%. As compared to the same time period two years prior (the fourth quarter of 2018 through the third quarter of 2019), total employment is down 10.4%, with declines in every industry except Information (which, as previously noted, rose 2.4%).[27]

The graph on the previous page summarizes the change in employment and inflation-adjusted total and average wages for all industries within NYC, by quarter and annually. The "One-Year Change" refers to the change between the most recent 12-month period (the fourth quarter of 2020 through the third quarter of 2021) and the same period of the prior year. The "Two-Year Change" refers to the change between the most recent time period and the same time period two years prior (the most recent pre-pandemic "year"). As the graph illustrates, while both "real" average and total wages have increased in the most recent "year" as compared to both last "year" and the "year prior, employment has not kept pace. Appendices E.9 and E.10 provide additional information from QCEW filings on quarterly employment, and total and average wages, by industry.

The U.S. Bureau of Labor Statistics (BLS) also tracks wage data, as part of its Current Employment Statistics (CES) survey.[28] While both data sets track wages, they differ in their methodologies. Unlike the QCEW, which is based on quarterly tax filings of all employers in the U.S., the CES is a monthly survey of approximately one-third of employers conducted by the BLS. CES data cannot be analyzed for specific industries (and does not include wages for government employees). In addition, while the CES is more current than that of the QCEW, it is based on a much smaller sample size. Also, unlike the QCEW, CES data does not include certain types of monetary compensation such as bonuses and sums received when exercising stock options, so it is therefore less variable on a quarterly basis than data from the QCEW.

According to the CES survey, average weekly wages rose by a "real" 1.9% in NYC in 2021, higher than the rate of growth in 2020 of 0.6%, and higher than that of the nation as a whole in 2021 (an increase of 0.1%). In nominal terms, weekly wages rose by 5.2% in NYC and 4.8% for the nation as a whole between 2020 and 2021. On a quarterly basis, the CES data shows that NYC weekly wages (in real terms) rose in all but the fourth quarter of 2021, including the greatest growth in the second quarter (4.1%), while dropping in the fourth quarter (by 1.0%). Total wages are not available via publicly released CES data.

Changes to Unemployment Insurance Compensation

As detailed in the last two *I&A* reports, in the wake of the COVID-19 crisis, NYS unemployment insurance (NYSUI) expanded eligibility, increased the time benefits can be collected, and increased compensation. Guidelines changed periodically over the period beginning with the pandemic through September 5, 2021, when benefits returned to pre-pandemic levels. Among the changes to NYSUI that began in March of 2020, the federal Pandemic Unemployment Assistance program expanded eligibility for some of those who did not typically qualify for unemployment insurance.[29] In addition, during certain time periods, all recipients of either PUA or NYSUI received additional compensation ($600 per week from April through July of 2020 and $300 per week from January through August of 2021) through the federal Pandemic Unemployment Compensation program.[30] In the wake of the pandemic, the maximum number of weeks benefits could be claimed was also increased. Instead of the pre-pandemic maximum of 26 weeks of NYSUI, benefits lasted up to 99 weeks.[31]

In addition, the NYS Department of Labor (NYSDOL) began accepting applications for the Excluded Workers Fund on August 1, 2021.[32] This $2.1 billion fund was created to provide grants of $15,600[33] for residents of NYS who suffered income loss during the pandemic and were left out of various federal relief programs, including unemployment and pandemic benefits. NYSDOL received 350,823 applications Statewide, and approved 130,159 recipients to receive payments.[34] While NYC residents accounted for 69% of the applications (243,261), they constituted 81% of the approved applications (105,992) and funding ($1.6 billion).

With the expiration of federal benefit programs on September 5, 2021, unemployment benefits returned to pre-pandemic levels, with a maximum NYSUI compensation of $504 per week (or $2,184 per month), for those making $52,416 per year or more. The typical compensation for those making below $52,416 is half of the salary the claimant was earning before becoming unemployed.[35]

Bankruptcy Statistics

In 2021, for the second consecutive year, personal bankruptcy filings fell among NYC residents. There were 4,935 filings in 2021, a 24.2% decrease from the prior year and the lowest level since at least 2000.[36] Personal filings in the U.S. also fell, by 23.6%. The United States Courts note that "several factors may have impacted individuals' decisions about whether to file for bankruptcy since the crisis began. For instance, increased government benefits and moratoriums on evictions and certain foreclosures may have eased financial pressures in many households."[37]

Poverty Statistics

The annual *I&A* reports utilize data from the Census Bureau's *American Community Survey (ACS)* to analyze poverty rates for NYC residents. As will be explained in more detail later in this report, data collection for the *2020 ACS* (the most recently available data) was negatively impacted by the pandemic. Faced with both fewer responses and a "nonresponse bias" among those who did respond, the Census Bureau made the decision to not release the standard *2020 ACS* data products and instead release a set of estimates using experimental weights.[38] Therefore, the following data regarding poverty rates should be interpreted with caution and should not be compared to data from previous years.[39] More detailed poverty statistics, comparable to that provided in previous *I&A* reports, should be available next year.

The most recently available data from the *ACS* reports that the NYC poverty rate for all individuals was approximately 16.4% in 2020.[40] This compares to approximately 11.9% for the nation as a whole. Poverty rates vary widely depending on borough. Approximate rates range from a low of 9.8% in Queens, to 10.5% in Staten

Island, 16.9% in Manhattan, 18.3% in Brooklyn, and 25.4% in the Bronx, consistently the highest rate of the boroughs.

The Census Bureau now produces an annual "Supplemental Poverty Measure," an additional measure of poverty that includes more components (such as non-cash benefits and location, among other factors) in estimating income and expenses.[41] Using a similar methodology, the NYC Center for Economic Opportunity (CEO) calculated household poverty rates for NYC from 2005-2019 and found poverty rates higher than official rates released by the Census Bureau.[42] For instance, the official household poverty rate in 2019 was 14.5% and the CEO estimate was 17.9%. While the CEO estimate has been higher than the official rate in each of the 15 years studied by the agency, the gap between the two was highest in 2019, a difference of 3.4 percentage points.

Researchers from three universities have created a model for estimating nationwide poverty levels in real time using data from the monthly Current Population Survey (conducted by the Census Bureau). Their research shows that during the first few months of the pandemic, poverty at the national level fell as the government provided enhanced unemployment benefits and a stimulus check. The poverty rate fell from an estimated 10.8 percent in January 2020 to 9.6 percent in June 2020. The authors report that, "In the last 6 months of 2020, however, poverty rose sharply, as some of the benefits that were part of the initial government relief package expired. Poverty rose by 2.1 percentage points from 9.6 percent in June to 11.7 percent in December, adding about 7 million people to the ranks of the poor. Poverty rose each month between June and November even though the unemployment rate fell by 40 percent (from 11.1 percent to 6.7 percent) during this period. This disconnect between poverty and unemployment is not surprising given that many government benefits expired and unemployment insurance benefits are typically only about half of pre-job loss earnings."[43] The researchers continue to update their estimates of poverty each month, and report that while estimated national poverty rates were anywhere from 11.3% and 12.2% between October 2020 and January 2022, the estimated nationwide poverty rate in February of 2022 fell to levels close to those before the pandemic, 10.6%.[44]

2021 NYC Housing & Vacancy Survey

Preliminary results from the *2021 NYC Housing and Vacancy Survey (HVS)* are not available as of the publication of this report.[45] This triennial survey provides data on the housing and demographic characteristics of NYC residents, including affordability of housing, rents, incomes, and vacancy rates for both renter- and owner-occupied housing. It is also the only survey that is able to provide data specifically for rent stabilized tenants. Data is expected to be released in May or June of 2022, and will be provided to the Board after the publication of this report.

Other Measures of Income & Affordability

American Community Survey

In addition to the triennial *HVS*, the Census Bureau also publishes an annual study, the *American Community Survey (ACS)*.[46] Unlike the *HVS*, the *ACS* cannot provide data specifically for rent stabilized tenants, but does provide in-depth data on contract rent (the rent received by the owner of a property); gross rent (contract rent, in addition to the cost of utilities); rent-to-income ratios; and household income for renters as a whole.

As noted in the "Poverty Statistics" section of this report, data collection for the *2020 ACS* (the most recently available data) was negatively impacted by the pandemic. The *2020* ACS faced significant challenges — a smaller sample size, a lower response rate, and a "nonresponse bias." In short, due to closures at Census Bureau offices during the first few months of the pandemic, only about a quarter of the surveys for March were mailed out, and no mailings were sent in April, May, or June. This reduced the sample size by approximately 670,000 cases, or 18.9%.[47] In addition, there was a lower response rate than usual for the *ACS* survey. For the U.S. as a whole, the response rate was

71%, the lowest housing unit response rate in the history of the survey, and down from 86% in 2019 and 92% in 2018. The response rate for NYS was also the lowest in the history of the survey, 68%, down from 81% in 2019 and 88% in 2018.[48] When analyzing the data collected, the Census Bureau noted that the *2020 ACS* respondents were more economically advantaged as compared to previous years. Some of the key data points showing unexplained changes were education levels, household income, and housing type. These, and other, data points did not correlate to other known benchmarks of the data points. The Census Bureau determined that there was a "nonresponse bias," or an underrepresentation of economically disadvantaged households, and that in order the have more accurate data, experimental weights must be developed.[49]

Since 2005, the Census Bureau has released annual *ACS* data via both pre-populated tables on their website, as well as a downloadable "Public Use Microdata Sample (PUMS)." The PUMS files contain individual records of households, allowing researchers to create statistics not published in the pre-populated tables available on the Census Bureau's website. However, these files contain less of the data used to create the pre-populated tables, including approximately two-thirds of the households who respond to the survey, while also modifying certain data to protect the privacy of the respondent.[50] Therefore, data available from the tables is generally considered more accurate than the PUMS files. However, faced with both fewer responses and a "nonresponse bias" among those who did respond, the Census Bureau made the decision to not release the standard tables and instead release only PUMS data with experimental weights.[51] Therefore, the following data should be interpreted with caution and should not be compared to data from previous years.[52] More detailed statistics, comparable to that provided in previous *I&A* reports, should be available next year.

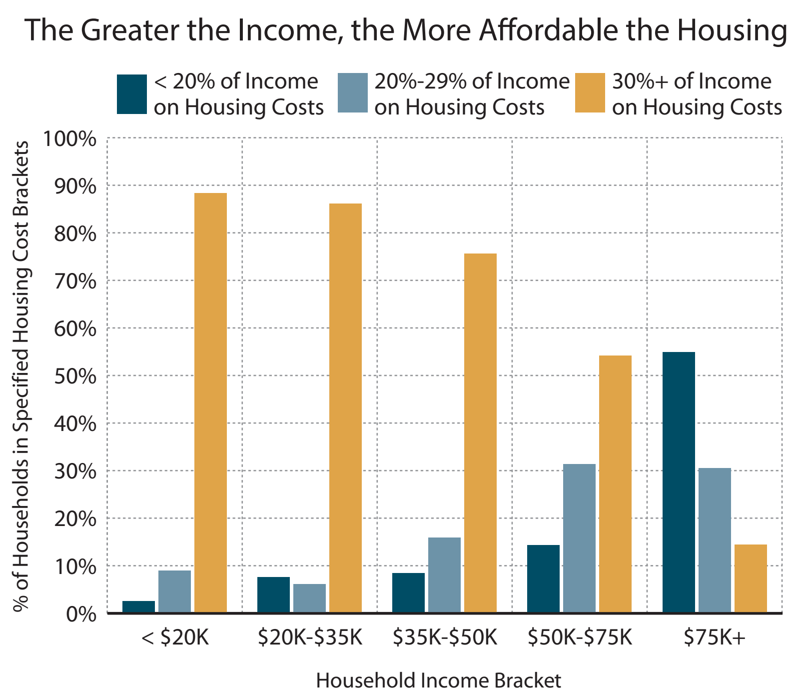
According to the *2020 ACS*, NYC's median gross rent-to-income ratio is approximately 30.0%. By borough, approximate rates ranged from a low of 28.0% in Manhattan, to 30.0% in both Brooklyn and Queens, and 33.0% in the Bronx.[53]

The approximate proportion of households Citywide paying 30% or more of their income towards gross rent is 51.7% and the proportion paying 50% or more is 28.3%. At the borough level, approximate rates ranged from 26.2% of households paying at least 50% of their income towards gross rent in Queens, to 26.3% in Manhattan; 27.6% in Brooklyn; and 33.6% of households in the Bronx.

This survey also reports that the approximate median contract rent in NYC in 2020 was $1,500, and the approximate median gross rent was $1,570. Approximate median gross rent was highest in Manhattan ($1,820), and was approximately $1,700 in Queens; $1,580 in Brooklyn; and $1,300 in the Bronx.

During 2020, approximate median household

Renter Housing Costs as a Percentage of Household Income, 2020



Source: American Community Survey, 2020 income was reported as $70,000. This figure was higher for owner households, who had an approximate median household income of $107,500, while renter households had an approximate median household income of $55,000. For renters, the approximate median household income was highest in Manhattan ($70,800), and was approximately $63,200 in Queens; $56,800 in Brooklyn; and $37,000 in the Bronx.

Measuring income inequality, the survey also provides average household income in quintiles. In NYC the top quintile (i.e., the average of the top 20% of household incomes) makes approximately 27.19 times more than the lowest quintile (i.e., the lowest 20%). While the ratio between the upper and lower quintiles was approximately 27.19 for all of NYC, it was approximately 45.53 in Manhattan, where the top quintile makes on average in excess of $457,000 more annually than the lowest quintile.

Also reported is the percentage of income spent on monthly housing costs for different household income categories. Approximately 95% of all renters report both paying rent and receiving income, and among those renters, approximately 21% make less than $20,000 a year. For this lowest household income category, approximately 88.4% spend at least 30% of their household income on housing costs and 2.6% spend less than 20%. As income levels increase, the proportion of renters who spend at least 30% of their household income on housing costs decreases, while the proportion paying less than 20% increases (see graph on the previous page). For those households earning $75,000 or more (approximately 40% of all renters), approximately 14.5% spend at least 30% of their income on housing costs, while 54.9% spend less than 20%.

Household Pulse Survey

In response to the COVID-19 pandemic, the U.S. Census Bureau launched a new survey initiative — the Household Pulse Survey (HPS).[54] Per the Census Bureau, "The Household Pulse Survey is a 20-minute online survey studying how the coronavirus pandemic is impacting households across the country from a social and economic perspective." Note that the Census Bureau advises that the data from this survey is experimental, and that caution should be taken when using estimates based on subpopulations of the data because sample sizes may be small and the standard errors may be large.[55]

The first survey ("Week 1") was conducted at the end of April 2020, with data collected on a weekly basis through July of 2020, and then every two weeks through October of 2021. The survey resumed In December of 2021, transitioning to collecting data during a single two-week period out of every four weeks. Despite changing the collection periods, the survey continues to call them "weeks" to maintain continuity. The final survey released prior to the publication of this report was during Week 43 (March 2-14, 2022).

The data is released for both the U.S. as a whole, as well as 15 metro areas, including the NY Metropolitan area, which extends into the suburbs of NYC, including Long Island, the Hudson Valley, and northern New Jersey, a total of just over 20 million persons.

Parts of the survey question respondents regarding "housing insecurity," including the payment status for the prior month's rent or mortgage, and the respondent's confidence in paying the next month's rent or mortgage. The average proportion of respondents who reported they are not current on their rent in Weeks 28-43 (the Weeks since the last *I&A* was published) is 21.9%, versus an average of 23.7% during Weeks 1-27. Since the start of the survey, in all but one survey, the proportion of respondents with unpaid rent was higher in the NY Metro area than the U.S. as a whole.

The survey also asks respondents their household income in either 2019 or 2020 (depending on the date of the survey).[56] The proportion of those reporting unpaid rent in the previous month is consistently higher for those with lower incomes (less than $35,000 a year), than those with higher incomes ($100,000 a year or more). Over the 43 surveys, an average of 33.2% of adults in the lower-income renter households reported unpaid rent in the previous month, versus an average of 7.1% of the higher-income households.

The average differential between these two income groups went down over the last year, from a differential of 26.7 percentage points in Weeks 1-27, to 25.3 percentage points in Weeks 28-43.

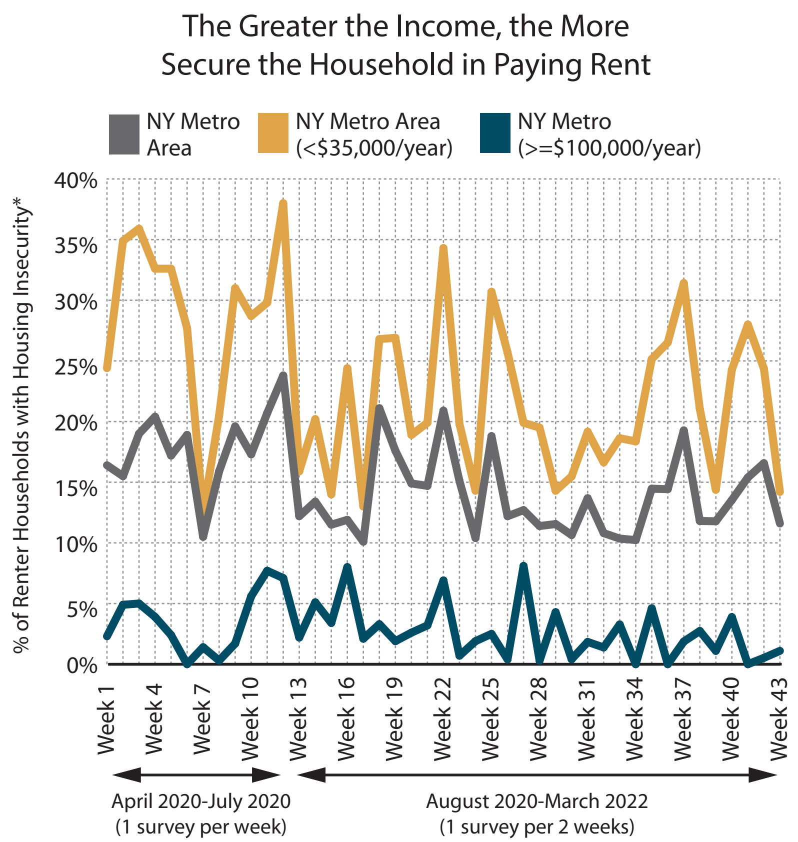
Beginning in Week 34 (July 21-August 2, 2022) those respondents who reported they were behind on rent were also asked how many months were owed. In the NY Metro area, between Weeks 34 and 43, an average of 18.5% of respondents who reported being behind on rent responded that they owed "zero" months of rent.[57] The most common response was either one or two months behind on rent, with an average of 21.4% owing one month of back rent, and 22.6% owing two months of back rent. An average of 25.3% of respondents reported owing between three and seven months of back rent, and an average of 13.1% reported owing eight or more months of back rent.

The survey also asks respondents for their confidence level in paying the rent in the next month. The average proportion of respondents who were confident in paying their rent in Weeks 28-43 (the Weeks since the last *I&A* was published) is 68.9%, versus an average of 64.2% during Weeks 1-27. Since the start of the survey, in all but five surveys, the proportion of respondents in the U.S. as a whole who had moderate or high confidence in paying their rent was higher than the NY Metro area.

As also seen with the data on the previous month's rent payment, those with higher incomes were consistently more confident in paying rent than those with lower incomes. Over the 43 surveys, an average of 50.8% of adults in the lower-income renter households reported confidence in paying the next month's rent, versus an average of 91.8% of the higher-income households. The average differential between these two income groups went down over the last year, from a differential of 41.8 percentage points in Weeks 1-27, to 39.7 percentage points in Weeks 28-43.

The Census Bureau defines "housing insecurity" for renters as the percentage of adults who report they are both not current on rent and who have slight or no confidence that their household can pay next month's rent on time. As the graph on this page shows, over the 43 "weeks" of the survey, this proportion ranged from a low of 10.1% in Week 17 (October 14-26, 2020) to a high of 23.8% in Week 12 (July 16-21, 2020). The average proportion of adults in renter households who are defined as

NY Metro Area Housing Insecurity (Renter Households)*



Source: Household Pulse Survey, U.S. Census Bureau

**Defined as the proportion of renter households which reported being both not current on rent and having little to no confidence in paying next month's rent on time. Income refers to household income from either 2019 (through Week 33) or 2020 (from Week 34 on).*

NOTE: The first survey ("Week 1") was conducted at the end of April of 2020, with data collected on a weekly basis through July of 2020, and then every two weeks since. Despite going to a two-week collection period, the survey continues to call these collection periods "weeks" to maintain continuity. Following a break of almost two months following Week 39 (in October of 2021), the survey resumed in December of 2021 with a two week on/two week off collection schedule.[121]

"housing insecure" in Weeks 28-43 (the Weeks since the last *I&A* was published) is 13.0%, versus an average of 16.0% during Weeks 1-27. Since the start of the survey, in all but five surveys, housing insecurity was higher in the NY Metro Area than in the U.S. as a whole.

Those with higher incomes were consistently less housing insecure than those with lower incomes. Over the 43 surveys, an average of 23.4% of adults in lower-income renter households reported housing insecurity, versus an average of 2.8% for the higher-income households. The differential between these two income groups has ranged from a low of 10.0 percentage points during Week 29 (April 28–May 10, 2021) to a high of 30.9 percentage points in both Week 3 (May 14-19, 2020) and Week 12. The average differential went down over the last year, with an average differential of 21.4 percentage points in Weeks 1-27 and 19.0 percentage points in Weeks 28-43.

The most recent data (as of the publication of this report) for housing insecurity among rental households in the NY Metro area is from Week 43. In Week 43, 11.6% of renter households in the NY Metro area were considered housing insecure, the fifth highest ratio among the 15 metropolitan areas studied in this survey, and higher than the ratio in the U.S. as a whole, 9.2%. More specifically, during Week 43, 16.9% of renter households in the NY Metro Area reported being not current on their rent payments, including 21.7% of households with incomes less than $35,000 in 2020, and 3.0% of households with incomes of $100,000 or more in 2020. In the NY Metro area during Week 43, 66.2% of renter households were confident in paying the next month's rent on time, including 49.7% of households making less than $35,000 in 2020 and 94.6% of those making $100,000 or more in 2020. For a comparison of housing insecurity (by "Week") among renter households in the NY Metro area, see the graph on the previous page.

Consumer Price Index for Rental Costs

One of the many prices tracked in the federal Consumer Price Index (CPI) is the cost of rental housing. While not specific to NYC (the local CPI area extends into the suburbs of the City), the CPI can provide a useful comparison of the rise of housing costs to those of other components of the price index.[58] For the 53-year period since the inception of rent stabilization (from 1968 to 2021) the cost of rental housing in the New York area rose 884% and overall prices rose more slowly, at 710%. Over this same time period, in the U.S. as a whole, rent and overall prices rose at roughly the same rate as each other, by 706% and 679%, respectively.

In 2021, average rental costs rose 0.2% in the NYC area, versus an overall increase in the CPI of 3.3%. This is lower than the 2020 rent increase of 2.0% and is the lowest proportional increase seen in the NYC area since 1945.

In the U.S. as a whole, rental costs rose at a faster pace than the NYC area, rising by an average of 2.2% in 2021. Rental costs in the NYC metropolitan area rose more slowly than all but one the seven cities selected for comparison, including Atlanta, where rents rose 5.5%, and Chicago, where rents rose by 2.5%. Rents in the metro area did rise slightly faster than in San Francisco, where they rose 0.1%.[59]

Section 8 Housing Availability

Following increased funding in 2007 to the Section 8 housing voucher program (which allows recipients to live in privately owned housing, paying approximately 30% of their income towards rent), the NYC Housing Authority (NYCHA) opened the waiting list for the first time since 1994.[60] These expanded funding levels led to increases in the number of Section 8 occupied units funded by NYCHA (which increased from an average of 82,801 in Fiscal Year (FY) 2007 to a high of 100,570 in FY 2010), as well as significant increases in the number of people placed through Section 8 vouchers during those years. The average number of Section 8 occupied units (as of the first four months of FY 2022) has since fallen, to 88,010 units, a 1.2% increase from the same period of the prior year.[61] NYCHA also tracks the number of applicants newly placed through the program. In the last FY, placements fell, from 3,632 in FY 2020 to 2,397 in FY 2021, a decrease of 34.0%. However, placements rose in the first four months of FY 2022 as compared to the first four months of FY 2021, from 320 to 516. There are approximately 35,000 households currently on the NYCHA Section 8 waiting list.

The NYC Department of Housing Preservation and Development (HPD) also maintains a Section 8 program, although unlike NYCHA, applicants must fall within specific HPD preference categories or special admission programs, and applications are not accepted from the general public.[62] As of February of 2022, HPD was funding 42,039 Section 8 vouchers, or almost 1,250 more vouchers than in October of 2020. Notably, 48.0% of HPD's Section 8 vouchers are utilized by tenants with disabilities. Among HPD Section 8 rentals, the average tenant share of rent is $384, with an average income level of $17,378.[63]

Non-Government Sources of Affordability Data

Each year, Con Edison reports on the average cost of electricity bills for residential customers using 300kWh of electricity per month. Per their data, electricity costs rose 2.1% during 2021, following an increase of 7.9% during 2020.[64] New Yorkers pay some of the highest electricity bills in the nation, with the average cost per kWh in 2020 two times that of the nation as a whole.[65] In late 2019, Con Edison received permission from State utility regulators to raise electricity rates in each of the next three years. At the time, Con Edison estimated that for a residential apartment in NYC, using 300kWh hours per month of electricity, bills would rise by 3.9% in 2020, 4.5% in 2021, and 3.8% in 2022.[66] In January of 2022, Con Edison asked the State to approve additional rate hikes for 2023, which they estimate will increase overall customer electric bills by 11.2 percent, while overall customer gas bills would increase 18.2 percent.[67] They note that the increases will vary by customer class. As of the publication of this report, this proposal has not yet received approval.

Another measure of affordability is the Council for Community and Economic Research's Cost of Living Index (COLI), which tracks the cost of living in 267 urban areas, including Manhattan, Brooklyn, and Queens. Based on almost 60 different items, the survey collects more than 50,000 prices for housing, utilities, groceries, transportation, health care, and miscellaneous goods and services on a quarterly basis. During the first three quarters of 2021, the COLI found that Manhattan, Brooklyn, and Queens ranked as numbers one, four, and 10, respectively, on the list of the 10 most expensive urban areas.[68] The study calculated that Manhattan was approximately 2.6 times as expensive to live in as the national average, while Brooklyn was approximately 1.8 times more expensive, and Queens was 1.5 times as expensive. Per the study, overall housing costs fell in Brooklyn, Queens and Manhattan as compared with the same period of the prior year (by 5.2%, 3.6%, and 1.6%, respectively). The subcategory of apartment rents rose in both Brooklyn and Queens (by 1.3% and 0.8%, respectively), but fell in Manhattan, by 6.3%. Overall prices were found to have fallen 0.3% in Brooklyn, while rising 3.9% in Manhattan and 2.5% in Queens between 2020 and 2021.[69]

Another quarterly index, the Housing Opportunity Index (HOI), showed that during the fourth quarter of 2021 the New York metropolitan area was the twenty-second least affordable area (of 237 HUD-defined metro areas) to buy a home. The survey found that 27.0% of owner-occupied housing in the metropolitan area was affordable to households earning the median household income in the fourth quarter of 2021, down from 33.2% in the fourth quarter of 2020.[70] Over the last ten years,[71] the survey's quarterly data found that anywhere from 20.8% (in the third quarter of 2015) to 38.4% (in the second quarter of 2016) of owner-occupied homes were affordable to buyers earning the median household income.

Every year the National Low Income Housing Coalition (NLIHC) issues a study to determine whether rents are affordable to the lowest wage earners. The 2022 study has not been released as of the publication of this report, but in line with their methodology,[72] in order to afford a two-bedroom apartment at the City's Fair Market Rent,[73] ($2,026 a month, as determined by HUD) a full-time worker must earn $38.96 per hour, or $81,040 a year. Alternately, those who earn minimum wage would have to work 104 hours a week (or two persons would each have to work 52 hours a week) to be able to afford a two-bedroom unit priced at the Fair Market Rent. Because the Fair Market Rent fell by $27, the amount of annual wages necessary to afford this apartment went down by 1.3%. Over the last ten years the number of hours working at minimum wage needed to afford a two-bedroom apartment at the current Fair Market Rent has ranged from a high of 156 in 2013, to a low of 94 in 2019.

In the summer of 2021, the Community Service Society's interviewed 1,100 "low-income" residents (those making up to 200% of the federal poverty level (FPL)) and 653 higher income residents (those above 200% of the FPL) for their "The Unheard Third 2021" report.[74] Note that this survey was conducted just as the Emergency Rental Assistance Program (which both helps pay rent arrears and disallows rent increases for 12 months) was beginning to accept applications, but before funds from that program had been distributed.

The survey found that 27% of low-income respondents reported debt from back rent. They also report that among the lowest income earners (those making less than the FPL, a sample size of 533 persons), 43% had experienced a rent increase during the past year. This compares to 38% of households between 101% and 200% of the FPL (a sample size of 577 persons); 37% of households earning between 201% and 400% of the FPL (a sample size of 389 persons); and 26% of those households earning above 400% of the FPL (a sample size of 264 persons). When those households who do not live in either public or subsidized housing were asked if they were able to secure a rent reduction at any point since the start of the pandemic, 7% of low-income tenants and 6% of higher-income tenants reported that they had secured a rent reduction.

Respondents are also asked if they have experienced certain housing hardships over the past year. Among the low-income respondents, the proportion of households that were either threatened with eviction; had utilities turned off; or moved in with other people declined in 2020 (with each of these figures falling four percentage points from 2019), before rising in 2021. The proportion of households that moved in with other people rose from 6% in 2020 to 9% in 2021. The proportion of households who had their utilities turned off rose from 7% in 2020 to 10% in 2021. The proportion of households who were threatened with eviction rose from 9% in 2020 to 13% in 2021. In addition, more than one-third of lower income households (36%) reported being worried about being evicted when the eviction moratorium ended (as it would, approximately six months after the survey was conducted). The compares to 22% of higher-income respondents who felt similarly.

Cash Assistance & Benefit Programs

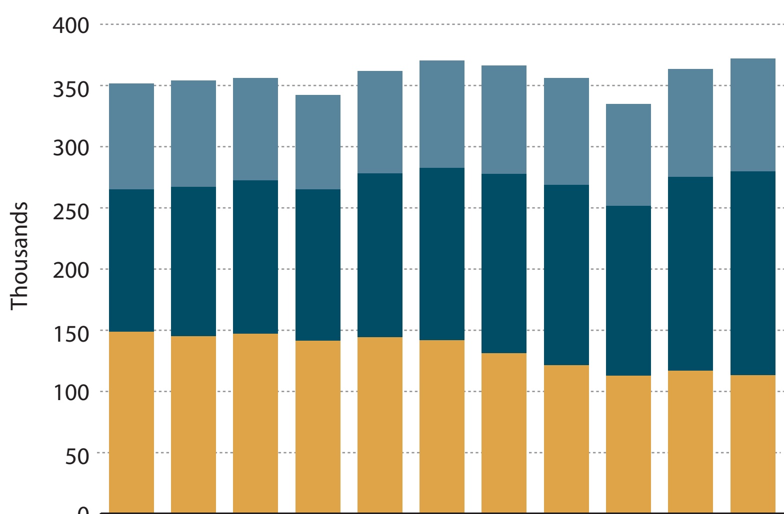
New York State funds two cash assistance programs — the Family Assistance program and the Safety Net Assistance program, each of which provides cash payments to eligible participants to help pay for living expenses such as food, transportation, housing, and utilities.[75] For the second consecutive year, the average number of cash assistance cases in NYC increased, rising by 2.3% in 2021 to reach 372,113 cases.[76] This follows an increase of 8.6% in the prior year (see graph on the next page). But despite rates increasing in all but four years since 2009, over the last two and a half decades the average number of cash assistance recipients has dropped significantly, falling from almost 1.2 million recipients in March of 1995 (when the City's welfare reform initiative began) to 384,523 in December of 2021, a drop of 66.9%.

On a quarterly basis, the number of recipients of cash assistance rose 14.5% in the first quarter of 2021 and 4.7% in the second quarter, as compared to the same quarters of 2020. However, rates fell 6.5% in the third quarter and 1.3% in the fourth quarter. Comparing the two most recent periods since the start of the pandemic, the second through fourth quarters of 2021 to 2020, levels decreased an average of 1.2%.

While the average number of cash assistance recipients rose in 2021, the number of persons who received at least one cash assistance payment (known as unduplicated recipients) during 2021 remained virtually the same. Over the course of the year, a total of 555,311 persons received a cash

Cash Assistance Program Recipients, 2011-2021, in Thousands

Cash Assistance Caseloads Rise 2% in 2021



	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
FAP	148.9	145.2	147.0	141.3	144.2	141.8	131.4	121.6	112.7	117.0	113.3
SNA	116.1	121.9	125.5	124.0	134.2	140.9	146.3	147.0	138.9	158.1	166.2
FAP-SNA	86.7	86.9	83.6	77.0	83.5	87.7	88.7	87.5	83.1	88.5	92.6
Total	351.7	353.9	356.0	342.3	361.9	370.5	366.3	356.1	334.7	363.7	372.1

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

assistance payment, an increase of 0.05%.[77] This figure includes 53,634 cases of emergency grants, a 33.9% decrease from 2020. One-time emergency grants (known as "one shots") can help pay for expenses like rent arrears.

The NYC Independent Budget Office (IBO) analyzed 2019 and 2020 data on emergency grants to see if the COVID-19 pandemic had an effect on the number of requests for such assistance.[78] They found that the number of one-shot deals fell from approximately 67,000 in 2019 to 42,000 in 2020, a 37% decrease in the number of payments issued.[79] While the number of one-shots granted in 2020 decreased, the number of applications increased, from approximately 92,000 to 106,000. The total funds paid out by the program fell from $171 million in 2019 to $139 million in 2020, a 19% decline. However, because the number of emergency grants also declined, but by a lesser amount, the average grant rose from $2,541 to $3,281, a 29% increase. The IBO found that most one-shots are used to pay rent arrears. In 2020, rent arrears were a factor in 57% of emergency grants, up eight percentage points over 2019. Although rent arrears made up a greater share of the one-shot deals in 2020, the number of grants fell from 32,797 in 2019 to 24,010 in 2020 (a decline of 8,787 grants, or 27%). Correlating with the number of grants declining, the amount provided by the City towards these grants fell from $136.3 million in 2019 to $114.8 million in 2020 (a $22 million decline, or 16%). However, the average size of the grants for rent arrears rose in 2020, from $4,155 in 2019 to $4,781 in 2020. There was also a sharp decrease in the number of grants for utility arrears, with the number in 2020 (12,325) just less than half of the number of grants in 2019 (25,659). The IBO speculates that the moratorium on evictions and utility shutoffs may have resulted in some tenants with rent arrears postponing applying for a one-shot deal.

Applications for cash assistance rose in 2021, increasing 1.3% from 2021 levels, including a decrease of 6.1% in approved applications, and a 9.4% increase in denied applications. In total, 315,376 NYC residents applied for cash assistance in 2021, with 48.8% of those applications approved.[80]

Other major benefit programs include the Supplemental Nutrition Assistance Program (SNAP, formerly known as food stamps) and Medicaid. The number of recipients of SNAP increased for the second consecutive year, by 5.3% in 2021, to an average of 1.69 million. Despite drops in each year between 2014 and 2019, SNAP levels have more than doubled in the last 20 years, rising from an average of just over 800,000 in the early 2000s, to almost 1.7 million today.[81] The number of recipients of SNAP rose in each quarter of 2021, as compared to the same quarter of 2020, including increases of 12.7% in the first quarter, 8.2% in the second quarter, 0.7% in third quarter, and 0.5% in the fourth quarter. Comparing the two most recent periods since the start of the pandemic, the second through fourth quarters of 2021 to 2020, levels increased an average of 3.1%.

The number of Medicaid enrollees rose for the first time in eight years, increasing 2.5% during 2021, to 1.57 million recipients.[82] The number of Medicaid enrollees rose in each of the first three quarters of 2021, as compared to the same quarter of 2020, including increases of 4.6% in the first quarter, 4.3% in the second quarter, and 1.5% in third quarter. Enrollees fell 0.1% in the fourth quarter. Comparing the second through fourth quarters of 2021 to 2020, levels increased an average of 1.9%.

In addition, the number of reported job placements among cash assistance recipients decreased for the third consecutive year in 2021, falling by 74.8%, or 18,118 jobs (to 6,112), after decreasing 33.9% in the prior year.[83]

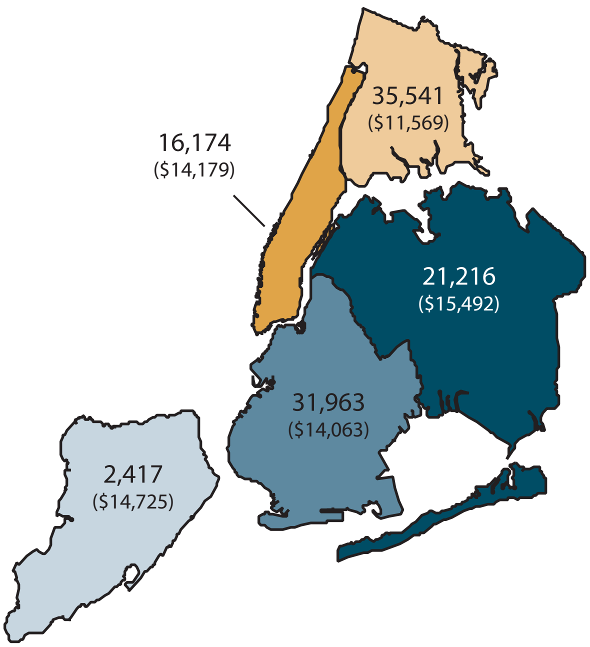
Tenants with rent and utility arrears may have also benefited from new programs designed to pay owners directly for shortfalls in rent received since the start of the pandemic. In 2020, the COVID Rent Relief Program, administered by NYS Homes and Community Renewal (HCR), distributed approximately $20 million to help New York City renters cover rent arrears.[84] This program is no longer accepting applications, however, in 2021, a similar program, funded mainly with $2.3 billion supplied by the federal government, began accepting applications.[85]

The NYS Emergency Rental Assistance Program (ERAP) is being administered by the NYS Office of Temporary and Disability Assistance (OTDA). Per the program's guidelines, applicants are required to meet certain standards to qualify, including a household income at or below 80% of the area median (extended to 120% as of September 15, 2021, if funding is available); unemployment, a reduction in income, significant costs or other financial hardship that are directly or indirectly due to the COVID-19 outbreak; and demonstrating a risk of homelessness or housing instability. Income can be calculated based on either total income for 2020 or the household's current monthly income at the time of application. The program will prioritize certain households, including those below 50% of the area median income; households where there has been extended unemployment; households with a pending eviction case; and households who reside in a building with twenty or fewer units, which are considered owned by "small" landlords. The program provides for up to 12 months of rent or utility arrears. It also permits up to three months of additional assistance to be paid if it is deemed that extra resources are required to ensure housing stability and funds remain available. Assistance will generally be paid directly to the landlord and/or utility, but if they are found to be uncooperative or unresponsive (as determined by the statute), and do no accept the funds within 12 months, they will have waived their rights to both the program's funding and the same amount in arrears from the tenant. Acceptance of payment for rent arrears constitutes agreement by the recipient landlord to waive any late fees on rent arrears; keep rent constant for one year; and in most circumstances not seek to evict tenants for one year after the first payment is received. The allocation of $100 million of State funds will supplement the core program and target those facing hardship that may not otherwise be eligible.[86]

As of April 11, 2022, 246,562 households in NYC have applied for ERAP assistance for rent arrears, with 197,505 of these households also applying for up to three months of future ("prospective") rent and 61,172 of these households applying for help with utility arrears. Of all the applications for rent arrears in NYS through this time period, 76.1% of applications came from residents of NYC. As of April 13, 107,311 payments were issued on behalf of NYC tenants for rental assistance, 76.4% of the total payments within NYS. The payments for rent arrears totaled $1.1 billion, with another $362 million expended for prospective rent payments (for a total of $1.5 billion, or 82.9% of the total value of payments within NYS). Three-quarters of payments within NYC included both rent arrears and prospective rent. The average payment for both rent arrears and prospective rent was $13,552 in NYC, compared to $9,085 in the balance of the

ERAP Payments (as of April 13, 2022)

Total Number of Payments and Average Payment Amount, by Borough



Source: NYS Office of Temporary and Disability Assistance
Note: Data current through April 13, 2022. Average payment amount includes up to three months of prospective rent payments.

state. As illustrated in the map on this page, average payments were lowest in the Bronx ($11,569) and highest in Queens ($15,492).

The remaining program funds are earmarked towards applications that have been provisionally approved, but are pending due to landlord verification. As of April 13, there are 27,679 such applications within NYS (totaling payments of $346 million).

As of the publication of this report, applicants for ERAP are advised that while applications are being accepted due to a court order, all funding for NYC residents had been allocated by October 7, 2021.[87] However, it was announced in January 2022 that Governor Hochul had requested an additional $1.6 billion from the federal government to cover roughly 174,000 tenant applications within NYS that are not yet funded.[88] In March 2022, the federal Treasury Department reallocated unused funds from other jurisdictions, awarding NYS an additional $119 million.[89] In addition, the recently enacted FY 2023 NYS budget allocates an additional $800 million in State funding for ERAP, in conjunction with any additional funding from the federal government that has (or may) be allocated to NYS. It is estimated that approximately $100 million of this ERAP funding will be used for utility arrears, but the budget also allocates an additional $250 million for a separate utility arrears program, which will be administered by the Department of Public Service in cooperation with OTDA.[90]

Homelessness & Housing Court

Homelessness

Homelessness in the City, based on data from the NYC Department of Homeless Services (DHS), decreased for the third consecutive year, falling by 14.4%.[91] Each night, an average of 47,994 persons stayed in DHS shelters during 2021, down 8,058 persons from a year earlier, but still up considerably from the average of 20,000-25,000 found in the 1990s (see graph on the next page and Appendix E.7).[92] DHS has attributed the decline, in part, to increased rental assistance and the eviction moratorium.[93] The subcategory of the number of families sheltered each day also fell, by an average of 19.2%.[94] The figure for families includes the number of families with children sheltered each night, which fell 18.1% during 2021 (to reach an average of 8,870), and the number of adult families sheltered each night, which decreased 24.0% over the year (to an average of 1,715). There was also a slight decrease in the number of single adults sheltered, decreasing 1.8% during 2021, to an average of 17,273 persons.

In each month of 2021, the average number of homeless staying in DHS shelters decreased as compared to the same month of the prior year, and in all but two months (September and October), as compared to the month preceding it. Levels fell 11.4% in the first quarter of 2021 as compared to the same quarter of 2020; 13.9% in the second quarter; 17.5% in the third quarter; and 15.0% in the fourth quarter. Comparing the two most recent periods since the start of the pandemic, the second through fourth quarters of 2021 to 2020, levels decreased an average of 15.5%. On a monthly basis, the greatest decrease was seen in July of 2021, when 9,884 fewer persons stayed in City shelters than the previous July, a decrease of 17.9%. The decline in homelessness continued into the first quarter of 2022, with the average number of persons staying in DHS shelters down 13.2% as compared to the same quarter of the prior year and down 1.2% as compared to the fourth quarter of 2021.

Permanent housing placements for families with children decreased for the second consecutive year during 2021, falling from 7,413 to 6,126, a 17.4% decrease. Placements also fell for single adults for the second consecutive year, decreasing from 6,269 placements in 2020 to 4,211 in 2021, a decrease of 32.8%. However, placements rose for adult families, rising from 453 in 2020 to 481 in 2021, a 6.2% increase.[95]

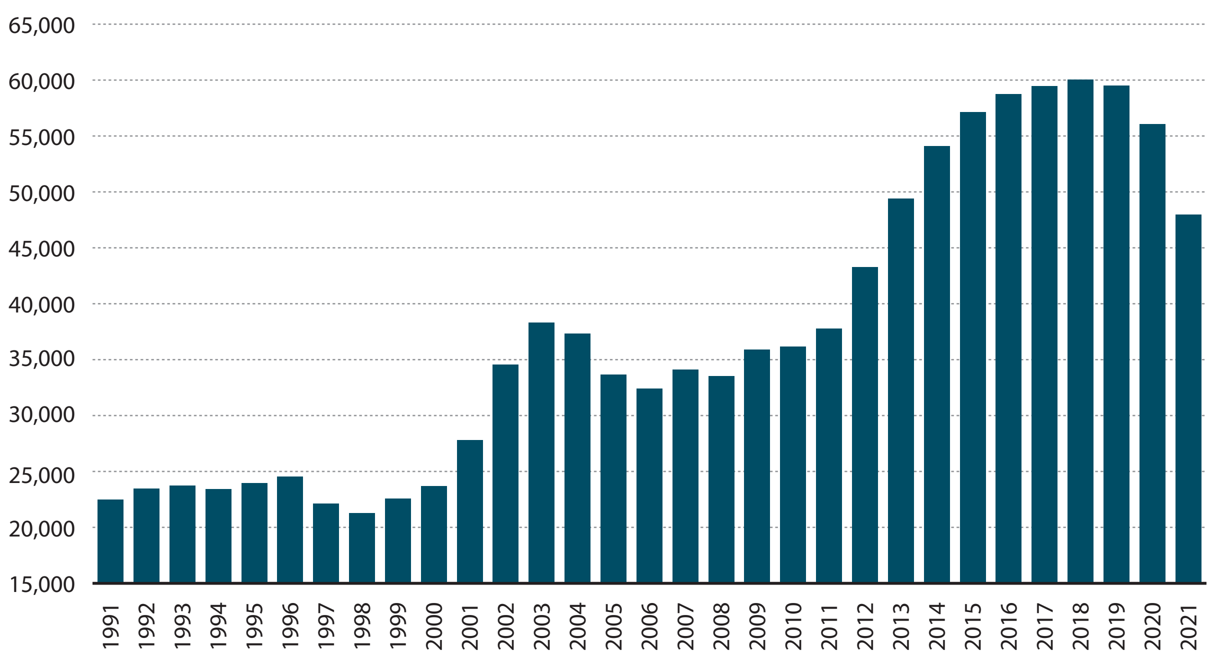
Other homeless indicators include the average amount of time spent in temporary housing. For families with children, the average amount of time spent in temporary housing rose 71 days between 2020 and 2021 (to 544 days). It also rose by 147 days for adult families (to 836 days) and by 54 days for single adults (to 504 days). For context, the length of time spent in temporary housing has more than doubled in the last 11 years.

