

2025 Income and Affordability Study

NEW YORK CITY RENT GUIDELINES BOARD

April 10, 2025

What is the I&A Study?

- Section 26-510(b) of the Rent Stabilization Law requires the Rent Guidelines Board 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

What is the I&A Study?

- The *I&A Study* reports on housing affordability and tenant income by examining economic factors, rent levels, and public policies
- Factors include:
 - Economic factors such as inflation and job growth
 - Household income and housing costs
 - Eviction proceedings, homelessness, usage of emergency assistance and other indicators

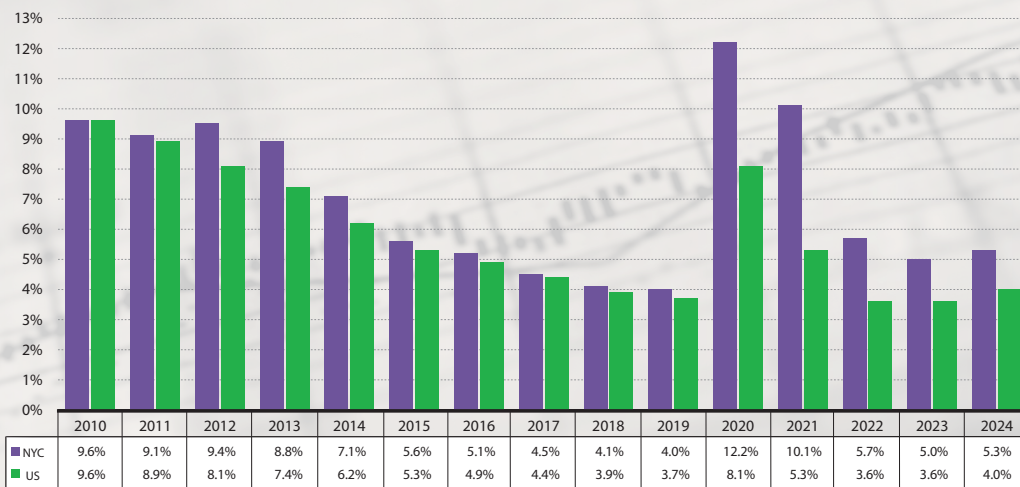
Income & Affordability Highlights

- Cash assistance recipients increased 16.2%
- SNAP recipients increased 3.0%
- City's economy forecast to grow by "real" 2.1% in 2024
- Unemployment rate rose to 5.3%, up 0.3 percentage points
- City gained 103,300 jobs, a 2.2% increase
- Equal growth in inflation, 3.8%
- Average "real" wages decreased 0.4%; nominal wages increased 3.1%
- As of October 28, 2024, NYS ERAP made 240,624 payments on behalf of tenants for rent assistance within NYC. The average payment amount was \$12,003

Income & Affordability Highlights

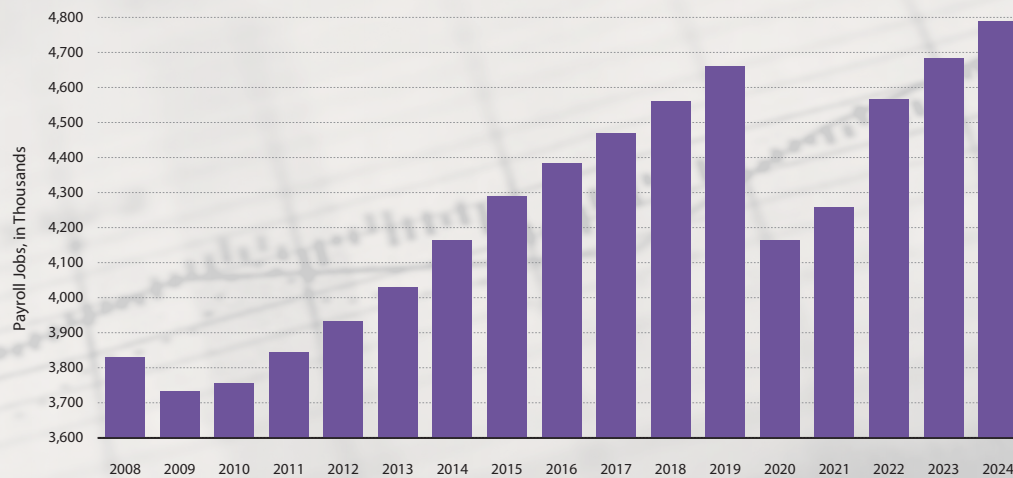
- Including asylum-seekers, homeless levels (in DHS shelters) rose 8.6%, and rose 8.7% excluding asylum-seekers
- Non-payment filings fell 11.7% and non-payment calendared cases fell 6.1%
- Residential evictions increased to 13,711 (22.6% increase)
- Data for rent stabilized tenants from the *2023 NYC Housing and Vacancy Survey* shows that:
 - Median gross rent-to-income ratio (excluding those receiving rental assistance): 28.8%
 - Median household income: \$60,000
 - Median contract rent: \$1,500
 - Vacancy Rate: 0.98%

