


2024 HOUSING SUPPLY REPORT



NYC Rent Guidelines Board
May 23, 2024

Summary

- The Rent Stabilization Law requires the RGB to consider the "overall supply of housing accommodations and overall vacancy rates."
- Contains housing stock trends in New York City, focusing on:
 - Housing and Vacancy Survey Findings
 - New Construction and Demolitions
 - Conversions and Subdivisions
 - Cooperatives and Condominiums
 - Rehabilitation
 - Government Housing Programs, including Tax Incentives and In Rem Housing

Major Findings

- Building permit approvals for new housing units decreased 76.2% in 2023, to 16,348 permits
- Increase of 8.0% in 2023 of units in newly constructed buildings, a total of 27,971 units.
- 27,911 units (51% new construction and 49% preservations) “started” through City programs, an increase of 80.3% from 2022.
- Permits for demolitions (of both residential and commercial buildings) down 46.3%, 964 structures
- Increase of 56.2% in newly certified 421-a units, to 21,020 units

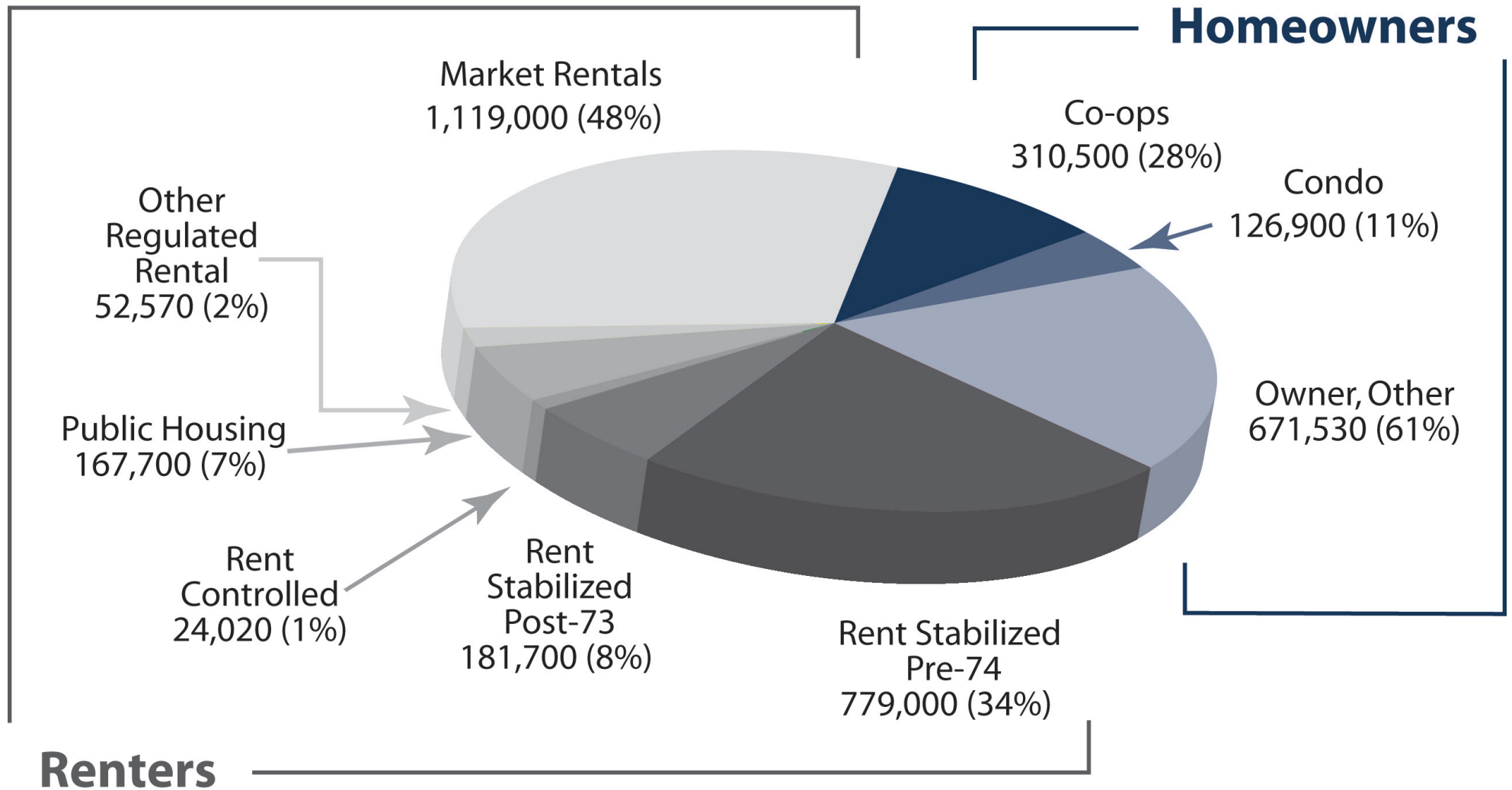
Major Findings

- Decrease of 26.8% in J-51 units, to 10,903 units
- As of 2023, 9.2% of all rental housing is overcrowded
- Citywide vacancy rate was 1.41% in 2023
- NYC has a total of 3,705,000 housing units, the largest housing stock since the first HVS was conducted in 1965

2023 NYC Housing and Vacancy Survey Findings

- New York City is predominantly a city of renters:
 - City's available housing stock is 68% renter-occupied
 - Almost 2.4 million housing units are rentals, 42% of which are rent stabilized
- Vacancy rates:
 - Overall rental vacancy rate: 1.41%
 - Rent stabilized: 0.98%
 - Market rentals: 1.84%
- Overcrowding rates:
 - Overall rental overcrowding rate: 9.2%
 - Rent stabilized: 13.1%
 - Market rentals: 6.7%

Occupied Renter and Owner Units



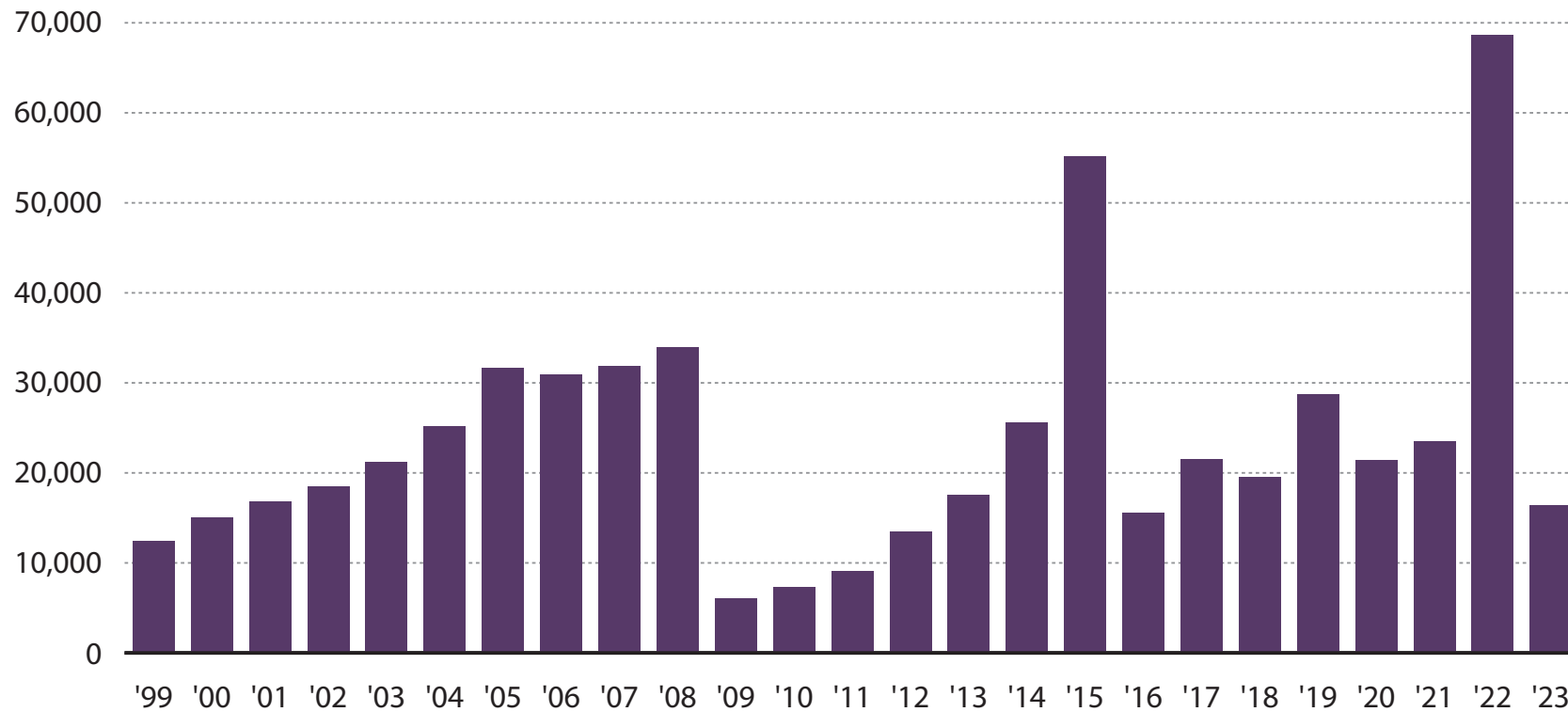
Source: 2023 NYC Housing and Vacancy Survey