DHS also reports the number of homeless persons placed in permanent housing who return to the shelter system within one year. In 2021, 4.0% of families with children returned to DHS shelters within one year (down from 4.6% the prior year); 1.6% of adult families returned (up from 0.9% in the prior year); and 10.5% of single adults returned (down from 13.2% in the prior year). The vast majority of those who returned to the shelter system were initially placed in unsubsidized housing.[96]

The U.S. Department of Housing and Urban Development (HUD) asks municipalities to submit homeless counts on a single day in January of each year.[97] NYC reported a total of 65,975 sheltered persons in January of 2021, a drop of 10.9% from the previous January. At the national level, the sheltered homeless population fell by 8.0%.[98] HUD reports that one in five sheltered homeless people reside in NYC, and NYC has the greatest number of sheltered homeless persons, far surpassing levels

Average DHS Nightly Homeless Shelter Census, NYC, 1991-2021

NYC DHS Sheltered Homeless Levels Fall for Third Consecutive Year



Source: NYC Department of Homeless Services in Los Angeles (the city with the second greatest homeless population), which sheltered 17,225 homeless persons in January of 2021.[99]

Another facet of the City's effort to reduce homelessness went into effect on October 29, 2018.[100] The City has now consolidated and streamlined seven different rental initiatives into one, the City Fighting Homelessness & Eviction Prevention Supplement (CityFHEPS). The program aims to help both those in shelter and those facing eviction to find, or keep, permanent housing.[101] To be eligible, households much have a gross income at or below 200% of the federal poverty level and meet certain other criteria. Those wishing to apply for rental assistance must apply in person at one of more than 20 offices across NYC. The program will provide a rent supplement of up to $800 for a single room in an apartment, $1,424 for SRO housing, or between $1,900 and $4,359 for an entire apartment, depending on household size.[102] These rent levels represent a significant increase over the prior maximum rent guidelines. For instance, the maximum subsidy on a two-bedroom apartment is now $2,217, up from $1,580 under the prior guidelines.[103] A rule enacted in 2021 increased the maximum allowable rent subsidy to 100% of FMR, effective as of September of 2021.[104] In December, NYS passed legislation codifying the new rent levels into State law.[105]

Housing Court

For the tenth consecutive year, average annual non-payment filings in Housing Court decreased, falling 47.8%, to 33,054 in 2021.[106] There were 13,659 non-payment cases resulting in an actual court appearance ("calendared") in 2021, a decrease of 54.2%. Because the number of calendared cases fell at a faster pace than the number of filings, the proportion of non-payment cases which resulted in an appearance fell by 5.8 percentage points, to 41.3%. For context, during the mid-to-late 1980s, an average of 27.1% of non-payment filings were calendared and in the five years preceding the pandemic, 54.5% were. The decrease in filings is concurrent with eviction moratoriums in place starting on March 20, 2020 that continued through January 15, 2022).[107]

On a quarterly basis,[108] as compared to the same quarters of the prior year, the number of non-payment filings fell 88.7% in the first quarter of 2021; rose from eight filings to 11,852 in the second quarter; rose 21.2% in the third quarter; and fell 61.9% in the fourth quarter. Comparing the two most recent periods since the start of the pandemic, the second through fourth quarters of 2021 to 2020, filings decreased an average of 5.7%.

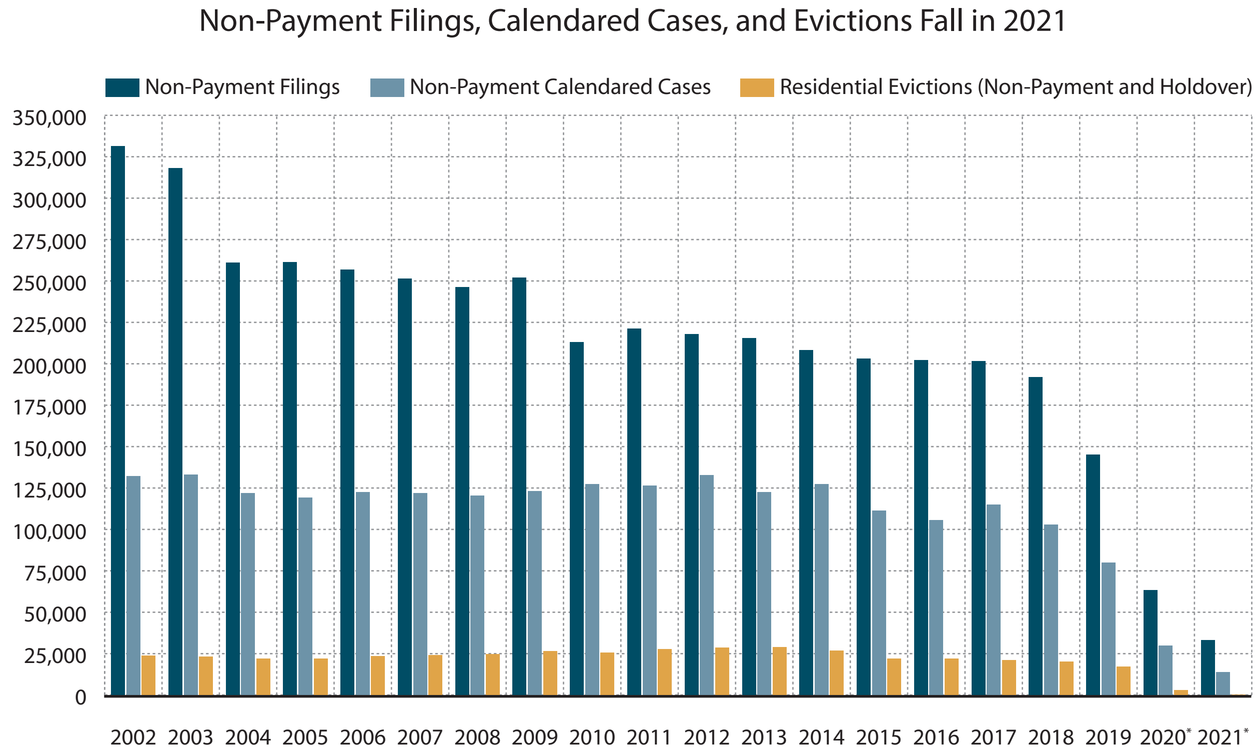
Non-payment calendared cases fell 80.4% in the first quarter of 2021; rose from 84 filings to 3,788 in the second quarter; rose 591.9% in the third quarter; and fell 75.0% in the fourth quarter. Comparing the two most recent periods since the start of the pandemic, the second through fourth quarters of 2021 to 2020, non-payment calendared cases decreased an average of 17.5%.

As noted previously, evictions were largely prohibited by State and/or federal law from March 20, 2020 through January 15, 2022. As such, there were just 136 residential evictions (for both non-payment and holdover cases) in 2021, a decrease of 95.5% over the prior year.[109] This is the fewest number of evictions since at least 1983, the first year data is available for. (See the graph on the next page for non-payment filings, non-payment calendared cases, and evictions, from 2002-2021.)

With the end of the eviction moratorium, it is expected that both housing court filings and evictions will increase on an annual basis in 2022, as compared to 2021. In the first quarter of 2022, there were 16,099 non-payment filings, an almost four-fold increase from the 4,106 in the first quarter of 2021.[110] However, the number of filings in the first quarter of 2022 is 65.5% lower than the first quarter of 2019.[111] There have also been approximately 439 residential evictions executed during the first quarter of 2022 (for both non-payment and holdover cases). This is up sharply from no evictions executed in the first quarter of 2021, but down 90.8% from the approximately 4,752 evictions in the first quarter of 2019.[112]

In August of 2017, a City bill granting all households under 200% of the federal poverty level eligibility for free legal representation in Housing Court was signed into law.[113] The Right-to-Counsel (RTC) program, which was being phased in

Housing Court Statistics, 2002-2021



Source: Civil Court of NYC and NYC Department of Investigations

**Note that an eviction moratorium was in place from March 20, 2020 through the end of 2021. Also note that there were 136 evictions in 2021, which due to the scale of the graph, are not visible.*

zip code by zip code, achieved full implementation 13 months ahead of schedule (in June of 2021), at a cost of $166 million annually.[114] It is estimated that the number of tenants in Housing Court with legal representation rose from 1% in 2013 to more than 30% in 2019, with figures indicating that 84% of households facing eviction in Housing Court who had counsel had been able to avoid eviction.[115]

In FY 2021, RTC legal assistance was provided to 42,265 households in NYC for tenant issues such as eviction, disrepair, and landlord harassment. Despite the number of eviction filings falling by approximately 49,000 during FY 2021, the number of households receiving City-sponsored legal services increased 11% compared to FY 2020, and 79% compared to FY 2017 (prior to the formal launch of the RTC program.) Despite overall increases in the number of tenants receiving legal assistance in FY 2021, concurrent with court closures and the eviction moratorium, the number of households utilizing legal help for eviction proceedings dropped. In FY 2019 (prior to the pandemic), 32,170 households facing an eviction in housing court were assisted with legal help. This number fell to 24,362 in FY 2020, and 12,754 in FY 2021. Of the 12,754 households facing eviction in housing court that were assisted in FY 2021, the rent regulation status is known for almost 11,000, with the data showing that 65% of these households were rent-regulated.[116]

To help more tenants understand the changing rules regarding Housing Court and connect with legal help, in August of 2020 the City announced the creation of the new NYC Tenant Resource Portal. Tenants will respond to a series of questions about their unique circumstances and be directed to the most relevant resources, such as help navigating an illegal lockout or eviction. Tenants who do not have access to the internet can call 311 and ask for the "Tenant Helpline," where they will connect with a Tenant Support Specialist to receive free, individualized assistance.[117]

Economic Projections

In March, 2022, the Office of the NYC Comptroller forecasted the upcoming economic condition for NYC through 2026.[118] It notes:

- "The Comptroller's Office forecast has robust New York City economic and employment growth continuing in 2022, as COVID cases continue to decline without a resurgence from new COVID variants or resort to non-pharmaceutical interventions. Economic growth is forecast to slow in the outyears as interest rates rise steadily to rein in inflation, cooling asset and labor markets, but without throwing the economy into recession."
- GCP will increase by 3.2% in 2022; 3.1% in 2023; 2.9% in 2024; 2.4% in 2025; and 2.0% in 2026.
- NYC will gain 237,000 jobs in 2022; 132,000 in 2023; 127,000 in 2024; 30,000 in 2025; and 3,000 in 2026.
- Wage rates will rise 1.0% in 2022; 1.6% in 2023; 2.1% in 2024; 2.4% in 2025; and 2.9% in 2026.

In February, 2022, the Mayor's Office of Management and Budget (OMB) also forecast the upcoming economic condition for NYC through 2026.[119] It notes:

- "Total employment in the City is expected to advance by 3.9 percent in 2022 and then slow to 1.1 percent growth by the end of the forecast horizon in 2026. Employment is projected to remain below the 2019 peak (4.68 million) until early 2025, lagging behind the national recovery."
- "The five sectors that suffered the greatest percentage losses during the pandemic were leisure & hospitality, construction, manufacturing, other services, and trade, transportation & utilities....Employment in this group is expected to grow by 6.7 percent in 2022 and then undergo slower growth in subsequent years. OMB projects employment in these sectors will not reach pre-pandemic levels (1.53 million) until the end of 2026."
- "The remainder of the private sector (financial activities, information, education & health services, and professional & business services)... is forecast to grow 3.3 percent in 2022 and to return to 2019 peak levels (2.56 million) in 2023."
- "OMB forecasts total wage earnings to increase by 5.5 percent in 2021 and then slow to 1.8 percent in 2022. Personal income is expected to advance by 5.1 percent in 2021, then slow to 2.3 percent in 2022 due to the expected drop in transfer payments as pandemic relief and stimulus payments wane."
- GCP will increase by 6.7% in 2022; 4.2% in 2023; 3.3% in 2024; and 2.9% in both 2025 and 2026.
- NYC will gain 191,900 jobs in 2022; 129,700 in 2023; 119,900 in 2024; 100,300 in 2025; and 68,900 in 2026.
- Wages will grow 2.2% in 2022; 2.5% in 2023; 2.3% in 2024; 1.9% in 2025; and 2.5% in 2026.
- Personal income will rise by 0.8% in 2022, then increase more rapidly, to between 4.5% and 4.9% in each year between 2023 and 2026.

In March, 2022, the NYC Independent Budget Office (IBO) also forecast the upcoming economic condition for NYC through 2026.[120] It notes:

- "Our employment forecast for the next few years is...the city gaining 179,600 jobs in 2022, 99,800 jobs in 2023, and an average of 68,400 jobs each year from 2024 through 2026. While annual job growth is projected to decline each year, these are still very strong years by historical standards. They follow, however, the unprecedented job losses of 2020 and, as a result, full pre-pandemic employment will not be reached until late in 2025. In contrast, the national economy, which has been recovering faster than the city's economy, we project will reach its pre-pandemic employment level by the middle of this year."
- "The projected employment recovery is quite uneven, however, when individual industries in the city are considered. Some sectors are projected to remain below their pre-pandemic levels for the entirety of the forecast period (through city fiscal year 2026). These include the financial activities, education, leisure

and hospitality, and retail trade sectors. Of these, the most pronounced lag occurs in the leisure and hospitality sector, where we project employment at the end of 2026 to reach 401,800 jobs—still 12.7 percent below its pre-pandemic level of 460,500 in the first quarter of 2020. We expect other sectors to grow much faster: including healthcare, which we estimate to have already regained whatever jobs were lost; information, set to regain pre-pandemic employment by early 2023; and professional services, which is on path to reach pre-pandemic employment by the beginning of 2024."

- "The city's recovery in terms of aggregate wages and salaries has been much more robust than its recovery in total employment. This is due to the uneven gains in employment across the city's various employment sectors described above. The sectors experiencing the slowest recovery, and for which IBO projects employment will not have recovered by the end of 2026, have some of the city's lowest average wages, while the sectors that are projected to recover the most rapidly have some of the highest average wages....After a modest decline of 1.3 percent from $449.3 billion in 2019 to $443.4 billion in 2020, aggregate wages and salaries grew by 9.3 percent to reach $484.4 billion in 2021. We project continued strength in wage and salary growth, averaging 6.0 percent per year from 2022 through 2026 and ending the forecast period at $649.7 billion."
- "Wages and salaries are the largest single component of personal income in the city, meaning that the personal income outlook is also relatively strong. In fact, personal income never experienced an annual decline, even at the height of the pandemic and despite the modest decline in wages and salaries in 2020. This is entirely thanks to a large increase in government transfer payments. Transfer payments are another component of personal income, that include items such as unemployment payments, stimulus checks, refundable tax credits, and public assistance. Transfer payments grew during the pandemic from $106.9 billion in 2019 to $152.6 billion in 2020. Transfers continued to rise in 2021, but IBO projects they will return to lower levels in the coming years, as wages and other income categories continue to recover and sustain the upward trajectory of total personal income. Overall, IBO forecasts total personal income at $719.5 billion for 2021, which will grow somewhat more slowly by 3.1 percent in 2022, before picking back up to an annual average growth rate of 5.1 percent from 2023 through 2026 and ending at $905.0 billion."

Summary

Following mostly negative indicators in 2020 (in the wake of the pandemic), in 2021 many economic and social indicators for NYC were positive, including rising employment levels and wages; falling unemployment rates; and growth of Gross City Product. Other indicators, which are positive, come with caveats — steep declines in non-payment filings, non-payment calendared cases, and evictions can be attributed to government interventions (such as the eviction moratorium) and reduced access to Housing Court. Similarly, the decline in homelessness is attributed in part to increased rental assistance and the eviction moratorium.

However, there were also negative indicators on an annual basis in 2021, including increasing numbers of cash assistance, Medicaid, and SNAP recipients. It is also expected that with the end of the eviction moratorium, evictions and non-payment filings will increase sharply in the coming year, as compared to 2021. ❒

Endnotes

1. This data is obtained from the Civil Court of the City of New York, which cannot provide exact "quarterly" data. The Court has 13 terms in a year, each a little less than a month long. This data is for terms 10-13, which is from approximately the middle of September through the end of the year. It is compared to the same period of the prior year.

2. Data from the Office of the NYC Comptroller as of March, 2022. GCP figures are adjusted annually by the Office of the NYC Comptroller. The figures in this report are the latest available estimate from that office, based on inflation-adjusted 2012 chained dollars.

3. U.S. Bureau of Economic Analysis: https://www.bea.gov/data/gdp/gross-domestic-product.

4. U.S. Bureau of Labor Statistics: http://www.bls.gov.

5. NYS Department of Labor: https://dol.ny.gov; accessed March 2022. Data is revised annually and may not match data reported in prior years.

6. U.S. Bureau of Labor Statistics: http://www.bls.gov.

7. U.S. Bureau of Labor Statistics: http://www.bls.gov.

8. The full definition, as per the U.S. Department of Labor: "An initial claim is a claim filed by an unemployed individual after a separation from an employer. The claimant requests a determination of basic eligibility for the UI [Unemployment Insurance] program. When an initial claim is filed with a state, certain programmatic activities take place and these result in activity counts including the count of initial claims. The count of U.S. initial claims for unemployment insurance is a leading economic indicator because it is an indication of emerging labor market conditions in the country. However, these are weekly administrative data which are difficult to seasonally adjust, making the series subject to some volatility." https://www.dol.gov/ui/data.pdf.

9. Initial unemployment claims for NYC and NYS: https://data.ny.gov/Economic-Development/Unemployment-Insurance-Initial-Claims-By-Region-By/w34r-gwfk. Initial unemployment claims for the U.S.: https://oui.doleta.gov/unemploy/data_summary/DataSum.asp.

10. NYS Department of Labor: https://dol.ny.gov/; accessed March 2022. Data is revised annually and may not match data reported in prior years.

11. U.S. Bureau of Labor Statistics: http://www.bls.gov.

12. Reports can be found at: http://www.centernyc.org/reports and COVID-19 Economic Updates can be found at: http://www.centernyc.org/economic-updates.

13. The monthly employment figures are based on estimates of seasonally adjusted employment from the New York City Mayor's Office of Management and Budget (OMB), current as of March 27, 2022. Generally speaking, the same month(s) in different years can be compared, but it is more accurate when comparing different months to use seasonally adjusted data. This process removes the influences of predictable seasonal patterns to allow for a better comparison from month to month. However, seasonally adjusted data from the NYS Department of Labor (NYSDOL) is only available for NYC jobs in total, not for individual industries. Therefore, all employment figures reported as following the methodology of the Center for NYC Affairs use OMB estimates of seasonally adjusted data. Also note that data used in the *2021 I&A Study* for December of 2020 was updated in March of 2022 through the federally-mandated annual benchmarking process. Per the U.S. Bureau of Labor Statistics: "Establishment survey benchmarking is done each year to align employment estimates from the survey with employment counts derived primarily from the administrative file of employees covered by Unemployment Insurance (UI)." As part of this benchmarking process, the number of employed persons in December of 2020 (not seasonally adjusted) was adjusted upward by 79,200 persons, or 1.9%. Using seasonally adjusted estimates of employment from OMB, this raised the proportion of jobs returned between April and December of 2020 to 35.0%, up from 24.8% (as based on the data available a year ago). As noted above, seasonally adjusted employment figures for Total Nonfarm Employment are available from NYSDOL and based on their estimates, 37.8% of jobs returned during this period, a difference of 2.8 percentage points from OMB estimates. The proportion of jobs estimated to have returned in NYC during this period, without factoring in seasonal adjustments, is 46.5%. Note that employment data is periodically revised and the estimates of seasonally adjusted data are current as of March 27, 2022.

14. As noted in Endnote 13, these figures are based on seasonally adjusted estimates of employment from OMB. Using seasonally adjusted data from NYSDOL, 648,100 jobs returned in this period, or 66.7%, a difference of 0.3 percentage points. The proportion of jobs estimated to have returned in NYC during this period, without factoring in seasonal adjustments, is 75.6%.

15. These data points use seasonally adjusted data from the U.S. Bureau of Labor Statistics. The proportion of jobs estimated to have returned in the U.S. during April through December of 2020, without factoring in seasonal adjustments, is 64.4%. The proportion of jobs estimated to have returned in the U.S. during April of 2020 through December of 2021, without factoring in seasonal adjustments, is 97.0%.

16. U.S. Bureau of Labor Statistics: http://www.bls.gov.

17. The "Essential" industries include Utilities, Health Care and Social Assistance, and Government. The "Face-to-Face" industries include Construction; Manufacturing; Wholesale Trade; Retail Trade; Transportation and Warehousing; Admin Services; Educational Services (Private); Arts, Entertainment, and Recreation; Accommodation and Food Services; and Other Services. The "Remote" industries include Information; Finance and Insurance; Real Estate; Professional, Scientific, and Technical Services; and Management of Companies.

18. Per data from the NYSDOL (current as of March, 2022), 4.68 million persons were employed in NYC in February of 2020. In December of 2021, 4.37 million persons were employed in NYC, a decrease of 6.6% from February 2020 levels.

19. The NYC labor force participation rate and employment/population ratio were obtained from the Office of the NYC Comptroller in March of 2022. Note that prior years' data are annually revised, and may differ from figures reported in prior reports.

20. U.S. Bureau of Labor Statistics: http://www.bls.gov.

21. NYS Department of Labor: https://dol.ny.gov/..

22. U.S. Bureau of Labor Statistics: http://www.bls.gov.

23. The greatest proportional increase in calendar year 2020 was actually in the Agriculture, Forestry, Fishing, and Hunting sector, which rose 27.5%, but accounted for only 0.01% of all wages earned in NYC in 2020.

24. The third quarter 2021 QCEW data was released in March of 2022. All quarters of 2021 are considered preliminary data and will be updated in the next I&A report.

25. The greatest proportional increase over the two-year period was actually in the Agriculture, Forestry, Fishing, and Hunting sector, which rose 25.8%, but accounted for only 0.01% of all wages earned in NYC in the most recent 12-month time period.

26. The greatest proportional increase was actually in the Unclassified sector, which rose by 35.3%. Data for 2021 is preliminary and many of the jobs classified in this sector as of the publication of this report will later be classified within other sectors.

27. There were also increases in the Agriculture, Mining, and Unclassified sectors, which rose by 14.4%, 21.9%, and 41.2%, respectively. An average of only 553 people worked in either the Agriculture or Mining sectors in the most recent time period. See Endnote 26 for an explanation of the data in the Unclassified sector.

28. U.S. Bureau of Labor Statistics: http://www.bls.gov.

29. https://dol.ny.gov/pandemic-unemployment-assistance.

30. https://dol.ny.gov/pandemic-unemployment-assistance.

31. https://dol.ny.gov/benefit-extension-information.

32. https://dol.ny.gov/system/files/documents/2022/01/nys-ewf-whitepaper-november21_01-26-22_0.pdf.

33. Applicants qualified for one of two tiers. Tier 1 qualifiers received $15,600 and Tier 2 qualifiers received $3,200. More than 99 percent of approved applicants received the maximum funding amount of $15,600.

34. https://dol.ny.gov/excluded-workers-fund-data. Current as of 4/18/2022.

35. https://ux.labor.ny.gov/benefit-rate-calculator/.

36. Administrative Office of the U.S. Courts: https://www.uscourts.gov/statistics-reports/caseload-statistics-data-tables.

37. Press Release, Administrative Office of the U.S. Courts. “Bankruptcy Filings Drop 24 Percent.” February 4, 2022.

38. https://www.census.gov/newsroom/blogs/random-samplings/2021/10/pandemic-impact-on-2020-acs-1-year-data.html.

39. https://www.census.gov/newsroom/press-releases/2021/experimental-2020-acs-1-year-data.html.

40. Poverty statistics were derived from Public Use Microdata for the 2020 American Community Survey in February of 2022. The U.S. Census Bureau reports that in 2021 the weighted average poverty threshold for a one-person household is $13,790; $17,519 for a two-person household; $21,558 for a three-person household; $27,741 for a four-person household; $32,893 for a five-person household; $37,167 for a six-person household; $42,304 for a seven-person household; $46,858 for an eight-person household; and $56,437 for a nine-person or more household.

41. U.S. Census Bureau: https://www.census.gov/newsroom/blogs/random-samplings/2020/09/supplemental-poverty-measure.html.

42. “New York City Government Poverty Measure 2019.” NYC Center for Economic Opportunity. Note that the CEO poverty rates are adjusted periodically and may not match figures found in prior reports.

43. The three referenced universities are Zhejiang University, the University of Chicago, and the University of Notre Dame. “Real-time Poverty Estimates During the COVID-19 Pandemic through February 2022.” March 31, 2022.

44. The estimated poverty rate is also updated monthly and can be found at: http://povertymeasurement.org/covid-19-poverty-dashboard/.

45. The New York City Housing and Vacancy Survey (HVS) is sponsored by the NYC Department of Housing Preservation and Development (HPD) and conducted by the U.S. Census Bureau.

46. https://www.census.gov/programs-surveys/acs/news/data-releases.html. American Community Survey data does not specifically identify rent stabilized units.

47. https://www.census.gov/content/dam/Census/library/working-papers/2021/acs/2021_CensusBureau_01.pdf.

48. https://www.census.gov/acs/www/methodology/sample-size-and-data-quality/response-rates/index.php.

49. A summary of the nonresponse bias issues can be found at: https://www.census.gov/content/dam/Census/library/working-papers/2021/acs/2021_CensusBureau_01.pdf. More detailed information can be found at: https://www.census.gov/content/dam/Census/library/working-papers/2021/acs/2021_Rothbaum_01.pdf.

50. https://ask.census.gov/prweb/PRServletCustom?pyActivity=pyMobileSnapStart&ArticleID=KCP-2951.

51. https://www.census.gov/newsroom/blogs/random-samplings/2021/10/pandemic-impact-on-2020-acs-1-year-data.html.

52. https://www.census.gov/newsroom/press-releases/2021/experimental-2020-acs-1-year-data.html.

53. In a normal year, the sample size of renters in Staten Island is small, which makes the data less reliable. Given the additional data issues in the 2020 ACS (as described in this report), the data for Staten Island is determined to be too unreliable to report.

54. All data under the heading of “Household Pulse Survey” is from the U.S. Census Bureau’s Household Pulse Survey: https://www.census.gov/programs-surveys/household-pulse-survey.html. Data was derived in two ways — from data tables, and from the Public Use File.

55. This warning appears on all of the HPS data tables produced by the Census Bureau.

56. Respondents were asked their annual income in 2019 up until Week 33 (June 23–July 5, 2021). From Week 34 (July 21–August 2, 2021) on, respondents were asked their annual income in 2020.

57. The discrepancy between the householder responding that they were behind on rent and then subsequently answering that they were “zero” months behind on rent was not explained by the Census Bureau. The survey is conducted online and all data is self-reported by the households selected to respond to the survey.

58. U.S. Bureau of Labor Statistics: http://www.bls.gov.

59. The seven cities selected by the RGB for comparison are Philadelphia, San Francisco, Boston, Chicago, Atlanta, Los Angeles, and Washington, D.C. Rent increases in these cities ranged from 0.1%-5.5%.

60. Press Release, Mayor’s Office. “Mayor Bloomberg and NYCHA Chairman Hernandez Announce that Section 8 Voucher List Will Open For First Time in Twelve Years,” January 29, 2007.

61. Preliminary FY 2022 Mayor’s Management Report, NYC Housing Authority section. The City’s FY runs from July 1 through June 30 of each year.

62. Eligibility guidelines via the NYC Housing Preservation and Development: https://www1.nyc.gov/site/hpd/services-and-information/section-8-eligibility.page.

63. Division of Tenant Resources Section 8 General Program Indicators, HPD: https://www1.nyc.gov/assets/hpd/downloads/pdfs/services/hpd-section-8-program-statistics.pdf. February 15, 2022.

64. “CECONY Average Monthly NYC Residential Bills 300 kWh.” http://www.coned.com/rates.

65. U.S. Energy Information Administration, Electric Sales, Revenue, and Average Price (2020 Tables T6 and T5.a): http://www.eia.gov/electricity/sales_revenue_price/.

66. "Con Ed on verge of three-year rate hike; prices expected to go up in January." New York Daily News, December 9, 2019.

67. Press Release, Con Edison. "Con Edison Files Investment Plan," January 28, 2022.

68. Press release, The Council for Community and Economic Research. "Annual Average 2021 Cost of Living Index Released." February 8, 2022.

69. ACCRA cost of living report. The Council for Community and Economic Research: https://store.coli.org/compare.asp.

70. National Association of Home Builders: https://www.nahb.org/news-and-economics/housing-economics/indices/Housing-Opportunity-Index. Affordability is defined as no more than 28% of gross income spent on housing costs.

71. Current data can only be compared to data in 2012 or later, following a methodological change in the way the data is calculated.

72. The methodology that the National Low Income Housing Coalition uses can be found at: https://nlihc.org/sites/default/files/oor/2021/Out-of-Reach_2021.pdf.

73. Fair Market Rents (FMRs) are published annually by the U.S. Department of Housing and Urban Development (HUD): https://www.huduser.gov/portal/datasets/fmr.html. The FMR is defined by HUD as: "The FMR is the 40th percentile of gross rents for typical, non-substandard rental units occupied by recent movers in a local housing market."

74. "Low-Income New Yorkers Are an Inch Away from Eviction." Community Service Society. January 6, 2022.

75. Cash assistance programs in New York State include the Family Assistance program and the Safety Net Assistance program: https://www.nycbar.org/get-legal-help/article/public-benefits/new-york-state-cash-assistance-program/.

76. NYC Human Resources Administration. HRA Charts (Cash Assistance Recipients): http://www1.nyc.gov/site/hra/about/facts.page#charts.

77. NYC Human Resources Administration. HRA Monthly Fact Sheets (December 2021): http://www1.nyc.gov/site/hra/about/facts.page#caseloads.

78. "Did The Pandemic Affect The Number Of Housing-Related One-Time Emergency Grants Made By The City?" NYC Independent Budget Office, July, 2021.

79. The number of emergency grants reported by IBO does not match the reported data of emergency grants in this report because their "analysis only includes One-Shot Deals where the household was not also receiving recurring assistance from the Human Resources Administration in addition to the emergency grant." This is a different reporting method than in publicly available HRA caseload reports.

80. Data directly from the NYS Office of Temporary and Disability Assistance, March, 2022.

81. NYC Human Resources Administration. HRA Charts (SNAP Recipients): http://www1.nyc.gov/site/hra/about/facts.page#charts. Note that the population of NYC increased by approximately 800,000 persons (10%) between 2000 and 2020.

82. NYC Human Resources Administration. HRA Charts (HRA Administered Medicaid Enrollees): http://www1.nyc.gov/site/hra/about/facts.page#charts.

83. NYC Human Resources Administration. HRA Charts (Assisted Entries to Employment): http://www1.nyc.gov/site/hra/about/facts.page#charts.

84. https://hcr.ny.gov/system/files/documents/2020/10/covid-rrp-report.pdf.

85. Press Release, Governor's Office. "Governor Cuomo Announces Highlights of FY 2022 Budget to Reimagine, Rebuild and Renew New York," April 6, 2021.

86. https://www.nysenate.gov/legislation/bills/2021/s2506/amendment/c and https://otda.ny.gov/programs/emergency-rental-assistance/#eligibility.

87. https://otda.ny.gov/programs/emergency-rental-assistance/#overview.

88. Press Release, Governor's Office. "Governor Hochul Announces New York State Requests $1.6 Billion in Additional Federal Funding for Emergency Rental Assistance." January 27, 2022.

89. https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/emergency-rental-assistance-program.

90. Press Release, Governor's Office. "Governor Hochul Announces $2 Billion in Reserve Pandemic Recovery Funding in the FY 2023 Budget." April 9, 2022

91. Data from NYC Department of Homeless Services (DHS), including DHS daily reports, DHS Data Dashboard Tables, Local Law 37 reports, and Citywide Performance Reporting reports. Note that in addition, the NYC Department of Housing Preservation and Development, the NYC Department of Youth and Community Development, and the NYC Human Resources Administration also operate emergency shelters, which house as many as 8,000-9,000 persons per night, which is not included in the totals presented in this report. These figures are not reported in order to make year-to-year data comparable.

92. Note that the population in NYC increased approximately 1.5 million persons (20%) between 1990 and 2020.

93. The decline in homelessness during an economic crisis may seem counterintuitive. By way of explanation, in the Fiscal 2021 Mayor's Management Report, DHS summarizes changes in the shelter census during the period of July of 2020 and June of 2021 as such: "The decline of families in shelter began prior to the pandemic and can be attributed, in part, to several factors: the increase in legal services funding over the last few years; an increase in payments for rent arrears and a resultant decline in evictions; and increases in subsidized housing placements since the inception of the City's rental assistance and rehousing programs in 2014. The onset of the COVID-19 pandemic was correlated with a further decline in family shelter entries, as evictions were suspended, some families may have sheltered in place, and exits to subsidized housing continued."

94. The NYC Department of Homeless Services (DHS) splits families into two groups – families with children and adult families (generally spouses and domestic partners). Approximately 83% of "families" in 2021 are families with children.

95. In the Preliminary FY 2022 Mayor's Management Report, DHS explained the decreases in permanent housing placements during the period of Jul1-October of 2021 as follows: "Exits to permanent housing declined...for families with children, in part, because there are fewer families in shelter. While DHS remains committed to finding permanent housing for shelter residents, the housing placement process has been challenging for both providers and shelter residents during the pandemic. Additionally, while higher CityFHEPS rates went into effect in September of 2021, they had been announced several months previously, which caused a temporary slowdown in new leases during the interim period. This has since started to abate.

96. Based on data from annual Mayor's Management Reports.

97. While HUD normally asks municipalities to submit both a count of sheltered and unsheltered persons, because of the COVID pandemic, they offered a waiver to respondents who deemed it unsafe to conduct an unsheltered census. However, 210 communities did conduct an unsheltered census, and HUD reports that in those communities that constitute "major cities," the number of unsheltered homeless persons decreased by 15.7% while the sheltered population in those cities fell by 12.8%. They did not provide specific information for each of these cities.

98. "The 2021 Annual Homeless Assessment Report (AHAR) to Congress: Part 1, Point-in-Time Estimates of Sheltered Homelessness." U.S. Department of Housing and Urban Development, January 2022.

99. As noted in Endnote 97, HUD did not report the count of unsheltered persons in 2021. While the number of sheltered persons in NYC far surpasses that in Los Angeles, in a typical year Los Angeles has a much higher proportion of unsheltered homeless than NYC. In 2020, there were 63,706 homeless persons reported in Los Angeles, with 46,090 of these persons unsheltered. In NYC during 2020, 77,943 homeless persons were reported, with 3,904 of these persons unsheltered.

100. "Notice of Adoption of Amendment to Title 68 of the Rules of the City of New York to Add a New Chapter 10 Establishing the City Fighting Homelessness and Eviction Prevention Supplement (CityFHEPS) Program." The City Record. September 28, 2018.

101. Press Release, NYC Department of Homeless Services. "City Proposes Single Unified Rental Assistance Program to Streamline and Simplify Rehousing Process." July 18, 2018.

102. "CityFHEPS FAQ for Clients At Risk of Entering Shelter." https://www1.nyc.gov/site/hra/help/cityfheps.page. FAQ dated 08/27/2021.

103. The program will subsidize a two-bedroom apartment for a household of either three or four persons. The guidelines from the previous year were published in the FAQ dated 9/18/2019. The current guidelines are from the most current FAQ, dated 8/27/2021.

104. Press Release, Mayor's Office. "New York City Raises Value of Rental Assistance Programs to Help More New Yorkers Secure Permanent Housing." July 31, 2021.

105. https://www.nysenate.gov/legislation/bills/2021/s6573.

106. ST-30 reports from the Civil Court of the City of New York.

107. A series of State and Federal laws prevented most evictions between the period of March 20, 2020 and January 15, 2022. https://ag.ny.gov/press-release/2022/attorney-general-james-provides-guidance-new-yorkers-following-expiration.

108. See Endnote 1.

109. Eviction data from the NYC Department of Investigation (DOI), Bureau of Auditors data. Note that eviction data is submitted to DOI by the marshals who execute the warrants. If more than one person is named on the lease for the apartment, each named tenant must have an executed warrant. In addition, there are occasionally cases where the tenant enters the apartment after a warrant is successfully executed and another warrant must be executed. A marshal may also report a separate warrant for each level of a multi-story private house. As based on individual records of evictions, as published on the NYC Open Data portal, the RGB estimates that the actual number of units that experienced an eviction 2021 was approximately 7% lower than the number of the evictions reported. Also note that it is not possible to distinguish between evictions for non-payment and holdover in the data provided to the RGB, but based on 2019 data, 81% of non-payment filings are for non-payment, and 85% of the eviction warrants issued are for non-payment.

110. While the other "quarterly" non-payment filing data presented in this report are approximate (See Endnote 1), this data is from an alternate source and defines a quarter as would be defined on a traditional calendar.

111. Statewide Landlord Tenant Eviction Dashboard. New York State Unified Court System, Division of Technology and Court Research.

112. NYC Open Data Portal: https://data.cityofnewyork.us/City-Government/Evictions/6z8x-wfk4.

113. Press Release, Mayor's Office. "Mayor de Blasio Signs Legislation to Provide Low-Income New Yorkers with Access to Counsel for Wrongful Evictions." August 11, 2017.

114. Press Release, Mayor's Office. "New York City's First-in-Nation Right-to-Counsel Program Expanded Citywide Ahead of Schedule." November 17, 2021 and NYC Council Intro 2050A-2020, enacted on May 11, 2021.

115. Press Release, Mayor's Office. "350,000 New Yorkers Receiving Free Legal Help to Fight Evictions Through Right to Counsel." December 13, 2019.

116. Annual "Universal Access to Legal Services" reports prepared by the Office of Civil Justice of the New York City Human Resources Administration for FY 2019, 2020 and 2021. Note that not all households receiving legal assistance for evictions in housing court receive full representation. Approximately 30% of households in FY 2019 and 2020 solely received help with briefs and/or advice, as did 14% of households in FY 2021.

117. https://www1.nyc.gov/content/tenantprotection/pages/tenant-resource-portal.

118. "Comments on New York City's Preliminary Budget for Fiscal Year 2023 and Financial Plan for Fiscal Years 2022-2026." Office of the NYC Comptroller. March 2, 2022.

119. "February 2022 Financial Plan Detail, Fiscal Years 2022–2026." Mayor's Office of Management and Budget. February 16, 2022.

120. "Economic and Revenue Forecast: Recovery Continues as New Threats Emerge & Past Risks Remain." New York City Independent Budget Office. March 2, 2022.

121. The full list of "Weeks" and their corresponding time periods can be found at https://www.census.gov/programs-surveys/household-pulse-survey/data.html.

Housing Supply

New York City Rent Guidelines Board

2022 Housing Supply Report

What's New

- ☑ Data from the *2021 NYC Housing and Vacancy Survey* shows that there were 1,006,000 occupied and vacant rent stabilized units, slightly higher than the number in 2017, but within the margin of error.
- ☑ Data from the *2021 NYC Housing and Vacancy Survey* shows that the NYC net rental vacancy rate is 4.54%, nearly equal to the rent stabilized vacancy rate of 4.57%.
- ☑ Permits for 19,923 new dwelling units were issued in NYC in 2021, a 1.8% increase from the prior year. In the first quarter of 2022, permits increased 38.1% as compared to the first quarter of 2021.
- ☑ City-sponsored programs spurred 24,812 new housing starts in 2021, 40% of which were newly constructed units.
- ☑ The number of housing units newly receiving 421-a exemptions decreased 3.8% in 2021, to 9,920.
- ☑ There was a 5.0% increase in the number of residential co-op or condo units accepted in 2021, to 4,673 units contained in 220 plans.
- ☑ The number of housing units newly receiving J-51 abatements and exemptions increased 279.5% in 2021, to 7,362.
- ☑ Demolitions increased 9.8% in 2021, to 1,543 buildings.

Introduction

Section 26-510(b) of the Rent Stabilization Law requires the Rent Guidelines Board (RGB) to consider the "over-all supply of housing accommodations and over-all vacancy rates" and "such other data as may be made available to it." To assist the Board in meeting this obligation, the RGB research staff produces an annual Housing Supply Report, which reports on conditions in the housing market, including vacancy and overcrowding rates; new housing production; co-op and condo conversions; demolitions; housing created through tax incentives; and government-sponsored housing starts.

Overview

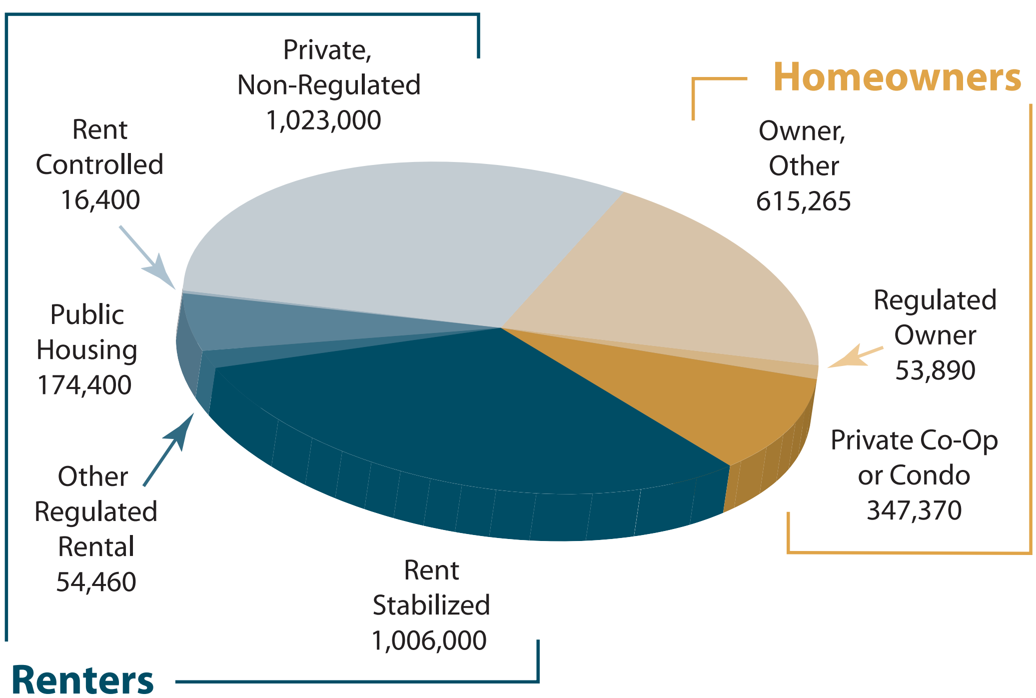
In 2021 there was a 1.8% increase in the number of permits issued for new housing units, rising to 19,923. Permits during the first quarter of 2022 rose by 38.1%, as compared to the first quarter of 2021. The number of units newly receiving 421-a benefits decreased 3.8% from 2020 levels. The number of units newly accepted in residential co-op and condo plans rose by 5.0%, with the number of plans falling by 6.4%. Rehabilitation of housing units under the J-51 tax abatement and exemption program rose during 2021, up 279.5%. The number of demolitions rose by 9.8% during 2021. As of 2021, a tight housing market also remains in New York City (NYC), with a Citywide net rental vacancy rate of 4.54% and 9.4% of all rental housing considered overcrowded.

New York City's Housing Inventory

Detailed information about the NYC housing stock can be derived from *NYC Housing and Vacancy Surveys (HVS)*, with the most recently available data from 2021. Most New Yorkers live in multi-family rental housing rather than owning

Number of Renter and Owner Units, 2021

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



Source: U.S. Bureau of the Census, 2021 New York City Housing and Vacancy Survey
Note: Above figures exclude 353,400 vacant units that are not available for sale or rent.

homes. According to the *2021 HVS*,[1] rental units comprise 69.1% of NYC's available housing stock, a far greater share than the nationwide average of 35.9%.[2] In 2021, NYC had a total of 3,644,000 housing units, the largest housing stock since the first *HVS* was conducted in 1965. NYC's housing is not only distinguished by the size of its rental housing stock, but unlike most cities, the majority of rental units are rent regulated. Of the 2,274,200 occupied and vacant rental units reported in the most recent *HVS*, 45.0% were unregulated, or "free market." The remaining units were rent regulated, including rent stabilized (44.2%); public housing (7.7%); or rent control or other various other[3] types of regulation programs (3.1%). (See pie chart on the previous page.)

The *2021 HVS* also indicated that NYC's housing market remains tight, finding a Citywide net rental vacancy rate of 4.54% in 2021, up from 3.63% in 2017, but below the maximum 5% threshold required for rent regulation to continue under State law. This translates into the availability of just 103,200 vacant units out of almost 2.3 million rental units Citywide. The net rental vacancy rate ranged from a low of 0.78% in the Bronx to a high of 10.01% in Manhattan. The net rental vacancy rate in Brooklyn was 2.73%, and the combined rate in Queens and Staten Island was 4.15%.[4]

The *HVS* is the only survey that can provide data specifically for rent stabilized or other types of units. Per the *2021 HVS*, the rent stabilized vacancy rate was 4.57% in 2021, while private, non-regulated units were vacant at a 5.29% rate.

The *2021 HVS* also found that 9.4% of all rental housing in NYC was overcrowded (defined as more than two persons per bedroom). For rent stabilized housing, the *2021 HVS* found that 13.1% was overcrowded. By comparison, in private, non-regulated housing, 7.2% was overcrowded.