Unemployment Statistics



Source: NYS Department of Labor and U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics Program

Employment Statistics



Source: NYS Department of Labor, Current Employment Statistics Program

Consumer Price Index

- Overall inflation in 2024 rises at the same rate as 2023
 - Prices in NYC metro area rise by 3.8%
 - Tied for second highest increase since 2008
 - Inflation higher in early 2025: 4.1% average in January and February
 - Prices in U.S. urban areas increased by 2.9% in 2024
 - 1.2 percentage points lower than the previous year
- The Bureau of Labor Statistics also produces special aggregate indices of CPI, such as all items less shelter, energy, and all items less medical care

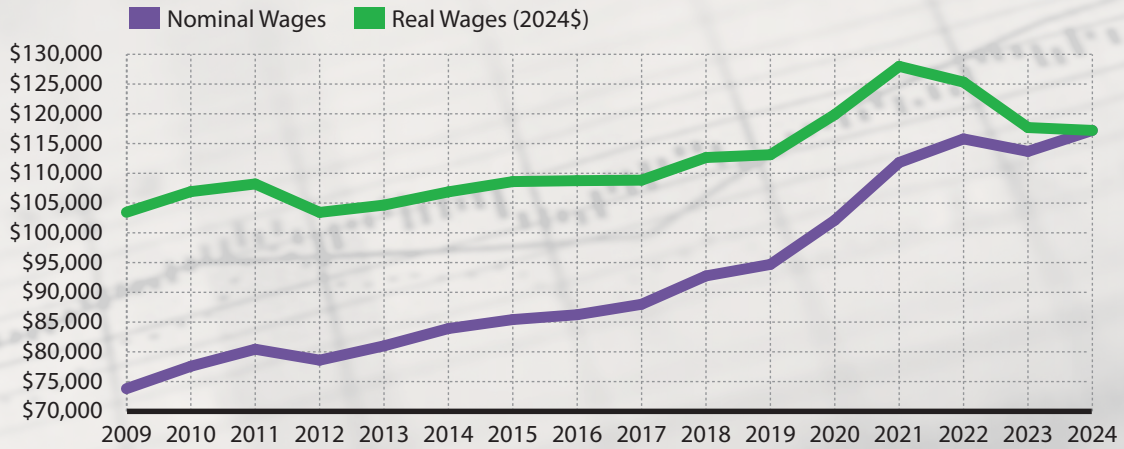
Consumer Price Index

- CPI for all items less shelter rose at the same pace as 2023
 - Prices for all items less shelter in NYC metro area rose by 2.6%
 - Accounts for 60% of all costs in metro area
- CPI can be disaggregated for changes in specific components
 - Food and beverages: 1.8% increase, down from 5.0% in 2023
 - Apparel: 1.5% decrease, down from 3.1% increase in 2023
 - Medical care: 0.8% decrease, equal to 2023 rate decrease
 - Recreation: 4.6% increase, up from 4.5% in 2023
 - Electricity: 13.0% increase, up from 1.2% in 2023
 - Tuition, school fees, childcare: 2.0% increase, down from 3.3% in 2023