New Housing Permits

- Permit approvals for new housing units decreased by 76.2%, to 16,348 in 2023
 - Brooklyn, down 83.2%, to 5,285 units
 - Manhattan, down 83.2%, to 2,025 units
 - Queens, down 71.4%, to 3,813 units
 - Bronx, down 56.1%, to 4,771 units
 - Staten Island, down 45.1%, to 454 units
- The number of buildings newly permitted fell by 34.0% in 2023 (from 1,393 to 920)
- The average size of buildings newly permitted fell from 49.3 units in 2022 to 17.8 units in 2023, a 64.0% decline

Units Issued New Housing Permits

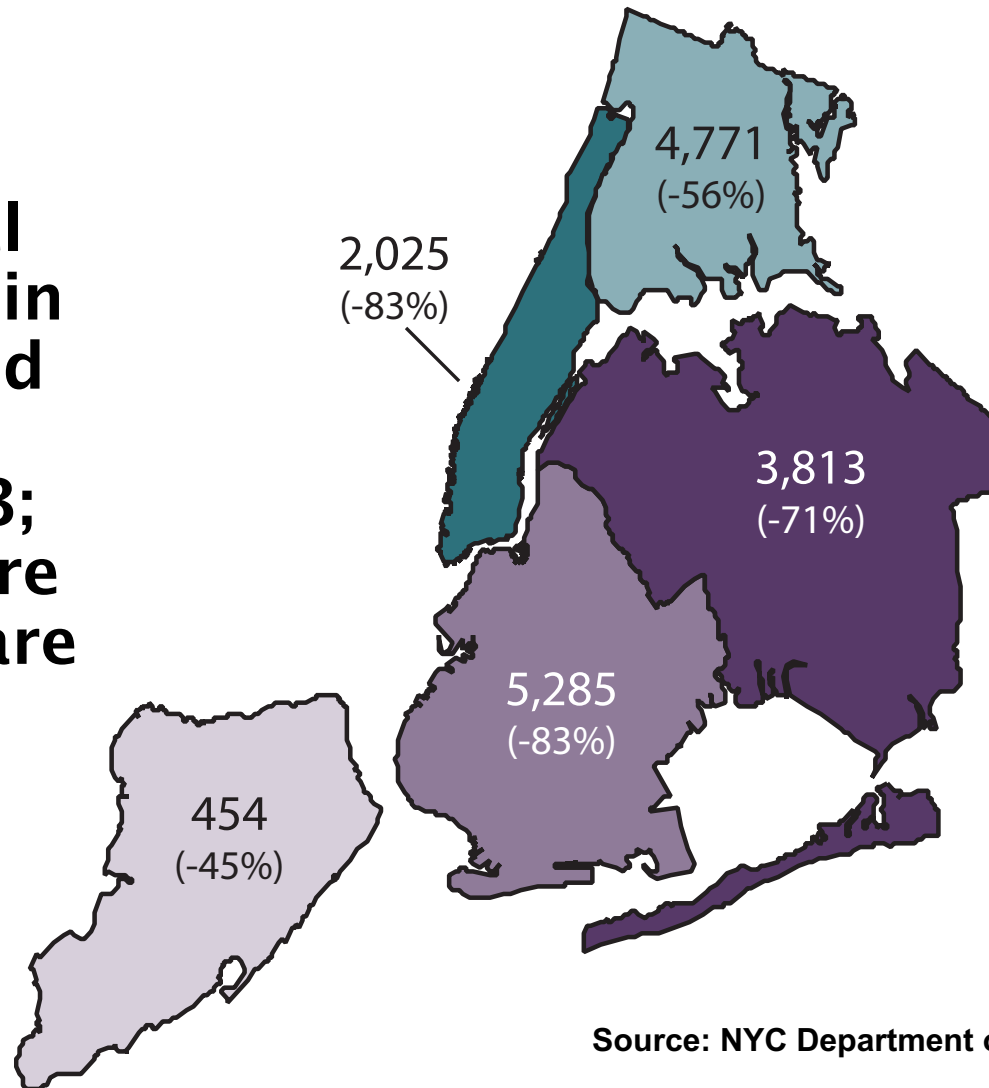
Number of Permits Issued for New Construction of Residential Units Decreases