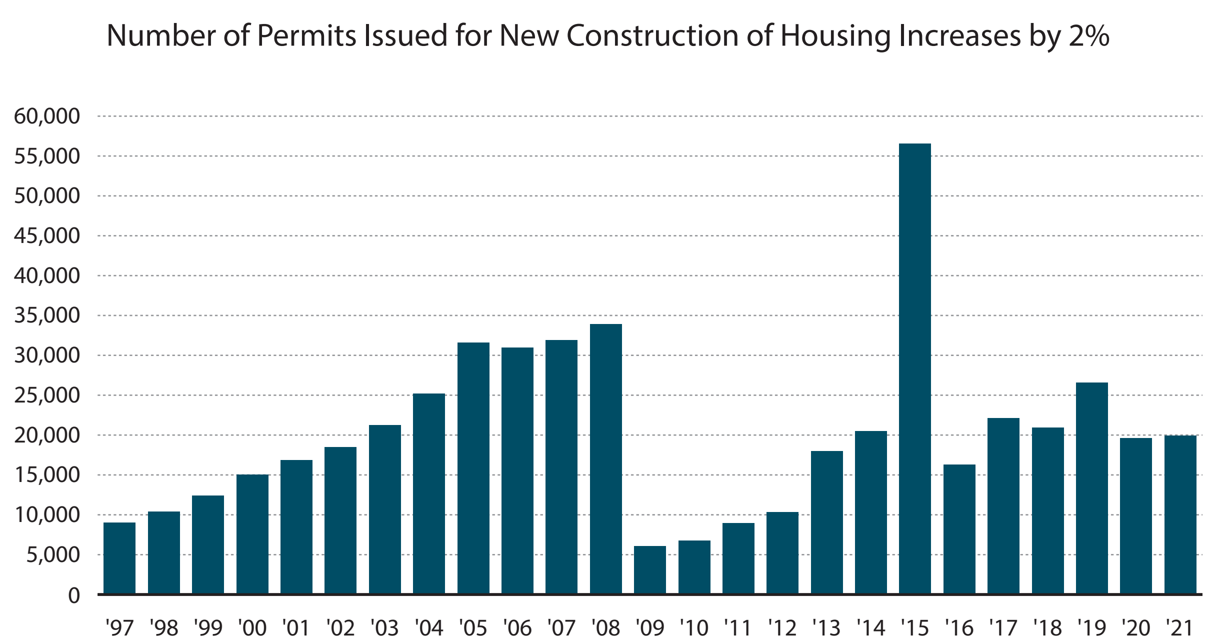
Changes in the Housing Inventory

Housing supply grows, contracts, and changes in a variety of ways — new construction, substantial rehabilitation, conversion from rental housing to owner housing, and conversion from non-residential buildings into residential use.

Housing Permits

The number of permits authorized for new construction is a measure of how many new

Units Issued New Housing Permits, 1997-2021



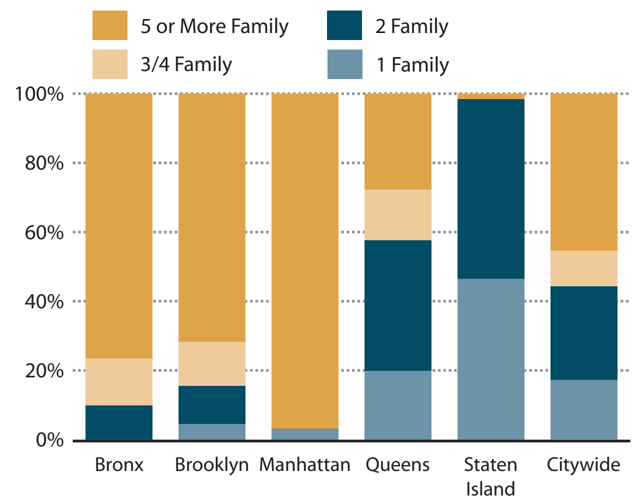
Source: U.S. Census Bureau, Building Permits Survey renter- and owner-occupied housing units will be completed and ready for occupancy, typically within three years, depending on the type of housing structure. In 2021, permits newly issued increased, as they have for 22 of the past 27 years. Following a decrease of 26.3% in 2020, in 2021 permits were issued for 19,923 units of new housing, an increase of 1.8% from 2020.[5] (See graph on the previous page.)

At the borough level, permits rose by the greatest proportion in Manhattan, increasing 66.9%, to 3,165 units. Newly issued permits also rose in the Bronx, increasing 15.5%, to 5,348 units, and rose by 3.1% in Brooklyn, to 7,013 units. However, permits fell in both Queens and Staten Island in 2021, falling 30.0% in Queens (to 4,087 units) and 24.0% in Staten Island (to 310 units). (See Appendix F.1 and the map on this page.)

Permit data can also be analyzed more deeply by looking at the reported size of the buildings receiving permits. In 2021, a total of 876 buildings received permits (containing a total of 19,923 units

Residential Building Permits, 2021

Size of Newly Permitted Buildings:
Most New Buildings in Manhattan are Five Family or More; in Staten Island One- and Two-Family Homes Predominate

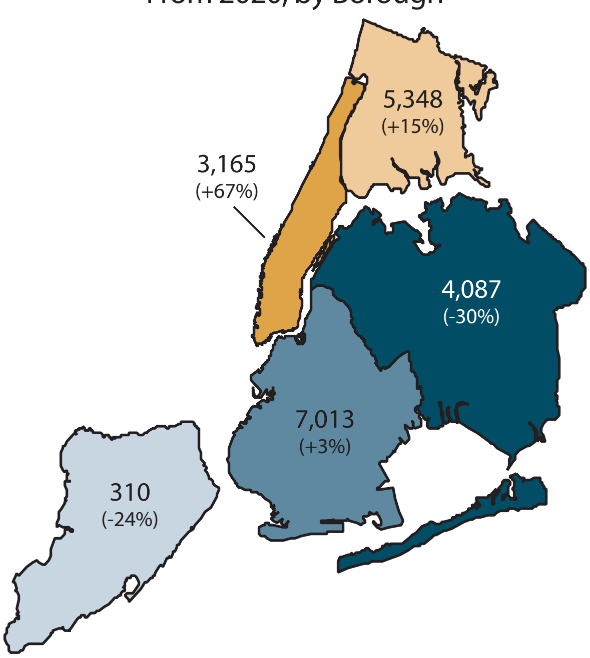


Source: U.S. Census Bureau, Building Permits Survey

of housing). Citywide, 17.2% of these buildings were single-family, 27.1% were two-family, 10.3% were three- or four-family structures, and 45.4% were buildings with five-or-more units. In 2021, 95.4% of all permits issued Citywide were for units in five-family or greater buildings (a total of 19,011 units), with the average five-family or greater building containing 48 units for the City as a whole, and 102 units in Manhattan (both increases from the prior year). As the graph on this page illustrates, almost all buildings in Manhattan were five-family or greater, while in Staten Island virtually all buildings were either one- or two-family. Building size was more evenly distributed in Queens. (See Appendix F.2.)

Residential Building Permits, 2021

Total Number of Permits Issued in 2021 and Percentage Change From 2020, by Borough



Source: U.S. Census Bureau, Building Permits Survey

Citywide, although the number of buildings newly permitted fell in 2021 (from 955 to 876), the average size of buildings newly permitted rose, from 20.5 units in 2020 to 22.7 units in 2021. While only 32 buildings were newly permitted in Manhattan, the average size of those buildings nearly doubled, rising from 49.9 units in 2020 to 98.9 units in 2021.

On a quarterly basis in 2021, permits fell in both the first and third quarter as compared to the same quarter of the prior year, with issued permits declining by 13.2% and 6.7%, respectively. However, permits rose 29.6% in the second quarter and 6.6% in the fourth quarter. For historical permit information by quarter, see Appendix F.3.

The most recently available quarterly data, from the first quarter of 2022, shows that newly issued permits were up as compared to the same period of the prior year, despite decreases in three of the five boroughs. The number of permits issued in NYC increased from 4,902 in the first quarter of 2021 to 6,769 during the first quarter of 2022, a 38.1% increase. While permits fell 29.5% in the Bronx, 67.4% in Manhattan, and 69.3% in Staten Island, they rose 113.3% in Brooklyn and 241.4% in Queens. While the number of buildings newly permitted fell from 227 in the first quarter of 2021 to 175 in the first quarter of 2022, the average size of the buildings newly permitted rose significantly, from an average of 21.6 units in the first quarter of 2021 to 38.7 units in the first quarter of 2022.

Housing Completions

The annual *Housing Supply Report* normally includes data on those housing units that completed construction in the most recent full calendar year. As of the publication of this report, completions data is not yet available for 2021. It is expected that the *2023 Housing Supply Report* will include both 2021 and 2022 data. See Appendix F.4 for completions from 1963-2020.

City-Sponsored Construction

Housing is created and preserved in part through publicly funded sources, including programs sponsored by the NYC Department of Housing Preservation and Development (HPD) and the NYC Housing Development Corporation (HDC). HPD's Office of Development operates a number of programs that develop affordable housing for low- and moderate-income New Yorkers. Programs include the Extremely Low and Low-Income Affordability Program, which is one of HPD's multi-family new construction housing initiatives, financed through both public and private sources; the Supportive Housing Loan Program, which offers loans of up to $125,000 per unit to developers of permanent supportive housing with on-site social services; and the Neighborhood Construction Program, which provides subsidies for units affordable to tenants making up to 165% of Area Median Income. HDC operates some of the same programs as HPD, in addition to programs such as the Mitchell-Lama Reinvestment Program, which offers loans to Mitchell-Lama buildings in order to make needed capital improvements, and the Neighborhood Pillars program, which provides low-interest loans and tax exemptions to acquire and rehabilitate unregulated or rent stabilized housing for low- to moderate-income households.

In May of 2014, Mayor Bill de Blasio announced details of his ten-year, $41 billion plan to build and/or preserve 200,000 units of affordable housing. "Housing New York: A Five-Borough, Ten-Year Plan" projected that 60% of the units would be preservations, and 40% would be new construction. The majority, 58%, were slated for "low-income" residents (defined at the plan's inception as $42,000-$67,000 for a family of four), with 22% geared for residents making more than this amount, and 20% for residents making less than this amount.[6]

That plan was modified and expanded in late 2017. In "Housing New York 2.0," released in November of 2017, the de Blasio administration outlined a plan to complete the promised 200,000 units of housing two years ahead of schedule, and add another 100,000 units to the goal, for a total of 300,000 affordable units by 2026. The new guidelines called for 55.5% to be affordable for "low-income" families making between 51% and 80% of Area Median Income, with 19.5% geared toward residents making more than this amount, and 25.0% for residents making less than this amount. The plan also created new programs aimed at increasing affordable housing for seniors, preserving Mitchell-Lama housing, and creating more micro units.[7]

As part of Housing New York 2.0, HPD- and HDC-sponsored programs spurred a total of 24,812 housing starts[8] in 2021, a 16.0% decrease over the prior year. Of these starts, 14,833 (59.8%)

were preservation, and 9,979 (40.2%) were new construction.[9]

During Mayor de Blasio's tenure (2014-2021), his administration reported it had financed a total of 202,834 units of affordable housing, 67% preservation and 33% new construction. Of the total units financed, 34% of the starts were located in the Bronx, with 26% located in Brooklyn, 25% in Manhattan, 13% in Queens, and 2% in Staten Island. By affordability level, 16% of the starts were aimed at extremely low-income households, 30% at very low-income households, 38% at low-income households, 6% at moderate-income households, and 10% at middle-income or higher households.[10] Just over 30,000 of these units (15% of the total) were dedicated to special needs populations (the homeless and seniors).

Tax Incentive Programs

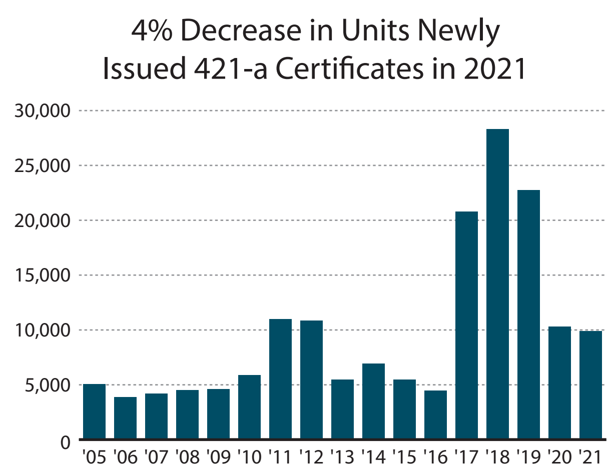
The City offers various tax incentive programs to promote the development of new housing. One such program is the 421-a tax exemption program, which began in the early 1970s. While there have been various iterations of the program over the years, all have allowed both renter- and owner-occupied multifamily properties to reduce their taxable assessed value for the duration of the benefit period. That is, owners are exempt from paying additional real estate taxes due to the increased value of the property resulting from the new construction. Rental apartments built with 421-a tax exemptions are subject to the provisions of the Rent Stabilization Laws during the exemption period. Requirements call for initial rents to be approved by HPD at the completion of construction (when obtaining certification), and units are then subject to rent adjustments established by the NYC Rent Guidelines Board.

A variety of factors are used to establish the level and period of 421-a benefits, and properties are also subject to construction guidelines. Per State law, these guidelines are also subject to change over time as the program expires and is reauthorized.

The latest iteration of the 421-a program (also known as the Affordable New York Housing Program, and which is available to projects that commence construction between January 1, 2016 and June 15, 2022) stipulates that rental developments with 300 units or more in Manhattan (south of 96th Street) and the Brooklyn and Queens waterfront will be eligible for a full property tax abatement for 35 years if the development creates one of three options for affordable rental units and meets newly established minimum construction wage requirements. The units must remain affordable for 40 years. For all other rental developments in NYC utilizing the tax benefit, the full tax exemption benefit period is 25 years, with a phasing out of benefits in years 26-35. For developers who use the benefit program to build co-op or condo housing, the building must contain no more than 35 units, be located outside of Manhattan, and have an assessed value of no more than $65,000 per unit. The benefit lasts for a total of 20 years, with a full exemption for the first 14.[11]

At the end of construction, buildings applying to receive 421-a benefits are required to file for a Final Certificate of Eligibility (FCE) with HPD. In 2021, the number of housing units in buildings newly receiving a 421-a FCE decreased for the third consecutive year (see graph on this page and Appendices F.7 and F.8). Newly certified 421-a units fell 3.8% in 2021, to 9,920 units, the fewest number of units since 2016.[12] At the borough level, newly

Units Newly Receiving 421-a Certificates, 2005-2021



Source: NYC Dept. of Housing Preservation and Development certified units fell 49.3% in the Bronx, 36.5% in Queens, and from 73 to zero units in Staten Island. However, they rose 59.6% in Manhattan and 42.7% in Brooklyn.

Citywide, the majority of 421-a units newly certified in 2021 (5,313) were in buildings located in Brooklyn, with 53.6% of the total units in the City. The Bronx (1,744 units) had 17.6% of these units; Manhattan (1,507 units) had 15.2%; Queens (1,356 units) had 13.7%; and no units were newly certified in Staten Island. The size of the average building in Manhattan, 69 units, was larger than that in the outer boroughs, where both Brooklyn and Queens had an average building size of 21 units, and the Bronx had an average of 26 units.

More than 83% of newly certified 421-a units in 2021 were rental units. Citywide, the number of 421-a rental units fell 12.2% in 2021. By borough, newly certified rental units fell in Queens, by 59.6%; in the Bronx, by 41.8%; and in Staten Island, from 73 units to zero units. However, the number of newly certified rental units increased 25.2% in Brooklyn and 43.9% in Manhattan. The number of 421-a owner-occupied units, which comprised 17% of all newly certified units in 2021, rose 84.4% in 2021.

In FY 2022, 219,871 units will benefit from 421-a exemptions, including 137,000 rental units; 47,000 co-op and condo units; and 35,000 1-3 family and mixed-use structures. It is estimated that the 421-a program will cost the City $1.8 billion in lost tax revenue for all housing types in FY 2022.[13]

In order to be eligible for tax benefits, properties must register for an FCE with HPD on the completion of construction. HPD now notifies non-compliant owners that their benefits will be suspended if they do not apply for an FCE. HPD estimates that approximately 77% of the properties receiving an FCE in 2017 were due to prior compliance issues, as were 73% of the properties in 2018, 71% of the properties in 2019, 15% of the properties in 2020, and 30% of the properties in 2021.[14]

Note that the current iteration of the 421-a program expires on June 15, 2022, and as of the publication of this report, has not been either renewed or replaced by a similar program.

Another affordable housing program, the New York State Mitchell-Lama program, has experienced a reduction of units since "buyouts"[15] from the program began in 1985. Between 1955 and 1978, approximately 140,000 units of low- and middle-income housing were built in NYC through this tax-break and mortgage subsidy program. Since buyouts began in 1985, the City has lost approximately 48,000 units of Mitchell-Lama housing (including 4,000 units of hospital/university staff housing), although some of the lost units have transitioned to rent stabilization. After averaging an annual loss of more than 5,000 units between 2004 and 2007, the pace has slowed considerably. In 2021, for the second consecutive year, no developments left the Mitchell-Lama program.[16]

A law passed in December of 2021 will now make it more difficult for Mitchell-Lama co-ops to leave the program. The law now requires that 80% of residents (up from 67%) approve of any buyout plan and no vote regarding dissolution may occur within five years following a failed vote of a buyout plan.[17]

Conversions and Subdivisions

Housing units are both gained and lost through subdivisions and conversions. Subdivisions involve the division of existing residential space into an increased number of units. Non-residential spaces, such as offices or other commercial spaces, can also be converted for residential use, or existing residential spaces can be converted into a smaller number of units by combining units to increase their size. As chronicled in prior Housing Supply Reports, during the mid-2000s, with a tight housing market and high demand for luxury apartments, there were an increasing number of non-residential conversions in neighborhoods Citywide. Conversions occurred in facilities as diverse as hospitals, recording studios, power plants, office buildings, and churches.

One indicator of conversions is the number of non-residential buildings newly receiving J-51 benefits for conversion to residential use. In 2021, for the fifth consecutive year, no formerly non-residential buildings received J-51 benefits for conversion to a residential property.[18]

Conversion of distressed hotels and commercial office properties may increase in the coming years with the passage of the "Housing Our Neighbors with Dignity Act," enacted into NYS law in August of 2021. The law provides a mechanism for the State to finance the acquisition of distressed hotels and commercial office properties by nonprofit organizations for the purpose of maintaining or increasing affordable housing. All properties converted through this program will remain permanently affordable, and dependent on jurisdiction, subject to rent stabilization. At least 50% of all converted properties will be set aside for individuals and families experiencing homelessness. The remaining units will be set aside for people earning up to 80% of the area median income.[19] The program was funded with $100 million in State funding, which was not allocated in FY 2022. That funding, in addition to another $100 million, was included in the NYS FY 2023 budget.[20]

Proposed NYS legislation would make it easier to convert properties eligible for conversion through the "Housing Our Neighbors with Dignity Act" (see above). The bill amends the multiple dwelling law in order to authorize certain Class B hotels to also be used for permanent residency. By allowing these properties to retain their current Certificate of Occupancy, the conversion can bypass the land use review processes normally required under City laws. The bill requires these units to be used for affordable housing and subject to rent stabilization laws. As of the publication of this report, the bill has been passed by the NYS Senate, and is awaiting passage by the Assembly.[21]

Cooperative and Condominium Activity

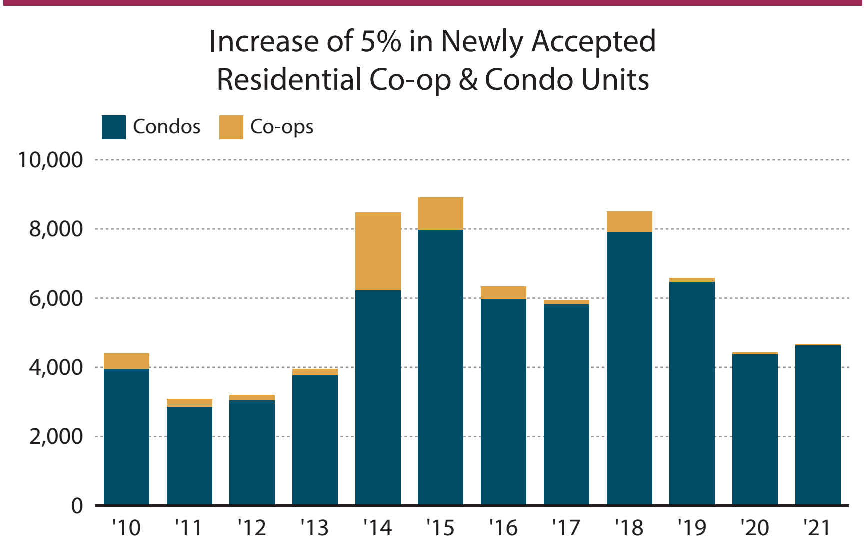
Developers planning to build new co-op or condo buildings, and owners wishing to convert their rental buildings to co-ops or condos, must file plans with, and receive acceptance from, the New York State Attorney General's Office. In 2021, the Attorney General accepted 220 residential co-op and condo plans, a 6.4% decrease from the number accepted in 2020.[22] These 220 plans contain 4,673 residential housing units, an increase of 5.0% from 2020 (see graph on this page).

Just over two-thirds of all plans, 148, were accepted for buildings located in Brooklyn, 38 were accepted for Manhattan, 33 were accepted for Queens, and one was accepted in the Bronx. The greatest number of units were located in Brooklyn, with 1,683 units accepted during 2021. Manhattan had the second highest number of units, 1,529, and Queens had 1,458. There were just three units in the Bronx (See Appendices F.5 and F.6.)

The majority of the plans accepted Citywide in 2021 were for new construction, comprising 183 of 220 plans, and a total of 4,160 of 4,673 units. Newly accepted co-op and condo plans also included rehabilitations (with 33 plans and 161 units), and non-eviction conversions (with four plans and 352 units). Of all the newly accepted plans in 2021, 99.0% of the units were condos, and 1.0% were co-ops (see graph on this page).

While the conversion of rental housing into co-op and condo units increases the housing inventory for sale, it simultaneously reduces the

Newly Accepted Residential Co-op and Condo Units, 2010-2021



Source: NYS Attorney General's Office, Real Estate Finance Bureau total number of housing units for rent. Conversions represented 7.5% of the total number of units in 2021 co-op and condo plans, a smaller proportion than the 17.1% share in 2020. Because most conversion plans are non-eviction plans (including all plans in 2021), only when the original rental tenant moves out, or opts to buy the apartment, does the apartment potentially become owner-occupied and removed from the rental stock.

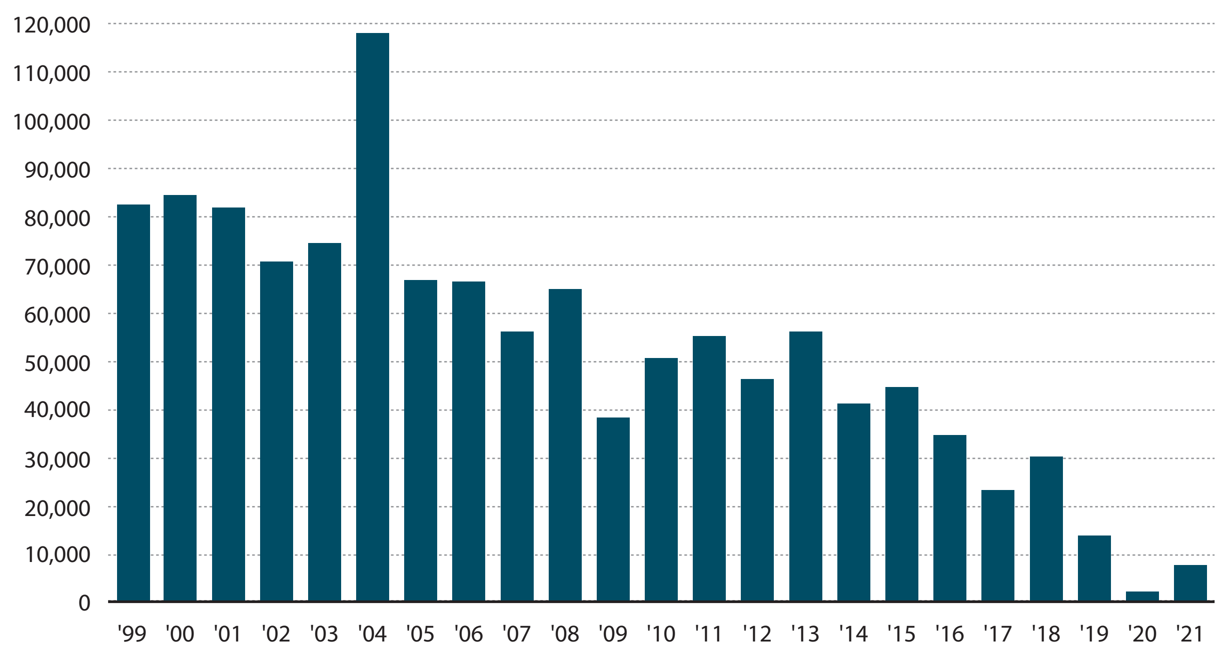
Rehabilitation

Another method for adding to, or preserving, the City's residential housing stock is through rehabilitation of older buildings. As buildings age, they must undergo rehabilitation to remain habitable. This is particularly true with NYC's housing stock, where up to 56% of units are in buildings constructed prior to 1947.[23] Through tax abatement and exemption programs offered by the City for rehabilitation, units are able to remain in, or be readmitted to, the City's housing stock. For almost sixty years, the J-51 tax abatement and exemption program has encouraged the periodic renovation of NYC's stock of both renter- and owner-occupied housing.

The J-51 tax relief program is similar to the 421-a program in that it requires that rental units be subject to rent stabilization for the duration of the benefits, regardless of the building's regulation status prior to receiving tax benefits. Rehabilitation activities that are permitted under J-51 regulations are Major Capital Improvements (MCIs); moderate and gut rehabilitation of both government-assisted and privately-financed multiple dwellings (which requires significant improvement to at least one major building-wide system); as well as improvements to co-ops and condos (subject to certain assessment guidelines if the project does not include substantial governmental assistance). While prior iterations of the J-51 program allowed for conversion of lofts and non-residential buildings into multiple dwellings, regulations effective January 1, 2012 allow only for conversions if there is substantial governmental assistance.[24] While it was reported in last year's *Housing Supply Report*

Units Receiving Initial J-51 Benefits, 1999-2021

2021 Saw an 279% Increase in Number of Units Newly Receiving J-51 Benefits



Source: NYC Department of Housing Preservation and Development that the J-51 program had expired for all work completed after June 29, 2020, legislation later extended this date to June 29, 2022.[25]

In 2021, 7,362 units newly received J-51 benefits, an almost four-fold increase (279.5%) from the previous year. While a large increase from 2020 levels, this is the second smallest number of units since at least 1988, the first year for which data is available (see graph on the previous page and Appendix F.8).[26] Almost 76% of these units (5,588) are rental units, which increased at a faster pace, 367.2%, than that of owner units, 138.4%. In total, the newly certified units were contained in 241 buildings (60% of which were rental buildings), an increase of 78.5% from 2020 levels. In addition, the average size of the buildings receiving benefits more than doubled, from 14.4 units in 2020 to 30.5 units in 2021.

By borough, the location of the units newly receiving benefits ranged from 36.8% located in Queens, to 36.7% in the Bronx, 22.9% in Brooklyn, 3.6% in Manhattan, and none in Staten Island. Units newly receiving benefits rose in every borough except Staten Island. Units increased by 94.2% in Manhattan, 185.9% in Brooklyn, 297.4% in Queens, and 408.3% in the Bronx. For the third consecutive year there were no units newly certified in Staten Island. (See Appendices F.7 and F.8.)

In FY 2022, the J-51 tax program will cost the City $272.5 million in lost tax revenue for 364,023 units, including approximately 194,000 rental units; 168,000 co-op and condo units; and 1,700 1-3 family and mixed-use structures.[27]

Rehabilitation work is also carried out through HPD's "Alternative Enforcement Program (AEP)," now in its fifteenth year of identifying the 200-250 "worst" buildings in the City, based on housing code violations.[28] The most recent group of 250 buildings include 5,104 units of housing, with 8,327 nonhazardous Class A violations, 21,821 hazardous Class B violations, and 9,442 immediately hazardous Class C violations. If building owners in this program do not make repairs to their buildings, the City steps in to do so, and then charges the owners. Through the first fourteen rounds of the program, after successfully correcting the required number of violations, the City discharged 2,654 of 3,137 buildings that entered the program, with a combined total of almost 39,000 units of housing.[29]

Tax-Delinquent Property

Historically, the City foreclosed on thousands of tax-delinquent residential properties, becoming the owner and manager of these buildings, known as *in rem* properties. By its peak in 1986, the City owned and managed 4,000 occupied buildings containing 40,000 units of housing and almost 6,000 vacant buildings containing 55,000 units of housing.

HPD's Alternative Management Programs began in 1994 with the goal of returning City-owned properties to private owners and reducing its share of *in rem* buildings by identifying buildings at risk and helping owners. HPD has successfully reduced the number of occupied and vacant *in rem* and eminent domain units in HPD central management to 223 through June of 2021, a 12.2% decline from the prior FY and a 99.5% decline since FY 1994.[30] Key initiatives to prevent abandonment have included tax lien sales; the Third Party Transfer Program, which targets distressed and other buildings with tax arrears;[31] and housing education courses, which teach owners and superintendents basic management, maintenance, and finance skills to improve their properties.[32]

Beginning in 1996, the City instituted programs for properties that are either tax delinquent or in arrears for water and sewer charges that allowed it to bypass the direct foreclosure of such properties. Until the tax lien sale program expired legislatively on February 28, 2022, instead of foreclosing and taking title to properties in arrears to the City, it sold tax liens for properties that are not distressed in bulk to private investors. Owners in arrears were given 90 days notice to pay the arrears, and avoid having the lien sold to private investors. After the lien was sold, the lien holder was entitled to collect the entire lien amount, plus other interest and charges, from the property owner. In addition, the property owner was required to pay current taxes to the City. If the owner had not paid the lien or entered into a payment plan, the lien holder could file for foreclosure on the property.[33] The Lien Sale Task Force, a task force authorized by law to review and evaluate the Lien Sale Program, reported in September of 2016 that between 2008 and 2016, an average of 25,100 properties were added to the lien sale list annually. But the number of liens actually sold was an annual average of 4,600, or 18.3% of the liens published on this list. Of the 41,400 liens sold during this period, just 354 (0.8%) ultimately went into foreclosure, with less than half of these foreclosed properties being residential.[34]

The 2020 sale, originally scheduled for May 15, 2020, was postponed six times before being officially canceled in May of 2021. However, the City Council passed a law in early 2021 renewing the sale for one year, with programmatic changes and a requirement for a task force to study the feasibility of transferring overdue taxes to community land trusts, land banks and mutual housing associations.[35] Among the changes enacted in the 2021 law, one provision exempted properties whose owners have 10 or fewer units, one of which was the owner's primary residence, and who could demonstrate financial hardship from the pandemic. The 2021 lien sale was held on December 17, 2021. The sale included only those liens for property taxes and charges (water and sewer liens were not included). While more than 11,000 properties were on the preliminary lien sale list as of 90 days prior to the sale, the City ultimately sold 2,841 liens.[36] The legislation authorizing the lien sale program expired on February 28, 2022 and has not been renewed by the City, as of the publication of this report. The above referenced task force met in October of 2021 to receive comments on ideas that had been proposed to it, but failed to issue a final report.[37]

An additional facet of the City's anti-abandonment strategy is third party transfer. For buildings that are distressed and in tax arrears, the City can initiate an *in rem* tax foreclosure action against property owners. The policy, authorized under Local Law 37 of 1996, transfers the title of *in rem* properties directly to new owners (qualified third parties) without the City ever taking title itself.[38] Since it began in 1996, the NYC Department of Finance has collected at least $536 million in revenue associated with properties in this program, and approximately 591 buildings have been transferred to for-profit and non-profit owners, including 61 during the most recent round, Round 10.[39] Following a City Council oversight hearing,[40] Round 11 was put on hold as a working group, comprised of elected officials, nonprofits, advocates, and community stakeholders reviewed the program. The working group met four times between 2019 and 2021 and issued a final report in November of 2021 that recommended changes for the program going forward. Among the recommendations, the working group called for more proactive outreach, including more coordination with organizations such as community-based organizations and elected officials; additional mailings and in-person engagement; the creation of a "Citywide Homeowner Helpdesk," which will, among other responsibilities, assist owners of 1-4 unit homes with accessing government resources, such as payment plans, as well as provide counseling on housing, financial, and legal issues; expanding and/or developing low-cost financial assistance programs for homeowners; and the creation of an "Owner Resource Center" for multifamily properties to help navigate government programs and obtain financial assistance.[41] As of the publication of this report, Round 11 remains on hold.[42]

Demolitions

Per data from the NYC Department of Buildings, a total of 1,543 buildings were demolished in 2021, a 9.8% increase over the prior year.[43] By borough, 34.0% of all the buildings demolished in 2021 were in Brooklyn (525 buildings), while 29.9% (461 buildings) were in Queens, 15.2% (235 buildings) in the Bronx, 13.2% (203 buildings) in Staten Island, and the lowest proportion, 7.7% (119 buildings) in Manhattan. Demolitions rose in every borough but Manhattan during 2021, rising by the greatest proportion in Brooklyn, where demolitions rose by 16.7%. They also rose by 13.5% in Queens, 8.0% in Staten Island, and 1.7% in the Bronx. However, demolitions fell by 8.5% in Manhattan. (See Appendix F.9.)

Summary

In 2021, housing permits rose, increasing by 1.8%. The number of units newly receiving 421-a tax benefits fell 3.8% in 2021, while units newly receiving J-51 tax abatements and exemptions rose by 279.5%. There was an increase in newly accepted co-op and condo units, with residential units increasing 5.0% and plans decreasing by 6.4%. Rental housing availability remains tight, with the *2021 HVS* reporting a Citywide vacancy rate of 4.54%, and 9.4% of rental units overcrowded. ❒

Endnotes

1. The NYC Housing and Vacancy Survey is conducted every three to four years and is sponsored by the NYC Department of Housing Preservation and Development (HPD) and conducted by the U.S. Census Bureau. Data is based on "2021 New York City Housing and Vacancy Survey Selected Initial Findings," prepared by HPD and released on May 16, 2022, in addition to select data given directly to the RGB from HPD.

2. The U.S. housing stock was comprised of 35.9% renter-occupied units, according to the 2019 American Community Survey, conducted by the U.S. Census Bureau, the most recently available data. To calculate both the ratio of renter-occupied units in NYC and the U.S., staff did not include vacant units that are not for sale or for rent in the total number of housing units.

3. The 2021 NYCHVS identified units as "other regulated renter" based on administrative records for Mitchell Lama rental units; affordable rental units financed by New York State or NYC HPD or HDC that were not otherwise classified as rent stabilized; units under the supervision of the NYC Loft Board; and *in rem* units, in addition to self-report about the unit and occupant.

4. Per Endnote 16 in the "2021 New York City Housing and Vacancy Survey Selected Initial Findings," prepared by HPD and released on May 16, 2022: "There were too few units to report the net rental vacancy rate of Staten Island on its own. It was therefore combined with Queens so as to avoid suppression of multiple estimates. It was combined with Queens because both boroughs have high homeownership rates and comprise many small buildings."

5. U.S. Census Bureau: https://www.census.gov/construction/bps/.

6. "Housing New York: A Five-Borough, Ten-Year Plan." NYC Dept. of Housing Preservation and Development. May 5, 2014.

7. "Housing New York 2.0." NYC Department of Housing Preservation and Development. November 15, 2017. See https://www1.nyc.gov/site/hpd/services-and-information/area-median-income.page for current AMI data.

8. Starts refer to the number of units beginning construction or rehabilitation in a given period.

9. Housing New York By the Numbers: https://www1.nyc.gov/site/hpd/about/the-housing-plan.page; accessed May 2022, with data through 12/31/2021.

10. Per "Housing New York 2.0," Extremely Low-Income is defined as 0-30% of Area Median Income (AMI); Very Low-Income, 31-50% of AMI; Low-Income, 51-80% of AMI; Moderate-Income, 81-120% of AMI; Middle-Income, 121-165% of AMI. Current AMIs can be found at: https://www1.nyc.gov/site/hpd/services-and-information/area-median-income.page.

11. Program information available at: https://www1.nyc.gov/site/hpd/services-and-information/tax-incentives-421-a.page.

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

13. "Annual Report on Tax Expenditures." NYC Department of Finance. February 2022.

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

15. Developments are eligible to withdraw from the Mitchell-Lama program (buyout), after 20 years upon repayment of the mortgage (or after 35 years in the case of developments aided by loans prior to May 1, 1959).

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

17. NYS Legislation A07272/S06412.

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

19. NYS Legislation A6593B/S5257C.

20. Press Release, NYS Senate. "New York State Budget Provides for Huge Investments in Housing." April 12, 2022.

21. NYS Senate Bill S4937C.

22. NYS Attorney General's Office, Real Estate Financing Bureau data. For the purposes of this report, "accepted" refers only to those co-op and condo plans that require offering plans. Those that do not, and receive a "no-action" letter from the NYS Attorney General's office, are not included in this data. Within the 2021 data there are five residential plans (with 43 residential units) that have been accepted for filing but have outstanding deficiencies. The information entered for these plans was entered upon processing of the initial submission of the offering plan, so some of the data may be outdated and/or incomplete Not included in the 2021 data are three plans that were accepted, but subsequently "abandoned" by the owners.

23. "2021 New York City Housing and Vacancy Survey Selected Initial Findings." NYC Department of Housing Preservation and Development. May 16, 2022

24. NYC Department of Housing Preservation and Development: https://www1.nyc.gov/site/hpd/services-and-information/tax-incentives-j-51.page.

25. NYC Council Int 2476-2021.

26. NYC Department of Housing Preservation and Development, Tax Incentives Program data. Note that, similar to the 421–a program, J-51 provides tax incentives to both renter- and owner-occupied units.

27. "Annual Report on Tax Expenditures." NYC Department of Finance. February, 2022.

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

New York City Rent Guidelines Board

Changes to the Rent Stabilized Housing Stock in NYC in 2021

What's New

☑ The study finds a net estimated gain of 1,015 rent stabilized units in 2021.

☑ Since 1994, New York City's rent stabilized housing stock has seen an approximate net loss of 146,650 units.

☑ Additions to the stabilized housing stock in 2021 grew by 50% from the prior year.

☑ Subtractions from the stabilized housing stock in 2021 fell 18% from the prior year.

☑ Most additions to the rent stabilized stock in 2021 were due to the 421-a tax incentive program, accounting for 93% of the additions.

☑ The median rent of initially registered rent stabilized apartments in 2021 was $2,295, an increase of 4% from the prior year.

☑ The majority of measured subtractions from the rent stabilized housing stock were in either the 421-a or "Other" categories, accounting for a total of 81% of the units removed in 2021.

☑ With passage of the Housing Stability & Tenant Protection Act (HSTPA), no units were removed from rent stabilization due to High-Rent Vacancy or High-Rent High-Income Deregulation in 2021.

Overview

Rent regulation has been a fixture in New York City's housing market for close to 80 years, although the laws that govern rent regulated housing have been substantially changed over time. The laws governing rent regulation allow for dynamic changes in the regulatory status of a significant portion of the rent regulated housing stock in any given year. Units enter, exit, or change status within the regulatory system.

The figures in this study represent additions and subtractions of dwelling units to and from the rent stabilization system in 2021. These statistics are gathered from various City and State agencies.

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

Additions to the Rent Stabilized Housing Stock

Since newly constructed or substantially rehabilitated units are exempt from rent regulation, increases to the regulated housing stock are frequently a result of owners placing these new units under rent stabilization in exchange for tax benefits. These owners choose to place units under rent stabilization because of cost/benefit analyses concluding that short-term regulation with tax benefits is more profitable than free market rents without tax benefits. According to NYS Homes and Community Renewal (HCR), the median legal rent of initially registered rent stabilized apartments in 2021 was $2,295, a 4% increase from the prior year. (See Appendix G.3 for initially registered rents Citywide and by borough.) Programs and events that lead to the addition of stabilized units include:

- Section 421-a Tax Exemption Program
- J-51 Property Tax Exemption and Abatement Program
- Mitchell-Lama buyouts
- Lofts converted to rent stabilized units
- Rent controlled apartments converting to rent stabilization
- Other additions

Section 421-a and J-51 Programs

The NYC Department of Housing Preservation and Development (HPD) administers programs to increase the supply of rental housing. Two of these programs have an impact on the inventory of stabilized housing: the Section 421-a Program and the J-51 Program. Under Section 421-a of the Real Property Tax Law, newly constructed dwellings in New York City could elect to receive real estate tax exemptions in exchange for placing units in rent stabilization for a specified period (up to 40 years). In 2021, an estimated total of 6,007 units were added to the rent stabilized stock through the 421-a program, an increase of 49% over the prior year. The largest proportion of units was in Queens (42%); followed by the Brooklyn (30%); the Bronx (24%); and Manhattan (4%). None were added on Staten Island. According to HCR, the median legal rent of currently registered rent stabilized apartments receiving 421-a tax abatements in 2021 was $3,364, an increase of 3% from the prior year.

The J-51 Program provides real estate tax exemptions and abatements to existing residential buildings that are renovated or rehabilitated. This program also provides these benefits to residential buildings converted from commercial structures. In exchange for these benefits, owners of these buildings agree to place under rent stabilization those apartments that otherwise would not be subject to regulation. The apartments remain stabilized, at a minimum, until the benefits expire. In 2021, 76 units were added to the rent stabilized stock through the J-51 program, up from 67 added in the prior year. (See Appendices G.1 and G.2.)

Mitchell-Lama Buyouts

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

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

In 2021, no Mitchell-Lama rental units became rent stabilized, the same as in the prior year. Since 1994, 11,746 rental units have left the Mitchell-Lama system and become a part of the rent stabilized housing stock. (See Appendices G.1 and G.2.)

Loft Units

The New York City Loft Board, under Article 7-C of the Multiple Dwelling Law, regulates rents in buildings originally intended as commercial loft space that have been converted to residential housing. When the units are brought up to code standard, they may become stabilized. A total of 11 units entered the rent stabilization system in 2021, compared to 36 the prior year. (See Appendices G.1 and G.2.)

Changes in Regulatory Status

Chapter 371 of the Laws of 1971 provided for the decontrol of rent controlled units that were voluntarily vacated on or after July 1, 1971. Since the enactment of vacancy decontrol, the number of rent controlled units has fallen from over one million to roughly 16,400.[1] With passage of the Housing Stability & Tenant Protection Act (HSTPA) of 2019, effective June 14, 2019, when a rent controlled unit is vacated, it becomes rent stabilized when it is contained in a rental building with six or more units. Prior to passage of the HSTPA, only if the incoming tenant paid a legal regulated rent that was less than the Deregulation Rent Threshold (most recently, $2,774.76 per month) did the unit become rent stabilized.[2] This process results in a reduction of the rent controlled stock and an increase in the rent stabilized stock. Otherwise, the apartment was subject to deregulation and left the rent regulatory system entirely.

According to rent registration filings with NYS Homes and Community Renewal (HCR), 244 units were decontrolled and became rent stabilized in 2021, a 67% increase from the 146 units decontrolled the prior year. By borough, 63% of the units were in Manhattan; 17% were in Brooklyn; 13% were in Queens; and 8% were in the Bronx.[3] There were none on Staten Island. (See Appendices G.1 and G.2.)

Other Additions to the Stabilized Housing Stock

Several other events can increase the rent stabilized housing stock: tax incentive programs (other than the 421-a and J-51 programs); "deconversion;" returned losses; and the sub-division of large units into two or more smaller units. The 420-c program, a tax exemption program for low-income housing projects developed in conjunction with the Low-Income Housing Tax Credit Program, produces affordable housing with rents that are regulated, but not necessarily rent stabilized.[4] The RGB is unable to quantify the number of these units that became rent stabilized.

However, there are other tax incentive programs, which as part of their regulatory agreements may require their rental units to be rent stabilized, and whose stabilization status could be determined. These tax incentive programs include Articles 11, 14, and 15 of the Private Housing Finance Law (PHFL). They added 101 units in 2021, compared to none the prior year.[5]

Deconversion occurs when a building converted to cooperative status reverts to rental status because of financial difficulties. Returned losses include abandoned buildings that are returned to habitable status without being substantially rehabilitated, or City-owned *in rem* buildings being returned to private ownership. These latter events, as well as the subdivision of large units, do not generally add a significant number of units to the rent stabilized stock but cannot be quantified for this study in any case.

Subtractions from the Rent Regulated Housing Stock

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

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

High-Rent High-Income Deregulation

With passage of the Housing Stability & Tenant Protection Act (HSTPA) of 2019, effective June 14, 2019, occupied apartments can no longer be deregulated. However, prior to that date, with enactment of the Rent Regulation Reform Act of 1993 (RRRA), apartments renting for $2,000 or more in which the tenants in occupancy had a combined household income more than $250,000 in each of the immediately two preceding calendar years could be deregulated. In 1997, the RRRA reduced the income threshold to $175,000. Fourteen years later, with passage of the Rent Act of 2011, the rent threshold was raised to $2,500 and the income requirement increased to $200,000.

The passage of the Rent Act of 2015, effective June 15, 2015, maintained the same income requirement but modified the Deregulation Rent Threshold (DRT) for High-Rent High-Income Deregulation. The DRT was increased to $2,700 and was adjusted each January 1st thereafter by the one-year renewal lease guideline percentage issued the prior year by the Rent Guidelines Board. Prior to passage of the HSTPA, the DRT was $2,774.76. (See Endnote 2.)

Deregulation could occur upon application by the owner and upon the expiration of the rent stabilized lease. This income-based deregulation process, which was administered by HCR, relied upon data furnished to the NYS Department of Taxation and Finance as part of the income verification process. Both the rent level and household income criteria should have been met for deregulation to take place. For example, most recently, if a household earned at least $200,000, but paid less than $2,774.76 per month, rent regulation would remain in effect. In addition, the owner must have applied to HCR to deregulate the unit. If the owner did not submit a deregulation application, the occupying tenant remained regulated regardless of rent level and household income. Because HCR must have approved the orders of deregulation, an exact accounting exists of units leaving regulation because of High-Rent High-Income Deregulation.

In total, 6,662 units were deregulated since 1994 due to High-Rent High-Income Deregulation. (See Appendix G. 4.)

High-Rent Vacancy Deregulation

With passage of the Housing Stability & Tenant Protection Act (HSTPA) of 2019, effective June 14, 2019, high-rent vacancy deregulation is no longer permitted. Prior to that date, however, when a tenant moved into a vacant apartment and the rent had lawfully reached the Deregulation Rent Threshold (as discussed above), the apartment qualified for permanent High-Rent Vacancy Deregulation.

In 1993, the New York State legislature instituted High-Rent Vacancy Deregulation, provisions of which have changed several times since its inception.[6] (See the *Changes to the Rent Stabilized Housing Stock in NYC in 2014* report for a detailed discussion of the numerous changes over the years.)

Furthermore, HCR's Rent Code Amendments of 2014 required an owner to serve the first deregulated tenant with two documents. The first was a notice created by HCR detailing the previous rent and how the new rent was calculated. The second was the HCR annual apartment registration, indicating the apartment status as permanently exempt, which should have been filed on the April 1st following the deregulation. These documents notified the tenant of the right to file a formal complaint with HCR challenging the rent and the deregulation status.

In total, at least 170,386 units were registered with the HCR as being deregulated due to High-Rent Vacancy Deregulation since 1994. (See Appendix G.5.)