Consumer Price Index

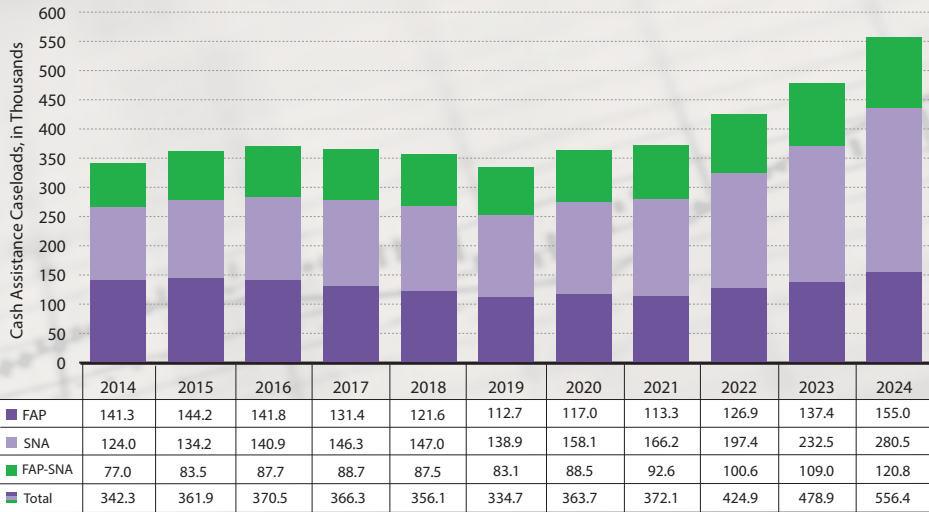
- Shelter accounts for 40% of expenses in NYC metro
 - Shelter component increased 5.6% in 2024
 - Follows increase of 5.8% in 2023, a 0.2 percentage point decrease
- Rent of primary residence is one of two major expense items in the shelter component
 - Rent of primary residence in the CPI increased 4.9% in 2024 in the NYC metro area
 - Second highest increase since 2008, but a decrease of 0.8 percentage points from 2023
 - Lower than the U.S. CPI for rent in 2024, an increase of 5.1%

Average Wage Data



Source: NYS Department of Labor, QCEW Filings

Cash Assistance Programs



Source: NYC Human Resources Administration

NYS Emergency Rental Assistance Program

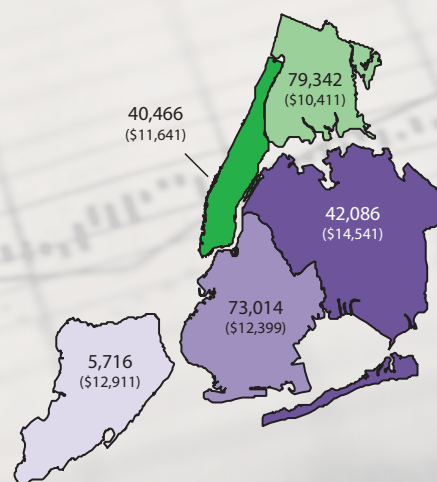
- ERAP, authorized in 2021, expended \$3.52 billion towards helping eligible New Yorkers pay rent and utilities arrears.
- Of all the applications for rent arrears in NYS, 73% of applications (297,021) came from residents of NYC
- As of October 2024, 240,624 payments were issued on behalf of NYC tenants for rental assistance, 78% of the total payments within NYS
- The payments for rent arrears in NYC totaled \$2.3 billion, with another \$620 million expended for prospective rent payments (for a total of \$2.9 billion, or 82% of the total value of payments within NYS)

NYS Emergency Rental Assistance Program

Total Number of Payments
and Average Payment
Amount, by Borough
(as of October 28, 2024)

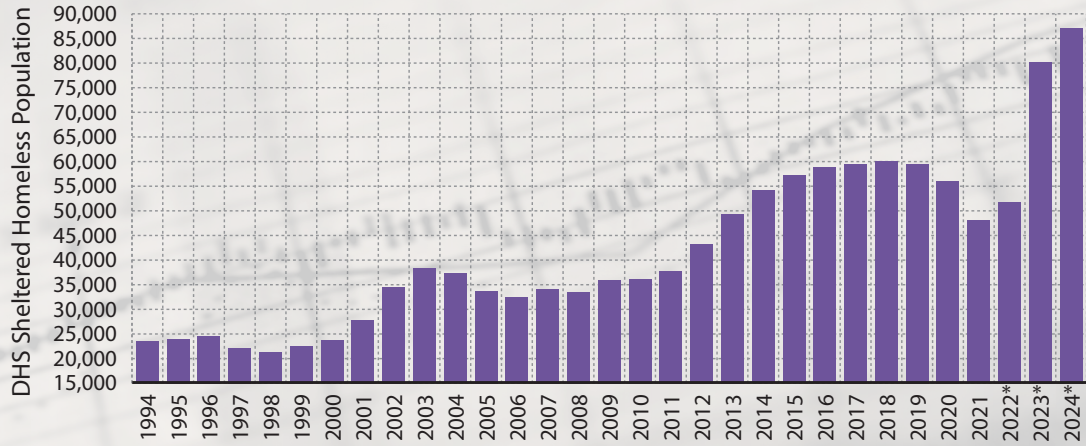
NYC Total:

- 240,624 Payments
- \$12,003 Average Payment



Source: NYS Office of Temporary and Disability Assistance

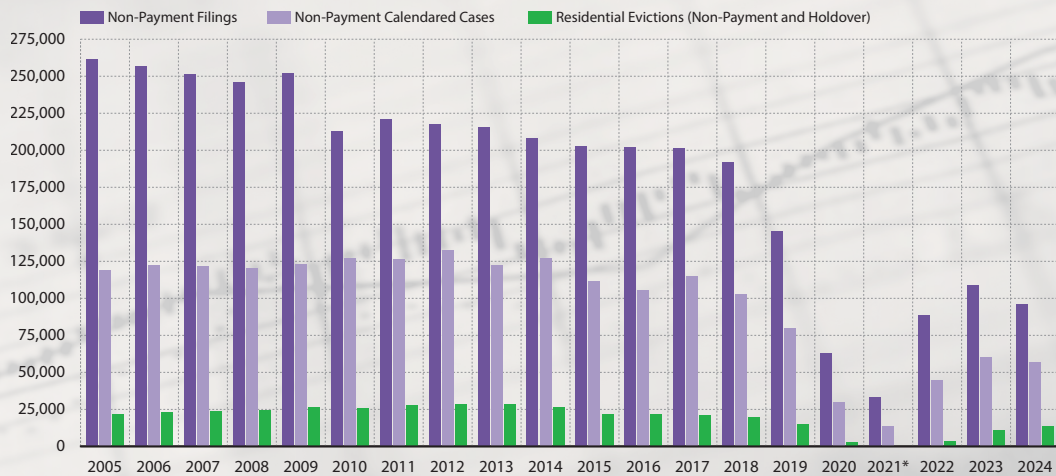
DHS Sheltered Homelessness Levels



Source: NYC Department of Homeless Services

*Data from 2022 and 2023 includes newly arrived asylum-seekers. Excluding asylum-seekers, the 2022 average DHS homeless shelter census would be 47,103 persons per night; the 2023 average would be 51,598 persons; and the 2024 average would be 56,077 persons.

Housing Court



Source: Civil Court of NYC and NYC Department of Investigation.

*There were 136 evictions in 2021, which due to the scale of the graph, are not visible.