Source: U.S. Bureau of the Census and NYC Department of City Planning

Residential Building Permits

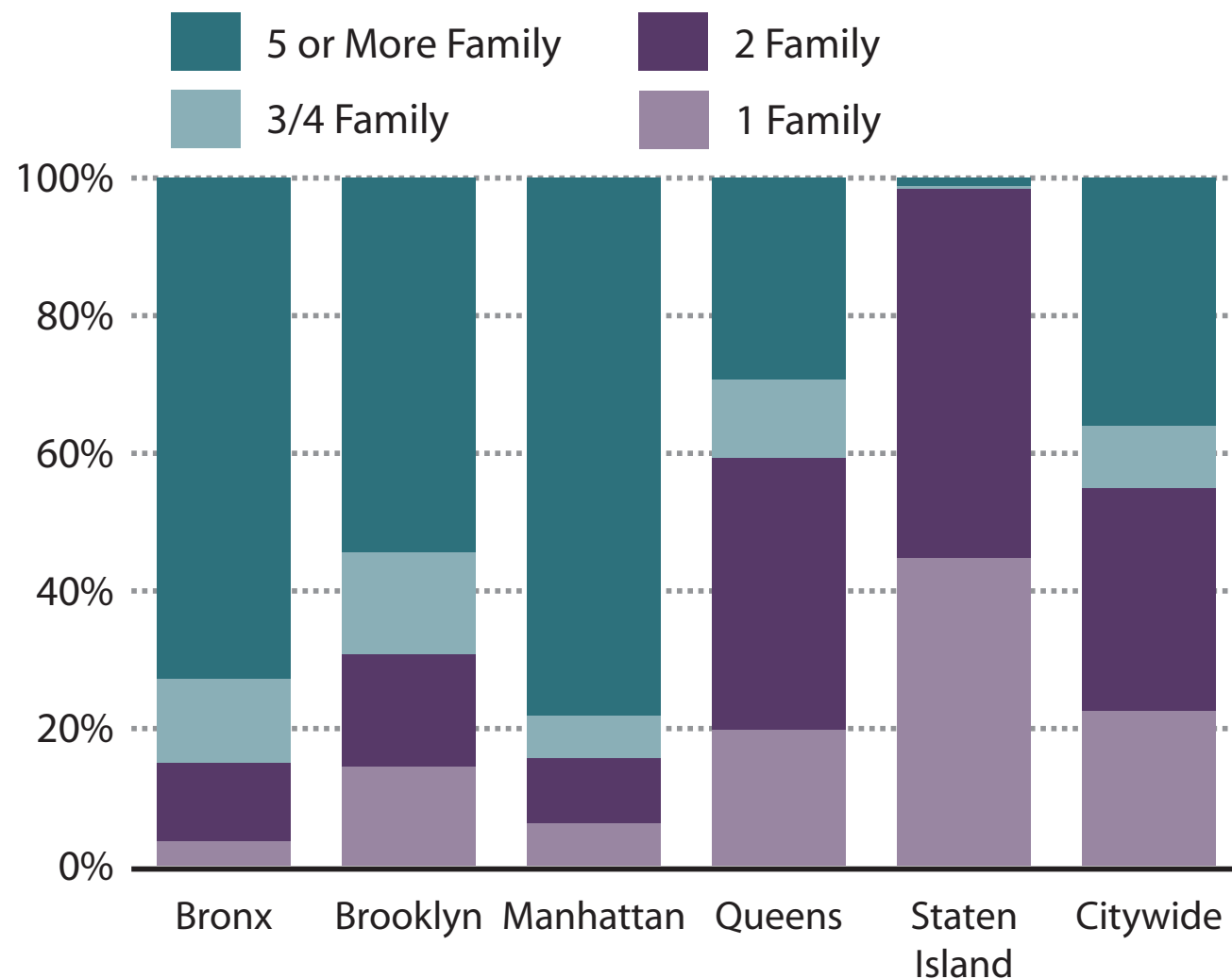
**Largest
proportional
decrease is in
Brooklyn and
Manhattan
during 2023;
Largest share
of permits are
in Brooklyn**