Cooperative & Condominium Conversions

When rent regulated housing is converted through cooperative or condominium conversion to ownership status, apartments are immediately removed from rent regulation if the occupant chooses to purchase the unit.

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

In 2021, a total of 480 units located in co-ops or condos left the stabilized housing stock, one fewer than the 481 units removed the prior year. By borough, the largest proportion of units leaving rent stabilization and becoming co-op/condo was in Manhattan, with 37% of the units; followed by Brooklyn (30%); Queens (24%); and the Bronx (9%). In addition, one unit was on Staten Island. An estimated total of 51,992 co-op or condo units have left the stabilized stock since 1994. (See Appendices G.6 and G.7.)

Expiration of Section 421-a and J-51 Benefits

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

In 2021, expiration of 421-a benefits resulted in the removal of 1,959 units from the rent stabilization system, a 4% increase over the prior year. Most 421-a expirations were in Manhattan (85%), while the remainder were in Brooklyn (9%); Queens (6%); the Bronx (1%); and Staten Island (fewer than 1%). (See Endnote 3.)

The expiration of J-51 benefits in 2021 resulted in the removal of 397 units, a 12% increase from the prior year. Among J-51 expirations, the majority were in Manhattan, with 63%; followed by Brooklyn (25%); Queens (7%); and the Bronx (5%). There were none on Staten Island.

Since 1994 Citywide, 30,877 421-a units and 17,766 J-51 units have left the rent stabilization system. (See Appendices G.6 and G.7.)

Substantial Rehabilitation

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

In 2021, 158 units were removed from stabilization through substantial rehabilitation, a decline of 10% from the prior year. By borough, the largest proportion of units leaving rent stabilization was in Brooklyn, with 60% of the units; followed by Manhattan (28%); and Queens (12%). None were in the Bronx or Staten Island. A total of 10,280 units have been removed from the rent stabilization system through substantial rehabilitation since 1994. (See Appendix G.6.)

Conversion to Commercial or Professional Status

Space converted from residential use to commercial or professional use is no longer subject to rent regulation. In 2021, two units were converted to nonresidential use, the same as the prior year. Since 1994, 2,495 residential units have been converted to nonresidential use. (See Appendix G.6.)

Other Losses to the Housing Stock

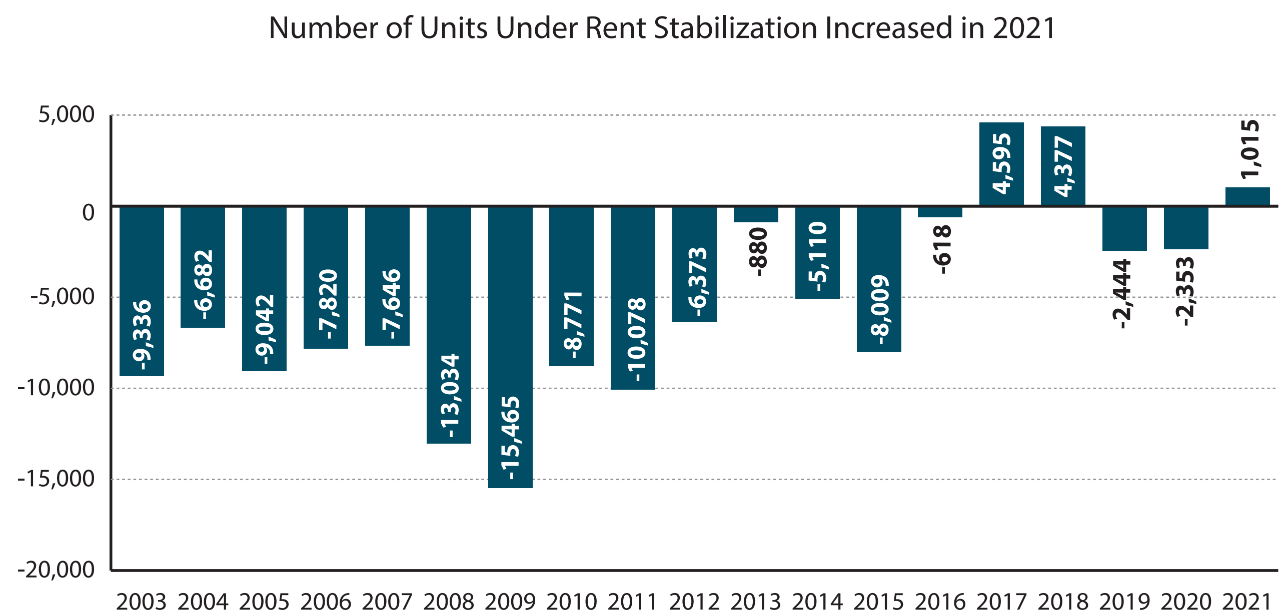
Owners may register units as permanently exempt when smaller units are merged into larger ones, or when the building is condemned or demolished. HCR annual registration data shows that 2,428 units were removed from the stabilized housing stock in 2021 due to these reasons, a 65% increase over the prior year. By borough, the largest proportion of units leaving rent stabilization due to other losses was in Brooklyn, with 49% of the units; followed by Manhattan (42%); Queens (8%) and the Bronx (1%). In addition, two units were removed on Staten Island. Since 1994, 31,287 units have been removed from rent stabilization due to these other types of losses. (See Appendix G.6.)

Summary

In 2021, at least 5,424 housing units left rent stabilization and approximately 6,439 units entered the stabilization system.

Adding the units entering stabilization and subtracting the units removed from stabilization

Annual Net Change of Rent Stabilized Units, 2003-2021



Sources: NYC Department of Housing Preservation and Development, Tax Incentive Programs and Division of Housing Supervision (Mitchell-Lama Developments); NYS Homes and Community Renewal, Office of Rent Administration and Office of Housing Operations; and NYC Loft Board resulted in a net increase of 1,015 units in the rent stabilized housing stock in 2021, following an estimated net loss of 2,353 units in 2020. (See graph on previous page and Summary Table on next page.)

The 6,439 additions to the rent stabilized housing stock in 2021 were a 50% increase from the prior year. By borough, Queens saw the most additions (40%); followed by Brooklyn (30%); the Bronx (23%); and Manhattan (8%). There were no added units on Staten Island. (See Endnote 3.) Units added to the stabilized stock in 2021 registered median legal rents of $2,295, a 4% increase from the prior year. Most units added were the result of the 421-a program, which comprised 93% of the additions. (See Appendices G.1 and G.2.)

Meanwhile, the 5,424 subtractions from the rent stabilized housing stock were a 18% decline from the prior year. The majority were in Manhattan, with 58% of all units leaving rent stabilization, a total of 3,163 units. The second largest reduction was in Brooklyn, representing 31% of the total; followed by Queens, 8%; the Bronx, 2%; and Staten Island, representing fewer than 1%. The largest source of measured subtractions from the rent stabilized housing stock in 2021 fell into the "Other" category, accounting for 45% of the total decrease. The next largest source of subtractions was from the 421-a program, accounting for 36%. (See Appendix G.7.)

Since 1994, the first year for which we have data, a total of at least 175,095 units have been added to the rent stabilization system, while a minimum of 321,745 rent stabilized units have been deregulated, for an estimated net loss of at least 146,650 units over the last 28 years. ❐

Endnotes

1. There are approximately 16,400 rent controlled units in New York City.
2. The Rent Act of 2015, effective June 15, 2015, raised the Deregulation Rent Threshold for deregulation upon vacancy from $2,500 to $2,700, subsequently increased to $2,733.75 effective January 1, 2018 and to $2,774.76 effective January 1, 2019.
3. Numbers may not add up to 100% due to rounding.
4. The 420-c tax incentive program provides a complete exemption from real estate taxes for the term of the regulatory agreement (up to 30 years). Due to the unavailability of data, the RGB is not able to quantify the number of 420-c units that became rent stabilized since 2003. However, the previously reported figure for the period 1994-2002, 5,500 rent stabilized units created through the 420-c program, is assumed to be correct. The figure is based upon units identified in rental projects with funding sources that require rent stabilization.
5. Article 11, 14, and 15 tax incentive programs encourage new construction or rehabilitation of affordable housing to be carried out by a Housing Development Fund Corporation (HDFC). The benefit consists of complete or partial exemption from real estate taxes for up to 40 years.
6. Deregulation of certain high-rent apartments was instituted in New York City twice before, in 1964 and in 1968.

Summary Table of Additions and Subtractions to the Rent Stabilized Housing Stock in 2021

Program/Event	Number of Units
ADDITIONS	
421-a	+ 6,007
J-51	+ 76
Mitchell-Lama buyouts	+ 0
Loft conversions	+ 11
Article 11, 14 or 15	+ 101
CHANGES	
Rent control to rent stabilization	+ 244
Subtotal Additions & Changes	**+ 6,439**
SUBTRACTIONS	
Co-op and Condo subtractions	- 480
421-a Expiration	- 1,959
J-51 Expiration	- 397
Substantial Rehabilitation	- 158
Commercial/Professional Conversion	- 2
Other Subtractions	- 2,428
Subtotal Subtractions	**- 5,424**
NET TOTAL	
Net Estimated Gain	***+ 1,015***

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

Hotel Stock Data

New York City Rent Guidelines Board

2022 Hotel Report

What's New

☑ There were 63 Certifications of No Harassment issued by the NYC Department of Housing Preservation and Development for SROs during 2021, an increase of 85.3% over the prior year.

☑ The Mayor's Office of Special Enforcement issued 2,760 violations for illegal hotels in 2021, an increase of 80.7% from the prior year.

☑ The *2022 PIOC* found an average decrease in the cost of operating hotels of 1.3% between April of 2021 and March of 2022.

☑ As based on an analysis of 2020/2021 HCR registration data, the median legal rent for hotels and rooming houses is $864 and the average is $1,066. The median "rent received" for rooming houses and hotels is $800 and the average is $908.

☑ As based on a longitudinal analysis of 2020 and 2021 HCR registration data, the median legal rent fell 0.3% between 2020 and 2021, and the average legal rent rose 0.4%. The median "rent received" fell 0.2% and the average "rent received" rose 0.6%.

Introduction

The NYC Rent Guidelines Board (RGB) is charged with setting annual rent adjustments for rent stabilized units in Class A and Class B hotels; rooming and lodging houses; and Single Room Occupancy (SRO) buildings (all referred to generally as "hotels").[1] While the Board can set separate adjustments for each of these five categories of hotels, only six of the 51 hotel orders have included individual adjustments for the unique classes of hotels, with the last differentiation occurring in 1998.

The Board has historically used information from the RGB's research reports, including the *Price Index of Operating Costs (PIOC)* and the *Housing Supply Report*, to help determine appropriate hotel guidelines. Periodic memos, beginning in 2007 and related to rent levels in rent stabilized hotel units, have also supplemented these reports. The inaugural *2022 Hotel Report* will, for the first time, consolidate research related to rent stabilized hotels into a single report.

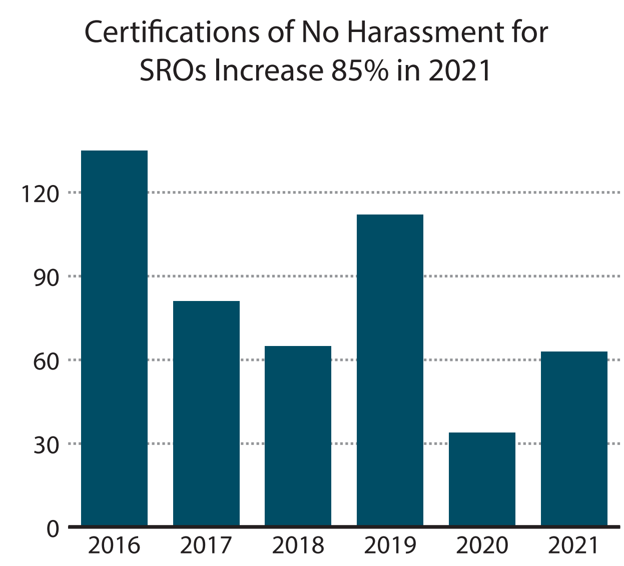
The report includes information on Certifications of No Harassment for SROs, illegal hotel violations, and the number of hotel units registered with NYS Homes and Community Renewal (HCR), as well as the average and median rents in these units. Data from the hotel portion of the *PIOC* is also included.

Overview

There were 63 Certifications of No Harassment issued by the NYC Department of Housing Preservation and Development for SROs during 2021, an increase of 85.3% over the prior year. In 2021, the Mayor's Office of Special Enforcement issued 2,760 violations for illegal hotels, an 80.7% increase from 2020. The *2022 PIOC* found an average decrease in the cost of operating hotels of 1.3% between April of 2021 and March of 2022.

An analysis of 2020/2021 HCR registration data identified registration records for 81 hotels and 231 rooming houses (a total of 312 buildings). These 312 buildings contained 5,394 hotel units and 4,794 rooming house units (a total of 10,188 units). Slightly less than half of these units (5,037) were registered as "rent stabilized," with most units including corresponding rent data. The balance of the units (5,151) were registered as either vacant or exempt. For those units where rent data is reported, the median legal rent is $745 for hotels and $1,161 for rooming houses (with an overall median of $864). The average legal rent is $1,033 for hotels and $1,086 for rooming houses (with an overall average of $1,066). The median "rent received" (the legal rent, except in cases where there is a preferential rent provided) is $725 for hotels and $941 for rooming houses (with an overall median of $800). The average "rent received" is $790 for hotels and $981 for rooming houses (with an overall average of $908). In addition, a longitudinal analysis of the change in rent in the same set of units in both 2020 and 2021 shows that the median legal rent was unchanged in hotels, rose 1.5% in rooming houses, and fell 0.3% overall. The average legal rent in the longitudinal sample rose 1.2% in hotels, 0.1% in rooming houses, and 0.4% overall. For the "rent received" by owners in the longitudinal sample, the median was unchanged in hotels, and fell 2.0% in rooming houses and 0.2% overall. Average "rent received" in the longitudinal sample rose 2.2% in hotels, fell 0.3% in rooming houses, and rose 0.6% overall.

Certifications of No Harassment, 2016-2021



Source: NYC Department of Housing Preservation and Development

Certifications of No Harassment

SRO owners may convert SRO housing to other uses after obtaining a "Certification of No Harassment" (CONH) from the NYC Department of Housing Preservation and Development (HPD). After falling by 69.6% in 2020 (to 34), the number of CONHs granted by HPD rose in 2021, by 85.3% (to 63).[2] (See graph on the prior page.)

Illegal Hotel Violations

Efforts are also underway to ensure that units meant to provide permanent housing are not used as transient hotels. As of May 1, 2011, a law was passed clarifying that Class A multiple dwellings were only to be used for occupancy of 30 consecutive days or more,[3] and on October 2, 2012, a companion law was passed strengthening the City's ability to crack down on housing being used illegally for transient occupancy.[4] In addition, a bill in October of 2016 authorized fines up to $7,500 for illegally advertising short-term rentals in Class A Multiple Dwellings.[5]

In 2021, 2,760 violations were issued by the Mayor's Office of Special Enforcement (OSE) for the illegal rental of units for short-term use (including apartments, hostels, and SROs), an increase of 80.7% from 2020. The majority of violations, 1,507 (54.6%) were for dwelling units in Manhattan, with 716 violations in Brooklyn (25.9% of the total); 472 violations in Queens (17.1% of the total); 59 violations in the Bronx (2.1% of the total); and 6 in Staten Island (0.2% of the total).[6] Between May of 2011 and December of 2021, approximately 23,000 violations have been issued by this agency as part of its efforts to address illegal short-term rentals. (See the table on this page for violations by borough from 2016-2021.)

Among OSE's activity over the past year, the agency announced in February of 2022 that they had won two major settlements against owners of buildings being used illegally as short-term rentals. In the first, an Upper West Side Manhattan SRO building that was being illegally used as a hotel will permanently stop short-term rentals and pay $1.1 million to the City in fines and penalties for its "sustained illegal activity;" 270 illegal occupancy and safety violations; and 63 illegal advertising of short-term rentals violations. The settlement took into account that the defendant was selling the building to a non-profit that will create 82 units of affordable housing and provide on-site social services for low-income and formerly homeless New Yorkers.[7]

In the second settlement, which also resolved an illegal eviction case brought by the City's Law Department and a parallel investigation by the NYS Attorney General, a Crown Heights, Brooklyn, building worth more than $2 million will be transferred to a non-profit entity to be used for affordable housing, and the owners will pay a fine of $250,000. The owners of the building, who were running a short-term rental operation for four years

Illegal Hotel Violations Issued by the Mayor's Office of Special Enforcement, 2016-2021

In Each Year, Violations are Highest in Manhattan and Lowest in the Bronx and Staten Island

Year	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Citywide
2016[31]	22	495	894	147	22	1,580
2017	41	803	1,273	397	43	2,557
2018	12	924	1,913	570	37	3,456
2019	16	755	2,276	494	24	3,565
2020	58	409	832	219	9	1,527
2021	59	716	1,507	472	6	2,760

Source: The Mayor's Office of Special Enforcement across nine Brooklyn buildings and illegally evicted tenants from the building they are giving up, have also agreed to a permanent injunction against further illegal short-term rental activity anywhere in the City and settled a separate lawsuit brought by former tenants for illegal eviction.[8]

OSE also announced three settlements in August of 2021, worth a combined total of $1.2 million, for illegal rentals of units in Manhattan's Lower East Side, Hell's Kitchen, and East Village neighborhoods[9] and won summary judgment against an SRO building in Manhattan's Kips Bay neighborhood that was being illegally used as a hotel in November of 2021.[10] In June of 2021, OSE sued a long-time operator of illegal short-term rentals in 18 permanent residential dwelling units, responsible for almost 1,200 reservations over nearly five years[11] and in October announced they were suing a third-party property manager of illegal short-term rentals, responsible for more than 4,000 reservations covering 18,700 nights over a four-year period.[12]

In January of 2022, another law was enacted to help curb the use of permanent housing for short-term rentals. The law, which takes effect in January of 2023, requires anyone wishing to operate as a host of a short-term rental (a rental of less than 30 days) to register with OSE and receive a registration number. Registration numbers will not be issued by OSE unless the unit meets the requirements of a valid short-term rental, as defined by law. The law also prohibits the registration of rent regulated units, and allows building owners to certify that short-term rentals are not allowed in their building, thereby preventing OSE from issuing a registration number to an individual tenant of such a building. In addition, upon receipt of registration applications from renters, OSE will notify the owner of record of the dwelling unit/building. The law also requires that booking services (such as Airbnb, and other similar platforms) verify that listings are properly registered with OSE before they can take a fee.[13]

2022 Hotel PIOC

Per the *2022 Price Index of Operating Costs (PIOC)*, the Hotel Price Index for all hotels that contain rent stabilized units decreased 1.3% this year, a 3.2 percentage point decline from the 1.9% rise in 2021.[14]

There were increases in all of the Hotel PIOC components except Taxes, which fell 14.0% and account for 42% of the entire Hotel Index. The Fuel component increased, rising 15.0% and accounts for 13% of the index. Insurance Costs rose by the second greatest proportion, 10.9%, and account for 6% of the index. The remaining four components all rose by lesser proportions, including Maintenance, which rose 7.6%; Utilities, 7.0%; Labor Costs, 3.6%; and Administrative Costs, 2.7%.

Among the different categories of Hotels, the index for "Traditional" Hotels decreased 6.0%, while Rooming Houses increased by 4.6% and SROs increased by 3.6%. See the appendices of the *2022 PIOC* for more details on the change in cost of individual components and items of the *PIOC*.

Analysis of 2020/2021 HCR Registration Data

Since 2007, periodic memos produced by Rent Guidelines Board staff have analyzed registration data filed with New York State Homes and Community Renewal (HCR) by owners of buildings containing rent stabilized "hotel" units.[15] Owners register their properties annually with HCR, and include such information as the status of the units in their building (i.e., rent stabilized, vacant, or exempt); the type of property (i.e., hotel or rooming house); and rent levels for units registered as "rent stabilized," as of April 1 of each year. If applicable, the registration information also includes actual and preferential rents. Note that while the RGB sets guidelines for five categories of hotels, HCR allows owners of such buildings to register only as either "hotel" or "rooming house."

Prior to 2017, staff relied on the registration information provided by the owner or managing agent to identify hotels and rooming houses. However, a close analysis of the data showed that there were registration errors, and many apartment buildings were being erroneously registered as hotels or rooming houses.[16] In 2017, HCR registration data from 2015/2016 was analyzed closely to more accurately identify those buildings that were most likely to be hotels or rooming houses.[17]

That analysis concluded that 173 buildings containing 4,206 registered units were likely to be rooming houses, and 83 buildings containing 6,730 registered units were likely to be hotels. In total, the analysis identified 257 buildings and 10,936 registered units among both classes of buildings. The data in each analysis from 2017 through 2021 was based on the same set of buildings identified in 2017, regardless of the HCR registration status of these (or other) buildings in subsequent years.[18]

For the 2022 analysis, both the most recent HCR registration records (from 2020 and 2021), as well as records from 2015-2019, were analyzed to identify any hotels or rooming houses that were not previously identified in the 2015/2016 registration records. The two primary methods of identifying new records were to analyze the individual records of those buildings registering with HCR as either rooming house or hotel (consistent with the original methodology), as well as analyzing those buildings identified by the NYC Office of Special Enforcement as a Class B Multiple Dwelling which were registered with HCR, but not specifically self-identified as a rooming house or hotel.

In summary, 200 additional buildings that were likely to be rooming houses or hotels, including 177 rooming houses and 23 hotels, were added to the sample frame of rent stabilized "hotels." These 200 buildings contained a total of as many as 3,433 registered units, including 2,244 rooming house units and 1,189 hotel units.[19] Note that only 55 of the 200 buildings (28%) were registered in all of the seven additional years analyzed. Of the remaining 145 buildings, 30% registered in either one or two of the years between 2015 and 2021, and 43% registered in three to six of these years. In addition, in the years that these buildings did register, not all necessarily registered as a rooming house or hotel. While 75 of these newly identified buildings always registered as either a rooming house or hotel (in the years that they did register), 125 did not consistently register their status as a rooming house or hotel.

The analysis that follows provides detailed information on buildings registered with HCR in either of the two most recent registration files. Data is provided both for hotels and rooming houses as separate entities, in addition to the combined total of both. Note that HCR provides the RGB with two versions of each annual registration file — an early release in the spring and a more complete file in the fall that includes additional data from those owners who did not file their registrations in a timely manner. To provide as much data in this analysis as possible, staff determines if the sample frame of 457 buildings identified in HCR registration files since 2015 are present in the most recent registration file (in this case, the early version of the 2021 registration file).[20] If not, they are looked for in the previous registration file (in this case, the more complete 2020 file). In all cases, if available, the most recent data is used as the primary data source. In the *2022 Hotel Report*, 312 of the 457 buildings in the sample frame were registered with HCR in either 2020 or 2021.[21] Data from 2021 was utilized for the vast majority of these buildings (271, or 87% of the total). However, almost all of the data from rent stabilized units used to compute median and average rent levels was based on 2021 HCR registration filings (4,730 units, or 94% of the total). Data from just 307 (6%) of the rent stabilized units analyzed was based on 2020 HCR filings.

Special Note on Hotel Units

HCR registration files provided to the RGB provide information only for those units that owners register, which may or may not accurately reflect the total number of units in the building. An undercount of units is particularly common in those buildings registered as hotels, which are often used for commercial purposes (such as transient housing). Therefore, staff researches additional data sources to determine a more accurate count of the number of units in HCR-registered hotels. Note that this analysis was not undertaken for rooming houses, which are less likely to be used for commercial purposes. For each building identified as a hotel, staff researched both registration records from the NYC Department of Housing and Preservation Development, as well as internet sites, such as Expedia and Hotels.com, and the individual

Summary Table of HCR Unit Registration Status (2020/2021)			
Number and Proportion of Units in Hotels and Rooming Houses, as Reported in Annual HCR Registration Filings			
HCR-Registered Unit Status	**Hotel**	**Rooming House**	**Total**
Rent Stabilized	1,895 (35%*)	3,142 (66%)	5,037 (49%*)
Permanently Exempt	7 (0%)	8 (0%)	15 (0%)
Vacant	549 (10%)	837 (17%)	1,386 (14%)
Temporarily Exempt	2,943 (55%)	807 (17%)	3,750 (37%)
Hotel/SRO (Transient)	2,045 (69%)	536 (66%)	2,581 (69%)
Not Prime Residence	735 (25%)	153 (19%)	888 (24%)
Owner/Employee Occupied	23 (1%)	104 (13%)	127 (3%)
Not for Profit/Commercial/Professional/Other	140 (5%)	14 (12%)	154 (4%)
Total Number of HCR Registered Units	*5,394***	*4,794*	*10,188***

*The reported proportions are based solely on HCR registration records. When utilizing the higher estimate of total units in hotel buildings (as derived from sources outside of HCR registration data), the proportion of rent stabilized units in hotels drops to 12% and the proportion of rent stabilized units in hotels and rooming houses combined drops to 24%. See "Special Note on Hotel Units," starting on Page 7, for more explanation.

**The estimated number of total units in hotel buildings (as derived from sources outside of HCR registration data) is 16,320. The estimated number of total units in hotels and rooming houses combined, utilizing the higher estimate of hotel units, is 21,114. See "Special Note on Hotel Units", starting on Page 7, for more explanation.

Source: 2020/2021 HCR Registration Files

websites of the hotels, when available. While the unit counts were not always consistent across the various sources, an estimate of the actual unit count within the hotels was derived, generally based on the highest number of units across the various sources. Staff found that the 107 buildings identified as hotels in the sample frame contained an estimated total of 21,921 units of housing, far above the approximately 7,919 units registered with HCR in those years. The current analysis shows that of the 81 registered hotel buildings able to be identified in the 2020/2021 data, they contain an estimated total of 16,320 units (as compared to the 5,394 units registered with HCR). For hotels only, both estimated and HCR-registered unit counts will be used to calculate the proportion of units being used as permanently rent stabilized housing.

2020/2021 HCR Registration Status

Owners of buildings containing rent stabilized units are required to register annually with HCR with detailed information about the buildings they own and the units within them, as of April 1 of each year. Among the information that HCR requests is the unit's status, which can be recorded as either rent stabilized, vacant, permanently exempt, or temporarily exempt (see table on this page). For those units that are registered as exempt, owners can also provide additional information about the reason for the exemption.

The 81 hotels that comprise the *2022 Hotel Report* had a total of 5,394 units of registered housing in 2020/2021.[22] Of these registered units, the majority (55% or 2,943) were registered as "temporarily exempt," with the primary reason for the exemption given as "Hotel/SRO (Transient)." An additional 556 units (10%) were registered as either vacant or permanently exempt. The remaining hotel units, 1,895 (35%), were registered as "rent stabilized."[23]

The 231 rooming houses that comprise the *2022 Hotel Report* have a total of 4,794 units of registered housing in 2020/2021.[24] Of these

Summary Table of HCR Building Use (2020/2021)			
Analysis of Building Use, as Reported in Annual HCR Registration Filings			
HCR-Registered Building Use	**Hotel**	**Rooming House**	**Total**
Buildings With 100% Exempt or Vacant Units	14 (17%)	34 (15%)	48 (15%)
Number of Units in such buildings	666 (12%)	476 (10%)	1,142 (11%)
Buildings With at Least 85% Units Rent Stabilized	35 (43%)*	84 (36%)	119 (38%)*
Number of Units in such buildings	1,160 (22%)**	2,285 (48%)	3,445 (34%)**
Total Number of HCR Registered Buildings	*81*	*231*	*312*
Total Number of HCR Registered Units	*5,394***	*4,794*	*10,188***

*The reported proportions are based solely on HCR registration records. When utilizing the higher estimate of total units in hotel buildings (16,320, as derived from sources outside of HCR registration data), five hotels (6% of the total) are occupied by a minimum of 85% permanently rent stabilized tenants. In total, 89 of hotels and rooming houses combined (29% of the total) are occupied by a minimum of 85% permanently rent stabilized tenants, when utilizing the higher estimate of total hotel units. See "Special Note on Hotel Units", starting on Page 7, for more explanation.

**The reported proportions are based solely on HCR registration records. When utilizing the higher estimate of total units in hotel buildings (16,320, as derived from sources outside of HCR registration data), 617 units in hotels (4% of the estimated total) are in buildings that are occupied by a minimum of 85% permanently rent stabilized tenants. In total, 2,902 units in hotels and rooming houses combined (14% of the estimated total) are in buildings that are occupied by a minimum of 85% permanently rent stabilized tenants, when utilizing the higher estimate of total hotel units. See "Special Note on Hotel Units," starting on Page 7, for more explanation.

***The estimated number of total units in hotel buildings (as derived from sources outside of HCR registration data) is 16,320. The estimated number of total units in hotels and rooming houses combined, utilizing the higher estimate of hotel units, is 21,114. See "Special Note on Hotel Units," starting on Page 7, for more explanation.

Source: 2020/2021 HCR Registration Files

registered units, the majority (3,142, or 66%), were registered as "rent stabilized." As with hotels, in the 807 (17%) rooming house units that are registered as "temporarily exempt," the most common reason cited is "Hotel/SRO (Transient)." An additional 845 units (18%) were registered as either vacant or permanently exempt.

In total, 10,188 hotel and rooming house units in 312 buildings were registered in 2020/2021. Of these registered units, almost half, 5,037 (49%) were registered as "rent stabilized" and generally include corresponding data on rent levels. For the 3,750 (37%) of overall units that were registered as "temporarily exempt," the most common reason cited is "Hotel/SRO (Transient)." An additional 1,401 units (14%) were registered as either vacant or permanently exempt.

2020/2021 HCR Building Use

The HCR registration data can also be used to determine how many buildings (as opposed to units) are being used primarily for permanently rent stabilized housing (see table on this page). As based solely on HCR registration data for the 81 hotels identified for the *2022 Hotel Report*, 14 of these buildings (17%) consist entirely of exempt or vacant units and have no rent stabilized tenants, while 35 of these buildings (43%) have a proportion of permanently rent stabilized tenants of at least 85%.[25] Within the 35 buildings that are at least 85% occupied by rent stabilized tenants, there are 1,160 units (22% of the total), 1,101 of which are currently registered as rent stabilized. However, the number of buildings that are at least 85% occupied by permanently rent stabilized tenants drops when utilizing estimated total unit counts derived from sources outside of HCR data (see "Special Note on Hotel Units," starting on Page 119, and the notes accompanying the Summary Table on this page). Based on these estimated unit counts, just five buildings are at least 85% occupied by rent stabilized tenants. These five buildings contain 617 units of housing, 576 of which are rent stabilized.

For the 231 rooming houses identified for the *2022 Hotel Report*, 34 (15%) of these buildings consist entirely of exempt or vacant units and have no rent stabilized tenants, while 84 (36%) of these buildings have a proportion of permanently rent stabilized tenants of at least 85%.[26] Within the 84 buildings that are at least 85% occupied by rent stabilized tenants, there are 2,285 units (48% of the total), 2,143 of which are currently registered as rent stabilized.

As based solely on HCR registration data for the total of 312 hotels and rooming houses identified for the *2022 Hotel Report*, 48 of these buildings (15%) consist entirely of exempt or vacant units and have no rent stabilized tenants, while 119 of these buildings (38%) have a proportion of permanently rent stabilized tenants of at least 85%.[27] Within the 119 buildings that are at least 85% occupied by rent stabilized tenants, there are 3,445 units (34% of the total), 3,244 of which are currently registered as rent stabilized. However, the number of buildings that are at least 85% occupied by permanently rent stabilized tenants drops when utilizing estimated total unit counts for hotels derived from sources outside of HCR registration data (see "Special Note on Hotel Units," starting on Page 119, and the notes accompanying the Summary Table on the previous page). Based on these estimated unit counts, a total of 89 buildings (29%) are at least 85% occupied by rent stabilized tenants. These 89 buildings contain 2,902 units of housing, 2,719 of which are rent stabilized.

Types of HCR Rent Stabilized Rents

Owners can register up to three different types of rents with HCR during the annual registration filing (as of April 1 of each year). All rent stabilized units have a legal rent. Under current law, this is the amount of rent that can be charged to new tenants upon a vacancy, or to current tenants who do not have a registered preferential rent. A preferential rent is defined as a rent that owners charge to tenants that is lower than the registered legal rent. Among the reasons owners utilize preferential rents are market conditions at either the time of the initial lease or a subsequent renewal lease; or agreements with governmental agencies subsidizing the rent of the unit. Under current law, future rent increases are based on preferential rents until vacancy, at which time the owner may collect up to, but not more than, the legal rent. Actual rents are the rents that are paid out-of-pocket by subsidized tenants, with the balance being paid by government programs such as Section 8, Shelter Plus, or the Senior Citizen Rent Increase Exemption program. The RGB uses the HCR registration data to calculate a fourth type of rent — "rent received." This is an estimate of the rent actually being received by the owner — generally speaking, the legal rent, unless a preferential rent has been recorded.

Each of these types of rent provide an important source of information — the legal rent can inform on the maximum amount able to be collected by owners either currently or upon vacancy; preferential rents can inform on the prevalence of a less competitive market or regulatory agreements; actual rents can provide a more accurate representation of rent burden, where low-income tenants may have rents that are subsidized; and the "rent received" is the best estimate of the revenue owners are currently receiving for each unit. The median and average of each of these rent types will be summarized below for 2020/2021 HCR rent registrations.

2020/2021 HCR Median Rent Stabilized Rent Levels

Per HCR registrations from 2020/2021, the median legal rent for rent stabilized units is $745 for hotels (1,854 units) and $1,161 for rooming houses (2,998 units). The median legal rent is $864 for both hotels and rooming housing combined (4,852 units).[28]

For hotels, 196 of the 1,854 units (11%) also report preferential rents, with a median preferential rent of $569. For rooming houses, 910 of the 2,998 units (30%) report preferential rents, with a median preferential rent of $1,192. The median preferential rent for both hotels and rooming housing combined (1,106 units, or 23% of the total) is $1,031.

For hotels, 548 of the 1,854 units (30%) also report actual rents, with a median actual rent of

Summary Table of HCR Median Rent Stabilized Rent Levels (2020/2021)						
Analysis of Median Rents for Permanently Rent Stabilized Tenants, as Reported in Annual HCR Registration Filings						
HCR-Registered Median Rents (Permanently Rent Stabilized Units)	Hotel		Rooming House		Total	
	Median Rent	# of Units with Reported Rent	Median Rent	# of Units with Reported Rent	Median Rent	# of Units with Reported Rent
Legal Rent	$745	1,854	$1,161	2,998	$864	4,852
Preferential Rent*	$569	196	$1,192	910	$1,031	1,106
Actual Rent**	$264	548	$251	1,059	$257	1,607
"Rent Received"	$725	1,854	$941	2,998	$800	4,852

*For those units reporting a preferential rent: the median legal rent of the 196 hotel units is $1,343; the median legal rent of the 910 rooming house units is $1,394; and the median legal rent of the 1,106 combined hotel and rooming house units is $1,394.

**For those units reporting an actual rent: the median legal rent of the 548 hotel units is $745; the median legal rent of the 1,059 rooming house units is $1,300; and the median legal rent of the 1,607 combined hotel and rooming house units is $1,228. In addition, some units report both actual and preferential rents. The median preferential rent of the 61 hotel units with both a recorded actual and preferential rent is $1,173; the median preferential rent of the 573 rooming house units is $1,250; and the median preferential rent of the combined 547 hotel and rooming house units is $1,250.

Source: 2020/2021 HCR Registration Files

Summary Table of HCR Average Rent Stabilized Rent Levels (2020/2021)						
Analysis of Average Rents for Permanently Rent Stabilized Tenants, as Reported in Annual HCR Registration Filings						
HCR-Registered Average Rents (Permanently Rent Stabilized Units)	Hotel		Rooming House		Total	
	Average Rent	# of Units with Reported Rent	Average Rent	# of Units with Reported Rent	Average Rent	# of Units with Reported Rent
Legal Rent	$1,033	1,854	$1,086	2,998	$1,066	4,852
Preferential Rent*	$752	196	$1,060	910	$1,006	1,106
Actual Rent**	$420	548	$494	1,059	$469	1,607
"Rent Received"	$790	1,854	$981	2,998	$908	4,852

*For those units reporting a preferential rent: the average legal rent of the 196 hotel units is $3,046; the average legal rent of the 910 rooming house units is $1,405; and the average legal rent of the 1,106 combined hotel and rooming house units is $1,696.

**For those units reporting an actual rent: the average legal rent of the 548 hotel units is $930; the average legal rent of the 1,059 rooming house units is $1,315; and the average legal rent of the 1,607 combined hotel and rooming house units is $1,184. In addition, some units report both actual and preferential rents. The average preferential rent of the 61 hotel units with both a recorded actual and preferential rent is $1,133; the average preferential rent of the 486 rooming house units is $1,259; and the average preferential rent of the combined 547 hotel and rooming house units is $1,245.

Source: 2020/2021 HCR Registration Files

$264. For rooming houses, 1,059 of the 2,998 units (35%) report actual rents, with a median actual rent of $251. The median actual rent for both hotels and rooming housing combined (1,607 units, or 33% of the total) is $257.

The median "rent received" by owners for rent stabilized units is $725 for hotels and $941 for rooming houses. The median "rent received" is $800 for both hotels and rooming housing combined. See the table on the previous page for a summary of median rents in 2020/2021.

2020/2021 HCR Average Rent Stabilized Rent Levels

Per HCR registrations from 2020/2021, the average legal rent for rent stabilized units is $1,033 for hotels (1,854 units) and $1,086 for rooming houses (2,998 units). The average legal rent is $1,066 for both hotels and rooming housing combined (4,852 units).[29]

For hotels, 196 of the 1,854 units (11%) also report preferential rents, with an average preferential rent of $752. For rooming houses, 910 of the 2,998 units (30%) report preferential rents, with an average preferential rent of $1,060. The average preferential rent for both hotels and rooming housing combined (1,106 units, or 23% of the total) is $1,006.

For hotels, 548 of the 1,854 units (30%) also report actual rents, with an average actual rent of $420. For rooming houses, 1,059 of the 2,998 units (35%) report actual rents, with an average actual rent of $494. The average actual rent for both hotels and rooming housing combined (1,607 units, or 33% of the total) is $469.

The average "rent received" by owners for rent stabilized units was $790 for hotels and $981 for rooming houses. The average "rent received" is $908 for both hotels and rooming housing combined. See the table on the previous page for a summary of average rents in 2020/2021.

2020-2021 HCR Longitudinal Rent Analysis

HCR registration data from 2020 and 2021 can also be analyzed longitudinally, comparing rent levels in the same set of units in each of the two years. Of the 271 hotels and rooming houses identified in the 2021 data, 255 were also registered in 2020.[30] However, not every building contains units with registered rents (see "2020/2021 HCR Registration Status" on Page 120). Therefore, the longitudinal sample includes 55 hotels (containing 1,645 rent stabilized units) and 156 rooming houses (containing 2,675 rent stabilized units).

The longitudinal data for median rents shows that between 2020 and 2021, the median legal rent was unchanged in hotels, rose 1.5% in rooming houses, and fell 0.3% overall. The median preferential rent fell 12.1% in hotels, and was unchanged in both rooming houses and overall. The median actual rent rose 1.4% in hotels, 1.2% in rooming houses, and 1.2% overall. For the "rent received" by owners, the median was unchanged in hotels, and fell 2.0% in rooming houses and 0.2% overall.

The longitudinal data for average rents shows that between 2020 and 2021, the average legal rent rose 1.2% in hotels, 0.1% in rooming houses, and 0.4% overall. The average preferential rent rose 3.2% in hotels, and fell 0.8% in rooming houses and 0.4% overall. The average actual rent rose 1.5% in hotels, 6.8% in rooming houses and 5.2% overall. For the "rent received" by owners, the average rose 2.2% in hotels, fell 0.3% in rooming houses, and rose 0.6% overall.

See the table on the following page for a summary of the change in legal, preferential, actual, and "rent received" rents for the same set of units between 2020 and 2021. The notes accompanying the table provide rent figures in each of the two years.

Also note that an examination of individual records in the longitudinal sample shows that some owners increased legal rents, even though rent increases for hotels and rooming houses were not granted by the RGB during this time frame. For hotels, 93% of the units in the longitudinal sample had no increase in legal rent, while 2% of units had a rent decrease and 5% of units had a rent increase. Among the 90 units that registered a legal rent increase, 42% increased rent by exactly 2.5%, and 9% increased rent by exactly 1.5%. For rooming

Summary Table of HCR Median and Average Longitudinal Rent Change (2020-2021)									
Longitudinal Analysis of Median and Average Rent Change (2020-2021) for Permanently Rent Stabilized Tenants, as Reported in Annual HCR Registration Filings									
Change in Rent, Longitudinal Sample (Permanently Rent Stabilized Units)	**Hotel**			**Rooming House**			**Total**		
	% Change Median Rent	*% Change Average Rent*	*# of Units*	*% Change Median Rent*	*% Change Average Rent*	*# of Units*	*% Change Median Rent*	*% Change Average Rent*	*# of Units*
Legal Rent	0.0%	1.2%	1,645	1.5%	0.1%	2,675	-0.3%	0.4%	4,320
Preferential Rent*	-12.1%	3.2%	123	0.0%	-0.8%	831	0.0%	-0.4%	954
Actual Rent**	1.4%	1.5%	447	1.2%	6.8%	938	1.2%	5.2%	1,385
"Rent Received"	0.0%	2.2%	1,645	-2.0%	-0.3%	2,675	-0.2%	0.6%	4,320

Legal Rent Levels:
Hotels: *2020 Median*: $744.83; *2021 Median*: $744.83; *2020 Average*:$843.92 ; *2021 Average*: $854.22
Rooming Houses: *2020 Median*: $1,188.53; *2021 Median*: $1,206.36; *2020 Average*: $1,108.91; *2021 Average*: $1,109.49
Total: *2020 Median*: $890.55; *2021 Median*: $887.91; *2020 Average*: $1,008.01; *2021 Average*: $1,012.28

Preferential Rent Levels:
Hotels: *2020 Median*: $1,173.00; *2021 Median*: $1,031.40; *2020 Average*: $867.04; *2021 Average*: $894.92
Rooming Houses: *2020 Median*: $1,202.00; *2021 Median*: $1,202.00; *2020 Average*: $1,071.04; *2021 Average*: $1,062.26
Total: *2020 Median*: $1,173.00; *2021 Median*: $1,173.00; *2020 Average*: $1,044.73; *2021 Average*: $1,040.68

Actual Rent Levels:
Hotels: *2020 Median*: $288.00; *2021 Median*: $292.00; *2020 Average*: $432.65; *2021 Average*: $438.98
Rooming Houses: *2020 Median*: $251.00; *2021 Median*: $254.00; *2020 Average*: $476.26; *2021 Average*: $508.50
Total: *2020 Median*: $254.00; *2021 Median*: $257.00; *2020 Average*: $462.18; *2021 Average*: $486.06

"Rent Received" Rent Levels:
Hotels: *2020 Median*: $744.83; *2021 Median*: $744.83; *2020 Average*: $800.71; *2021 Average*: $818.16
Rooming Houses: *2020 Median*: $995.00; *2021 Median*: $975.00; *2020 Average*: $997.45; *2021 Average*: $994.92
Total: *2020 Median*: $817.00; *2021 Median*: $815.58; *2020 Average*: $922.53; *2021 Average*: $927.61

Source: 2020/2021 HCR Registration Files

houses, 71% of the units in the longitudinal sample had no increase in legal rent, while 5% of units had a rent decrease and 24% of units had a rent increase. Among the 637 units that registered a legal rent increase, 54% increased rent by exactly 1.5%; 9% increased rent by exactly 2.5%; and 8% increased rent by exactly 1.0%. In total, 79% of units in the longitudinal sample had no rent increase in legal rent, while 4% of units had a rent decrease and 17% had a rent increase. Among the 727 units in total that registered a legal rent increase, 48% increased rent by exactly 1.5%; 13% increased rent by exactly 2.5%; and 7% increased rent by exactly 1.0%.

The data shows that among those units registering a legal rent increase, the majority increased rent by either 1.0%, 1.5%, or 2.5%. These increases coincide with one- and two-year lease increases granted to rent stabilized *apartments* under either Order #51 (for leases renewing between 10/1/19 and 9/30/20) or Order #52 (for leases renewing between 10/1/20 and 9/30/21). Each of these Orders overlap with the timeframes in the HCR registration data, which records rents at the static point of April 1 in each year. It is not possible to determine if the increases were taken illegally, or if the unit is registered incorrectly.

Summary

In summary, the number of Certifications of No Harassment for SROs increased 85.3% over the prior year (to 63), while violations for illegal hotels increased 80.7% (to 2,760). The *2022 PIOC* found a decrease in the cost of operating hotels of 1.3%. The most recent HCR registration data identified 10,188 hotel and rooming house units, 5,037 of which are registered as rent stabilized. The rent stabilized units have a median legal rent of $864; an average legal rent of $1,066; a median "rent received" of $800; and an average "rent received" of $908. Among all the units registered in both 2020 and 2021, the median legal rent fell 0.3% and the median "rent received" fell 0.2%, while the average legal rent rose 0.4% and the average "rent received" rose 0.6%. ❒

Endnotes

1. The definition of each classification of hotel is as follows: Residential hotels are "apartment hotels" which are designated as Class A multiple dwellings on the Certificate of Occupancy; rooming houses are Class B multiple dwellings having fewer than thirty sleeping rooms as defined in Section 4(13) of the Multiple Dwelling Law; a single room occupancy building is a Class A multiple dwelling which is either used in whole or in part for single room occupancy or as a furnished room house, pursuant to Section 248 of the Multiple Dwelling Law; a Class B hotel is a hotel, which carries a Class B Certificate of Occupancy and contains units subject to rent stabilization; lodging houses are those buildings designated as lodging houses on the Certificate of Occupancy.
2. NYC Department of Housing Preservation and Development HPD). Per HPD, under local law, if a residential building meets the definition of a single room occupancy multiple dwelling (SRO), the property owner must apply for and receive a Certification of No Harassment (CONH) before applying to the Department of Buildings for a permit to change the use or occupancy of a building, or to demolish a building or any part thereof. Per HPD, an SRO is defined as: a "class A multiple dwelling" used in whole or part as a "rooming house" or "furnished room house," or for "single room occupancy" pursuant to section 248 of the New York state multiple dwelling law; a "class A multiple dwelling" containing "rooming units"; or a "class B multiple dwelling." Note that the number of CONHs from 2020 was adjusted from that which was reported in the *2021 Housing Supply Report*. That figure included both CONHs for SROs, as well as any building in one of the five special districts in Manhattan and Brooklyn that require owners to apply for a CONH when requesting a permit to demolish or change the use or occupancy of a building within one of these districts. The adjusted number of CONHs for SROs for 2016 is 135; for 2017, 81; for 2018, 65; and for 2019, 112.
3. Press Release, Mayor's Office. "Mayor Bloomberg Announces Results of City's Efforts to Curb Dangerous Illegal Hotels in New York City After State Legislation Enhances Enforcement Abilities." April 27, 2012.
4. Local Law No. 45 of 2012 (Council Int No. 404-A of 2010).
5. "Cuomo Signs Bill That Deals Huge Blow to Airbnb." New York Post. October 21, 2016.
6. Office of the Criminal Justice Coordinator, Mayor's Office of Special Enforcement.
7. Press Release, Mayor's Office. "Mayor Adams Shuts Down Illegal Hotel Operator, Announces Plan to Create 80 New Affordable Homes on Upper West Side." February 14, 2022.
8. Press Release, Mayor's Office. "Mayor Adams, Attorney General James Take Down Eco-Yogi Slumlords Who Ran Unlawful Short-Term Rental Operation, Illegally Evicted Tenants." February 23, 2022.
9. Press Release, Mayor's Office for Special Enforcement. "The Mayor's Office of Special Enforcement Secures $1.2 Million in Settlements from Illegal Short-Term Rental Lawsuits." August 10, 2021.
10. Lexington v. City of New York, et al., Index No.: 161257/2017 (NY Supreme); Lexington v. DOB, et al., Index No. 158727/2020 (NY Supreme)
11. City v. Martine Jowelle Lacroix, Index No. 452107/2021 (NY Supreme).
12. Press Release, Mayor's Office for Special Enforcement. "The Mayor's Office of Special Enforcement Sues 'Concierge Service' to Illegal Short-Term Rentals for Raking in Millions from Airbnb." October 14, 2021.
13. New York City Local Law 18 of 2022 (Int 2309-2021).
14. "2022 Price Index of Operating Costs." NYC Rent Guidelines Board. April 14, 2022.
15. Memos were published in 2007, 2009, 2012-2013, 2015, and 2017-2020.
16. It is important to accurately identify hotels and rooming houses because a Class A rent stabilized apartment building incorrectly registered as a hotel or rooming house, especially one with relatively high rent levels, will skew the average and median rent levels of what are being reported as rents for "hotel" units.
17. For more information on the methodology used in 2017, refer to the memo published on June 12, 2017.
18. While the purpose of the 2017 analysis was to create a methodology that could more accurately identify hotels and rooming houses (and that analysis forms the basis of all subsequent memos), there is no guarantee that every record identified via this methodology fits the legal definition of a "hotel." Similarly, not all rooming houses or hotels are able to be identified. While not necessarily a complete count of rooming houses and hotels, the methodology that is used to identify "hotels" is more representative than would be based solely on owner-reported HCR registration status.
19. The number of units is qualified by the phrase "as many as" because while some of these buildings registered in only one year between 2015 and 2021, others registered in up to all seven of these years and unit counts in the individual registration files were not always equal. The sum of 3,433 units is based off of the highest unit count registered in any of the seven years. Note that in the analysis that follows of 2020/2021 data, only the unit counts from the most recent HCR registration files will be utilized. Also note that the total number of units is based on just those units registered with HCR, including exempt and vacant units. The total number of rent stabilized units, as based off of the highest unit counts in any of the years the building was registered, is 2,920.
20. Because the 2021 registration data is not final, two years of

registration data were examined to capture buildings that may not appear in the 2021 data due to late registration. Note also that HCR registration filings may not reflect a complete count of hotels and rooming houses, as not all owners register their buildings; owners may register late; or owners may fail to correctly identify a building as a hotel or rooming house.

21. More specifically, 81 of the 107 hotels previously identified were present in either 2020 or 2021 data. A total of 231 of the 350 rooming houses previously identified were present in either 2020 or 2021 HCR registration data.

22. As noted in "Special Note on Hotel Units," which starts on Page 7, while 5,394 units were registered with HCR in 2020/2021, staff calculated that there is actually an estimated number of 16,320 total units in these buildings.

23. While 35% of units in hotels were registered as "rent stabilized" (as based solely on HCR registration data), as a proportion of the estimated number of hotel units in these buildings, as derived from sources other than HCR registration data, 12% of units in these buildings are rent stabilized. See "Special Note on Hotel Units," starting on Page 7, and the notes in the table on Page 8.

24. Unlike the additional research conducted for buildings registered as "hotels," for "rooming houses," registration records were not checked against other sources in regard to the number of housing units. Note that while some owners may register all their units, regardless of regulation status, others may register only those that are rent stabilized.

25. The proviso in RGB Hotel Order 41, the last time the Board granted an increase for hotel units, limited permitted increases to only those hotels and rooming houses with at least 85% permanently rent stabilized occupancy. Note that if the owner is only registering their rent stabilized units (as opposed to all units in the building), the proportion of buildings (and the units within those buildings) that are at least 85% occupied by permanently rent stabilized units may be inaccurate.

26. See Endnote 25.

27. See Endnote 25.

28. While 5,037 units in total registered as rent stabilized in 2020/2021, only 4,852 of these units recorded rent levels.

29. See Endnote 28.

30. All but 15 of the rooming houses and one of the hotels registered in 2021 were also registered in 2020.

31. Individual records of violations for 2016 were not available, however a summary of violations by City Council District was able to be categorized into borough data. Note that violations in District 8, which encompasses parts of both Manhattan and the Bronx, were categorized solely within Manhattan for the purposes of this table. Violations in City Council District 34, which encompasses parts of both Brooklyn and Queens were categorized solely within Brooklyn for the purposes of this table.

Appendices

Appendix A: Guidelines Adopted by the Board

A.1 Apartments & Lofts - Order #54

On June 21, 2022 the Rent Guidelines Board (RGB) set the following maximum rent increases for leases commencing or being renewed on or after October 1, 2022 and on or before September 30, 2023 for rent stabilized apartments:

One-Year Lease	Two-Year Lease
3.25%	5.0%

For Loft units that are covered under Article 7-C of the Multiple Dwelling Law, the Board established the following maximum rent increases for increase periods commencing on or after October 1, 2022 and on or before September 30, 2023:

One-Year Increase Period	Two-Year Increase Period
3.25%	5.0%

These guidelines apply to all leases and increase periods. Therefore, consistent with guidance from New York State Homes and Community Renewal (HCR), the guidelines apply to vacant apartment and loft units that become occupied during the term of the Order, as well as to renewal leases or periods. No more than one guideline adjustment may be added during the guideline year governed by Order No. 54.

Leases for units subject to rent control on September 30, 2022, which subsequently become vacant and then enter the stabilization system, are not subject to the above adjustments. The rents for these newly stabilized units are subject to review by NYS Homes and Community Renewal (HCR). In order to aid HCR in this review, the RGB has set a special guideline. For rent controlled units which become vacant after September 30, 2022, the special guideline shall be 27% above the maximum base rent.

A.2 Hotel Units - Order #52

On June 21, 2022, the Rent Guidelines Board (RGB) set the following maximum rent increases for leases commencing or being renewed on or after October 1, 2022 and on or before September 30, 2023 for rent stabilized hotels:

Single Room Occupancy Buildings (SRO)	0%
Lodging Houses	0%
Class A Hotels	0%
Class B Hotels	0%
Rooming Houses	0%

B.1 PIOC Sample, Number of Price Quotes per Item, 2021 vs. 2022

Spec #	Description	2021	2022
211	Apartment Value	157	110
212	Non-Union Super	127	117
216	Non-Union Janitor/Porter	77	61
	LABOR COSTS	**361**	**288**
301	Fuel Oil #2	23	26
302	Fuel Oil #4	7	8
	FUEL OIL	**30**	**34**
501	Repainting	63	65
502	Plumbing, Faucet	27	25
503	Plumbing, Stoppage	24	23
504	Elevator #1, 6 fl., 1 e.	6	6
505	Elevator #2, 13 fl., 2 e.	5	5
506	Elevator #3, 19 fl., 3 e.	5	5
507	Burner Repair	10	9
508	Boiler Repair, Tube	10	10
509	Boiler Repair, Weld	6	6
510	Refrigerator Repair	12	9
511	Range Repair	12	9
512	Roof Repair	13	12
514	Floor Maint. #1, Studio	7	5
515	Floor Maint. #2, 1 Br.	7	5
516	Floor Maint. #3, 2 Br.	7	5
517	Extermination Services	10	10
518	Linen/Laundry Service	4	4
519	Electrician Services	9	10
805	Paint	12	12
808	Bucket	16	15
810	Linens	10	8
811	Pine Disinfectant	14	14
813	Switch Plate	11	11
815	Toilet Seat	15	15
816	Deck Faucet	14	14

(CONTINUED, TOP RIGHT)

Spec #	Description	2021	2022
817	Large Trash Bags	16	16
818	Smoke Detectors	13	13
902	Refrigerator #2	11	11
903	Air Conditioner #1	8	9
906	Dishwasher	10	11
908	Range #2	11	11
909	Carpet	10	10
910	Dresser	5	5
911	Mattress & Box Spring	8	9
	MAINTENANCE	**421**	**407**
601	Management Fees	119	97
602	Accountant Fees	23	23
603	Attorney Fees	24	19
604	Newspaper Ads	25	28
607	Bill Envelopes	12	11
608	P.O. Box	10	10
609	Copy Paper	11	11
	ADMINISTRATIVE COSTS	**224**	**199**
701	**INSURANCE COSTS**	**640**	**552**
	ALL ITEMS	**1,676**	**1,480**

B.2 Expenditure Weights, Price Relatives, Percent Changes, and Standard Errors, All Apartments, 2022

Spec #	Item Description	Expenditure Weight	Price Relative	% Change	Standard Error
101	**TAXES**	**0.3611**	**0.9628**	**-3.72%**	**0.0521**
201	Payroll, Bronx, All (Union)	0.0472	1.0367	3.67%	0.0000
202	Payroll, Other, Union, Supts.	0.0496	1.0293	2.93%	0.0000
203	Payroll, Other, Union, Other	0.1275	1.0308	3.08%	0.0000
204	Payroll, Other, Non-Union, All	0.5739	1.0358	3.58%	0.6486
205	Social Security Insurance	0.0549	1.0347	3.47%	0.0000
206	Unemployment Insurance	0.0098	1.5138	51.38%	0.0000
207	Private Health & Welfare	0.1371	1.0432	4.32%	0.0000
	LABOR COSTS	**0.0994**	**1.0405**	**4.05%**	**0.3722**
301	Fuel Oil #2	0.2522	1.1799	17.99%	2.6114
302	Fuel Oil #4	0.1489	1.1485	14.85%	5.1273
405	Gas #2, 650 therms	0.1009	1.2096	20.96%	0.0000
406	Gas #3, 2,140 therms	0.4269	1.2294	22.94%	0.0000
407	Steam #1, 1,150 Mlbs	0.0537	1.1334	13.34%	0.0000
408	Steam #2, 2,600 Mlbs	0.0174	1.1116	11.16%	0.0000
	FUEL	**0.0683**	**1.1957**	**19.57%**	**1.0082**
401	Electricity #1, 2,500 KWH	0.1283	1.1065	10.65%	0.0000
402	Electricity #2, 15,000 KWH	0.1293	1.1717	17.17%	0.0000
404	Gas #1, 120 therms	0.0134	1.1865	18.65%	0.0000
410	Water & Sewer	0.7290	1.0276	2.76%	0.0000
	UTILITIES	**0.0949**	**1.0585**	**5.85%**	**0.0000**
501	Repainting	0.2452	1.0442	4.42%	0.6951
502	Plumbing, Faucet	0.1039	1.0716	7.16%	2.5699
503	Plumbing, Stoppage	0.0976	1.0740	7.40%	2.3578
504	Elevator #1, 6 fl., 1 e.	0.0203	1.0386	3.86%	1.8801
505	Elevator #2, 13 fl., 2 e.	0.0127	1.0479	4.79%	2.4095
506	Elevator #3, 19 fl., 3 e.	0.0072	1.0389	3.89%	2.1491
507	Burner Repair	0.0332	1.0650	6.50%	3.3317
508	Boiler Repair, Tube	0.0422	1.1487	14.87%	5.2179
509	Boiler Repair, Weld	0.0355	1.1196	11.96%	6.6201
510	Refrigerator Repair	0.0127	1.0588	5.88%	3.6090
511	Range Repair	0.0119	1.0588	5.88%	3.6090
512	Roof Repair	0.0516	1.2338	23.38%	1.7076
514	Floor Maint. #1, Studio	0.0033	1.1756	17.56%	2.8757
515	Floor Maint. #2, 1 Br.	0.0055	1.2289	22.89%	4.0764
516	Floor Maint. #3, 2 Br.	0.0495	1.2077	20.77%	3.1891
517	Extermination Services	0.0448	1.1281	12.81%	7.6872
519	Electrician Services	0.0690	1.1027	10.27%	6.7338
805	Paint	0.0271	1.0818	8.18%	3.0630
808	Bucket	0.0051	1.1250	12.50%	2.7780
811	Pine Disinfectant	0.0066	0.9936	-0.64%	5.8800
813	Switch Plate	0.0049	1.1672	16.72%	2.0777
815	Toilet Seat	0.0118	1.1360	13.60%	5.0185
816	Deck Faucet	0.0151	1.1628	16.28%	7.3620
817	Large Trash Bags	0.0110	1.0547	5.47%	5.4011
818	Smoke Detectors	0.0101	1.0540	5.40%	1.0945
902	Refrigerator #2	0.0385	1.0522	5.22%	1.9326
903	Air Conditioner #1	0.0013	1.0492	4.92%	3.2795
906	Dishwasher	0.0042	1.0902	9.02%	2.6192
908	Range #2	0.0185	1.1568	15.68%	3.3363
	MAINTENANCE	**0.1633**	**1.0925**	**9.25%**	**0.8256**
601	Management Fees	0.4897	0.9897	-1.03%	1.3249
602	Accountant Fees	0.1292	1.0268	2.68%	0.9506
603	Attorney Fees	0.2491	1.2419	24.19%	8.3991
604	Newspaper Ads	0.0100	1.0000	0.00%	0.0000
607	Bill Envelopes	0.0237	1.0172	1.72%	4.6620
608	P.O. Box	0.0267	1.0648	6.48%	1.9787
609	Copy Paper	0.0235	1.2224	22.24%	5.2273
409	Communications	0.0482	1.0191	1.91%	0.0000
	ADMIN COSTS	**0.1482**	**1.0669**	**6.69%**	**2.2008**
701	**INSURANCE COSTS**	**0.0648**	**1.1091**	**10.91%**	**1.4162**
	ALL ITEMS	**1.0000**	**1.0416**	**4.16%**	**0.3734**

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B.3 Price Relatives by Building Type, Apartments, 2022

Component Description	Pre-1947	Post-1946	Gas Heated	Oil Heated
TAXES	-3.9%	-3.4%	-3.7%	-3.7%
LABOR COSTS	4.2%	3.9%	4.1%	4.1%
FUEL	20.1%	17.9%	22.6%	16.8%
UTILITIES	4.8%	7.2%	5.6%	5.6%
MAINTENANCE	9.2%	9.5%	9.3%	9.2%
ADMINISTRATIVE COSTS	7.0%	5.5%	6.7%	6.7%
INSURANCE COSTS	10.9%	10.9%	10.9%	10.9%
ALL ITEMS	**4.1%**	**4.1%**	**4.1%**	**4.3%**

B.4 Price Relative by Hotel Type, 2022

Component Description	"Traditional" Hotel	Rooming House	SRO
TAXES	-17.4%	-3.0%	-13.1%
LABOR COSTS	3.5%	3.8%	4.0%
FUEL	14.2%	18.0%	15.8%
UTILITIES	5.6%	8.9%	7.1%
MAINTENANCE	7.2%	7.7%	8.8%
ADMINISTRATIVE COSTS	2.0%	4.7%	4.2%
INSURANCE COSTS	10.9%	10.9%	10.9%
ALL ITEMS	**-6.0%**	**4.6%**	**3.6%**

B.5 Percentage Change in Real Estate Tax by Borough and Source of Change, Apartments and Hotels, 2022

	% Change Due to Assessments	% Change Due to Exemptions	% Change Due to Tax Rates	% Change Due to Abatements	% Change Due to Interactions*	Total % Change
APARTMENTS						
Manhattan	-5.1%	1.0%	-0.2%	-0.1%	0.0%	-4.4%
Bronx	-4.9%	1.4%	-0.3%	-0.1%	0.0%	-3.8%
Brooklyn	-0.6%	-0.6%	-0.3%	0.1%	0.0%	-1.4%
Queens	-3.0%	0.5%	-0.3%	-0.1%	0.0%	-2.9%
Staten Island	-3.6%	-7.1%	-0.2%	0.3%	0.0%	-10.6%
All Apartments	**-4.3%**	**0.8%**	**-0.3%**	**0.1%**	**0.0%**	**-3.7%**
HOTELS						
"Traditional" Hotel	-19.3%	1.7%	0.3%	0.0%	-0.1%	-17.4%
Rooming House	-2.7%	-0.1%	-0.2%	0.0%	0.0%	-3.0%
SRO	-14.1%	0.6%	0.2%	0.3%	-0.1%	-13.1%
All Hotels	**-15.4%**	**1.1%**	**0.2%**	**0.1%**	**-0.1%**	**-14.0%**

* Real estate tax interactions are the cumulative effects of changes in tax rates, assessments, exemptions, and abatements in the same year, after subtracting out the individual effects of each of these changes. Interactions have minimal impact on the overall change in real estate taxes.

Note: Totals may not add up due to rounding.

B.6 Tax Change by Borough and Community Board, Apartments, 2022

Borough	Community Board	# of Buildings	Tax Relative
Manhattan		**11,634**	**-4.40%**
	1	88	1.00%
	2	1,017	-4.09%
	3	1,480	-3.49%
	4	884	-3.50%
	5	239	-3.36%
	6	744	-5.97%
	7	1,602	-4.37%
	8	1,720	-4.81%
	9	705	-3.20%
	10	1,063	0.43%
	11	678	-2.45%
	12	1,382	-5.75%
Lower		**7,347**	**-4.43%**
Upper		**4,287**	**-4.20%**
Bronx		**5,566**	**-3.81%**
	1	437	0.81%
	2	264	-0.26%
	3	399	2.44%
	4	740	-3.20%
	5	687	-3.96%
	6	539	-0.46%
	7	905	-5.46%
	8	342	-4.19%
	9	317	-6.89%
	10	212	-1.82%
	11	302	-3.49%
	12	411	-3.73%
Brooklyn		**12,315**	**-1.40%**
	1	1,665	3.97%
	2	577	1.81%
	3	1,033	2.50%
	4	1,318	4.36%
	5	367	0.72%
	6	816	1.97%
	7	844	0.64%
	8	952	0.92%
	9	554	-3.30%
	10	720	-3.40%
	11	635	-3.18%
	12	512	-3.31%
	13	185	-0.18%
	14	820	-4.12%
	15	328	-5.33%
	16	343	3.61%
	17	563	-2.38%
	18	76	-1.92%
Queens		**6,586**	**-2.94%**
	1	1,934	-1.13%
	2	855	-2.29%
	3	504	-5.09%
	4	487	-3.79%
	5	1,106	-0.34%
	6	302	-2.87%
	7	432	-3.44%
	8	219	-5.56%
	9	212	-3.61%
	10	42	-0.10%
	11	114	-0.48%
	12	187	-1.88%
	13	48	-1.09%
	14	93	-1.71%
St. Island		**182**	**-10.58%**
	1	128	-13.44%
	2	33	-2.64%
	3	21	-5.07%
ALL		**36,283**	**-3.72%**

Note: No Community Board (CB) could be assigned to the following number of buildings for each borough: Manhattan (3), Bronx (11), Brooklyn (7), Queens (51). The number of buildings in the category "ALL" for each borough includes the buildings that could not be assigned a Community Board. In addition, 29 buildings in Manhattan are a part of Community Board 8 in the Bronx. These buildings are not included in the total for CB 8 in the Bronx, but are represented in the Manhattan total and the total for "ALL" buildings. Core and Upper Manhattan building totals are defined by block count and cannot be calculated by using Community Board numbers alone.

B.7 Expenditure Weight, Price Relatives, Percent Changes, and Standard Errors, All Hotels, 2022

Spec #	Item Description	Expenditure Weight	Price Relative	% Change	Standard Error
101	**TAXES**	**0.4163**	**0.8595**	**-14.05%**	**1.7123**
205	Social Security Insurance	0.0481	1.0347	3.47%	0.0000
206	Unemployment Insurance	0.0068	1.5138	51.38%	0.0000
208	Hotel Private Health/Welfare	0.0607	1.0289	2.89%	0.0000
209	Hotel Union Labor	0.3123	1.0289	2.89%	0.0000
210	SRO Union Labor	0.0122	1.0289	2.89%	0.0000
211	Apartment Value	0.1072	1.0353	3.53%	1.0740
212	Non-Union Superintendent	0.3226	1.0358	3.58%	0.7063
216	Non-Union Janitor/Porter	0.1300	1.0357	3.57%	1.4849
	LABOR COSTS	**0.1502**	**1.0363**	**3.63%**	**0.3200**
301	Fuel Oil #2	0.5671	1.1799	17.99%	2.6114
302	Fuel Oil #4	0.0142	1.1485	14.85%	5.1273
403	Electricity #3, 82,000 KWH	0.2404	1.0152	1.52%	0.0000
405	Gas #2, 650 therms	0.0335	1.2027	20.27%	0.0000
406	Gas #3, 2,140 therms	0.1446	1.2416	24.16%	0.0000
407	Steam #1, 1,150 Mlbs	0.0003	1.1334	13.34%	0.0000
	FUEL	**0.1310**	**1.1496**	**14.96%**	**1.4826**
401	Electricity #1, 2,500 KWH	0.1342	1.1065	10.65%	0.0000
402	Electricity #2, 15,000 KWH	0.1346	1.1717	17.17%	0.0000
404	Gas #1, 120 therms	0.0784	1.1865	18.65%	0.0000
410	Water & Sewer	0.6527	1.0276	2.76%	0.0000
	UTILITIES	**0.0432**	**1.0701**	**7.01%**	**0.0000**
501	Repainting	0.1502	1.0442	4.42%	0.6951
502	Plumbing, Faucet	0.0501	1.0716	7.16%	2.5699
503	Plumbing, Stoppage	0.0498	1.0740	7.40%	2.3578
504	Elevator #1, 6 fl., 1 e.	0.0217	1.0386	3.86%	1.8801
505	Elevator #2, 13 fl., 2 e.	0.0188	1.0479	4.79%	2.4095
506	Elevator #3, 19 fl., 3 e.	0.0173	1.0389	3.89%	2.1491
507	Burner Repair	0.0170	1.0650	6.50%	3.3317
508	Boiler Repair, Tube	0.0195	1.1487	14.87%	5.2179
509	Boiler Repair, Weld	0.0194	1.1196	11.96%	3.6090
511	Range Repair	0.0818	1.0588	5.88%	3.6090
512	Roof Repair	0.0226	1.2338	23.38%	1.7076
514	Floor Maint. #1, Studio	0.0004	1.1756	17.56%	2.8757
515	Floor Maint. #2, 1 Br.	0.0009	1.2289	22.89%	4.0764
516	Floor Maint. #3, 2 Br.	0.0077	1.2077	20.77%	3.1891
517	Extermination Services	0.0225	1.1281	12.81%	7.6872

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Spec #	Item Description	Expenditure Weight	Price Relative	% Change	Standard Error
518	Linen/Laundry Service	0.1191	1.0357	3.57%	2.1821
519	Electrician Services	0.0223	1.1027	10.27%	6.7338
805	Paint	0.0487	1.0818	8.18%	3.0630
808	Bucket	0.0202	1.1250	12.50%	2.7780
810	Linens	0.0618	1.0844	8.44%	6.5431
811	Pine Disinfectant	0.0087	0.9936	-0.64%	5.8800
813	Switch Plate	0.0131	1.1672	16.72%	2.0777
815	Toilet Seat	0.0192	1.1360	13.60%	5.0185
816	Deck Faucet	0.0247	1.1628	16.28%	7.3620
817	Large Trash Bags	0.0271	1.0547	5.47%	5.4011
818	Smoke Detectors	0.0248	1.0540	5.40%	1.0945
902	Refrigerator #2	0.0140	1.0522	5.22%	1.9326
903	Air Conditioner #1	0.0081	1.0492	4.92%	3.2795
908	Range #2	0.0061	1.1568	15.68%	3.3363
909	Carpet	0.0409	1.0779	7.79%	6.8205
910	Dresser	0.0226	1.0933	9.33%	2.7751
911	Mattress & Box Spring	0.0192	1.0918	9.18%	3.6397
	MAINTENANCE	**0.1141**	**1.0765**	**7.65%**	**0.2977**
601	Management Fees	0.5462	0.9897	-1.03%	1.3249
602	Accountant Fees	0.0663	1.0268	2.68%	0.9506
603	Attorney Fees	0.1063	1.2419	24.19%	8.3991
604	Newspaper Ads	0.0846	1.0000	0.00%	0.0000
607	Envelopes	0.0065	1.0172	1.72%	4.6620
608	P.O. Box	0.0073	1.0648	6.48%	1.9787
609	Copy Paper	0.0064	1.2224	22.24%	5.2273
409	Communications	0.1766	1.0191	1.91%	0.0000
	ADMIN COSTS	**0.0839**	**1.0272**	**2.72%**	**1.1516**
701	**INSURANCE COSTS**	**0.0614**	**1.1091**	**10.91%**	**1.4162**
	ALL ITEMS	**1.0000**	**0.9873**	**-1.27%**	**0.7571**

B.8 Expenditure Weight and Price Relatives, Lofts, 2022

Spec #	Item Description	Expenditure Weight	Price Relative	% Change
101	**TAXES**	**0.3214**	**0.9628**	**-3.72%**
202	Payroll, Other, Union, Supts.	0.2177	1.0293	2.93%
204	Payroll, Other, Non-Union, All	0.5518	1.0358	3.58%
205	Social Security Insurance	0.0385	1.0347	3.47%
206	Unemployment Insurance	0.0035	1.5138	51.38%
207	Private Health & Welfare	0.1886	1.0432	4.32%
	LABOR COSTS	**0.0827**	**1.0374**	**3.74%**
301	Fuel Oil #2	0.2827	1.1799	17.99%
302	Fuel Oil #4	0.5447	1.1485	14.85%
405	Gas #2, 650 therms	0.0415	1.2096	20.96%
406	Gas #3, 2,140 therms	0.1105	1.2294	22.94%
407	Steam #1, 1,150 Mlbs	0.0158	1.1334	13.34%
408	Steam #2, 2,600 Mlbs	0.0049	1.1116	11.16%
	FUEL	**0.0618**	**1.1684**	**16.84%**
401	Electricity #1, 2,500 KWH	0.0081	1.1065	10.65%
402	Electricity #2, 15,000 KWH	0.0968	1.1717	17.17%
404	Gas #1, 120 therms	0.0031	1.1865	18.65%
410	Water & Sewer - Frontage	0.8920	1.0276	2.76%
	UTILITIES	**0.0558**	**1.0427**	**4.27%**
501	Repainting	0.2982	1.0442	4.42%
502	Plumbing, Faucet	0.0828	1.0716	7.16%
503	Plumbing, Stoppage	0.0778	1.0740	7.40%
504	Elevator #1, 6 fl., 1 e.	0.0331	1.0386	3.86%
505	Elevator #2, 13 fl., 2 e.	0.0209	1.0479	4.79%
506	Elevator #3, 19 fl., 3 e.	0.0117	1.0389	3.89%
507	Burner Repair	0.0243	1.0650	6.50%
508	Boiler Repair, Tube	0.0309	1.1487	14.87%
509	Boiler Repair, Weld	0.0261	1.1196	11.96%
510	Refrigerator Repair	0.0078	1.0588	5.88%
511	Range Repair	0.0073	1.0588	5.88%
512	Roof Repair	0.0522	1.2338	23.38%
514	Floor Maint. #1, Studio	0.0001	1.1756	17.56%
515	Floor Maint. #2, 1 Br.	0.0002	1.2289	22.89%
516	Floor Maint. #3, 2 Br.	0.0021	1.2077	20.77%
517	Extermination	0.0260	1.1281	12.81%
519	Electrician	0.0258	1.1027	10.27%

(CONTINUED, TOP RIGHT)

Spec #	Item Description	Expenditure Weight	Price Relative	% Change
805	Paint	0.0464	1.0818	8.18%
808	Bucket	0.0087	1.1250	12.50%
811	Pine Disinfectant	0.0118	0.9936	-0.64%
813	Switch Plate	0.0057	1.1672	16.72%
815	Toilet Seat	0.0201	1.1360	13.60%
816	Deck Faucet	0.0259	1.1628	16.28%
817	Large Trash Bags	0.0159	1.0547	5.47%
818	Smoke Detectors	0.0146	1.0540	5.40%
902	Refrigerator #2	0.0762	1.0522	5.22%
903	Air Conditioner #1	0.0026	1.0492	4.92%
906	Dishwasher	0.0083	1.0902	9.02%
908	Range #2	0.0366	1.1568	15.68%
	MAINTENANCE	**0.0866**	**1.0814**	**8.14%**
	ADMIN COSTS - LEGAL	**0.0608**	**1.2419**	**24.19%**
601	Management Fees	0.8195	0.9897	-1.03%
602	Accountant Fees	0.1428	1.0268	2.68%
604	Newspaper Ads	0.0094	1.0000	0.00%
607	Envelopes	0.0072	1.0172	1.72%
608	PO Box	0.0081	1.0648	6.48%
609	Copy Paper	0.0071	1.2224	22.24%
409	Communications	0.0059	1.0191	1.91%
	ADMIN COSTS - OTHER	**0.0752**	**0.9977**	**-0.23%**
701	**INSURANCE COSTS**	**0.2558**	**1.1091**	**10.91%**
	ALL ITEMS	**1.0000**	**1.0534**	**5.34%**

C.1 Average Operating & Maintenance Cost in 2020 per Dwelling Unit per Month by Building Size and Location, Structures Built Before 1947

	Taxes	Labor	Fuel	Water/Sewer	Light & Power	Maint.	Admin.	Insurance	Misc.	Total
Citywide	**$315**	**$95**	**$74**	**$75**	**$26**	**$164**	**$139**	**$70**	**$40**	**$997**
11-19 units	$402	$93	$83	$74	$30	$177	$152	$70	$43	$1,124
20-99 units	$281	$82	$74	$76	$25	$160	$131	$71	$39	$938
100+ units	$499	$224	$59	$65	$33	$177	$188	$63	$38	$1,346
Bronx	$175	$78	$84	$83	$27	$148	$107	$84	$22	$808
11-19 units	$197	$96	$97	$85	$31	$162	$106	$85	$22	$881
20-99 units	$174	$76	$84	$83	$27	$147	$106	$84	$23	$804
100+ units	$176	$94	$77	$89	$18	$152	$113	$90	$10	$820
Brooklyn	$265	$71	$62	$75	$19	$153	$124	$63	$46	$879
11-19 units	$299	$75	$70	$73	$22	$170	$134	$62	$42	$946
20-99 units	$253	$67	$61	$76	$18	$149	$120	$63	$49	$856
100+ units	$312	$112	$53	$74	$23	$167	$143	$66	$30	$980
Manhattan	$503	$137	$76	$69	$33	$191	$193	$68	$54	$1,324
11-19 units	$583	$112	$88	$75	$38	$200	$204	$78	$56	$1,433
20-99 units	$440	$106	$76	$70	$29	$187	$180	$67	$56	$1,210
100+ units	$730	$339	$59	$54	$46	$199	$250	$55	$40	$1,773
Queens	$302	$84	$70	$69	$22	$154	$112	$56	$35	$903
11-19 units	$284	$74	$84	$66	$23	$144	$91	$53	$27	$847
20-99 units	$305	$78	$69	$69	$22	$159	$117	$56	$32	$908
100+ units	$311	$136	$51	$68	$16	$143	$121	$58	$67	$971
Core Man	$719	$174	$65	$56	$35	$200	$230	$64	$56	$1,597
11-19 units	$721	$113	$77	$67	$36	$204	$222	$77	$54	$1,573
20-99 units	$666	$119	$63	$53	$28	$193	$216	$62	$60	$1,459
100+ units	$856	$397	$58	$47	$50	$210	$277	$51	$45	$1,993
Upper Man	$293	$101	$87	$82	$31	$182	$157	$71	$52	$1,056
11-19 units	$312	$110	$106	$90	$42	$191	$166	$79	$58	$1,155
20-99 units	$291	$98	$85	$81	$29	$183	$156	$71	$53	$1,046
100+ units	-	-	-	-	-	-	-	-	-	-
City w/o Core	$242	$81	$76	$78	$25	$157	$122	$71	$37	$889
11-19 units	$282	$85	$84	$77	$27	$167	$126	$67	$39	$953
20-99 units	$234	$77	$76	$79	$24	$156	$121	$72	$37	$875
100+ units	$283	$118	$59	$76	$22	$157	$134	$69	$34	$952

Notes: The sum of the lines may not equal the total due to rounding. Totals in this table may not match those in Appendix C.3 due to rounding. Data in this table are *not* adjusted for the results of the 1992 NYC Department of Finance audit on I&E reported operating costs. The category "Utilities" used in the I&E Study is the sum of "Water & Sewer" and "Light & Power." The number of Pre-47 rent stabilized buildings with 100+ units in Upper Manhattan, as well as all buildings on 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 Department of Finance.

Source: NYC Department of Finance, RPIE Filings

C.2 Average Operating & Maintenance Cost in 2020 per Dwelling Unit per Month by Building Size and Location, Structures Built After 1946

	Taxes	Labor	Fuel	Water/Sewer	Light & Power	Maint.	Admin.	Insurance	Misc.	Total
Citywide	**$346**	**$166**	**$53**	**$63**	**$35**	**$170**	**$175**	**$59**	**$55**	**$1,122**
11-19 units	$261	$78	$47	$56	$43	$162	$126	$57	$58	$889
20-99 units	$255	$103	$55	$66	$31	$161	$149	$60	$45	$925
100+ units	$451	$243	$52	$59	$38	$180	$208	$57	$65	$1,354
Bronx	$173	$101	$67	$75	$37	$156	$122	$69	$21	$820
11-19 units	-	-	-	-	-	-	-	-	-	-
20-99 units	$177	$90	$71	$75	$37	$146	$114	$71	$19	$800
100+ units	$169	$119	$62	$74	$37	$172	$134	$67	$23	$858
Brooklyn	$226	$117	$42	$60	$33	$170	$166	$60	$59	$934
11-19 units	$220	$93	$42	$55	$46	$214	$159	$69	$93	$991
20-99 units	$226	$95	$44	$62	$31	$179	$172	$60	$54	$922
100+ units	$229	$170	$40	$59	$36	$145	$153	$57	$62	$950
Manhattan	$721	$338	$56	$50	$46	$220	$283	$56	$70	$1,842
11-19 units	$613	$88	$67	$51	$51	$211	$286	$62	$155	$1,584
20-99 units	$503	$157	$59	$54	$38	$194	$228	$60	$53	$1,345
100+ units	$775	$385	$55	$49	$48	$227	$297	$56	$74	$1,964
Queens	$290	$126	$52	$65	$29	$142	$140	$53	$62	$959
11-19 units	$284	$72	$47	$57	$44	$141	$106	$50	$47	$847
20-99 units	$282	$108	$56	$67	$28	$145	$129	$53	$49	$917
100+ units	$299	$161	$48	$65	$27	$139	$161	$52	$82	$1,034
St. Island	$195	$104	$51	$61	$20	$148	$129	$53	$37	$799
11-19 units	-	-	-	-	-	-	-	-	-	-
20-99 units	$227	$60	$44	$48	$26	$134	$167	$50	$0	$755
100+ units	-	-	-	-	-	-	-	-	-	-
Core Man	$849	$383	$57	$48	$48	$223	$314	$57	$83	$2,062
11-19 units	-	-	-	-	-	-	-	-	-	-
20-99 units	$712	$189	$57	$48	$36	$207	$252	$58	$64	$1,622
100+ units	$875	$420	$57	$48	$50	$226	$325	$57	$85	$2,143
Upper Man	$311	$193	$52	$55	$39	$210	$183	$54	$31	$1,129
11-19 units	-	-	-	-	-	-	-	-	-	-
20-99 units	$218	$113	$62	$61	$41	$175	$192	$61	$39	$963
100+ units	-	-	-	-	-	-	-	-	-	-
City w/o Core	$242	$121	$52	$65	$32	$159	$146	$59	$49	$926
11-19 units	$252	$78	$47	$57	$43	$160	$122	$56	$55	$870
20-99 units	$230	$98	$55	$67	$31	$159	$143	$60	$44	$887
100+ units	$259	$163	$49	$64	$33	$158	$155	$57	$56	$992

Notes: The sum of the lines may not equal the total due to rounding. Totals in this table may not match those in Appendix C.3 due to rounding. Data in this table are *not* adjusted for the results of the 1992 NYC Department of Finance audit on I&E reported operating costs. The category "Utilities" used in the I&E Study is the sum of "Water & Sewer" and "Light & Power." The number of Post-46 rent stabilized buildings with 11-19 units in the Bronx, Staten Island, Core Manhattan and Upper Manhattan; and 100+ unit buildings in Upper Manhattan and 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 Department of Finance.

Source: NYC Department of Finance, RPIE Filings

C.3 Average Rent, Income, and Costs in 2020 per Dwelling Unit per Month by Building Size and Location

	Post-46			Pre-47			All		
	Rent	Income	Costs	Rent	Income	Costs	Rent	Income	Costs
Citywide	**$1,676**	**$1,857**	**$1,122**	**$1,310**	**$1,458**	**$997**	**$1,422**	**$1,580**	**$1,035**
11-19 units	$1,504	$1,641	$889	$1,371	$1,613	$1,124	$1,390	$1,617	$1,090
20-99 units	$1,438	$1,561	$925	$1,249	$1,374	$938	$1,289	$1,414	$936
100+ units	$1,945	$2,192	$1,354	$1,790	$2,002	$1,346	$1,900	$2,137	$1,352
Bronx	$1,136	$1,261	$820	$1,031	$1,155	$808	$1,053	$1,177	$811
11-19 units	-	-	-	$1,006	$1,219	$881	$1,014	$1,219	$872
20-99 units	$1,111	$1,217	$800	$1,028	$1,148	$804	$1,036	$1,156	$803
100+ units	$1,176	$1,334	$858	$1,151	$1,250	$820	$1,163	$1,288	$837
Brooklyn	$1,632	$1,764	$934	$1,254	$1,328	$879	$1,367	$1,458	$895
11-19 units	$1,676	$1,857	$1,122	$1,312	$1,423	$946	$1,343	$1,458	$949
20-99 units	$1,629	$1,756	$922	$1,229	$1,296	$856	$1,286	$1,363	$866
100+ units	$1,595	$1,728	$950	$1,391	$1,467	$980	$1,527	$1,641	$960
Manhattan	$2,574	$2,977	$1,842	$1,642	$1,911	$1,324	$1,870	$2,172	$1,451
11-19 units	$1,559	$2,188	$1,584	$1,587	$2,005	$1,433	$1,587	$2,007	$1,434
20-99 units	$1,869	$2,162	$1,345	$1,539	$1,755	$1,210	$1,566	$1,789	$1,222
100+ units	$2,753	$3,180	$1,964	$2,256	$2,607	$1,773	$2,585	$2,986	$1,900
Queens	$1,426	$1,524	$959	$1,305	$1,364	$903	$1,372	$1,452	$934
11-19 units	$1,421	$1,524	$847	$1,191	$1,253	$847	$1,223	$1,291	$847
20-99 units	$1,378	$1,463	$917	$1,315	$1,371	$908	$1,332	$1,397	$910
100+ units	$1,484	$1,595	$1,034	$1,435	$1,506	$971	$1,472	$1,574	$1,020
St. Island	$1,098	$1,217	$799	-	-	-	$1,115	$1,222	$810
11-19 units	-	-	-	-	-	-	-	-	-
20-99 units	$1,182	$1,403	$906	-	-	-	$1,096	$1,158	$775
100+ units	-	-	-	-	-	-	-	-	-
Core Man	$2,829	$3,259	$2,062	$1,980	$2,325	$1,597	$2,263	$2,636	$1,752
11-19 units	-	-	-	$1,735	$2,201	$1,573	$1,732	$2,200	$1,574
20-99 units	$2,151	$2,460	$1,622	$1,892	$2,159	$1,459	$1,911	$2,181	$1,471
100+ units	$2,958	$3,408	$2,143	$2,493	$2,909	$1,993	$2,804	$3,243	$2,093
Upper Man	$1,751	$2,063	$1,129	$1,311	$1,506	$1,056	$1,369	$1,579	$1,066
11-19 units	-	-	-	$1,294	$1,616	$1,155	$1,318	$1,629	$1,153
20-99 units	$1,479	$1,751	$963	$1,305	$1,487	$1,046	$1,312	$1,497	$1,043
100+ units	-	-	-	-	-	-	$1,614	$1,820	$1,090
City w/o Core	$1,436	$1,565	$926	$1,224	$1,311	$889	$1,288	$1,388	$900
11-19 units	$1,503	$1,626	$870	$1,199	$1,289	$953	$1,256	$1,352	$937
20-99 units	$1,399	$1,511	$887	$1,211	$1,291	$875	$1,253	$1,341	$878
100+ units	$1,480	$1,634	$992	$1,355	$1,438	$952	$1,447	$1,581	$981

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

C.4 Median Rent, Income, and Costs in 2020 per Dwelling Unit per Month by Building Size and Location

	Post-46			Pre-47			All		
	Rent	Income	Costs	Rent	Income	Costs	Rent	Income	Costs
Citywide	**$1,435**	**$1,548**	**$954**	**$1,260**	**$1,365**	**$933**	**$1,280**	**$1,389**	**$937**
11-19 units	$1,500	$1,618	$863	$1,351	$1,541	$1,070	$1,356	$1,542	$1,056
20-99 units	$1,336	$1,424	$893	$1,226	$1,316	$896	$1,239	$1,329	$896
100+ units	$1,614	$1,741	$1,125	$1,422	$1,497	$1,000	$1,555	$1,673	$1,086
Bronx	$1,115	$1,193	$788	$1,037	$1,141	$793	$1,043	$1,147	$793
11-19 units	-	-	-	$979	$1,197	$864	$991	$1,196	$849
20-99 units	$1,100	$1,168	$790	$1,036	$1,133	$787	$1,040	$1,137	$787
100+ units	$1,156	$1,297	$800	$1,149	$1,273	$812	$1,151	$1,277	$809
Brooklyn	$1,461	$1,550	$911	$1,193	$1,259	$840	$1,221	$1,289	$849
11-19 units	$1,893	$2,171	$932	$1,235	$1,312	$892	$1,249	$1,332	$893
20-99 units	$1,402	$1,503	$885	$1,182	$1,241	$821	$1,201	$1,263	$830
100+ units	$1,422	$1,515	$942	$1,314	$1,368	$931	$1,375	$1,466	$941
Manhattan	$2,326	$2,666	$1,609	$1,586	$1,804	$1,220	$1,625	$1,846	$1,245
11-19 units	$1,657	$1,989	$1,383	$1,599	$1,951	$1,364	$1,600	$1,951	$1,367
20-99 units	$1,917	$2,121	$1,274	$1,555	$1,719	$1,138	$1,582	$1,741	$1,146
100+ units	$2,950	$3,316	$2,036	$2,204	$2,611	$1,760	$2,721	$3,101	$1,914
Queens	$1,396	$1,476	$940	$1,285	$1,327	$862	$1,317	$1,363	$886
11-19 units	$1,327	$1,382	$776	$1,202	$1,232	$807	$1,206	$1,244	$804
20-99 units	$1,353	$1,421	$902	$1,325	$1,358	$880	$1,331	$1,369	$886
100+ units	$1,474	$1,571	$1,041	$1,422	$1,477	$947	$1,457	$1,551	$1,009
St. Island	$1,085	$1,165	$747	-	-	-	$1,092	$1,186	$771
11-19 units	-	-	-	-	-	-	-	-	-
20-99 units	$1,263	$1,364	$936	-	-	-	$1,085	$1,095	$747
100+ units	-	-	-	-	-	-	-	-	-
Core Man	$2,562	$2,890	$1,791	$1,798	$2,034	$1,379	$1,835	$2,090	$1,407
11-19 units	-	-	-	$1,692	$2,035	$1,431	$1,688	$2,035	$1,431
20-99 units	$2,042	$2,266	$1,409	$1,847	$2,000	$1,314	$1,863	$2,022	$1,322
100+ units	$3,006	$3,402	$2,140	$2,396	$2,850	$1,951	$2,858	$3,222	$2,060
Upper Man	$1,573	$1,681	$958	$1,265	$1,401	$976	$1,270	$1,409	$976
11-19 units	-	-	-	$1,268	$1,493	$1,043	$1,270	$1,510	$1,041
20-99 units	$1,405	$1,578	$903	$1,260	$1,390	$963	$1,265	$1,395	$961
100+ units	-	-	-	-	-	-	$1,459	$1,639	$1,078
City w/o Core	$1,336	$1,426	$888	$1,162	$1,248	$846	$1,184	$1,271	$853
11-19 units	$1,493	$1,527	$818	$1,189	$1,289	$883	$1,195	$1,302	$875
20-99 units	$1,280	$1,361	$860	$1,153	$1,235	$839	$1,167	$1,249	$841
100+ units	$1,427	$1,526	$984	$1,314	$1,379	$890	$1,370	$1,466	$950

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

C.5 Average Net Operating Income in 2020 per Dwelling Unit per Month by Building Size and Location

	Post-46	Pre-47	All
Citywide	**$735**	**$461**	**$545**
11-19 units	$752	$489	$527
20-99 units	$635	$436	$478
100+ units	$838	$656	$785
Bronx	$441	$346	$366
11-19 units	-	$338	$347
20-99 units	$417	$344	$353
100+ units	$476	$430	$451
Brooklyn	$831	$449	$563
11-19 units	$735	$477	$509
20-99 units	$834	$440	$497
100+ units	$778	$487	$681
Manhattan	$1,135	$587	$721
11-19 units	$604	$572	$572
20-99 units	$817	$544	$567
100+ units	$1,216	$833	$1,086
Queens	$565	$460	$518
11-19 units	$677	$406	$444
20-99 units	$546	$463	$487
100+ units	$561	$535	$554
St. Island	$418	-	$412
11-19 units	-	-	-
20-99 units	$497	-	$383
100+ units	-	-	-

	Post-46	Pre-47	All
Core Man	$1,197	$728	$884
11-19 units	-	$628	$626
20-99 units	$838	$700	$710
100+ units	$1,265	$916	$1,150
Upper Man	$933	$449	$513
11-19 units	-	$461	$476
20-99 units	$788	$441	$454
100+ units	-	-	$730
City w/o Core	$639	$423	$488
11-19 units	$756	$337	$415
20-99 units	$624	$416	$463
100+ units	$642	$486	$600

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

Source: NYC Department of Finance, RPIE Filings

C.6 Distribution of Operating Costs in 2020, by Building Size and Age

	Taxes	Maint.	Labor	Admin.	Utilities	Fuel	Misc.	Insurance	Total
Pre-47	**31.6%**	**16.4%**	**9.5%**	**13.9%**	**10.1%**	**7.4%**	**4.0%**	**7.0%**	**100.0%**
11-19 units	35.8%	15.8%	8.2%	13.5%	9.3%	7.4%	3.8%	6.2%	100.0%
20-99 units	29.9%	17.0%	8.7%	14.0%	10.7%	7.9%	4.2%	7.5%	100.0%
100+ units	37.1%	13.2%	16.6%	14.0%	7.3%	4.4%	2.8%	4.7%	100.0%
Post-46	**30.8%**	**15.2%**	**14.8%**	**15.6%**	**8.7%**	**4.8%**	**4.9%**	**5.2%**	**100.0%**
11-19 units	29.4%	18.2%	8.8%	14.2%	11.2%	5.3%	6.5%	6.4%	100.0%
20-99 units	27.6%	17.4%	11.1%	16.1%	10.5%	6.0%	4.8%	6.5%	100.0%
100+ units	33.3%	13.3%	18.0%	15.4%	7.2%	3.8%	4.8%	4.2%	100.0%
All Bldgs.	**31.3%**	**16.0%**	**11.3%**	**14.5%**	**9.7%**	**6.5%**	**4.3%**	**6.4%**	**100.0%**
11-19 units	35.0%	16.1%	8.3%	13.6%	9.5%	7.1%	4.2%	6.2%	100.0%
20-99 units	29.4%	17.1%	9.2%	14.4%	10.7%	7.5%	4.3%	7.3%	100.0%
100+ units	34.4%	13.2%	17.6%	15.0%	7.2%	4.0%	4.3%	4.3%	100.0%

Source: NYC Department of Finance, RPIE Filings

C.7 Number of Distressed Buildings in 2020

	Citywide	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Core Manh	Upper Manh
Pre-47								
11-19 units	387	32	65	259	31	0	200	59
20-99 units	497	101	78	263	54	1	149	114
100+ units	7	1	2	3	1	0	3	0
All	**891**	**134**	**145**	**525**	**86**	**1**	**352**	**173**
Post-46								
11-19 units	11	2	3	4	1	1	2	2
20-99 units	47	11	10	11	12	3	9	2
100+ units	15	4	2	6	3	0	6	0
All	**73**	**17**	**15**	**21**	**16**	**4**	**17**	**4**
All Bldgs.								
11-19 units	398	34	68	263	32	1	202	61
20-99 units	544	112	88	274	66	4	158	116
100+ units	22	5	4	9	4	0	9	0
All	**964**	**151**	**160**	**546**	**102**	**5**	**369**	**177**

Note: Distressed buildings are those that have operating and maintenance costs that exceed gross income.