Source: NYC Department of City Planning

Residential Building Permits

**Most Permits
in Manhattan
are for 5 or
More Family
Buildings; In
Staten Island,
almost all 1-
or 2-Families**



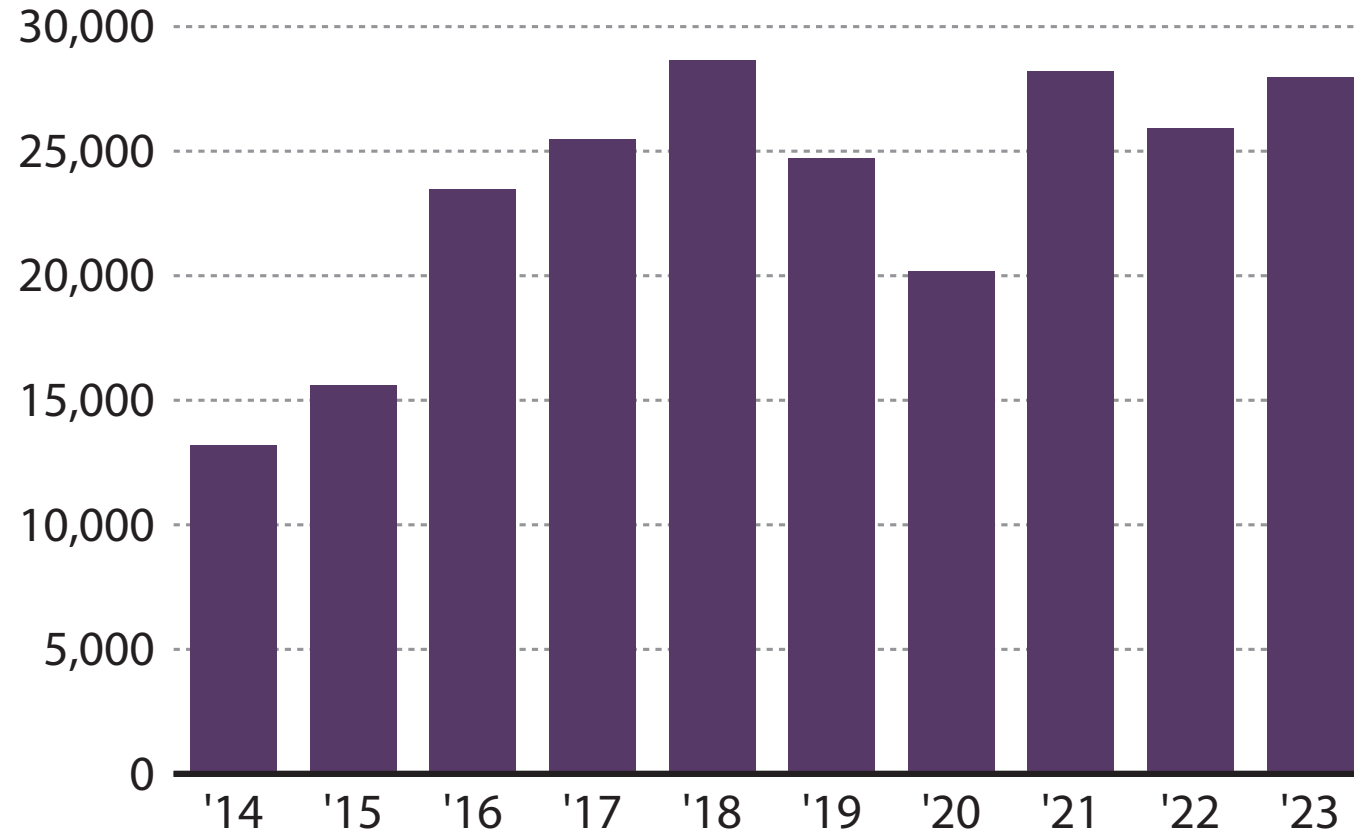
Source: NYC Department of City Planning

Housing Completions

- Class A housing units completed in new buildings in 2023 increase:
 - Up Citywide 8.0%, to 27,971
 - Up 97.1% in the Bronx, to 9,842 units
 - Up 12.2% in Brooklyn, to 9,262 units
 - Up 2.6% in Staten Island, to 475 units
 - Down 36.5% in Queens, to 4,646 units
 - Down 23.5% in Manhattan, to 3,746 units
- Net gain of 2,790 Class A units via alterations