Source: NYC Department of Finance, RPIE Filings

C.8 Operating Cost-to-Income Ratios by Decile in 2020

	# of Bldgs	10%	20%	30%	40%	50%	60%	70%	80%	90%	100%
Citywide	14,828	0.51	0.57	0.61	0.64	0.67	0.71	0.75	0.81	0.93	2.97
Manhattan	6,082	0.52	0.57	0.61	0.64	0.67	0.71	0.77	0.85	0.98	2.97
Bronx	3,018	0.54	0.59	0.63	0.66	0.69	0.73	0.77	0.82	0.91	1.98
Brooklyn	3,566	0.49	0.55	0.59	0.62	0.65	0.69	0.72	0.77	0.87	2.07
Queens	2,077	0.51	0.55	0.59	0.62	0.65	0.68	0.72	0.78	0.89	2.65
St. Island	85	0.51	0.57	0.62	0.64	0.65	0.67	0.69	0.76	0.90	1.36

Source: NYC Department of Finance, RPIE Filings

C.9 Number of Buildings and Dwelling Units in 2020 by Building Size and Location

	Post-46		Pre-47		All	
	Bldgs.	DUs	Bldgs.	DUs	Bldgs.	DUs
Citywide	**2,097**	**215,824**	**12,731**	**468,773**	**14,828**	**684,597**
11-19 units	194	2,856	3,455	52,312	3,649	55,168
20-99 units	1,250	69,091	8,935	356,378	10,185	425,469
100+ units	653	143,877	341	60,083	994	203,960
Bronx	348	25,422	2,670	117,081	3,018	142,503
11-19 units	21	324	300	4,572	321	4,896
20-99 units	269	15,393	2,302	102,969	2,571	118,362
100+ units	58	9,705	68	9,540	126	19,245
Brooklyn	530	47,754	3,036	107,820	3,566	155,574
11-19 units	49	735	904	13,509	953	14,244
20-99 units	348	19,477	2,066	86,387	2,414	105,864
100+ units	133	27,542	66	7,924	199	35,466
Manhattan	513	78,961	5,569	185,467	6,082	264,428
11-19 units	50	731	1,849	28,008	1,899	28,739
20-99 units	219	11,132	3,579	125,081	3,798	136,213
100+ units	244	67,098	141	32,378	385	99,476
Queens	645	59,381	1,432	57,096	2,077	116,477
11-19 units	63	910	394	6,097	457	7,007
20-99 units	378	21,637	977	41,502	1,355	63,139
100+ units	204	36,834	61	9,497	265	46,331
St. Island	61	4,306	24	1,309	85	5,615
11-19 units	11	156	8	126	19	282
20-99 units	36	1,452	11	439	47	1,891
100+ units	14	2,698	5	744	19	3,442
Core Man	418	70,804	3,650	115,127	4,068	185,931
11-19 units	32	487	1,498	22,676	1,530	23,163
20-99 units	162	8,308	2,041	64,461	2,203	72,769
100+ units	224	62,009	111	27,990	335	89,999
Upper Man	95	8,157	1,919	70,340	2,014	78,497
11-19 units	18	244	351	5,332	369	5,576
20-99 units	57	2,824	1,538	60,620	1,595	63,444
100+ units	20	5,089	30	4,388	50	9,477

Note: DU = Dwelling Unit

Source: NYC Department of Finance, RPIE Filings

C.10 Longitudinal Income and Expense Study, Estimated Average Rent, Income, and Costs Changes (2019-2020) by Building Size and Location

	Post-46			Pre-47			All		
	Rent	Income	Costs	Rent	Income	Costs	Rent	Income	Costs
Citywide	**-2.9%**	**-3.0%**	**-1.8%**	**-4.4%**	**-5.5%**	**-3.3%**	**-3.8%**	**-4.6%**	**-2.8%**
11-19 units	-1.8%	-0.9%	0.2%	-6.3%	-8.4%	-3.8%	-5.6%	-7.4%	-3.3%
20-99 units	-1.7%	-1.8%	-2.7%	-4.0%	-4.9%	-3.3%	-3.4%	-4.2%	-3.2%
100+ units	-3.8%	-4.0%	-1.3%	-4.5%	-5.5%	-2.9%	-4.0%	-4.4%	-1.8%
Bronx	0.0%	0.4%	-1.4%	-2.2%	-2.6%	-2.1%	-1.7%	-1.9%	-2.0%
11-19 units	-	-	-	-2.8%	-1.9%	-3.2%	0.0%	0.6%	-3.1%
20-99 units	-2.0%	-1.4%	-2.2%	-2.2%	-2.6%	-2.1%	-2.2%	-2.4%	-2.1%
100+ units	1.9%	2.0%	-0.2%	-0.3%	-1.7%	-2.1%	1.4%	1.1%	-0.7%
Brooklyn	0.7%	0.9%	-2.5%	-2.2%	-2.3%	-1.7%	-1.2%	-1.2%	-2.0%
11-19 units	-1.9%	1.4%	-0.8%	-3.1%	-3.7%	-1.4%	-2.9%	-2.9%	-1.3%
20-99 units	0.2%	0.4%	-3.0%	-2.0%	-2.0%	-1.8%	-1.3%	-1.3%	-2.2%
100+ units	2.5%	2.0%	-1.7%	-2.4%	-2.2%	-1.2%	0.7%	0.5%	-1.5%
Manhattan	-7.2%	-7.4%	-1.2%	-7.6%	-9.6%	-5.1%	-7.4%	-8.9%	-3.9%
11-19 units	-4.4%	-6.9%	2.9%	-9.5%	-12.8%	-5.3%	-9.4%	-12.7%	-5.2%
20-99 units	-6.6%	-7.6%	-2.2%	-7.4%	-9.2%	-5.4%	-7.3%	-9.1%	-5.2%
100+ units	-7.3%	-7.3%	-1.0%	-6.3%	-7.5%	-3.6%	-7.0%	-7.4%	-1.9%
Queens	-1.8%	-1.8%	-2.3%	-2.5%	-2.7%	-2.7%	-2.1%	-2.2%	-2.5%
11-19 units	-4.0%	-3.9%	0.8%	-3.5%	-3.4%	-2.4%	-3.7%	-3.7%	-1.2%
20-99 units	-2.1%	-2.3%	-2.7%	-2.5%	-2.8%	-3.0%	-2.3%	-2.5%	-2.9%
100+ units	-0.9%	-0.7%	-2.4%	-0.9%	-1.3%	-1.8%	-0.9%	-0.8%	-2.3%
St. Island	0.9%	0.7%	-1.5%	-	-	-	0.5%	0.4%	-2.3%
11-19 units	-	-	-	-	-	-	-	-	-
20-99 units	-	-	-	-	-	-	0.5%	0.2%	-3.6%
100+ units	-	-	-	-	-	-	-	-	-
Core Man	-7.9%	-8.3%	-1.6%	-9.5%	-12.2%	-4.9%	-8.9%	-10.7%	-3.6%
11-19 units	-	-	-	-10.4%	-14.7%	-5.5%	-10.3%	-14.6%	-5.4%
20-99 units	-7.7%	-9.6%	-2.3%	-10.3%	-13.1%	-5.3%	-10.0%	-12.7%	-4.9%
100+ units	-8.0%	-8.1%	-1.5%	-7.1%	-8.2%	-3.7%	-7.7%	-8.2%	-2.2%
Upper Man	-3.2%	-2.3%	1.3%	-4.5%	-5.2%	-5.4%	-4.2%	-4.7%	-4.5%
11-19 units	-	-	-	-7.0%	-7.1%	-4.8%	-7.0%	-7.1%	-4.8%
20-99 units	-4.2%	-3.3%	-2.0%	-4.3%	-5.1%	-5.6%	-4.3%	-5.0%	-5.4%
100+ units	-	-	-	-	-	-	-2.2%	-2.0%	0.7%
City w/o Core	-0.6%	-0.4%	-1.9%	-2.7%	-3.1%	-2.8%	-2.0%	-2.2%	-2.5%
11-19 units	-1.8%	-0.6%	0.1%	-3.9%	-4.2%	-2.7%	-3.5%	-3.5%	-2.2%
20-99 units	-1.1%	-1.0%	-2.7%	-2.6%	-3.0%	-2.9%	-2.2%	-2.5%	-2.9%
100+ units	0.2%	0.3%	-1.1%	-1.4%	-1.9%	-1.8%	-0.2%	-0.2%	-1.3%

Notes: Citywide and borough totals as well as building size categories are weighted. (See Methodology.) Cost figures in this table are *not* adjusted for the results of the 1992 NYC Department of Finance audit on I&E reported operating costs. The number of Post-46 rent stabilized buildings with 11-19 units in the Bronx, Staten Island, Core Manhattan 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. The number of Pre-47 rent stabilized buildings in all categories in Staten Island as well as 100+ unit buildings in Upper Manhattan was too small to calculate reliable statistics. In addition, the number of all 11-19 unit and 100+ unit 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 Department of Finance.
Source: NYC Department of Finance, RPIE Filings

C.11 Longitudinal Income and Expense Study, Estimated Median Rent, Income, and Costs Changes (2019-2020) by Building Size and Location

	Post-46			Pre-47			All		
	Rent	Income	Costs	Rent	Income	Costs	Rent	Income	Costs
Citywide	**-0.3%**	**0.1%**	**-2.4%**	**-2.9%**	**-3.3%**	**-2.7%**	**-2.8%**	**-3.0%**	**-2.6%**
11-19 units	2.6%	3.1%	-3.7%	-5.2%	-7.2%	-2.9%	-5.0%	-6.8%	-2.5%
20-99 units	-1.2%	-1.6%	-2.3%	-2.9%	-3.0%	-2.9%	-2.7%	-2.7%	-2.9%
100+ units	1.2%	0.6%	-2.7%	-1.0%	-2.5%	-2.0%	0.2%	0.8%	-2.0%
Bronx	-1.9%	-1.5%	-0.6%	-2.4%	-2.2%	-2.1%	-2.3%	-1.9%	-2.1%
11-19 units	-	-	-	-6.3%	-0.4%	-4.1%	-4.2%	0.3%	-3.3%
20-99 units	-3.1%	-3.0%	-1.4%	-2.4%	-2.2%	-2.0%	-2.4%	-2.2%	-1.9%
100+ units	-0.4%	-1.4%	2.6%	-0.4%	-2.5%	-3.4%	-0.6%	-2.7%	-3.3%
Brooklyn	1.8%	1.1%	-0.8%	-2.1%	-1.6%	-2.0%	-1.5%	-1.1%	-2.0%
11-19 units	4.8%	-0.6%	-3.7%	-0.8%	-1.2%	-0.9%	-0.4%	-2.0%	-1.0%
20-99 units	0.1%	-0.5%	-1.4%	-1.9%	-1.6%	-1.9%	-2.0%	-1.3%	-2.0%
100+ units	2.3%	3.1%	-0.2%	-3.5%	-2.5%	0.0%	-1.0%	0.2%	0.5%
Manhattan	-7.8%	-7.8%	-3.2%	-8.9%	-10.0%	-4.5%	-8.7%	-10.0%	-4.1%
11-19 units	-6.1%	10.8%	0.3%	-11.1%	-11.9%	-4.7%	-10.7%	-11.4%	-4.3%
20-99 units	-7.8%	-7.7%	-2.6%	-7.8%	-9.0%	-5.0%	-7.8%	-8.9%	-4.6%
100+ units	-7.2%	-8.2%	-0.2%	-6.1%	-6.0%	-5.3%	-6.3%	-7.7%	-2.3%
Queens	-1.5%	-1.4%	-2.3%	-3.0%	-2.7%	-3.3%	-2.6%	-3.1%	-2.7%
11-19 units	-3.9%	-4.0%	1.0%	-2.5%	-3.5%	-2.8%	-2.8%	-3.1%	-2.1%
20-99 units	-1.5%	-2.6%	-3.8%	-2.4%	-3.0%	-3.7%	-2.3%	-3.2%	-3.6%
100+ units	-0.2%	-1.0%	-2.2%	-1.7%	-0.5%	-0.9%	-0.6%	-0.8%	-2.1%
St. Island	-0.3%	0.9%	-3.9%	-	-	-	-1.8%	0.9%	-5.2%
11-19 units	-	-	-	-	-	-	-	-	-
20-99 units	-	-	-	-	-	-	-2.0%	-3.1%	-0.1%
100+ units	-	-	-	-	-	-	-	-	-
Core Man	-6.4%	-8.0%	-0.9%	-9.9%	-12.3%	-4.8%	-9.8%	-12.3%	-4.7%
11-19 units	-7.4%	11.3%	-0.6%	-10.8%	-13.8%	-5.1%	-10.9%	-13.4%	-5.1%
20-99 units	-9.1%	-9.0%	-1.3%	-9.5%	-12.2%	-5.2%	-9.4%	-11.8%	-5.0%
100+ units	-6.9%	-8.4%	2.3%	-11.3%	-9.0%	-2.8%	-7.6%	-8.2%	0.6%
Upper Man	-0.7%	-3.9%	-5.4%	-3.3%	-4.4%	-3.7%	-3.4%	-4.6%	-4.0%
11-19 units	-	-	-	-3.6%	-6.8%	-7.2%	-3.4%	-6.3%	-7.3%
20-99 units	1.1%	-1.6%	-0.2%	-3.6%	-4.3%	-4.2%	-3.5%	-4.1%	-4.1%
100+ units	-	-	-	0.8%	-1.8%	-2.8%	-0.3%	-1.3%	-0.8%
All City w/o Core	-0.7%	-0.8%	-2.0%	-2.4%	-2.5%	-3.0%	-2.4%	-2.0%	-2.7%
11-19 units	5.7%	3.0%	-1.6%	-2.4%	-1.7%	-1.5%	-2.5%	-2.0%	-2.2%
20-99 units	-1.4%	-1.6%	-2.1%	-2.5%	-2.4%	-2.9%	-2.6%	-2.3%	-2.9%
100+ units	0.1%	0.4%	-1.9%	-0.6%	-1.1%	0.5%	-0.8%	-0.3%	-1.6%

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

Source: NYC Department of Finance, RPIE Filings

C.12 Longitudinal Income and Expense Study, Average Net Operating Income Changes (2019-2020) by Building Size & Location

	Post-46	Pre-47	All
Citywide	**-4.7%**	**-9.8%**	**-7.8%**
11-19 units	-2.1%	-17.5%	-14.7%
20-99 units	-0.4%	-8.1%	-6.0%
100+ units	-8.1%	-10.4%	-8.7%
Bronx	3.9%	-3.6%	-1.8%
11-19 units	-	1.5%	10.1%
20-99 units	0.0%	-3.9%	-3.3%
100+ units	6.3%	-0.9%	4.6%
Brooklyn	5.2%	-3.5%	0.1%
11-19 units	3.5%	-8.1%	-5.6%
20-99 units	4.7%	-2.4%	0.3%
100+ units	6.9%	-4.1%	3.6%
Manhattan	-16.1%	-18.3%	-17.5%
11-19 units	-25.4%	-27.1%	-27.1%
20-99 units	-15.2%	-16.7%	-16.5%
100+ units	-16.1%	-14.7%	-15.8%
Queens	-0.9%	-2.6%	-1.6%
11-19 units	-9.3%	-5.5%	-7.5%
20-99 units	-1.5%	-2.3%	-1.9%
100+ units	2.6%	-0.4%	2.1%
St. Island	5.4%	-	6.4%
11-19 units	-	-	-
20-99 units	-	-	8.6%
100+ units	-	-	-

	Post-46	Pre-47	All
Core Man	-18.0%	-24.9%	-22.0%
11-19 units	-	-31.3%	-31.2%
20-99 units	-20.8%	-25.9%	-25.2%
100+ units	-17.7%	-16.7%	-17.4%
Upper Man	-6.5%	-4.8%	-5.2%
11-19 units	-	-12.5%	-12.5%
20-99 units	-4.9%	-4.0%	-4.1%
100+ units	-	-	-5.5%
City w/o Core	1.8%	-3.6%	-1.5%
11-19 units	-1.5%	-7.4%	-5.8%
20-99 units	1.6%	-3.2%	-1.8%
100+ units	2.6%	-1.9%	1.6%

Notes: Citywide and borough totals as well as building size categories are weighted (see Methodology). Cost figures used to calculate NOI in this table are *not* adjusted for the results of the 1992 NYC Department of Finance audit on I&E reported operating costs. The number of Post-46 rent stabilized buildings with 11-19 units in the Bronx, Staten Island, Core Manhattan 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. The number of Pre-47 rent stabilized buildings in all categories in Staten Island as well as 100+ unit buildings in Upper Manhattan was too small to calculate reliable statistics. In addition, the number of all 11-19 unit and 100+ unit 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 Department of Finance.

Source: NYC Department of Finance, RPIE Filings

C.13 Longitudinal Income and Expense Study, Change in Rent and Net Operating Income by Community District (2019-2020)

CD	Neighborhood	Rent Change	NOI Change
Manhattan			
102	Greenwich Village	-11.5%	-32.4%
103	Lower East Side/Chinatown	-12.1%	-32.1%
104	Chelsea/Clinton	-12.4%	-32.2%
105	Midtown	-11.9%	-44.1%
106	Stuyvesant Town/Turtle Bay	-10.7%	-26.7%
107	Upper West Side	-5.8%	-15.3%
108	Upper East Side	-8.0%	-18.8%
109	Morningside Hts./Hamilton Hts.	-6.0%	-9.2%
110	Central Harlem	-7.7%	-9.0%
111	East Harlem	-6.6%	-8.9%
112	Washington Hts./Inwood	-2.8%	-1.4%
Bronx			
201	Mott Haven/Port Morris	-2.4%	-0.9%
202	Hunts Point/Longwood	-3.6%	1.4%
203	Morrisania/Melrose/Claremont	-0.9%	2.3%
204	Highbridge/S. Concourse	-3.0%	-9.2%
205	University Heights/Fordham	-2.9%	-5.5%
206	E. Tremont/Belmont	-0.8%	7.4%
207	Kingsbridge Hts./Mosholu/Norwood	-2.2%	-3.5%
208	Riverdale/Kingsbridge	-1.1%	-0.5%
209	Soundview/Parkchester	-2.0%	-5.3%
210	Throgs Neck/Co-op City	1.4%	9.7%
211	Pelham Parkway	-1.2%	-0.5%
212	Williamsbridge/Baychester	-1.2%	1.7%
Brooklyn			
301	Williamsburg/Greenpoint	-4.3%	-5.0%
302	Brooklyn Hts./Fort Greene	-2.6%	-7.6%
303	Bedford Stuyvesant	-1.6%	1.7%
304	Bushwick	3.2%	12.1%
305	East New York/Starett City	-1.7%	-9.3%
306	Park Slope/Carroll Gardens	-4.5%	-10.0%
307	Sunset Park	-5.1%	-6.4%
308	North Crown Hts./Prospect Hts.	-2.0%	-0.7%
309	South Crown Hts.	-1.5%	-2.1%
310	Bay Ridge	-1.5%	1.6%
311	Bensonhurst	-2.8%	-4.0%
312	Borough Park	-0.5%	1.2%
313	Coney Island	-2.0%	-2.8%
314	Flatbush	-1.3%	-1.5%
315	Sheepshead Bay/Gravesend	0.5%	4.6%
316	Brownsville/Ocean Hill	-0.1%	4.6%
317	East Flatbush	-0.8%	-2.8%
318	Flatlands/Canarsie	-1.3%	-3.2%
Queens			
401	Astoria	-2.4%	-3.1%
402	Sunnyside/Woodside	-2.3%	-4.5%
403	Jackson Hts.	-2.5%	-2.8%
404	Elmhurst/Corona	-3.3%	-3.1%
405	Middle Village/Ridgewood	-2.4%	-0.5%
406	Forest Hills/Rego Park	-0.2%	4.6%
407	Flushing/Whitestone	-1.6%	-2.9%
408	Hillcrest/Fresh Meadows	-1.2%	-3.5%
409	Kew Gardens/Woodhaven	-1.2%	7.1%
411	Bayside/Little Neck	-1.9%	3.6%
412	Jamaica	-10.0%	-21.9%
414	Rockaways	0.5%	8.7%
Staten Island			
501	North Shore	-0.3%	1.9%

Note: Five Community Districts (CDs) contained too few buildings to be included in the analysis. Excluded CD"s are Financial District, Manhattan; Howard Beach/S. Ozone Park and Bellrose/Rosedale, Queens; and Mid-Island and South Shore, Staten Island.

Source: NYC Department of Finance, RPIE Filings

C.14 Longitudinal Analysis, Number of Buildings and Dwelling Units in 2019 & 2020, by Building Size and Location

	Post-46		Pre-47		All	
	Bldgs.	DUs	Bldgs.	DUs	Bldgs.	DUs
Citywide	**1,934**	**201,620**	**12,035**	**446,940**	**13,969**	**648,560**
11-19 units	168	2,473	3,176	48,107	3,344	50,580
20-99 units	1,149	64,701	8,532	341,957	9,681	406,658
100+ units	617	134,446	327	56,876	944	191,322
Bronx	321	23,973	2,546	112,161	2,867	136,134
11-19 units	16	248	275	4,212	291	4,460
20-99 units	249	14,334	2,207	98,917	2,456	113,251
100+ units	56	9,391	64	9,032	120	18,423
Brooklyn	469	43,229	2,851	102,808	3,320	146,037
11-19 units	39	585	818	12,214	857	12,799
20-99 units	306	17,821	1,969	82,991	2,275	100,812
100+ units	124	24,823	64	7,603	188	32,426
Manhattan	479	73,647	5,249	176,509	5,728	250,156
11-19 units	45	657	1,715	25,964	1,760	26,621
20-99 units	207	10,571	3,398	119,131	3,605	129,702
100+ units	227	62,419	136	31,414	363	93,833
Queens	610	56,890	1,365	54,153	1,975	111,043
11-19 units	58	843	360	5,591	418	6,434
20-99 units	354	20,591	947	40,479	1,301	61,070
100+ units	198	35,456	58	8,083	256	43,539
St. Island	55	3,881	24	1,309	79	5,190
11-19 units	10	140	8	126	18	266
20-99 units	33	1,384	11	439	44	1,823
100+ units	12	2,357	5	744	17	3,101
Core Man	395	66,256	3,452	109,925	3,847	176,181
11-19 units	32	487	1,406	21,265	1,438	21,752
20-99 units	154	7,896	1,939	61,323	2,093	69,219
100+ units	209	57,873	107	27,337	316	85,210
Upper Man	84	7,391	1,797	66,584	1,881	73,975
11-19 units	13	170	309	4,699	322	4,869
20-99 units	53	2,675	1,459	57,808	1,512	60,483
100+ units	18	4,546	29	4,077	47	8,623

Note: DU = Dwelling Unit

Source: NYC Department of Finance, RPIE Filings

D.1 Mortgage Interest Rates and Terms, 2022

Lending Institution	Interest Rates	New Points	Refin Term	Type	New Volume	Refin Volume
5	4.00%	0.75	Ω	Both	5	5
7	3.90%	0.00	1.4% spread	Fixed	NR	NR
28	4.50%	NR	5, 7, 10, 15 yrs	Both	49	42
30	NR	0.92	5 - 30 years	Both	14	6
35	3.87%	0.00	Ω	Both	25	14
37	3.75%	NR	250 BPS fee	Adj	45	45
107	3.88%	0.00	Ω	Both	494	251
117	3.25%	0.00	Ω	Both	0	20
297	3.50%	0.00	Ω	Fixed	30	100
401	4.50%	0.87	30 - 40 yr term	Fixed	14	15
AVERAGE	**3.91%**	**0.32**	**†**	**†**	**75**	**55**

† No average compute NR no response **BPS** Basis Points
Fixed Interest rate remains unchanged **Adj** Adjustable interest rate **Both** Fixed and adjustable rates offered

Ω #5 = 1.50-2.00% spread, 50-100 BPS fee.
#35 = 5/5/5yr adj balloon based on 25 year payout or 10 yr fixed balloon based on 25 year payout
#107 = 5 or 7 year fixed with 5 Years Option #117 = 5-10 year typically par
#297 = 5, 7 or 10 year rate period - all loans have 10 year maturity - 25 or 30 yr amortization

Notes: Averages for interest rates and points are calculated by using the midpoint when a range of values is given by the lending institution. Lending institution numbers reflect anonymized lenders.

Source: 2022 NYC Rent Guidelines Board Mortgage Survey

D.2 Typical Lending Portfolio Characteristics of Buildings Containing Rent Stabilized Units, 2022

Lending Institution	Maximum Loan-to-Value Standard	Debt Service Coverage	Vacancy & Collection Losses	Typical Building Size Range	Average Monthly O&M Cost/Unit	Average Monthly Rent/Unit
5	70%	NR	8.0%	50-99	$800	$1,600
7	60%	NR	3.0%	20-49	$1,500	$2,600
28	80%	1.25	1.0%	11-19	$586	$1,625
30	80%	1.20	8.0%	20-49	$669	NR
35	65%	1.30	3.0%	11-19	$635	$1,750
37	75%	1.30	4.0%	11-19	NR	NR
107	75%	1.20	0.5%	50-99	NR	$1,500
117	75%	1.30	8.0%	50-99	$1,000	$1,800
297	75%	1.25	2.0%	50-99	$500	$1,500
401	83%	1.15	3.0%	100+	NR	$1,518
AVERAGE	**73.8%**	**1.24**	**4.05%**	**†**	**$813**	**$1,737**

NR no response † No average computed

Notes: Average loan-to-value (LTV) and debt service coverage ratios are calculated using the midpoint when a range was given by the lending institution. Debt Service Coverage refers to Net Operating Income (NOI) divided by the first mortgage debt (loan) amount, times 100. Lending institution numbers reflect anonymized lenders.

Source: 2022 NYC Rent Guidelines Board Mortgage Survey

D.3 Interest Rates and Terms for New Financing, Longitudinal Study, 2021-2022

	Interest Rates		Points		Term		Type	
Lending Inst.	2022	2021	2022	2021	2022	2021	2022	2021
5	4.00%	3.50%	0.75	0.75	Ω	◆	Both	Both
28	4.50%	NR	NR	NR	5, 7, 10, 15 yrs	5, 7, 10 yrs	Both	Fixed
30	NR	NR	0.92	1.00	5 - 30 years	NR	Both	Both
35	3.87%	4.00%	0.00	0.00	Ω	◆	Both	Fixed
107	3.88%	3.63%	0.00	0.00	Ω	◆	Both	Both
117	3.25%	3.25%	0.00	0.00	Ω	◆	Both	Both
297	3.50%	3.75%	0.00	0.00	Ω	◆	Fixed	Fixed
401	4.50%	4.40%	0.87	0.88	30 - 40 yr term	◆	Fixed	Fixed
AVERAGE	**3.93%**	**3.76%**	**0.36**	**0.38**	**†**	**†**	**†**	**†**

NR no response   **†** No average computed   **BPS** Basis Points

Ω #5 = 1.50-2.00% spread, 50-100 BPS fee
#35 = 5/5/5yr adj balloon based on 25 year payout or 10 yr fixed balloon based on 25 year payout
#107 = 5 or 7 year fixed with 5 year Option
#117 = 5-10 year typically par
#297 = 5, 7 or 10 year rate period - all loans have 10 year maturity - 25 or 30 yr amortization

◆ #5 = 5 yr. Swaps plus 3.00%; 50-100 BPS fee
#35 = 10 year balloon based on 25 year amortization
#107 = 5 and 7 year fixed with 5 years option
#117 = 200-240bps par
#297 = 5, 7 or 10 year rates - 10 year term - 30 year amortization - $2500 Fee
#401 = 30-40 Year Term, Commitment Fee 75-100 BPS

Note: Averages for interest rates and points are calculated by using the midpoint when a range of values is given by the lending institution. Lending institution numbers reflect anonymized lenders.

Source: 2021 and 2022 NYC Rent Guidelines Board Mortgage Surveys

D.4 Lending Standards and Vacancy & Collection Losses, Longitudinal Study, 2021-2022

	Max Loan-to-Value		Debt Service Coverage		Vacancy & Collection Losses	
Lending Inst.	2022	2021	2022	2021	2022	2021
5	70%	65%	NR	NR	8.0%	8.0%
28	80%	75%	1.25	1.30	1.0%	0.5%
30	80%	80%	1.20	1.20	8.0%	NR
35	65%	65%	1.30	1.35	3.0%	3.0%
107	75%	75%	1.20	1.20	0.5%	0.5%
117	75%	75%	1.30	1.25	8.0%	NR
297	75%	75%	1.25	1.25	2.0%	2.0%
401	83%	83%	1.15	1.15	3.0%	3.0%
AVERAGE	**75.3%**	**74.1%**	**1.24**	**1.24**	**4.19%**	**2.83%**

NR no response

Notes: Average loan-to-value (LTV) and debt service coverage ratios (DSCR) are calculated using the midpoint when a range is given by the lending institution. Debt Service Coverage refers to Net Operating Income (NOI) divided by the first mortgage debt (loan) amount, times 100. Lending institution numbers reflect anonymized lenders.

Source: 2021 and 2022 NYC Rent Guidelines Board Mortgage Surveys

D.5 Interest Rates for New Mortgages, 1981-2022

Year	Interest Rates for New Mortgages
1981	15.9%
1982	16.3%
1983	13.0%
1984	13.5%
1985	12.9%
1986	10.5%
1987	10.2%
1988	10.8%
1989	12.0%
1990	11.2%
1991	10.7%
1992	10.1%
1993	9.2%
1994	8.6%
1995	10.1%
1996	8.6%
1997	8.8%
1998	8.5%
1999	7.8%
2000	8.7%
2001	8.4%
2002	7.4%
2003	6.2%
2004	5.8%
2005	5.5%
2006	6.3%
2007	6.3%
2008	6.1%
2009	6.5%
2010	6.3%
2011	5.8%
2012	4.6%
2013	4.4%
2014	4.9%
2015	4.3%
2016	4.0%
2017	4.3%
2018	4.8%
2019	4.7%
2020	4.0%
2021	3.8%
2022	3.9%

Note: Interest rate data is collected January-March and represents a 12-month average of the preceding year.

Sources: NYC Rent Guidelines Board Mortgage Surveys

D.6 Sales Volume of Buildings Containing Rent Stabilized Units, Citywide and by Borough, and Percent Change, 2008-2021

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Citywide	**1,021**	**521**	**541**	**709**	**1,135**	**1,431**	**1,356**	**1,361**	**1,167**	**793**	**885**	**650**	**470**	**777**
% Change from Prior Yr	**-**	**-49.0%**	**3.8%**	**31.1%**	**60.1%**	**26.1%**	**-5.2%**	**0.4%**	**-14.3%**	**-32.0%**	**11.6%**	**-26.6%**	**-27.7%**	**65.3%**
Bronx	171	100	131	130	204	245	302	262	234	156	195	102	70	141
% Change from Prior Yr	-	-41.5%	31.0%	-0.8%	56.9%	20.1%	23.3%	-13.2%	-10.7%	-33.3%	25.0%	-47.7%	-31.4%	101.4%
Brooklyn	426	199	185	258	396	472	494	499	378	292	281	220	161	255
% Change from Prior Yr	-	-53.3%	-7.0%	39.5%	53.5%	19.2%	4.7%	1.0%	-24.2%	-22.8%	-3.8%	-21.7%	-26.8%	58.4%
Manhattan	243	146	144	225	419	466	393	438	407	233	289	228	172	262
% Change from Prior Yr	-	-39.9%	-1.4%	56.3%	86.2%	11.2%	-15.7%	11.5%	-7.1%	-42.8%	24.0%	-21.1%	-24.6%	52.3%
Queens	181	76	81	96	116	248	167	162	148	112	120	100	67	119
% Change from Prior Yr	-	-58.0%	6.6%	18.5%	20.8%	113.8%	-32.7%	-3.0%	-8.6%	-24.3%	7.1%	-16.7%	-33.0%	77.6%

Note: Staten Island is excluded due to the small number of buildings sold that contain rent stabilized units.

Source: NYC Department of Finance

D.7 Sales of Buildings Containing Rent Stabilized Units, by Building and Residential Unit Counts, 2003-2021

Year	Number of Residential Units Sold Citywide	Number of Residential Buildings Sold Citywide	Average Number of Residential Units per Building Sold: Citywide	Manhattan	Brooklyn	Bronx	Queens
2003	30,980	1,481	20.9	29.9	12.7	31.2	19.6
2004	45,025	1,728	26.1	29.1	20.3	34.1	28.4
2005	50,168	1,816	27.6	37.2	19.3	38.1	16.5
2006	52,557	1,433	36.7	60.9	22.2	36.6	31.2
2007	42,567	1,474	28.9	30.5	19.5	41.4	29.3
2008	29,232	1,021	28.6	36.8	20.8	35.9	29.2
2009	12,827	521	24.6	28.2	18.9	37.9	15.1
2010	16,565	541	30.6	41.6	15.8	46.9	18.6
2011	18,628	709	26.3	33.8	17.3	37.9	16.9
2012	28,912	1,135	25.5	29.0	16.8	37.8	21.0
2013	37,855	1,431	26.5	31.7	15.4	38.5	25.8
2014	45,534	1,356	33.6	57.4	16.5	37.2	21.4
2015	44,847	1,361	33.0	51.0	20.0	35.0	20.0
2016	36,150	1,167	31.0	43.4	16.6	33.9	29.0
2017	18,370	793	23.2	27.6	14.5	28.6	28.9
2018	23,932	885	27.0	29.0	20.2	28.9	35.3
2019	15,278	650	23.5	26.4	15.9	31.6	25.3
2020	11,950	470	25.4	26.7	23.3	34.9	17.6
2021	16,657	777	21.4	21.2	17.9	33.5	15.2

Note: All Staten Island buildings excluded due to the small number of buildings sold.

Source: NYC Department of Finance

D.8 Median Sales Price and Sales Volume of Buildings Containing Rent Stabilized Units, by Borough and Building Size, and Percent Change in Sales, 2020-2021

Year	2020 Median Sale Price	2021 Median Sale Price	2020 # of Sales	2021 # of Sales	Change in Sales from 2020-2021
Citywide					
All buildings	$4,000,000	$4,250,000	470	777	65.3%
6-10 units	$2,065,338	$1,989,995	201	394	96.0%
11-19 units	$4,200,000	$4,750,000	91	115	26.4%
20-99 units	$7,488,000	$7,950,000	162	257	58.6%
100+ units	$34,197,165	-	16	11	-31.3%
Bronx					
All buildings	$5,100,000	$5,150,000	70	141	101.4%
6-10 units	$1,166,250	$1,325,000	18	31	72.2%
11-19 units	-	$3,000,000	5	20	300.0%
20-99 units	$7,000,000	$7,450,000	47	87	85.1%
Brooklyn					
All buildings	$2,909,745	$2,800,000	161	255	58.4%
6-10 units	$2,025,000	$1,775,000	89	180	102.2%
11-19 units	$3,500,000	$4,190,000	20	23	15.0%
20-99 units	$7,185,567	$7,764,340	46	48	4.3%
Manhattan					
All buildings	$5,772,878	$7,800,000	172	262	52.3%
6-10 units	$3,050,000	$5,964,463	55	102	85.5%
11-19 units	$5,787,052	$6,725,000	55	56	1.8%
20-99 units	$9,520,307	$8,879,250	54	102	88.9%
Queens					
All buildings	$2,275,000	$1,695,000	67	119	77.6%
6-10 units	$1,380,000	$1,400,000	39	81	107.7%
11-19 units	-	$3,162,500	11	16	45.5%
20-99 units	$5,462,175	$8,475,000	15	20	33.3%

Notes: All Staten Island buildings; Bronx 11-19 unit buildings (2020 sales price only); Queens 11-19 unit buildings (2020 sales price only); Citywide 100+ unit buildings (2021 sales price only); and all 100+ unit buildings in individual boroughs, are excluded due to the small number of buildings sold.

"All buildings" totals include buildings with 100 or more units. Therefore, these figures may not equal the sum of their subsets.

Citywide figures do not contain Staten Island building sales.

Source: NYC Department of Finance

D.9 Average Nominal Sales Price per Residential Unit in Buildings Containing Stabilized Units, 2003-2021

Year	Citywide	Citywide % Change from Prior Year	Manhattan	Brooklyn	Bronx	Queens
2003	$83,045	-	$110,206	$67,867	$56,009	$72,276
2004	$116,708	40.5%	$212,436	$63,422	$76,597	$90,834
2005	$185,391	58.9%	$307,938	$86,814	$85,810	$97,610
2006	$222,249	19.9%	$363,644	$108,714	$78,737	$101,671
2007	$179,185	-19.4%	$336,394	$110,843	$89,463	$101,250
2008	$154,775	-13.6%	$235,822	$109,138	$99,792	$157,871
2009	$110,381	-28.7%	$186,374	$81,488	$60,747	$96,433
2010	$137,423	24.5%	$219,117	$114,123	$72,807	$120,857
2011	$183,699	33.7%	$303,934	$108,757	$85,519	$123,973
2012	$180,659	-1.7%	$284,297	$124,352	$83,535	$123,457
2013	$221,258	22.5%	$354,949	$159,569	$100,353	$160,829
2014	$305,100	37.9%	$442,488	$217,822	$118,186	$226,207
2015	$351,161	15.1%	$484,793	$274,766	$150,075	$247,184
2016	$306,529	-12.7%	$370,252	$323,031	$171,887	$269,124
2017	$324,820	6.0%	$482,826	$289,763	$198,631	$231,190
2018	$371,313	14.3%	$554,657	$313,533	$190,210	$326,780
2019	$398,181	7.2%	$556,067	$334,907	$224,653	$330,784
2020	$351,149	-11.8%	$520,700	$291,321	$183,406	$229,240
2021	$389,581	10.9%	$526,570	$447,515	$216,955	$272,660

Note: All Staten Island buildings excluded due to the small number of buildings sold.
Source: NYC Department of Finance

D.10 Average Real Sales Price per Residential Unit in Buildings Containing Stabilized Units, 2003-2021 (2021 dollars)

Year	Citywide	Citywide % Change from Prior Year	Manhattan	Brooklyn	Bronx	Queens
2003	$122,721	-	$162,859	$100,292	$82,768	$106,807
2004	$166,572	35.7%	$303,201	$90,520	$109,324	$129,643
2005	$254,774	53.0%	$423,184	$119,304	$117,925	$134,140
2006	$294,355	15.5%	$481,624	$143,985	$104,282	$134,656
2007	$230,794	-21.6%	$433,281	$142,768	$115,231	$130,413
2008	$191,878	-16.9%	$292,353	$135,300	$123,714	$195,716
2009	$136,239	-29.0%	$230,033	$100,578	$74,978	$119,024
2010	$166,771	22.4%	$265,911	$138,495	$88,356	$146,667
2011	$216,762	30.0%	$358,637	$128,331	$100,911	$146,286
2012	$209,065	-3.6%	$328,997	$143,904	$96,670	$142,869
2013	$251,815	20.4%	$403,969	$181,606	$114,212	$183,040
2014	$342,703	36.1%	$497,024	$244,669	$132,752	$254,086
2015	$393,945	15.0%	$543,858	$308,242	$168,359	$277,299
2016	$340,209	-13.6%	$410,934	$358,524	$190,774	$298,695
2017	$353,590	3.9%	$525,590	$315,428	$216,224	$251,667
2018	$396,636	12.2%	$592,484	$334,916	$203,183	$349,066
2019	$418,420	5.5%	$584,332	$351,930	$236,072	$347,597
2020	$362,794	-13.3%	$537,969	$300,983	$189,489	$236,843
2021	$389,581	7.4%	$526,570	$447,515	$216,955	$272,660

Note: All Staten Island buildings excluded due to the small number of buildings sold.
Source: NYC Department of Finance

E.1 Average Annual Employment and Economic Statistics, 2010-2021

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Unemployment Rate												
Bronx	12.0%	12.0%	12.5%	11.7%	9.5%	7.6%	7.1%	6.2%	5.6%	5.2%	16.2%	13.6%
Brooklyn	10.0%	9.6%	9.9%	9.3%	7.4%	5.8%	5.3%	4.6%	4.2%	4.0%	12.6%	10.1%
Manhattan	8.6%	7.9%	8.1%	7.5%	6.0%	4.8%	4.5%	4.0%	3.6%	3.4%	9.6%	7.6%
Queens	8.7%	8.1%	8.4%	7.7%	6.2%	4.9%	4.5%	3.9%	3.6%	3.4%	12.6%	9.6%
Staten Island	9.5%	9.2%	9.6%	8.9%	7.3%	5.7%	5.2%	4.6%	4.1%	3.7%	10.6%	8.7%
NYC	9.6%	9.1%	9.4%	8.8%	7.1%	5.6%	5.1%	4.5%	4.1%	3.8%	12.4%	9.9%
U.S.	9.6%	8.9%	8.1%	7.4%	6.2%	5.3%	4.9%	4.4%	3.9%	3.7%	8.1%	5.3%
Labor Force Participation Rate												
NYC	60.5%	60.0%	60.1%	60.3%	60.4%	60.1%	60.0%	60.6%	60.3%	60.5%	58.1%	58.9%
U.S.	64.7%	64.1%	63.7%	63.2%	62.9%	62.7%	62.8%	62.9%	62.9%	63.1%	61.7%	61.7%
Employment-Population Ratio												
NYC	54.7%	54.5%	54.4%	55.0%	56.1%	56.8%	56.9%	57.9%	57.8%	58.1%	50.9%	53.1%
U.S.	58.5%	58.4%	58.6%	58.6%	59.0%	59.3%	59.7%	60.1%	60.4%	60.8%	56.8%	58.4%
Gross City Product (NYC)												
Billions, in 2012$	688.9	696.2	736.4	743.1	764.6	779.3	805.1	818.8	852.5	876.9	830.1	876.2
% Change	4.2%	1.1%	5.8%	0.9%	2.9%	1.9%	3.3%	1.7%	4.1%	2.9%	-5.3%	5.6%
Gross Domestic Product (U.S.)												
Billions, in 2012$	15,649.0	15,891.5	16,254.0	16,553.3	16,932.1	17,390.3	17,680.3	18,079.1	18,606.8	19,032.7	18,384.7	19,427.3
% Change	2.7%	1.5%	2.3%	1.8%	2.3%	2.7%	1.7%	2.3%	2.9%	2.3%	-3.4%	5.7%

Sources: U.S. Bureau of Labor Statistics; U.S. Bureau of Economic Analysis; NYS Department of Labor; Office of the NYC Comptroller

Notes: Most data points presented in this appendix are revised periodically. The figures presented here may not be the same as those reported in prior years.

E.2 Average Payroll Employment by Industry for NYC, 2012-2021 (in thousands)

Employment Industry	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2020-2021 Change
Manufacturing	76.5	76.7	77.1	78.5	76.9	74.1	71.3	68.1	52.9	54.4	2.8%
Construction	116.2	122.3	129.3	139.4	147.3	152.5	158.9	161.3	138.9	141.0	1.5%
Trade, Transport & Utilities	590.0	604.5	620.0	629.7	629.7	633.3	635.4	636.4	536.8	550.9	2.6%
Leisure & Hospitality	366.8	386.7	409.9	429.4	441.9	458.8	464.4	468.1	275.6	301.5	9.4%
Financial Activities	438.0	437.0	448.9	459.2	466.2	469.4	477.0	485.1	471.1	465.2	-1.3%
Information	177.6	182.4	189.7	195.0	199.8	207.4	213.1	220.6	207.8	221.6	6.6%
Professional & Business Svcs.	616.5	637.5	660.9	689.0	708.9	726.2	746.1	772.3	710.8	723.3	1.8%
Educational & Health Svcs.	805.9	831.6	867.3	898.1	930.1	963.6	1008.3	1055.4	1009.7	1039.0	2.9%
Other Services	170.5	175.1	180.5	186.1	190.7	192.3	193.7	195.7	162.5	167.2	2.9%
Total Private Sector	3,358.1	3,453.6	3,583.4	3,704.3	3,791.4	3,877.4	3,968.2	4,063.0	3,566.1	3,663.9	2.7%
Government Δ	570.6	570.6	573.3	579.5	583.7	584.7	584.7	587.1	585.6	574.4	-1.9%
City of New York	474.4	476.3	480.7	486.8	490.2	491.1	492.3	495.1	490.8	485.1	-1.2%
Total	**3,928.6**	**4,024.2**	**4,156.7**	**4,283.8**	**4,375.1**	**4,462.1**	**4,552.9**	**4,650.1**	**4,151.6**	**4,238.3**	**2.1%**

Source: NYS Department of Labor

Notes: Totals may not add up due to rounding. Figures may have been revised from prior years by the NYS Department of Labor. Total excludes farm employment but includes unclassified jobs.

Δ "Government" includes federal, state, and local (City of New York) jobs located in NYC. Local government figures include those employed by the City of New York as well as city-based public corporations such as the Health and Hospitals Corporation and the Metropolitan Transportation Authority.

E.3 Average Real Wage Rates by Industry for NYC, 2013-2021 (2021 dollars)

Employment Industry	2013	2014	2015	2016	2017	2018	2019	2020	2021	2020-2021 % Change
Construction	$81,777	$81,521	$83,209	$86,762	$86,322	$86,775	$87,061	$88,182	$89,307	1.3%
Manufacturing	$58,266	$59,639	$61,644	$63,859	$64,614	$65,439	$66,656	$68,249	$68,225	0.0%
Transportation	$56,964	$59,755	$58,735	$61,611	$62,165	$61,241	$61,936	$61,440	$61,944	0.8%
Wholesale Trade	$99,962	$96,359	$97,497	$100,045	$99,070	$102,110	$101,099	$104,271	$110,396	5.9%
Retail Trade	$42,319	$42,783	$43,409	$44,775	$44,889	$46,776	$47,782	$50,467	$52,608	4.2%
Finance and Insurance	$307,149	$324,439	$324,631	$309,827	$317,958	$332,005	$316,329	$323,578	$357,525	10.5%
Real Estate	$76,161	$78,407	$82,721	$85,379	$87,102	$87,360	$89,044	$91,559	$92,837	1.4%
Admin and Waste Services	$57,276	$57,812	$61,315	$64,928	$62,191	$67,187	$70,746	$74,603	$76,348	2.3%
Educational Services	$64,405	$66,165	$71,646	$74,858	$76,584	$77,682	$78,770	$82,641	$87,216	5.5%
Health and Social Services	$55,154	$54,710	$54,183	$54,222	$53,451	$53,650	$53,987	$55,320	$56,000	1.2%
Arts, Entertainment & Rec	$71,004	$72,215	$76,591	$79,275	$78,175	$78,843	$80,603	$89,289	$102,301	14.6%
Accomm & Food Svcs.	$33,961	$34,579	$35,080	$36,726	$37,074	$37,947	$39,774	$39,126	$39,457	0.8%
Other Svcs.	$49,318	$49,813	$51,199	$53,154	$53,716	$54,258	$55,250	$60,598	$61,374	1.3%
Professional & Tech Svcs.	$130,944	$133,619	$137,381	$140,011	$139,801	$142,675	$145,781	$150,049	$162,193	8.1%
Management of Companies	$212,709	$213,544	$212,435	$202,618	$194,933	$204,600	$205,496	$208,562	$228,641	9.6%
Information	$136,286	$142,386	$147,036	$150,662	$148,769	$156,239	$159,462	$172,197	$187,437	8.8%
Utilities	--Δ	--Δ	$124,660	$129,183	$131,183	$135,276	$133,804	$136,017	$144,894	6.5%
Unclassified/Agri/Mining*	$45,141	$47,775	$46,108	$48,135	$51,973	$58,690	$61,130	$74,364	$66,154	-11.0%
Private Sector	$95,483	$97,403	$98,699	$98,623	$98,494	$101,224	$100,918	$107,995	$115,904	7.3%
Government	$66,595	$67,735	$69,930	$70,990	$71,938	$79,745	$84,814	$84,707	$86,936	2.6%
Total Industries	**$91,450**	**$93,391**	**$94,899**	**$95,035**	**$95,107**	**$98,430**	**$98,842**	**$104,739**	**$111,833**	**6.8%**

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

Notes: Each year refers to the first three quarters of that year, and the fourth quarter of the prior year. The New York State Department of Labor revises these statistics annually. Real wages reflect 2021 dollars and differ from those found in this table in prior years.

Δ Wages for the this industry were not reported by the NYS Department of Labor during this time period due to the small number of respondents, and corresponding privacy concerns.

*The Unclassified; Agriculture, Forestry, Fishing, Hunting; and Mining sectors have been combined into one category.

E.4 Average Nominal Wage Rates by Industry for NYC, 2013-2021

Employment Industry	2013	2014	2015	2016	2017	2018	2019	2020	2021	2020-2021 % Change
Construction	$72,436	$73,247	$74,900	$78,731	$79,865	$81,777	$83,404	$85,977	$89,307	3.9%
Manufacturing	$51,611	$53,586	$55,488	$57,947	$59,781	$61,670	$63,855	$66,542	$68,225	2.5%
Transportation	$50,457	$53,691	$52,870	$55,908	$57,515	$57,713	$59,334	$59,903	$61,944	3.4%
Wholesale Trade	$88,544	$86,579	$87,761	$90,783	$91,659	$96,229	$96,852	$101,663	$110,396	8.6%
Retail Trade	$37,485	$38,440	$39,074	$40,630	$41,531	$44,082	$45,775	$49,205	$52,608	6.9%
Finance and Insurance	$272,067	$291,510	$292,213	$281,146	$294,172	$312,883	$303,039	$315,484	$357,525	13.3%
Real Estate	$67,462	$70,449	$74,461	$77,476	$80,586	$82,329	$85,303	$89,269	$92,837	4.0%
Admin and Waste Services	$50,734	$51,945	$55,192	$58,918	$57,538	$63,317	$67,774	$72,737	$76,348	5.0%
Educational Services	$57,048	$59,450	$64,492	$67,929	$70,854	$73,208	$75,460	$80,574	$87,216	8.2%
Health and Social Services	$48,854	$49,158	$48,772	$49,202	$49,452	$50,560	$51,719	$53,937	$56,000	3.8%
Arts, Entertainment & Rec	$62,894	$64,886	$68,942	$71,936	$72,327	$74,302	$77,217	$87,056	$102,301	17.5%
Accomm & Food Svcs.	$30,082	$31,069	$31,577	$33,326	$34,300	$35,762	$38,103	$38,148	$39,457	3.4%
Other Svcs.	$43,685	$44,757	$46,086	$48,234	$49,697	$51,133	$52,929	$59,083	$61,374	3.9%
Professional & Tech Svcs.	$115,987	$120,058	$123,662	$127,050	$129,343	$134,458	$139,657	$146,296	$162,193	10.9%
Management of Companies	$188,413	$191,870	$191,221	$183,862	$180,351	$192,816	$196,863	$203,346	$228,641	12.4%
Information	$120,719	$127,934	$132,353	$136,716	$137,639	$147,240	$152,763	$167,890	$187,437	11.6%
Utilities	--$^{\Delta}$	--$^{\Delta}$	$112,211	$117,225	$121,369	$127,485	$128,183	$132,615	$144,894	9.3%
Unclassified/Agri/Mining*	$39,985	$42,926	$41,504	$43,679	$48,085	$55,309	$58,562	$72,504	$66,154	-8.8%
Private Sector	$84,577	$87,517	$88,842	$89,493	$91,126	$95,394	$96,678	$105,294	$115,904	10.1%
Government	$58,989	$60,860	$62,947	$64,419	$66,557	$75,152	$81,250	$82,589	$86,936	5.3%
Total Industries	**$81,005**	**$83,913**	**$85,422**	**$86,237**	**$87,992**	**$92,761**	**$94,690**	**$102,119**	**$111,833**	**9.5%**

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

Note: Each year refers to the first three quarters of that year, and the fourth quarter of the prior year. The NYS Department of Labor revises these statistics annually.

Δ Wages for the this industry were not reported by the NYS Department of Labor during this time period due to the small number of respondents, and corresponding privacy concerns.

*The Unclassified; Agriculture, Forestry, Fishing, Hunting; and Mining sectors have been combined into one category.

E.5 Consumer Price Index for All Urban Consumers, NY-Northeastern NJ, 2011-2021

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
March	245.6	251.9	256.6	260.0	259.6	261.5	267.6	272.2	276.6	282.0	287.5
June	248.5	252.4	256.9	261.4	261.5	263.9	268.7	274.2	278.8	282.3	293.9
September	250.6	254.6	258.5	261.1	261.9	264.6	270.1	275.5	279.3	284.6	295.5
December	248.3	253.6	257.3	258.1	259.9	265.4	269.6	273.8	279.8	284.4	296.9
Quarterly Average	248.2	253.1	257.3	260.1	260.7	263.9	269.0	273.9	278.6	283.3	293.4
Yearly Average	**247.7**	**252.6**	**256.8**	**260.2**	**260.6**	**263.4**	**268.5**	**273.6**	**278.2**	**282.9**	**292.3**

12-month percentage change in the CPI

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
March	2.30%	2.55%	1.87%	1.32%	-0.12%	0.72%	2.32%	1.72%	1.61%	1.95%	1.95%
June	3.19%	1.57%	1.78%	1.73%	0.06%	0.90%	1.81%	2.05%	1.69%	1.27%	4.09%
September	3.76%	1.59%	1.55%	0.99%	0.31%	1.04%	2.06%	2.00%	1.41%	1.87%	3.84%
December	2.66%	2.11%	1.47%	0.31%	0.72%	2.11%	1.56%	1.58%	2.18%	1.62%	4.40%
Quarterly Average	2.98%	1.96%	1.67%	1.09%	0.24%	1.19%	1.94%	1.84%	1.72%	1.68%	3.57%
Yearly Average	**2.85%**	**1.97%**	**1.68%**	**1.32%**	**0.13%**	**1.08%**	**1.96%**	**1.91%**	**1.65%**	**1.71%**	**3.32%**

Source: U.S. Bureau of Labor Statistics

Note: Base Period: 1982-1984=100

E.6 Housing Court Actions, 1983-2021

Year	Non-Payment Filings	Non-Payment Calendared	Residential Evictions & Possessions	Year	Non-Payment Filings	Non-Payment Calendared	Residential Evictions & Possessions
1983	373,000	93,000	26,665	2003	318,077	133,074	23,236
1984	343,000	85,000	23,058	2004	261,085	121,999	22,010
1985	335,000	82,000	20,283	2005	261,457	119,265	21,945
1986	312,000	81,000	23,318	2006	256,747	122,379	23,491
1987	301,000	77,000	25,761	2007	251,390	121,793	24,171
1988	299,000	92,000	24,230	2008	246,147	120,420	24,600
1989	299,000	99,000	25,188	2009	251,871	123,149	26,449
1990	297,000	101,000	23,578	2010	213,066*	127,396	25,655
1991	302,000	114,000	20,432	2011	221,182	126,315	27,636
1992	289,000	122,000	22,098	2012	217,914	132,860	28,743
1993	295,000	124,000	21,937	2013	215,497	122,463	28,849
1994	294,000	123,000	23,970	2014	208,158	127,334	26,857
1995	266,000	112,000	22,806	2015	203,119	111,409	21,988
1996	278,000	113,000	24,370	2016	202,300	105,431	22,089
1997	274,000	111,000	24,995	2017	201,441	114,879	21,074
1998	278,156	127,851	23,454	2018	191,893	102,789	20,013
1999	276,142	123,399	22,676	2019	145,212	79,856	16,996
2000	276,159	125,787	23,830	2020	63,331	29,814	3,056
2001	277,440	130,897	21,369$^{\Delta}$	**2021**	**33,054**	**13,659**	**136**
2002	331,309	132,148	23,697				

Sources: NYC Civil Court; NYC Department of Investigations, Bureau of City Marshals

Note: “Filings” reflect non-payment proceedings initiated by rental property owners, while “Calendared” reflect those non-payment proceedings resulting in a court appearance. “Filings” and “Calendared” figures prior to 1998 were rounded to the nearest thousand. Evictions include both those for non-payment and holdover cases.

Δ Note: 2001 Evictions and Possessions data is incomplete as it excludes the work of one city marshal who died in May 2001 and whose statistics are unavailable.

*Non-payment filings include cases against tenants of public housing. Due to an administrative change at NYCHA relating to their handling of late rent payments, the number of non-payment filings decreased dramatically. If not for this change, the drop in non-payment filings between 2009 and 2010 would have been significantly less, or nonexistent.

E.7 NYC Department of Homeless Services Sheltered Homeless Statistics, 1983-2021

Year	Single Adults	Children	Families (inc. Children)	Total Individuals
1983	5,061	4,887	1,960	12,468
1984	6,228	7,432	2,981	17,491
1985	7,217	9,196	3,688	21,154
1986	8,890	10,493	4,286	24,896
1987	9,628	11,163	4,986	27,225
1988	9,675	11,401	5,091	27,646
1989	9,342	8,614	4,105	23,254
1990	8,535	6,966	3,591	20,131
1991	7,689	8,867	4,581	22,498
1992	6,922	9,607	5,270	23,494
1993	6,413	9,760	5,626	23,748
1994	6,235	9,610	5,629	23,431
1995	6,532	9,927	5,627	23,950
1996	7,020	9,945	5,692	24,554
1997	7,090	8,437	4,793	22,145
1998	6,875	8,054	4,558	21,277
1999	6,778	8,826	4,965	22,575
2000	6,934	9,290	5,192	23,712
2001	7,479	11,427	6,154	27,799
2002	7,750	14,952	8,071	34,576
2003	8,199	16,705	9,203	38,310
2004	8,612	15,705	8,922	37,319
2005	8,174	13,534	8,194	33,687
2006	7,662	12,597	8,339	32,430
2007	6,942	14,060	9,075	34,109
2008	6,530	14,327	8,856	33,554
2009	6,764	15,326	9,719	35,915
2010	7,825	14,788	9,635	36,175
2011	8,543	15,501	9,573	37,765
2012	9,047	18,068	10,705	43,295
2013	9,862	21,163	12,062	49,408
2014	10,591	23,511	13,317	54,122
2015	12,014	23,658	14,037	57,158
2016	13,148	23,199	14,953	58,770
2017	14,074	22,733	15,188	59,467
2018	15,470	22,300	15,044	60,028
2019	16,427	21,504	14,682	59,509
2020	17,591	19,266	13,093	56,052
2021	**17,273**	**15,444**	**10,586**	**47,994**

Source: NYC Department of Homeless Services

Notes: Data presented are the annual averages of the Department of Homeless Services shelter population. Street homelessness is not quantified in this data.

E.8 Selected I&A Statistics by Quarter, 2020-2021

	1st Quarter			2nd Quarter			3rd Quarter			4th Quarter		
	2020	2021	Change	2020	2021	Change	2020	2021	Change	2020	2021	Change
Unemployment Rates												
NYC	4.1%	12.5%	8.4 pp	17.4%	10.6%	-6.8 pp	15.8%	9.3%	-6.6 pp	12.9%	7.1%	-5.8 pp
Bronx	5.5%	16.9%	11.4 pp	21.3%	14.5%	-6.8 pp	20.8%	12.7%	-8.1 pp	17.5%	10.0%	-7.5 pp
Brooklyn	4.1%	12.8%	8.7 pp	17.6%	10.8%	-6.8 pp	16.2%	9.5%	-6.6 pp	13.2%	7.3%	-5.9 pp
Manhattan	3.6%	9.6%	6.0 pp	13.2%	8.1%	-5.0 pp	12.4%	7.1%	-5.3 pp	10.1%	5.4%	-4.7 pp
Queens	3.6%	12.3%	8.7 pp	18.7%	10.4%	-8.3 pp	16.0%	9.0%	-7.0 pp	12.8%	6.9%	-5.9 pp
Staten Island	3.9%	10.8%	6.9 pp	15.5%	9.2%	-6.3 pp	13.2%	8.4%	-4.8 pp	10.6%	6.4%	-4.2 pp
Employment (in 000s)												
Total Employment	4,648	4,087	-12.1%	3,804	4,192	10.2%	3,983	4,262	7.0%	4,171	4,412	5.8%
Manufacturing	64.8	52.2	-19.5%	42.8	54.1	26.3%	51.1	55.2	7.9%	53.0	56.0	5.7%
Construction	156.9	138.2	-11.9%	109.2	141.5	29.6%	143.8	142.2	-1.1%	145.8	142.0	-2.6%
Trade, Transport & Utilities	629.1	533.3	-15.2%	457.0	540.7	18.3%	509.8	546.0	7.1%	551.3	583.4	5.8%
Leisure & Hospitality	447.4	231.8	-48.2%	175.8	286.6	63.0%	221.3	330.4	49.3%	257.8	357.1	38.5%
Financial Activities	483.3	460.9	-4.6%	464.7	462.4	-0.5%	469.5	469.7	0.0%	467.0	467.6	0.1%
Information	226.3	211.1	-6.7%	197.7	217.8	10.2%	197.0	224.3	13.9%	210.2	232.9	10.8%
Professional & Business Svcs.	770.5	698.9	-9.3%	683.7	713.4	4.4%	687.3	723.9	5.3%	701.6	756.8	7.9%
Educational & Health Svcs.	1,086.0	1,030.5	-5.1%	954.7	1,041.2	9.1%	962.0	1,017.1	5.7%	1,036.1	1,067.4	3.0%
Other Services	192.8	161.6	-16.2%	134.5	166.5	23.8%	158.6	168.6	6.3%	164.0	171.8	4.8%
Government	591.4	568.8	-3.8%	583.7	567.2	-2.8%	583.0	584.5	0.3%	584.0	577.1	-1.2%
GCP (Billions, in 2012$, annualized)	$847.8	$866.0	2.1%	$785.1	$874.9	11.4%	$837.3	$879.8	5.1%	$850.1	$884.0	4.0%
Homelessness	58,864	52,178	-11.4%	56,673	48,790	-13.9%	54,806	45,200	-17.5%	53,864	45,807	-15.0%
Cash Assistance Caseloads	325,871	372,995	14.5%	357,790	374,735	4.7%	389,516	364,143	-6.5%	381,453	376,580	-1.3%
SNAP Caseloads (in 000s)	1,484	1,672	12.7%	1,594	1,725	8.2%	1,684	1,697	0.7%	1,658	1,667	0.5%
Medicaid Enrollees (in 000s)	1,502	1,571	4.6%	1,526	1,591	4.3%	1,552	1,575	1.5%	1,551	1,550	-0.1%
Non-Payment Filings	32,107	3,620	-88.7%	8	11,852	*	6,849	8,301	21.2%	24,367	9,281	-61.9%
Non-Payment Calendared Cases	17,368	3,397	-80.4%	84	3,788	**	508	3,515	591.9%	11,854	2,959	-75.0%

Source: NYS Dept. of Labor; NYC Office of the Comptroller; NYC Dept. of Homeless Services; NYC Human Resources Administration; and Civil Court of NYC

* The percentage change is 148,050.0%. ** The percentage change is 4,409.5%.

NOTE: "pp" in reference to a change from quarter to quarter refers to percentage point change.

E.9 Quarterly Change in NYC QCEW Wages and Employment (Nominal Dollars)

Industry	Fourth Quarter (2019-2020) % Change Avg. Wages	Fourth Quarter (2019-2020) % Change Total Wages	Fourth Quarter (2019-2020) % Change Avg. Employ-ment	First Quarter (2020-2021) % Change Avg. Wages	First Quarter (2020-2021) % Change Total Wages	First Quarter (2020-2021) % Change Avg. Employ-ment	Second Quarter (2020-2021) % Change Avg. Wages	Second Quarter (2020-2021) % Change Total Wages	Second Quarter (2020-2021) % Change Avg. Employ-ment	Third Quarter (2020-2021) % Change Avg. Wages	Third Quarter (2020-2021) % Change Total Wages	Third Quarter (2020-2021) % Change Avg. Employ-ment
Construction	5.5%	-5.5%	-10.4%	2.3%	-10.3%	-12.3%	6.0%	36.4%	28.7%	3.0%	1.2%	-1.8%
Manufacturing	8.4%	-12.6%	-19.4%	2.9%	-17.5%	-19.8%	-2.8%	21.4%	24.9%	1.6%	8.1%	6.4%
Transportation	4.6%	-9.7%	-13.6%	-5.4%	-19.5%	-14.9%	6.9%	28.2%	20.0%	8.1%	23.5%	14.3%
Wholesale Trade	14.7%	-1.3%	-13.9%	4.0%	-10.7%	-14.2%	7.5%	17.3%	9.1%	9.3%	15.3%	5.5%
Retail Trade	13.0%	-6.4%	-17.1%	4.6%	-12.9%	-16.7%	4.3%	27.1%	21.9%	4.0%	7.8%	3.6%
Finance and Insurance	14.2%	10.9%	-2.9%	16.0%	11.9%	-3.5%	10.9%	8.3%	-2.3%	9.8%	8.8%	-0.9%
Real Estate	4.0%	-4.7%	-8.4%	-2.3%	-11.2%	-9.0%	5.5%	6.8%	1.3%	13.1%	13.3%	0.2%
Admin and Waste Services	30.9%	-3.5%	-26.3%	-9.8%	-24.6%	-16.4%	-4.0%	3.1%	7.5%	6.4%	11.7%	4.9%
Educational Services	11.9%	2.9%	-8.1%	11.0%	2.2%	-7.9%	3.1%	7.6%	4.3%	5.7%	12.3%	6.2%
Health and Social Services	10.4%	5.5%	-4.5%	2.1%	-3.0%	-5.0%	-1.5%	8.2%	9.8%	3.7%	9.0%	5.2%
Arts, Entertainment & Rec	36.4%	-29.5%	-48.3%	21.2%	-38.4%	-49.2%	5.9%	22.3%	15.5%	-2.8%	41.2%	45.3%
Accomm & Food Svcs.	-1.0%	-45.0%	-44.5%	-6.1%	-51.3%	-48.1%	11.5%	99.7%	79.0%	17.2%	75.0%	49.3%
Other Svcs.	15.0%	-6.6%	-18.7%	6.8%	-13.3%	-18.8%	-8.0%	11.5%	21.2%	-0.4%	5.6%	6.0%
Professional & Tech Svcs.	12.2%	6.5%	-5.1%	9.2%	1.8%	-6.8%	12.9%	13.9%	0.9%	10.3%	14.0%	3.3%
Management of Companies	22.3%	5.4%	-13.8%	20.7%	7.4%	-11.0%	6.5%	9.2%	2.6%	0.6%	4.3%	3.6%
Information	17.0%	15.3%	-1.5%	14.7%	6.3%	-7.3%	10.5%	19.5%	8.2%	6.0%	19.0%	12.2%
Utilities	7.7%	2.0%	-5.3%	17.3%	11.6%	-4.9%	10.2%	6.3%	-3.6%	1.1%	0.7%	-0.4%
Unclassified/Agri/Mining*	-2.2%	-12.9%	-10.9%	0.8%	19.8%	18.8%	-13.3%	72.7%	99.2%	9.3%	84.6%	68.9%
Private Sector	18.6%	2.0%	-14.0%	17.0%	0.7%	-14.0%	2.0%	14.2%	11.9%	5.1%	13.0%	7.6%
Government	4.1%	2.2%	-1.8%	2.7%	-1.4%	-4.0%	4.2%	1.2%	-2.9%	10.2%	7.2%	-2.7%
Total Industries	**16.5%**	**2.0%**	**-12.4%**	**15.1%**	**0.5%**	**-12.7%**	**2.5%**	**12.4%**	**9.6%**	**5.9%**	**12.3%**	**6.0%**

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

Notes: 2021 data is preliminary.

*The Unclassified; Agriculture, Forestry, Fishing Hunting; and Mining sectors have been combined into one category.

E.10 Quarterly Change in NYC QCEW Wages and Employment ("Real" Dollars)

	Fourth Quarter (2019-2020)			First Quarter (2020-2021)			Second Quarter (2020-2021)			Third Quarter (2020-2021)		
Industry	% Change Avg. Wages	% Change Total Wages	% Change Avg. Employ-ment	% Change Avg. Wages	% Change Total Wages	% Change Avg. Employ-ment	% Change Avg. Wages	% Change Total Wages	% Change Avg. Employ-ment	% Change Avg. Wages	% Change Total Wages	% Change Avg. Employ-ment
Construction	3.9%	-6.9%	-10.4%	0.7%	-11.6%	-12.3%	2.4%	31.8%	28.7%	-0.6%	-2.4%	-1.8%
Manufacturing	6.7%	-14.0%	-19.4%	1.3%	-18.7%	-19.8%	-6.1%	17.3%	24.9%	-2.0%	4.2%	6.4%
Transportation	3.0%	-11.1%	-13.6%	-6.8%	-20.7%	-14.9%	3.3%	23.9%	20.0%	4.3%	19.2%	14.3%
Wholesale Trade	12.9%	-2.8%	-13.9%	2.5%	-12.0%	-14.2%	3.9%	13.4%	9.1%	5.4%	11.2%	5.5%
Retail Trade	11.3%	-7.8%	-17.1%	3.0%	-14.2%	-16.7%	0.8%	22.8%	21.9%	0.3%	3.9%	3.6%
Finance and Insurance	12.4%	9.2%	-2.9%	14.3%	10.2%	-3.5%	7.2%	4.7%	-2.3%	5.9%	4.9%	-0.9%
Real Estate	2.4%	-6.2%	-8.4%	-3.8%	-12.5%	-9.0%	1.9%	3.2%	1.3%	9.1%	9.3%	0.2%
Admin and Waste Services	28.8%	-5.0%	-26.3%	-11.2%	-25.7%	-16.4%	-7.2%	-0.3%	7.5%	2.6%	7.7%	4.9%
Educational Services	10.2%	1.3%	-8.1%	9.3%	0.6%	-7.9%	-0.3%	4.0%	4.3%	2.0%	8.3%	6.2%
Health and Social Services	8.7%	3.9%	-4.5%	0.6%	-4.5%	-5.0%	-4.8%	4.5%	9.8%	0.0%	5.2%	5.2%
Arts, Entertainment & Rec	34.2%	-30.6%	-48.3%	19.4%	-39.3%	-49.2%	2.3%	18.2%	15.5%	-6.2%	36.2%	45.3%
Accomm & Food Svcs.	-2.5%	-45.9%	-44.5%	-7.5%	-52.0%	-48.1%	7.8%	93.0%	79.0%	13.1%	68.8%	49.3%
Other Svcs.	13.2%	-8.0%	-18.7%	5.2%	-14.6%	-18.8%	-11.1%	7.7%	21.2%	-3.9%	1.9%	6.0%
Professional & Tech Svcs.	10.5%	4.9%	-5.1%	7.5%	0.2%	-6.8%	9.2%	10.1%	0.9%	6.4%	9.9%	3.3%
Management of Companies	20.4%	3.8%	-13.8%	18.8%	5.8%	-11.0%	2.9%	5.6%	2.6%	-3.0%	0.6%	3.6%
Information	15.2%	13.5%	-1.5%	13.0%	4.7%	-7.3%	6.8%	15.5%	8.2%	2.3%	14.8%	12.2%
Utilities	6.0%	0.4%	-5.3%	15.5%	9.9%	-4.9%	6.5%	2.7%	-3.6%	-2.5%	-2.9%	-0.4%
Unclassified/Agri/Mining*	-3.8%	-14.3%	-10.9%	-0.7%	17.9%	18.8%	-16.3%	70.0%	99.2%	5.4%	81.7%	68.9%
Private Sector	16.7%	0.4%	-14.0%	15.3%	-0.8%	-14.0%	-1.4%	10.4%	11.9%	1.4%	9.0%	7.6%
Government	2.5%	0.6%	-1.8%	1.2%	-2.9%	-4.0%	0.7%	-2.2%	-2.9%	6.2%	3.4%	-2.7%
Total Industries	**14.7%**	**0.4%**	**-12.4%**	**13.4%**	**-1.0%**	**-12.7%**	**-0.9%**	**8.6%**	**9.6%**	**2.1%**	**8.3%**	**6.0%**

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

Notes: 2021 data is preliminary.

*The Unclassified; Agriculture, Forestry, Fishing Hunting; and Mining sectors have been combined into one category.

F.1 Permits Issued For Housing Units in New York City, 1964-2021

Year	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Total
1964	--	--	--	--	--	**20,594**
1965	--	--	--	--	--	**25,715**
1966	--	--	--	--	--	**23,142**
1967	--	--	--	--	--	**22,174**
1968	--	--	--	--	--	**22,062**
1969	--	--	--	--	--	**17,031**
1970	--	--	--	--	--	**22,365**
1971	--	--	--	--	--	**32,254**
1972	--	--	--	--	--	**36,061**
1973	--	--	--	--	--	**22,417**
1974	--	--	--	--	--	**15,743**
1975	--	--	--	--	--	**3,810**
1976	--	--	--	--	--	**5,435**
1977	--	--	--	--	--	**7,639**
1978	--	--	--	--	--	**11,096**
1979	--	--	--	--	--	**14,524**
1980	--	--	--	--	--	**7,800**
1981	--	--	--	--	--	**11,060**
1982	--	--	--	--	--	**7,649**
1983	--	--	--	--	--	**11,795**
1984	--	--	--	--	--	**11,566**
1985	1,263	1,068	12,079	2,211	3,711	**20,332**
1986	920	1,278	1,622	2,180	3,782	**9,782**
1987	931	1,650	3,811	3,182	4,190	**13,764**
1988	967	1,629	2,460	2,506	2,335	**9,897**
1989	1,643	1,775	2,986	2,339	2,803	**11,546**
1990	1,182	1,634	2,398	704	940	**6,858**
1991	1,093	1,024	756	602	1,224	**4,699**
1992	1,257	646	373	351	1,255	**3,882**
1993	1,293	1,015	1,150	530	1,185	**5,173**
1994	846	911	428	560	1,265	**4,010**
1995	853	943	1,129	738	1,472	**5,135**
1996	885	942	3,369	1,301	2,155	**8,652**
1997	1,161	1,063	3,762	1,144	1,857	**8,987**
1998	1,309	1,787	3,823	1,446	2,022	**10,387**
1999	1,153	2,894	3,791	2,169	2,414	**12,421**
2000	1,646	2,904	5,110	2,723	2,667	**15,050**
2001	2,216	2,973	6,109	3,264	2,294	**16,856**
2002	2,626	5,247	5,407	3,464	1,756	**18,500**
2003	2,935	6,054	5,232	4,399	2,598	**21,218**
2004	4,924	6,825	4,555	6,853	2,051	**25,208**
2005	4,937	9,028	8,493	7,269	1,872	**31,599**
2006	4,658	9,191	8,790	7,252	1,036	**30,927**
2007	3,088	10,930	9,520	7,625	739	**31,902**
2008	2,482	12,744	9,700	7,730	1,255	**33,911**
2009	1,647	1,003	1,363	1,474	570	**6,057**
2010	1,064	2,093	704	2,358	508	**6,727**
2011	1,116	1,522	2,535	3,182	581	**8,936**
2012	2,552	3,353	2,328	1,428	673	**10,334**
2013	2,638	6,140	4,856	3,161	1,200	**17,995**
2014	1,885	7,551	5,435	4,900	712	**20,483**
2015	4,682	26,026	12,612	12,667	541	**56,528**
2016	4,003	4,503	4,024	2,838	901	**16,269**
2017	5,401	6,130	4,811	5,104	685	**22,131**
2018	3,698	8,445	3,584	4,577	606	**20,910**
2019	5,541	9,696	5,512	5,137	661	**26,547**
2020	4,632	6,802	1,896	5,840	408	**19,578**
2021	**5,348**	**7,013**	**3,165**	**4,087**	**310**	**19,923**

Source: U.S. Census Bureau, Building Permits Survey

F.2 Permits Issued by Building Size & Borough (In Percentages), 2013-2021

Year/Borough	1-Family	2-Family	3/4Family	5orMore-Family	Total Buildings
2013					
Bronx	2.4%	41.6%	12.0%	44.0%	125
Brooklyn	0.0%	19.8%	31.6%	48.6%	364
Manhattan	1.6%	7.8%	0.0%	90.6%	64
Queens	39.3%	32.6%	13.3%	14.8%	399
Staten Island	55.9%	42.5%	0.2%	1.4%	431
Citywide	*29.1%*	*32.0%*	*13.3%*	*25.7%*	*1,383*
2014					
Bronx	0.0%	33.3%	20.4%	46.3%	108
Brooklyn	0.0%	19.3%	25.8%	55.0%	400
Manhattan	1.3%	9.0%	2.6%	87.2%	78
Queens	47.8%	25.4%	10.5%	16.3%	448
Staten Island	68.1%	31.1%	0.2%	0.6%	479
Citywide	*35.8%*	*25.3%*	*11.6%*	*27.4%*	*1,513*
2015					
Bronx	2.9%	26.3%	9.5%	61.3%	137
Brooklyn	5.3%	7.0%	14.7%	73.0%	812
Manhattan	3.8%	1.9%	2.9%	91.4%	105
Queens	31.0%	26.3%	11.6%	31.2%	552
Staten Island	63.0%	36.7%	0.0%	0.3%	392
Citywide	*23.5%*	*19.2%*	*10.0%*	*47.3%*	*1,998*
2016					
Bronx	1.8%	25.2%	17.1%	55.9%	111
Brooklyn	30.6%	14.6%	14.0%	40.9%	487
Manhattan	6.3%	3.2%	3.2%	87.3%	63
Queens	39.8%	38.4%	10.3%	11.5%	477
Staten Island	52.2%	46.4%	0.0%	1.4%	414
Citywide	*36.1%*	*30.7%*	*8.9%*	*24.3%*	*1,552*
2017					
Bronx	6.4%	22.1%	13.6%	57.9%	140
Brooklyn	16.7%	17.1%	13.2%	53.0%	491
Manhattan	5.3%	6.6%	3.9%	84.2%	76
Queens	23.1%	43.5%	15.7%	17.8%	490
Staten Island	57.8%	41.6%	0.4%	0.2%	476
Citywide	*28.9%*	*31.7%*	*9.9%*	*29.5%*	*1,673*
2018					
Bronx	5.6%	21.0%	6.5%	66.9%	124
Brooklyn	11.0%	10.6%	17.7%	60.7%	453
Manhattan	0.0%	5.1%	0.0%	94.9%	59
Queens	30.4%	39.1%	10.7%	19.7%	391
Staten Island	57.5%	42.0%	0.0%	0.5%	419
Citywide	*28.8%*	*28.1%*	*9.0%*	*34.1%*	*1,446*
2019					
Bronx	**1.6%**	**15.0%**	**11.8%**	**71.7%**	**127**
Brooklyn	8.6%	8.3%	14.4%	68.7%	409
Manhattan	1.6%	1.6%	1.6%	95.2%	63
Queens	23.3%	38.2%	11.2%	27.3%	403
Staten Island	51.0%	47.2%	1.5%	0.3%	392
Citywide	*37.3%*	*34.2%*	*8.8%*	*19.8%*	*2,045*
2020					
Bronx	4.1%	9.1%	9.1%	77.7%	121
Brooklyn	15.0%	12.9%	9.5%	62.6%	294
Manhattan	0.0%	2.6%	2.6%	94.7%	38
Queens	22.1%	38.6%	7.1%	32.1%	280
Staten Island	47.7%	47.7%	0.0%	4.5%	222
Citywide	*22.7%*	*27.6%*	*6.3%*	*43.4%*	*955*
2021					
Bronx	**0.0%**	**9.8%**	**13.6%**	**76.5%**	**132**
Brooklyn	**4.5%**	**10.9%**	**12.8%**	**71.7%**	**265**
Manhattan	**3.1%**	**0.0%**	**0.0%**	**96.9%**	**32**
Queens	**19.8%**	**37.8%**	**14.5%**	**27.9%**	**262**
Staten Island	**46.5%**	**51.9%**	**0.0%**	**1.6%**	**185**
Citywide	***17.2%***	***27.1%***	***10.3%***	***45.4%***	***876***

Source: U.S. Census Bureau, Building Permits Survey

F.3 Permits Issued For Housing Units by Quarter, 2011-2022

Year	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Total
2011						
Q1	205	291	146	411	88	1,141
Q2	508	624	1,199	1,416	228	3,975
Q3	248	303	391	459	178	1,579
Q4	155	304	799	896	87	2,241
2012						
Q1	564	600	556	197	193	2,110
Q2	619	310	1,041	643	134	2,747
Q3	409	1,496	421	378	142	2,846
Q4	960	947	310	210	204	2,631
2013						
Q1	214	1,184	568	428	162	2,556
Q2	1,066	1,117	1,162	730	689	4,764
Q3	336	1,918	1,708	1,006	172	5,140
Q4	1,022	1,921	1,418	997	177	5,535
2014						
Q1	379	1,725	1,809	1,067	121	5,101
Q2	583	1,617	1,041	1,471	140	4,852
Q3	736	2,675	1,506	812	207	5,936
Q4	187	1,534	1,079	1,550	244	4,594
2015						
Q1	561	3,574	1,154	782	112	6,183
Q2	1,269	15,453	9,760	9,182	151	35,815
Q3	1,651	1,163	1,057	250	175	4,296
Q4	1,201	5,836	641	2,453	103	10,234
2016						
Q1	866	482	297	368	145	2,158
Q2	1,060	912	506	854	476	3,808
Q3	764	1,666	1,776	931	145	5,282
Q4	1,313	1,443	1,445	685	135	5,021
2017						
Q1	1,124	2,097	1,486	1,434	202	6,343
Q2	1,267	1,454	1,004	1,801	154	5,680
Q3	1,050	1,000	1,183	1,033	170	4,436
Q4	1,960	1,579	1,138	836	159	5,672
2018						
Q1	1,181	1,737	1,326	794	132	5,170
Q2	1,403	1,768	673	1,465	167	5,476
Q3	562	2,346	647	735	171	4,461
Q4	552	2,594	938	1,583	136	5,803
2019						
Q1	839	2,271	1,037	2,010	172	6,329
Q2	1,228	1,882	1,170	1,249	128	5,657
Q3	1,558	1,759	741	1,129	149	5,336
Q4	1,916	3,784	2,564	749	212	9,225
2020						
Q1	773	1,721	664	2,439	51	5,648
Q2	365	1,673	425	1,157	63	3,683
Q3	1,491	1,406	507	1,600	105	5,109
Q4	2,003	2,002	300	644	189	5,138
2021						
Q1	**1,502**	**1,271**	**1,268**	**747**	**114**	**4,902**
Q2	**1,303**	**2,174**	**283**	**915**	**98**	**4,773**
Q3	**1,083**	**1,931**	**819**	**888**	**48**	**4,769**
Q4	**1,460**	**1,637**	**795**	**1,537**	**50**	**5,479**
2022						
Q1	**1,059**	**2,711**	**414**	**2,550**	**35**	**6,769**

Source: U.S. Census Bureau, Building Permits Survey

F.4 New Housing Units Completed in New York City, 1963-2021

Year	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Total
1963	8,780	12,264	19,398	17,166	2,423	**60,031**
1964	9,503	13,555	15,833	10,846	2,182	**51,919**
1965	6,247	10,084	14,699	16,103	2,319	**49,452**
1966	7,174	6,926	8,854	6,935	2,242	**32,131**
1967	4,038	3,195	7,108	5,626	3,069	**23,036**
1968	3,138	4,158	2,707	4,209	3,030	**17,242**
1969	1,313	2,371	6,570	3,447	3,768	**17,469**
1970	1,652	1,695	3,155	4,230	3,602	**14,334**
1971	7,169	2,102	4,708	2,576	2,909	**19,464**
1972	11,923	2,593	1,931	3,021	3,199	**22,667**
1973	6,294	4,340	2,918	3,415	3,969	**20,936**
1974	3,380	4,379	6,418	3,406	2,756	**20,339**
1975	4,469	3,084	9,171	2,146	2,524	**21,394**
1976	1,373	10,782	6,760	3,364	1,638	**23,917**
1977	721	3,621	2,547	1,350	1,984	**10,223**
1978	464	345	3,845	697	1,717	**7,068**
1979	405	1,566	4,060	1,042	2,642	**9,715**
1980	1,709	708	3,306	783	2,380	**8,886**
1981	396	454	4,416	1,152	2,316	**8,734**
1982	997	332	1,812	2,451	1,657	**7,249**
1983	757	1,526	2,558	2,926	1,254	**9,021**
1984	242	1,975	3,500	2,291	2,277	**10,285**
1985	557	1,301	1,739	1,871	1,939	**7,407**
1986	968	2,398	4,266	1,776	2,715	**12,123**
1987	1,177	1,735	4,197	2,347	3,301	**12,757**
1988	1,248	1,631	5,548	2,100	2,693	**13,220**
1989	847	2,098	5,979	3,560	2,201	**14,685**
1990	872	929	7,260	2,327	1,384	**12,772**
1991	656	764	2,608	1,956	1,627	**7,611**
1992	802	1,337	3,750	1,498	1,136	**8,523**
1993	886	616	1,810	801	1,466	**5,579**
1994	891	1,035	1,927	1,527	1,573	**6,953**
1995	1,166	1,647	2,798	1,013	1,268	**7,892**
1996	1,075	1,583	1,582	1,152	1,726	**7,118**
1997	1,391	1,369	816	1,578	1,791	**6,945**
1998	575	1,333	5,175	1,263	1,751	**10,097**
1999	1,228	1,025	2,341	2,119	2,264	**8,977**
2000	1,390	1,635	5,057	2,206	3,384	**13,672**
2001	1,581	2,465	5,859	1,599	2,809	**14,313**
2002	1,554	2,384	6,866	2,388	1,894	**15,086**
2003	1,450	4,783	4,718	3,000	3,482	**17,433**
2004	3,156	4,601	6,279	2,836	2,319	**19,191**
2005	2,945	4,957	5,281	4,702	1,930	**19,815**
2006	4,236	6,162	7,105	5,858	1,866	**25,227**
2007	4,469	7,083	7,584	5,883	1,435	**26,454**
2008	4,144	7,242	6,047	5,468	1,014	**23,915**
2009	2,905	7,525	6,901	4,674	874	**22,879**
2010	4,192	7,256	6,956	3,677	796	**22,877**
2011	3,346	4,765	5,730	2,782	611	**17,234**
2012	1,882	3,558	1,078	2,573	598	**9,689**
2013	1,483	4,562	3,641	4,152	605	**14,443**
2014	1,780	4,399	3,430	3,080	524	**13,213**
2015	2,574	5,621	3,701	3,154	544	**15,594**
2016	2,457	8,945	7,338	3,457	1,250	**23,447**
2017	2,737	11,256	5,494	5,300	687	**25,474**
2018	4,757	9,428	7,261	6,326	861	**28,633**
2019	4,316	10,263	4,884	4,639	654	**24,756**
2020	4,433	8,757	3,802	2,689	504	**20,185**
2021	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**

Source: NYC Department of City Planning; Data from 2010 forward from DCP Housing Database Project-Level Files

Note: Housing unit count is based on the number of Certificates of Occupancy issued by NYC Department of Buildings (DOB), or equivalent action by the Empire State Development Corporation or NYS Dormitory Authority. Prior years' data may be adjusted and may not match prior reports.

Updated data from 2010-2019 was derived from DCP Housing Database Project-Level Files, as updated in February of 2021. Data is updated periodically and may not match that presented in earlier reports. As of the publication of this report, 2021 is not available.

F.5 Number of Residential Co-op and Condo Plans Accepted for Filing By the NYS Attorney General's Office, 2016-2021

	2016	2017	2018	2019	2020	2021
Private Plans	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)
New Construction	206 (4,726)	224 (4,731)	233 (7,155)	227 (5,358)	186 (3,511)	183 (4,160)
Rehabilitation	45 (301)	33 (507)	42 (792)	43 (480)	37 (180)	33 (161)
Conversion (Non-Eviction)	27 (1,311)	18 (717)	11 (545)	11 (745)	12 (760)	4 (352)
Conversion (Eviction)	0	0	0	0	0	0
Private Total	**278 (6,338)**	**275 (5,955)**	**286 (8,492)**	**281 (6,583)**	**235 (4,451)**	**220 (4,673)**
HPD Sponsored Plans	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)
New Construction	0	0	0	0	0	0
Rehabilitation	0	0	1 (12)	0	0	0
Conversion (Non-Eviction)	0	0	0	0	0	0
Conversion (Eviction)	0	0	0	0	0	0
HPD Total	**0**	**0**	**1 (12)**	**0**	**0**	**0**
Grand Total	**278 (6,338)**	**275 (5,955)**	**287 (8,504)**	**281 (6,583)**	**235 (4,451)**	**220 (4,673)**

Source: NYS Attorney General's Office, Real Estate Financing Bureau

Note: Figures exclude "Homeowner," "Other," and "No Action" plans/units. Data from 2014-2018 was updated in 2020 to reflect only residential housing units. Prior data relied on "total units," which includes residential, commercial, and storage units, as well as parking spaces (in addition to other categories with very few units).