- Loss of 1,023 units of Class A residential housing through demolitions

Housing Completions

Number of Units in Newly Completed Buildings Increases



Source: NYC Department of City Planning

City-Sponsored Construction

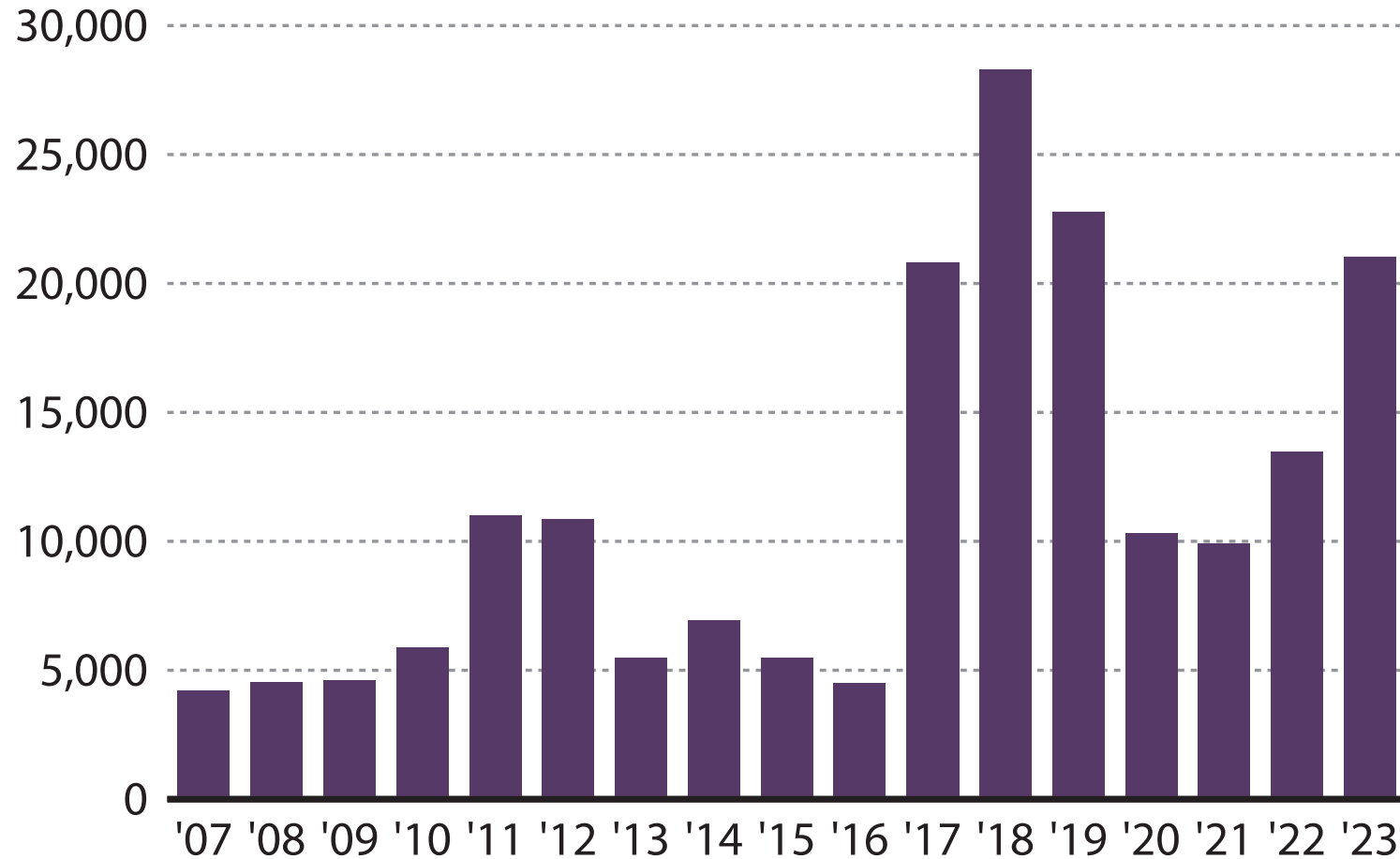
- 27,911 units of HPD- and HDC-sponsored housing starts during 2023, an increase of 80.3%
 - 51% new construction, 49% preservations
- Location of units by borough:
 - Brooklyn: 37.2%; Bronx: 32.3%; Manhattan: 18.1%; Queens: 12.2%; and Staten Island: 0.2%
- By affordability level:
 - Extremely low-income: 20.6%; very low-income: 21.1%; low-income: 31.9%; moderate-income: 7.9%; and middle-income or higher: 18.5%