F.6 Number of Units in Co-op and Condo Plans Accepted for Filing By the NYS Attorney General's Office, 1994-2021

Year	New Construction	Conversion Eviction	Conversion Non-Eviction	Rehabilitation	Total: New Construction Conversion & Rehab	Units in HPD Sponsored Plans
1994	393	283	176	807	**1,659**	901
1995	614	426	201	1,258	**2,499**	935
1996	83	16	196	284	**579**	0
1997	1,417	38	131	852	**2,438**	533
1998	3,225	0	386	826	**4,437**	190
1999	1,123	343	359	1,029	**2,854**	295
2000	1,911	203	738	220	**3,072**	179
2001	3,833	22	1,053	124	**5,032**	22
2002	2,576	260	1,974	348	**5,158**	260
2003	4,870	0	639	418	**5,927**	0
2004	6,018	274	1,550	334	**8,176**	274
2005	12,210	269	2,356	223	**15,058**	269
2006	19,870	273	6,331	0	**26,474**	273
2007*	14,159	45	4,832	56	**19,092**	87
2008*	10,520	188	2,286	90	**13,084**	188
2009*	5,327	50	618	208	**6,203**	205
2010*	3,493	161	746	0	**4,400**	218
2011*	2,765	106	208	14	**3,093**	0
2012*	1,943	19	1,164	75	**3,201**	19
2013*	2,849	0	693	406	**3,948**	95
2014*	4,277	0	3,821	385	**8,483**	0
2015*	6,118	0	2,331	460	**8,909**	70
2016*	4,726	0	1,311	301	**6,338**	0
2017*	4,731	0	717	507	**5,955**	0
2018*	7,155	0	545	804	**8,504**	12
2019*	5,358	0	745	480	**6,583**	0
2020*	3,511	0	760	180	**4,451**	0
2021*	**4,160**	**0**	**352**	**161**	**4,673**	**0**

Source: NYS Attorney General's Office, Real Estate Financing Bureau

*2007-2021 data is based on residential units. Prior years data relies on "total units," which includes residential, commercial and storage units, as well as parking spaces (in addition to other categories with very few units). On average, over this 13-year period, the number of residential units is 23.1% lower than total units.

Note: Rehabilitated units were tabulated separately from 1994 on. NYC Dept. of Housing Preservation and Development (HPD) Plans are a subset of all plans.

F.7 Tax Incentive Programs, 2019-2021

Buildings Newly Receiving Certificates for 421-a Exemptions, 2019-2021

	2019			2020			2021		
	Certificates	Buildings	Units	Certificates	Buildings	Units	Certificates	Buildings	Units
Bronx	147	179	1,504	120	138	3,437	61	67	1,744
Brooklyn	365	453	10,178	130	136	3,722	240	253	5,313
Manhattan	35	36	4,214	20	21	944	22	22	1,507
Queens	239	308	6,858	47	51	2,136	58	65	1,356
Staten Island	0	0	0	3	5	73	0	0	0
TOTAL	**786**	**976**	**22,754**	**320**	**351**	**10,312**	**381**	**407**	**9,920**

Buildings Newly Receiving J-51 Tax Abatements and Exemptions, 2019-2021

	2019			2020			2021		
	Certified Buildings	Certified Units	Certified Cost ($1,000s)	Certified Buildings	Certified Units	Certified Cost ($1,000s)	Certified Buildings	Certified Units	Certified Cost ($1,000s)
Bronx	79	4,555	$10,250	12	532	$2,035	51	2,704	$5,067
Brooklyn	91	3,292	$10,236	23	589	$3,195	70	1,684	$3,147
Manhattan	6	409	$1,166	4	138	$439	7	268	$795
Queens	593	5,231	$8,083	96	681	$275	113	2,706	$3,215
Staten Island	0	0	$0	0	0	$0	0	0	$0
TOTAL	**769**	**13,487**	**$29,735**	**135**	**1,940**	**$5,945**	**241**	**7,362**	**$12,224**

Source: NYC Department of Housing Preservation and Development, Office of Development, Tax Incentive Programs

F.8 Tax Incentive Programs – Units Receiving Initial Benefits, 1981-2021

Year	421-a	J-51	Year	421-a	J-51
1981	3,505	--	2002	4,953	70,145
1982	3,620	--	2003	3,782	74,005
1983	2,088	--	2004	6,738	117,503
1984	5,820	--	2005	5,062	66,370
1985	5,478	--	2006	3,875	66,010
1986	8,569	--	2007	4,212	55,681
1987	8,286	--	2008	4,521	64,478
1988	10,079	109,367	2009	4,613	37,867
1989	5,342	64,392	2010	5,895	50,263
1990	980	113,009	2011	11,007	54,775
1991	3,323	115,031	2012	10,856	45,886
1992	2,650	143,593	2013	7,890	55,659
1993	914	122,000	2014	6,945	40,787
1994	627	60,874	2015	5,468	44,259
1995	2,284	77,072	2016	4,493	34,311
1996	1,085	70,431	2017	20,804	22,877
1997	2,099	145,316	2018	28,292	29,815
1998	2,118	103,527	2019	22,754	13,487
1999	6,123	82,121	2020	10,312	1,940
2000	2,828	83,925	**2021**	**9,920**	**7,362**
2001	4,870	81,321			

Source: NYC Department of Housing Preservation and Development, Office of Development, Tax Incentive Programs

F.9 Building Demolitions in New York City, 1985-2021

	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	81	157	3	101	59	73	3	133	1	31	147	495
1986	48	96	14	197	19	38	3	273	4	67	88	671
1987	14	55	2	130	22	33	1	273	6	83	45	574
1988	3	34	2	169	25	44	2	269	0	160	32	676
1989	6	48	8	160	20	38	3	219	0	109	37	574
1990	4	29	3	133	20	28	5	119	0	71	32	380
1991	10	33	15	95	9	14	1	68	0	32	35	242
1992	12	51	6	63	2	5	1	41	0	33	21	193
1993	0	17	4	94	0	1	3	51	0	5	7	168
1994	3	14	4	83	5	5	2	42	0	8	14	152
1995	2	18	0	81	0	0	2	37	0	17	4	153
1996	-	30	-	123	-	25	-	118	-	84	-	380
1997	-	29	-	127	-	51	-	168	-	119	-	494
1998	-	71	-	226	-	103	-	275	-	164	-	839
1999	-	67	-	211	-	53	-	227	-	159	-	717
2000	-	64	-	499	-	101	-	529	-	307	-	1,500
2001	-	96	-	421	-	160	-	519	-	291	-	1,487
2002	-	126	-	500	-	89	-	600	-	456	-	1,771
2003	-	161	-	560	-	100	-	865	-	564	-	2,250
2004	-	238	-	691	-	141	-	1,128	-	547	-	2,745
2005	-	245	-	1,080	-	145	-	1,545	-	477	-	3,492
2006	-	334	-	1,109	-	259	-	1,485	-	381	-	3,568
2007	-	302	-	984	-	282	-	1,407	-	308	-	3,283
2008	-	206	-	925	-	252	-	1,082	-	215	-	2,680
2009	-	166	-	467	-	153	-	663	-	177	-	1,626
2010	-	121	-	326	-	76	-	464	-	129	-	1,116
2011	-	93	-	308	-	124	-	463	-	141	-	1,129
2012	-	121	-	284	-	144	-	434	-	139	-	1,122
2013	-	105	-	367	-	145	-	453	-	216	-	1,286
2014	-	125	-	454	-	121	-	555	-	258	-	1,513
2015	-	116	-	668	-	225	-	612	-	266	-	1,887
2016	-	139	-	642	-	178	-	655	-	235	-	1,849
2017	-	136	-	573	-	114	-	579	-	320	-	1,722
2018	-	190	-	661	-	146	-	624	-	267	-	1,888
2019	-	245	-	741	-	246	-	663	-	214	-	2,109
2020	-	231	-	450	-	130	-	406	-	188	-	1,405
2021	**-**	**235**	**-**	**525**	**-**	**119**	**-**	**461**	**-**	**203**	**-**	**1,543**

Source: U.S. Bureau of the Census, Manufacturing and Construction Division, Building Permits Branch; New York City Department of Buildings

Note: The Census Bureau discontinued collecting demolition statistics in December, 1995. The New York City Department of Buildings (DOB) began supplying the total number of buildings demolished from 1996 forward, but does not specify whether buildings are residential or whether they have 5+ units. Demolition statistics from 1985 though 1995 are solely for residential buildings. Data from 1996 through 2018 was received directly from DOB, while data from 2019 forward was derived from published DOB data on the NYC Open Data portal, per criteria set by the DOB FOIL office.

G.1 Additions to the Stabilized Housing Stock, 1994-2021

Year	421-a	J-51	Mitchell-Lama Buyouts State	Mitchell-Lama Buyouts City	Lofts	421-g	420-c	Articles 11/14/15	Formerly Controlled	Total
1994	-	114	0	0	-	-	-	-	-	114
1995	-	88	306	0	-	-	-	-	-	394
1996	-	8	0	0	-	-	-	-	-	8
1997	-	38	323	0	-	-	-	-	-	361
1998	-	135	574	1,263	64	-	-	-	-	2,036
1999	-	33	286	0	71	-	-	-	-	390
2000	-	224	0	0	96	-	-	-	-	320
2001	-	494	0	0	56	-	-	-	-	550
2002	-	260	0	232	16	-	-	-	-	508
1994-2002	*20,240*	*1,394*	*1,489*	*1,495*	*303*	*865*	*5,500*	-	*31,159*	*62,445*
2003	1,929	171	0	279	20	41	0	-	916	3,356
2004	4,941	142	0	229	129	188	0	-	706	6,335
2005	3,380	25	251	481	66	79	0	-	721	5,003
2006	2,264	130	285	2,755	81	5	0	-	634	6,154
2007	2,838	135	2,227	290	35	441	0	-	592	6,558
2008	1,856	55	0	101	35	865	0	-	887	3,799
2009	2,438	18	112	0	36	0	0	-	519	3,123
2010	7,596	80	0	0	9	0	0	-	451	8,136
2011	3,155	498	0	0	6	0	0	-	438	4,097
2012	2,509	108	132	0	17	0	0	-	360	3,126
2013	5,975	407	0	0	26	0	0	-	309	6,717
2014	3,110	243	318	0	21	0	0	-	211	3,903
2015	2,515	0	0	0	18	0	0	-	270	2,803
2016	4,921	59	0	716	5	0	0	828	377	6,906
2017	9,376	208	143	90	10	0	0	1,283	142	11,252
2018	9,452	309	0	0	43	0	0	1,900	141	11,845
2019	5,723	196	0	353	22	0	0	2,164	361	8,819
2020	4,030	67	0	0	36	0	0	0	146	4,279
2021	6,007	76	0	0	11	0	0	101	244	6,439
Total	**104,255**	**4,321**	**4,957**	**6,789**	**929**	**2,484**	**5,500**	**6,276**	**39,584**	**175,095**

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

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

Articles 11, 14, and 15 Notes: Data prior to 2016 not available.

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

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

Additional 421-g Notes: The 421-g tax incentive program provides a 14-year tax exemption and abatement benefits for the conversion of commercial buildings to multiple dwellings in the Lower Manhattan Abatement Zone, generally defined as the area south of the centerline of Murray, Frankfort and Dover Streets, excluding Battery Park City and the piers. All rental units in the project become subject to rent stabilization for the duration of the benefits. No additional units will be added since the program required that building permits be dated on or before June 30, 2006.

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

G.2 Additions to the Stabilized Housing Stock by Borough, 2021

	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Total
421-a	1,442	1,783	250	2,532	0	6,007
J-51	0	76	0	0	0	76
Mitchell-Lama Buyouts (City & State)	0	0	0	0	0	0
Lofts	0	10	1	0	0	11
Article 11, 14 & 15	0	20	81	0	0	101
Formerly Controlled	19	41	153	31	0	244
Total Additions	**1,461**	**1,930**	**485**	**2,563**	**0**	**6,439**

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

G.3 Median and Average Rent of Initially Registered Rent Stabilized Apartments by Borough, 2015-2021

Median Rent	2015	2016	2017	2018	2019	2020	2021
Bronx	$1,434	$1,480	$1,533	$1,579	$1,557	$2,147	$2,100
Brooklyn	$2,500	$3,285	$2,595	$2,975	$2,550	$2,200	$1,955
Manhattan	$4,378	$2,878	$4,868	$4,300	$6,432	$2,468	$3,350
Queens	$2,395	$3,005	$3,000	$3,617	$2,400	$2,100	$2,345
Staten Island	-	$2,160	$1,561	-	-	-	-
NYC	**$2,167**	**$2,750**	**$2,685**	**$3,000**	**$4,798**	**$2,200**	**$2,295**

Average Rent	2015	2016	2017	2018	2019	2020	2021
Bronx	$1,452	$1,544	$1,592	$1,574	$1,603	$2,122	$2,419
Brooklyn	$2,690	$3,419	$3,214	$3,309	$3,034	$2,307	$1,971
Manhattan	$4,878	$3,503	$5,821	$4,550	$5,848	$4,745	$5,075
Queens	$2,490	$3,159	$3,304	$3,999	$2,675	$2,194	$2,530
Staten Island	-	$2,162	$1,553	-	-	-	-
NYC	**$2,766**	**$2,971**	**$3,606**	**$3,490**	**$4,463**	**$2,916**	**$2,591**

Note: Rent figures not available for Staten Island in some years due to too few or no initially registered apartments.

Source: NYS Homes and Community Renewal (HCR), Office of Rent Administration, annual registration data

G.4 Subtractions from the Stabilized Housing Stock Due to High-Rent High-Income Deregulation by Borough, 1994-2020

Year	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Total
1994	0	0	904	0	0	904
1995	0	0	346	0	0	346
1996	1	0	180	4	0	185
1997	1	0	157	2	0	160
1998	3	0	366	3	0	372
1999	2	1	279	1	0	283
2000	2	1	227	0	0	230
2001	3	0	209	2	0	214
2002	1	1	258	2	0	262
2003	2	13	177	6	0	198
2004	0	13	173	8	0	194
2005	4	30	220	11	0	265
2006	8	28	244	21	0	301
2007	9	45	241	14	0	309
2008	10	50	198	20	0	278
2009	16	57	364	20	0	457
2010	9	44	256	27	0	336
2011	6	38	149	19	0	212
2012	5	31	119	10	0	165
2013	3	32	74	18	0	127
2014	4	21	149	12	0	186
2015	13	37	50	9	0	109
2016	1	30	92	23	0	146
2017	6	32	49	20	0	107
2018	7	29	54	19	0	109
2019	3	63	78	16	0	160
2020	0	14	29	4	0	47
Total	**119**	**610**	**5,642**	**291**	**0**	**6,662**

Notes: With passage of the Housing Stability & Tenant Protection Act (HSTPA) of 2019, effective June 14, 2019, occupied apartments can no longer be deregulated. See "High-Rent High-Income Deregulation" section on page 108 for more information.

Figures reflect 12 months' worth of data from April 1 of the previous year to March 31 of each year shown above.

Source: NYS Homes and Community Renewal (HCR), Office of Rent Administration, annual registration data

G.5 Subtractions from the Stabilized Housing Stock Due to High-Rent Vacancy Deregulation by Borough, 1994-2020

Year	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Total
1994	3	9	544	9	0	565
1995	1	111	927	8	0	1,047
1996	10	106	1,203	6	0	1,325
1997	6	77	1,121	0	0	1,204
1998	7	116	2,247	14	0	2,384
1999	11	151	3,586	37	0	3,785
2000	7	279	2,586	62	0	2,934
2001	53	294	4,490	145	0	4,982
2002	64	391	5,431	251	7	6,144
2003	83	640	7,048	416	17	8,204
2004	101	758	7,271	697	29	8,856
2005	184	852	7,303	904	29	9,272
2006	217	1,408	7,187	1,106	65	9,983
2007	375	1,409	7,114	1,380	64	10,342
2008	447	1,884	8,600	1,787	82	12,800
2009	537	2,013	8,718	2,195	94	13,557
2010	581	2,154	7,807	2,290	79	12,911
2011	654	2,256	6,378	2,032	44	11,364
2012	281	1,189	4,289	922	32	6,713
2013	197	994	2,924	654	32	4,801
2014	309	1,247	3,572	1,056	51	6,235
2015	432	1,773	4,280	1,510	54	8,049
2016	179	1,132	2,522	824	33	4,690
2017	186	870	1,738	695	28	3,517
2018	175	1,197	2,276	941	39	4,628
2019	310	1,638	4,773	1,111	46	7,878
2020	96	583	1,018	509	10	2,216
Total	**5,506**	**25,531**	**116,953**	**21,561**	**835**	**170,386**

Notes: With passage of the Housing Stability & Tenant Protection Act (HSTPA) of 2019, effective June 14, 2019, high-rent vacancy deregulation is no longer permitted. See “High-Rent Vacancy Deregulation” section on page 108 for more information.

Figures reflect 12 months’ worth of data from April 1 of the previous year to March 31 of each year shown above.

Prior to 2014, registration of deregulated units with HCR was voluntary. These totals therefore represent a ‘floor’ or minimum count of the actual number of deregulated units in these years. Since 2014, the annual apartment registration must indicate that an apartment is permanently exempt.

Source: NYS Homes and Community Renewal (HCR), Office of Rent Administration, annual registration data

G.6 Subtractions from the Stabilized Housing Stock, 1994-2021

	High-Rent High-Income Deregulation*	High-Rent Vacancy Deregulation*	Co-op/Condo Conversion	421-a Expiration	J-51 Expiration	Substantial Rehab	Commercial/ Professional Conversion	Other	Total
1994	904	565	5,584	2,005	1,345	332	139	1,904	12,778
1995	346	1,047	4,784	990	1,440	334	113	1,670	10,724
1996	185	1,325	4,733	693	1,393	601	117	1,341	10,388
1997	160	1,204	3,723	1,483	1,340	368	109	1,365	9,752
1998	372	2,384	3,940	2,150	1,412	713	78	1,916	12,965
1999	283	3,785	2,822	3,514	1,227	760	110	1,335	13,836
2000	230	2,934	3,147	3,030	884	476	729	1,372	12,802
2001	214	4,982	2,153	770	1,066	399	88	1,083	10,755
2002	262	6,144	1,774	653	1,081	508	45	954	11,421
2003	198	8,204	1,474	651	854	340	59	912	12,692
2004	194	8,856	1,564	493	609	268	79	954	13,017
2005	265	9,272	1,692	451	545	692	111	1,017	14,045
2006	301	9,983	1,567	263	236	350	135	1,139	13,974
2007	309	10,342	1,455	161	270	297	66	1,304	14,204
2008	278	12,800	1,405	376	176	421	56	1,321	16,833
2009	457	13,557	1,153	1,075	286	441	62	1,557	18,588
2010	336	12,911	1,130	657	143	274	32	1,424	16,907
2011	212	11,364	1,098	415	230	174	29	653	14,175
2012	165	6,713	924	336	244	481	74	562	9,499
2013	127	4,801	774	757	188	308	31	611	7,597
2014	186	6,235	789	1,011	137	226	13	416	9,013
2015	109	8,049	618	1,079	287	288	13	369	10,812
2016	146	4,690	665	749	460	216	160	438	7,524
2017	107	3,517	672	1,363	363	211	24	400	6,657
2018	109	4,628	791	1,016	375	209	7	333	7,468
2019	160	7,878	600	892	423	260	12	1,038	11,263
2020	47	2,216	481	1,885	355	175	2	1,471	6,632
2021	0	0	480	1,959	397	158	2	2,428	5,424
Total	**6,662**	**170,386**	**51,992**	**30,877**	**17,766**	**10,280**	**2,495**	**31,287**	**321,745**

Note: Figures reflect 12 months' worth of data from April 1 of the previous year to March 31 of each year shown above.

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

*High-Rent Deregulation Note: With passage of the Housing Stability & Tenant Protection Act (HSTPA) of 2019, effective June 14, 2019, occupied apartments can no longer be deregulated. See High-Rent Deregulation sections on page 108 for more information.

Source: NYS Homes and Community Renewal (HCR), Office of Rent Administration, annual registration data

G.7 Subtractions from the Stabilized Housing Stock by Borough, 2021

Year	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Total
Co-op/Condo Conversion	42	142	179	116	1	480
421-a Expirations	16	169	1,656	109	9	1,959
J-51 Expirations	21	98	251	27	0	397
Substantial Rehabilitation	0	95	44	19	0	158
Commercial/Professional Conversion	0	0	2	0	0	2
Other	25	1,183	1,031	187	2	2,428
Total Subtractions	**104**	**1,687**	**3,163**	**458**	**12**	**5,424**

Figures reflect 12 months' worth of data from April 1 of the previous year to March 31 of the year shown above.

Source: NYS Homes and Community Renewal (HCR), Office of Rent Administration, annual registration data

Glossary & Index

Glossary of Rent Regulation

Adjustable Rate Mortgage (ARM): Similar to a variable rate mortgage except that interest rate adjustments are capped in order to protect lenders and borrowers from sudden upturns or downturns in a market index.

Affordable Housing: As defined by the United States Department of Housing and Urban Development, any housing accommodation for which a tenant household pays 30% or less of its income for shelter.

Affordable New York Housing Program: See "421-a Tax Incentive Program"

Class A Multiple Dwelling: As defined under the Multiple Dwelling Law, a multiple dwelling building which is generally occupied as a permanent residence. The class includes such buildings as apartment houses, apartment hotels, maisonette apartments, and all other multiple dwellings except Class B dwellings.

Class B Multiple Dwelling: A multiple dwelling which is occupied, as a rule, transiently, as the more or less temporary abode of individuals or families. This class includes such buildings as hotels, lodging houses, rooming houses, boarding schools, furnished room houses, college and school dormitories.

Condominium (Condo): A form of property ownership in which units are individually owned and the owners acquire shares in an association that owns and cares for common areas.

Cooperative (Co-op): A form of property ownership in which a building or complex is owned by a corporation. Shares in the corporation are allocated per apartment and the owners of those shares, who are called proprietary lessees, may either live in the apartment for which the shares are allocated or rent that apartment to a sub-tenant.

Core Manhattan: The area of Manhattan south of 96th Street on the East Side and 110th Street on the West Side. See also "Upper Manhattan."

Debt Service: Repayment of loan principal and interest; the projected debt service is the determining factor in setting the amount of the loan itself.

Debt Service Ratio: The net operating income divided by the debt service; it measures a borrower's ability to cover mortgage payments using a building's net operating income.

Decontrol: See "Deregulation."

Department of Housing Preservation and Development (HPD): The New York City agency with primary responsibility for promulgating and enforcing housing policy and laws in the City. See also Division of Housing and Community Renewal.

Deregulation: Also known as "Decontrol" or "Destabilization." Prior to 2019, deregulation occurred by action of the owner when an apartment under either rent control or rent stabilization legally met the criteria for leaving regulation. When an apartment was deregulated, the rent was able to be set at 'market rate.' There are two types of deregulation, "High-Rent/High-Income Deregulation" and "High-Rent Vacancy Deregulation." See these individual terms for more details. With the passage of the Rent Laws of 2019, deregulation was repealed. Refer to the NYS Division of Housing and Community Renewal for the thresholds that applied prior to 2019.

Destabilization: See "Deregulation."

DHCR: See "Division of Housing and Community Renewal."

Disability Rent Increase Exemption (DRIE): A program which freezes the rent of a New York City tenant or tenant's spouse who is disabled (defined as receiving either Federal Supplemental Security

Income, Federal Social Security Disability Insurance, US Department of Veterans Affairs disability pension or compensation, or Disability-related Medicaid) and living in a rent regulated apartment. To currently qualify for this benefit, a household of any size must make a combined household income no more than $50,000 per year, as well as paying at least 1/3 of their income toward their rent.

Discount Rate: The interest rate Federal Reserve Banks charge for loans to depository institutions.

Distressed Buildings: Buildings that have operating and maintenance expenses greater than gross income are considered distressed.

Division of Housing and Community Renewal (DHCR): Part of NYS Homes & Community Renewal (HCR), the New York State agency with primary responsibility for formulating New York State housing policy, and monitoring and enforcing the provisions of the state's residential rent regulation laws.

Emergency Tenant Protection Act of 1974 (ETPA): Chapter 576 Laws of 1974: In Nassau, Rockland and Westchester counties, rent stabilization applies to non-rent controlled apartments in buildings of six or more units built before January 1, 1974 in localities that have declared an emergency and adopted ETPA. In order for rents to be placed under regulation, there has to be a rental vacancy rate of less than 5% for all or any class or classes of rental housing accommodations. Some municipalities limit ETPA to buildings of a specific size, for instance, buildings with 20 or more units. Each municipality declaring an emergency and adopting local legislation pays the cost of administering ETPA (in either Nassau, Rockland or Westchester County). In turn, each municipality can charge the owners of subject housing accommodations a fee (up to $10 per unit per year).

Eviction: An action by a building owner in a court of competent jurisdiction to obtain possession of a tenant's housing accommodation.

Fair Market Rent (FMR): In New York City, when a tenant voluntarily vacates a rent controlled apartment, the apartment becomes decontrolled. If that apartment is in a building containing six or more units, the apartment becomes rent stabilized. The owner may charge the first stabilized tenant a fair market rent. All future rent increases are subject to limitations under the Rent Stabilization Law, whether the same tenant renews the lease or the apartment is rented to another tenant. The Rent Stabilization Law permits the first stabilized tenant after decontrol to challenge the first rent charged after decontrol, through a Fair Market Rent Appeal, if the tenant believes that the rent set by the owner exceeds the fair market rent for the apartment. The Appeal is decided taking into consideration the Fair Market Rent Special Guideline and rents for comparable apartments.

Family Assistance Program (FAP): NY State's TANF program. See "Temporary Assistance to Needy Families."

Federal Deposit Insurance Corporation (FDIC): Established by the federal government in 1950 to insure the deposits of member banks and savings associations.

Federal Reserve Board: The central bank of the United States founded by Congress in 1913 to provide the nation with a safer, more flexible, and more stable monetary and financial system.

Federal Funds Rate: Set by the Federal Reserve, this is the rate banks charge each other for overnight loans.

Fixed Rate Mortgage (FRM): The interest rate is constant for the term of a mortgage.

421-a Tax Incentive Program (a.k.a. Affordable New York Housing Program): Created in 1970 and amended periodically by the NYS Legislature. Offers tax exemptions to qualifying new multifamily properties containing three or more rental units. Apartments built with 421-a tax exemptions are subject to the provisions of the Rent Stabilization Laws during the exemption period. Thus, 421-a tenants share the same tenancy protections as stabilized tenants and initial rents are then confined to increases established by the Rent Guidelines Board. Note that this program expired on June 15, 2022, although those buildings which began construction prior to this date may still apply for the program.

Gross City Product (GCP): The dollar measurement of the total citywide production of goods and services in a given year.

Guideline Rent Increases: The percentage increase of the rent that is allowed when a new or renewal lease is signed in a rent stabilized apartment. This percentage is determined by the New York City Rent Guidelines Board for leases signed between October 1 of the current year and September 30 of the following year. The percentage increase allowed is dependent on the term of the lease. Sometimes additional factors, such as the amount of the rent, whether or not electricity is included in the rent and the past rental history, have also resulted in varying adjustments. Although in the past the RGB customarily set separate increases for vacancy leases, this responsibility shifted to the State for the period between the passage of the Rent Regulation Reform Act of 1997, which established statutory vacancy increases, and the passage of the Rent Laws of 2019, which repealed these allowances. Commencing with the Rent Laws of 2019, these guidelines apply to all leases and increase periods. Therefore, consistent with guidance from New York State Homes and Community Renewal (HCR), the Board may authorize the guidelines to apply to vacant apartment and loft units that become occupied during the term of the Order, as well as to renewal leases or periods. No more than one guideline adjustment may be added during any guideline year.

High-Rent/High-Income Deregulation ("Luxury Decontrol"): Starting with the Rent Regulation Reform Act of 1993, the change in an apartment's status from being rent regulated to being deregulated because the household income of the tenant's in the apartment exceeded a certain threshold AND the rent of the apartment exceeded a certain threshold. These guidelines were modified periodically with the passage of various Rent Laws/Acts through 2015. In 2019, with the passage of the Rent Laws of 2019, deregulation was repealed indefinitely. Refer to the NYS Division of Housing and Community Renewal for the thresholds that applied prior to 2019.

High-Rent/Vacancy Deregulation ("Vacancy De-control"): Starting with the Rent Regulation Reform Act of 1993, a process by which a rent regulated unit became deregulated upon the vacancy of the prior tenant, when the rent of the apartment exceeded a certain threshold. These guidelines were modified periodically with the passage of various Rent Laws/Acts through 2015. In 2019, with the passage of the Rent Laws of 2019, deregulation was repealed indefinitely. Refer to the NYS Division of Housing and Community Renewal for the thresholds that applied prior to 2019.

Homes and Community Renewal (HCR): See "Division of Housing and Community Renewal."

Hotel: Under rent stabilization, a multiple dwelling that provides all of the following services included in the rent:
(1) Maid service, consisting of general house cleaning at a frequency of at least once a week;
(2) Linen service, consisting of providing clean linens at a frequency of at least once a week;
(3) Furniture and furnishings, including at a minimum a bed, lamp, storage facilities for clothing, chair and mirror in a bedroom; such furniture to be maintained by the hotel owner in reasonable condition; and
(4) Lobby staffed 24 hours a day, seven days a week by at least one employee.

Housing and Vacancy Survey (HVS): A triennial survey of approximately 18,000 households conducted by the United States Census Bureau data. The survey is used, inter alia, to determine the vacancy rate for residential units in New York City, and gather other information necessary for HPD, RGB, HCR and other housing officials to formulate policy.

Housing Stability and Tenant Protection Act of 2019 (HSTPA): See "Rent Laws of 2019."

HPD: See "Department of Housing Preservation and Development."

HUD: The United States Department of Housing and Urban Development, which is the federal agency primarily responsible for promulgating and enforcing federal housing policy and laws.

HVS: See "Housing and Vacancy Survey."

I&E: Refers to the annual Income and Expense Study performed by the Rent Guidelines Board drawn from summarized data on RPIE forms, the income and expense statements filed annually by owners of stabilized buildings with the New York City Department of Finance.

Individual Apartment Improvements (IAI): An increase in rent based on increased services, new equipment, or improvements. This increase is a NYS policy and is in addition to the regular annual Rent Guidelines Board increases for rent stabilized apartments and Maximum Base Rent increases for rent controlled apartments. If owners add new services, improvements, or new equipment to an occupied rent regulated apartment, owners of rent regulated units can a portion of the cost of qualifying improvements to the legal rent of those units. Owners must get the tenant's written consent to pay the increase and an order from HCR is not required. If any apartment is vacant, the owner does not have to get written consent of a tenant to make the improvement and pass-on the increase. Prior to the passage of the Rent Laws of 2019, the increase remained permanently in the monthly rent, even after the cost of the improvement was recouped. Going forward, the new law caps the amount of reimbursable IAI spending at $15,000 over a 15 year period, for up to three separate IAIs; removes IAI increases and RGB increases based on the IAI after 30 years, instead of allowing them to remain permanent; lowers increases by lengthening the IAI formula's amortization period; and strengthens enforcement by requiring HCR to randomly audit and inspect at least 10 percent of IAIs annually.

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

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

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

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

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

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

Longitudinal: The type of analysis that provides a comparison of identical elements over time, such as comparing data from 2019 to the same data in 2018.

Major Capital Improvements (MCI): When owners make improvements or installations to a building subject to the rent stabilization or rent control laws, they may be permitted to increase the building's rent based on the actual, verified cost of the improvement. To be eligible for a rent increase, the MCI must be a new installation and not a repair to old equipment. For example, an owner may receive an MCI increase for a new boiler or a new roof but not for a repaired or rebuilt one. Other building-wide work may qualify as MCIs as well, such as "pointing and water-proofing" a complete building where necessary. The Rent Stabilization Code also stipulates that applications for MCI rent increases must be filed within two years of completion of the installation. MCI rent increases must be approved by HCR. Prior to the passage of the Rent Laws of 2019, the increase remained permanently in the monthly rent, even after the cost of the improvement was recouped. Going forward, the new law caps the annual MCI rent increase at two percent statewide, down from the current six percent in New York City and 15 percent in other counties currently covered by ETPA; caps any MCI rent increases approved within the last seven years at the lower percentage beginning in September 2019; removes MCI increases and RGB increases based on an MCI after 30 years, instead of allowing them to remain in effect permanently; tightens the rules governing the spending that qualifies for an MCI increase; strengthens enforcement by requiring that 25 percent of MCIs be inspected and audited by DHCR annually.; and lowers rent increases by lengthening the MCI formula's amortization period.

Maximum Base Rent Program (MBR): The Maximum Base Rent Program is the mechanism for authorizing rent increases for New York City apartments subject to rent control so as to ensure adequate income for their operation and maintenance. New York City Local Law 30 of 1970 stipulates that Maximum Base Rents be established for rent controlled apartments according to a formula calculated to reflect real estate taxes, water and sewer charges, operating and maintenance expenses, return on capital value and vacancy and collection loss allowance. The Maximum Base Rent (MBR) is updated every two years by a factor that incorporates changes in these operating costs.

Maximum Collectible Rent (MCR): The rent that rent controlled tenants actually pay is called the Maximum Collectible Rent (MCR). The MCR generally is less than the MBR. By law, the MCR cannot be increased by more than 7.5% per year or the average of the previous five-year Rent Guidelines Board (RGB) increases for each year of the two-year MBR cycles unless there are Major Capital Improvements or individual apartment rent increases. For example, if a tenant's rent (MCR) on 1/1/2019 was $1,000 and the MBR was $1,200, then on 1/1/2020 (effective date of MBR) the rent (MCR) would rise by not more than 7.5%, to $1,075, or the last five years of RGB increases, whichever is less. And the MBR ceiling would rise by the Standard Adjustment Factor (SAF). On 1/1/2021 the MBR would remain the same (since MBRs cover a two-year period), but the MCR would rise by another 7.5%, or the average of the last five years of RGB increases, whichever is lowest.

Mean and Medians: The "mean" is an arithmetic average of numbers. Numbers at the extreme of a range can have a potentially distorting effect on the mean. The "median" is considered by many as a more constant measure of that same set of numbers because it moderates the distorting effect of any extremes or other aberrations, because it is the 50th percentile of the numbers under analysis, or the number in the middle.

Net Operating Income (NOI): The amount of income remaining after operating and maintenance expenses are paid is typically referred to as Net Operating Income (NOI). NOI can be used for mortgage payments, improvements, federal, state and local taxes and after all expenses are paid, profit.

New York City Housing Authority (NYCHA): The New York City agency that administers public housing and rental assistance programs.

NYC Rent Guidelines Board: See "Rent Guidelines Board."

Nominal Dollars: Dollars not adjusted to take inflation into account. See also "Real Dollars."

O&M: Refers to the operating and maintenance expenses in buildings.

Operating Cost Ratio: The "cost-to-income" ratio, or the percentage of income spent on O&M expenses, is traditionally used by the RGB to evaluate estimated profitability of stabilized housing, presuming that buildings are better off by spending a lower percentage of revenue on expenses.

Order: See "Rent Guidelines Order."

Outer Boroughs: Queens, Brooklyn, the Bronx and Staten Island, or the boroughs of New York City not including Manhattan. These boroughs are often grouped together for purposes of analysis because their economic and demographic attributes are more similar to each other than those found in Manhattan.

PIOC: Price Index of Operating Costs. The major research instrument performed by the RGB staff to determine the annual change in prices for a market basket of goods and services used by owners to operate and maintain rent stabilized buildings.

Points: Up-front service fees charged by lenders.

Post-46 or Post-war: A common classification of residential buildings used by City agencies to describe buildings built after World War II. Buildings with six or more residential units constructed between 1947 and 1973, or after 1974 if the units received a tax abatement such as 421-a or J-51, are generally stabilized.

Preferential Rent: A rent charged by an owner to a tenant that is less than the established legal regulated rent. Starting with the Rent Law of 2003, and continuing through the passage of the Rent Laws of 2019, owners were not required to base renewal lease increases on the preferential rent. Going forward, the new law requires renewal leases to be based on the previously charged preferential rent, if there is one, as was the law prior to 2003.

Pre-47 or Pre-war: A common classification of residential buildings used by City agencies to describe buildings built before the World War II. Buildings with six or more units constructed before February 1, 1947 are generally stabilized when the current tenant moved in on or after July 1, 1971.

Real Dollars: Dollars adjusted to take inflation into account. Real dollar figures offer a comparison between years that are pegged to the value of a dollar in a given year. See also "Nominal Dollars."

Registration: Owners are required to register all rent stabilized apartments with HCR by filing an Annual Apartment Registration Form which lists rents and tenancy information as of April 1st of each year.

Renewal Lease: The lease of a tenant in occupancy renewing the terms of a prior lease entered into between the tenant and owner for an additional term. Tenants in rent stabilized apartments have the right to select a lease renewal for a one- or two-year term. The renewal lease must be on the same terms and conditions as the expiring lease unless a change is necessary to comply with a specific law or regulation or is otherwise authorized by the rent regulation. The owner may charge the tenant a Rent Guidelines Board authorized increase based on the length of the renewal lease term selected by the tenant. The law permits the owner to adjust the rent during the lease term if the Rent Guidelines rate was not finalized when the tenant signed the lease renewal offer. A renewal lease should go into effect on or after the date that it is signed and returned to the tenant as well as on the day following expiration of the prior lease. In general, the lease and any rent increase may not begin retroactively. Penalties may be imposed when an owner does not timely offer the tenant a renewal lease or timely return to the tenant an executed copy thereof.

Rent Act of 2011: The law passed by the New York State Legislature in June, 2011 which revised several regulations of rent stabilized units. Most notably, it provides for a maximum of one vacancy increase a year, modified the way individual apartment improvements are calculated, and raised the thresholds for both high-rent/vacancy deregulation and high-rent/high-income deregulation.

Rent Act of 2015: The law passed by the New York State Legislature in June, 2015 which revised several regulations of rent stabilized units. Most notably, it raised the rent thresholds for deregulation of rent stabilized units, altered the formula for calculating Major Capital Improvement Increases, and altered the formula for calculating vacancy lease increases.

Rent Control: The rent regulation program which generally applies to residential buildings constructed before February, 1947 in municipalities for which an end to the postwar rental housing emergency has not been declared. For an apartment to be under rent control, the tenant must generally have been living there continuously since before July 1, 1971 or for less time as a successor to a rent controlled tenant. When a rent controlled apartment becomes vacant, it becomes rent stabilized if the building has six or more units and if the community has adopted Emergency Tenant Protection Act. Formerly controlled apartments may have been decontrolled on various other grounds. Rent control limits the rent an owner may charge for an apartment and restricts the right of an owner to evict tenants. It also obligates the owner to provide essential services and equipment. In New York City, rent increases are governed by the MBR system.

Rent Guidelines Board (RGB): The New York City agency responsible for setting the yearly rent-rate adjustments for the City's rent stabilized apartments, and also the agency which produced this publication. The Board is appointed by the Mayor and consists of two members who represent tenants, two members who represent the real estate industry and five public members.

RGB Rent Index: An index that measures the overall effect of the Board's annual rent increases on contract rents.

RGB: See "Rent Guidelines Board."

Rent Guidelines Order: Rent guideline orders are issued by the rent guidelines boards annually, usually before July 1. For the most part, they establish the percentage change that may be given to rent stabilized/ETPA apartments upon lease renewal. These adjustments are based on the review of operating expenses and other cost of living data.

Rent Laws of 2019: The law passed by the New York State Legislature on June 14, 2019 which promulgated many new provisions for rent regulated units. Among these changes, deregulation of rent stabilized units is no longer permitted, as are vacancy allowances for vacant units. In addition, preferential rents are considered the base rent of the apartment until the unit is vacated; the formulas for IAIs, MCIs and rent controlled rent increases are reformed; and HCR will look back six years when processing overcharge complaints. The law does not have a sunset date. This law is also referred to as the Housing Stability and Tenant Protection Act of 2019.

RPIE Forms: Owners of stabilized buildings are required by Local Law 63 to file Real Property Income and Expense (RPIE) forms annually with the New York City Department of Finance. RPIE forms contain detailed financial information regarding the revenues earned and the costs accrued in the operation and maintenance of stabilized buildings. Buildings with fewer than 11 apartments (except those with commercial units); an assessed value of $40,000 or less; or exclusively residential cooperatives or condominiums are exempt from filing. RPIE forms are also known as I&E forms.

Rent Regulation Reform Act of 1997 (RRRA-97): The law passed by the New York State Legislature in June, 1997 which promulgated several new provisions for rent regulated units. See "High-Rent/High Income Deregulation", "Vacancy Allowance", and "High-Rent/Vacancy Deregulation". Also known as the "Rent Act."

Rent Stabilization: In New York City, rent stabilized apartments are generally those apartments in buildings of six or more units built between February 1, 1947 and January 1, 1974. Tenants in buildings built before February 1, 1947, who moved in after June 30, 1971 are also covered by rent stabilization. A third category of rent stabilized apartments covers buildings subject to regulation by virtue of various governmental supervision or tax benefit programs. Generally, these buildings are stabilized only while the tax benefits or governmental suspension continues. In some cases, a building with as few as three units may be stabilized. Similar to rent control, stabilization provides other protections to tenants besides regulation of rental amounts. Tenants are entitled to receive required services, to have their leases renewed, and not to be evicted except on grounds allowed by law. Leases may be entered into and renewed for one or two year terms, at the tenant's choice.

Rent Stabilization Code: The Rent Stabilization Code is the body of regulations used by HCR to implement the Rent Stabilization Law and Emergency Tenant Protection Act in New York City. These regulations affect nearly 1 million rent stabilized apartments in New York City. Chapter 888 of the Laws of 1985 authorized HCR to amend the Rent Stabilization Code for New York City. The current Rent Stabilization Code became effective on May 1, 1987, with the latest revision in 2014.

Rental Vacancy Rate: The percentage of the total rental units in an area that are vacant and available for occupancy. The vacancy rate for New York City is determined every three years by the Housing and Vacancy Survey.

Rooming House: Under rent regulation, in addition to its customary usage, a building or portion of a building, other than an apartment rented for single-room occupancy, in which housing accommodations are rented, on a short-term basis of daily, weekly or monthly occupancy, to more than two occupants for whom rent is paid, not members of the landlord's immediate family. The term shall include boarding houses, dormitories, trailers not a part of a motor court, residence clubs, tourist homes and all other establishments of a similar nature, except a hotel or a motor court.

Safety Net Assistance (SNA): An income assistance program set up under the New York State Welfare Reform Act of 1997 to replace Home Relief (HR).

Section 8 Vouchers: A federally-funded housing assistance program that pays participating owners on behalf of eligible tenants to provide decent, safe, and sanitary housing for very low income families at rents they can afford. Housing assistance payments are generally the difference between the local payment standard and 30% of the family's adjusted income. The family has to pay at least 10% of gross monthly income for rent. In NYC, the program is administered by NYCHA.

Section 8 Certificates: A federally-funded housing assistance program that provides housing assistance payments to participating owners on behalf of eligible tenants to provide decent, safe and sanitary housing for low income families in private market rental units at rents they can afford. This is primarily a tenant-based rental assistance program through which participants are assisted in rental units of their choice; however, a public housing agency may also attach up to 15% of its certificate funding to rehabilitated or newly constructed units under a project-based component of the program. All assisted units must meet program guidelines. Housing assistance payments are used to make up the difference between the approved rent due to the owner for the dwelling unit and the family's required contribution towards rent. Assisted families must pay the highest of 30% of the monthly adjusted family income, 10% of gross monthly family income, or the portion of welfare assistance designated for the monthly housing cost of the family.

Senior Citizen Rent Increase Exemption (SCRIE): If a New York City tenant or tenant's spouse is 62 years of age or over (living in a rent regulated apartment), and the combined household income is currently $50,000 per year or less and they are paying at least 1/3 of their income toward their rent, the tenant may apply for the Senior Citizen Rent Increase Exemption (SCRIE). In New York City, the Department of Finance administers the SCRIE program. Outside of New York City, Senior Citizen Rent Increase Exemption is a local option, and communities have different income eligibility limits and regulations. If a New York City tenant qualifies for this program, the tenant is exempt from future rent guidelines increases, Maximum Base Rent increases, MCI increases, and increases based on the owner's economic hardship. New York City senior citizen tenants may also carry this exemption from one apartment to another upon moving, upon the proper application being made to the Department of Finance.

Single-Room Occupancy Housing (SRO): Residential properties in which some or all dwelling units do not contain bathroom or kitchen facilities. Under rent regulation, the occupancy by one or two persons of a single room, or of two or more rooms which are joined together, separated from all other rooms within an apartment in a multiple dwelling, so that the occupant or occupants thereof reside separately and independently of the other occupant or occupants of the same apartment.

Special Guideline: The New York City Rent Guidelines Board is obligated to promulgate special guidelines to aid the NYS Division of Housing and Community Renewal in its determination of initial legal regulated rents for housing accommodations previously subject to rent control. This is determined each year by the RGB as applicable to the determination of Fair Market Rent Appeals.

Surcharge: An added charge which is paid by the tenant but not included in the legal regulated rent and is not compounded by guidelines adjustments. Examples of surcharges are: the $5.00 a month charge for an air conditioner that protrudes beyond the window line; the electrical charge for air conditioners in electrical inclusion buildings; and for the installation of window guards.

Tax Commission Income and Expense Form (TCIE): An application by building owners to appeal their tax assessments.

Temporary Assistance to Needy Families (TANF): An income assistance program set up under the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 to replace Aid to Families with Dependent Children (AFDC). Under TANF block grant system, each state has the authority to determine who is eligible, the level of assistance, and how long it will last. The New York State's TANF program is called the Family Assistance Program (FAP).

Term: The length of time in which a mortgage is expected to be paid back to the lender; the shorter the term, the faster the principal must be repaid and consequently the higher the debt service and vice versa.

Transient Occupancy: Among the criteria that must be met for hotel rooms, tourist homes, and motor courts to be exempt from rent regulation is that they are used for transient occupancy. Whether occupancy is transient depends on a number of factors, including whether rates are charged by the day, week, or month, and the proportions of occupants who stay for various lengths of time.

Upper Manhattan: The area of Manhattan north of 96th Street on the East Side and 110th Street on the West Side. See also "Core Manhattan."

Vacancy Allowance: A provision in the Rent Regulation Reform Act of 1997 (and following Laws/Acts, prior to the Rent Laws of 2019) allowing owners of rent stabilized units to raise by a certain percentage the legal rent of a vacant unit. For an incoming tenant who opted for a two-year lease, the vacancy allowance was 20%. For an incoming tent who opted for a one-year lease, the vacancy allowance was 20% minus the percentage difference between the RGB's current guidelines for a two-year and a one-year lease. Other factors affected these percentages as well (see also the "Vacancy Bonus" and the "Special Low Rent Increase" definitions in prior editions of this book). Changes to the formula for those apartments previously paying a preferential rent were also enacted in the Rent Act of 2015. For the 2018-2019 guideline period, the one-year vacancy guideline was 19% and the two-year guideline was 20%. With the passage of the Rent Act of 2011, as of June 24, 2011, landlords were permitted only one vacancy allowance per calendar year, regardless of the number of vacancies. The Rent Laws of 2019 eliminated the statutory vacancy allowance and does not permit Rent Guidelines Boards to establish a separate vacancy allowance. However, if authorized by the Rent Guidelines Board, the owner may add a one or two-year guideline to all leases, including vacancy leases. The owner cannot add more than one guideline adjustment within the same guideline year.

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

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