421-a Tax Incentive Program

- Objective of 421-a tax exemptions was to encourage construction of multi-family housing (program expired on June 15, 2022)
- 56.2% more units received newly issued final 421-a exemptions in 2023 than in prior year
 - 21,020 units Citywide, with 40.8% in Brooklyn, 27.3% in Queens, 16.8% in the Bronx, and 15.1% in Manhattan
- Increases in all boroughs except Staten Island
 - 173.8% in Queens; 68.8% in Manhattan; 28.6% in Brooklyn; and 25.8% in the Bronx
 - Third consecutive year of no units in Staten Island

Units Receiving Final 421-a Certificates

Number of Units in 421-a Plans Increases



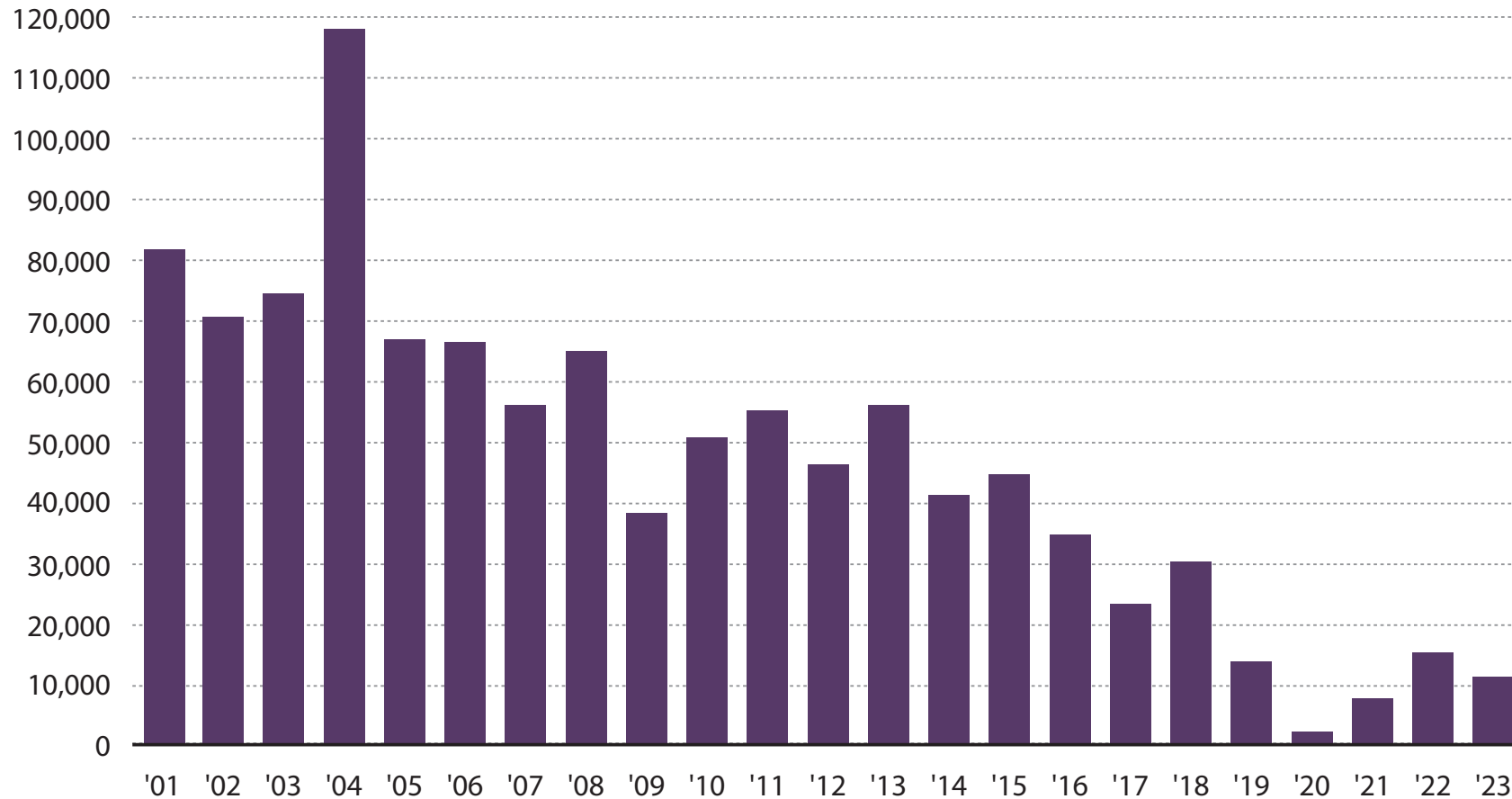
Source: NYC Dept. of Housing Preservation and Development

J-51 Rehabilitation

- J-51 program provided benefits to rehabilitated housing units (program expired June 29, 2022)
- Eligible activities included MCI's; moderate or substantial rehab; and conversions from non-residential use if substantial government assistance is provided
- 10,903 units were newly approved for benefits in 2023, a 26.8% decrease from 2022
 - Decrease of 79.5% in Manhattan, 56.4% in Queens, and 19.9% in the Bronx; increase of 80.8% in Brooklyn; and no change in Staten Island
 - Almost 60% of newly approved units were rentals

Units Receiving Initial J-51 Benefits

Number of units newly receiving J-51 benefits falls



Source: NYC Dept. of Housing Preservation and Development


Demolition Permits

- Per NYC Department of Buildings, demolition permits decrease in 2023, by 46.3%, to 964 structures
 - Brooklyn: 35.4% share of permits, decline of 48.6%
 - Queens: 28.4% share of permits, decline of 46.0%
 - Bronx: 16.0% share of permits, decline of 45.2%
 - Manhattan: 10.3% share of permits, decline of 32.7%
 - Staten Island: 10.0% share of permits, decline of 51.5%
- Per NYC Department of City Planning, demolition permits for buildings containing Class A residential housing decreased 47.2%, with the number of units in these buildings decreasing 31.4%
 - 389 buildings, with a total of 1,023 units of Class A housing

In Conclusion

- NYC housing supply through 2023:
 - Permits decreased in 2023, following a large increase in 2022
 - Units in newly completed buildings increase
 - More units certified with 421-a tax incentives
 - Less rehabs with J-51 tax incentives
 - More City-sponsored housing starts
 - Decrease in demolition permits
 - The rental vacancy rate is 1.41% and 9.2% of rental housing is overcrowded

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