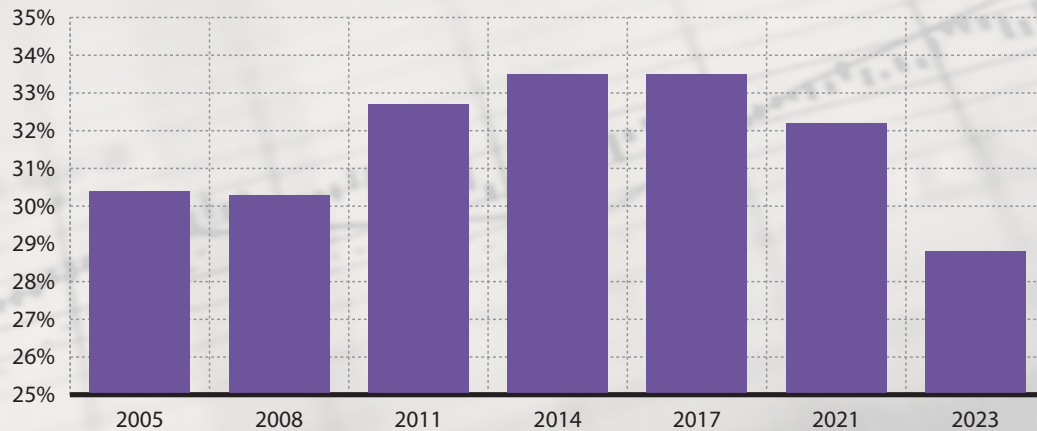
2023 NYC Housing & Vacancy Survey

- Median household income for various household types in 2022:
 - Rental households: \$70,000
 - Rent Stabilized: \$60,000
 - Pre-74: \$60,000
 - Post-73: \$50,000
 - Market rentals: \$90,800
- Median contract rent for various household types in 2023:
 - Rental households: \$1,641
 - Rent Stabilized: \$1,500
 - Pre-74: \$1,471
 - Post-73: \$1,627
 - Market rentals: \$2,000

2023 NYC Housing & Vacancy Survey

- Median gross rent-to-income ratios (excluding units that receive Section 8):
 - Rental households: 28.2%
 - Rent Stabilized: 28.8%
 - Pre-74: 28.3%
 - Post-73: 31.5%
 - Market rentals: 27.3%
- Proportion of rent burdened households (based on contract rent and excluding tenants who receive Section 8 or live in public housing):
 - Rental households: 43.1%
 - Rent Stabilized: 45.5%
 - Pre-74: 43.8%
 - Post-73: 53.0%
 - Market rentals: 40.6%

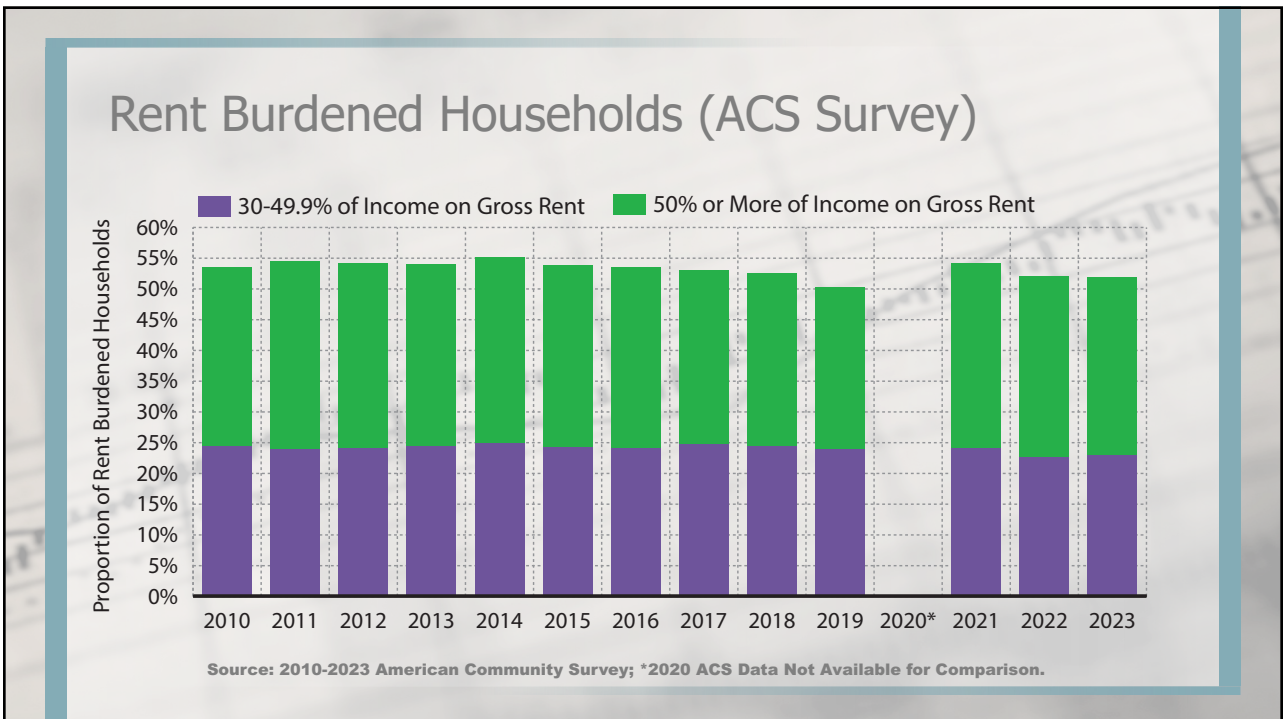
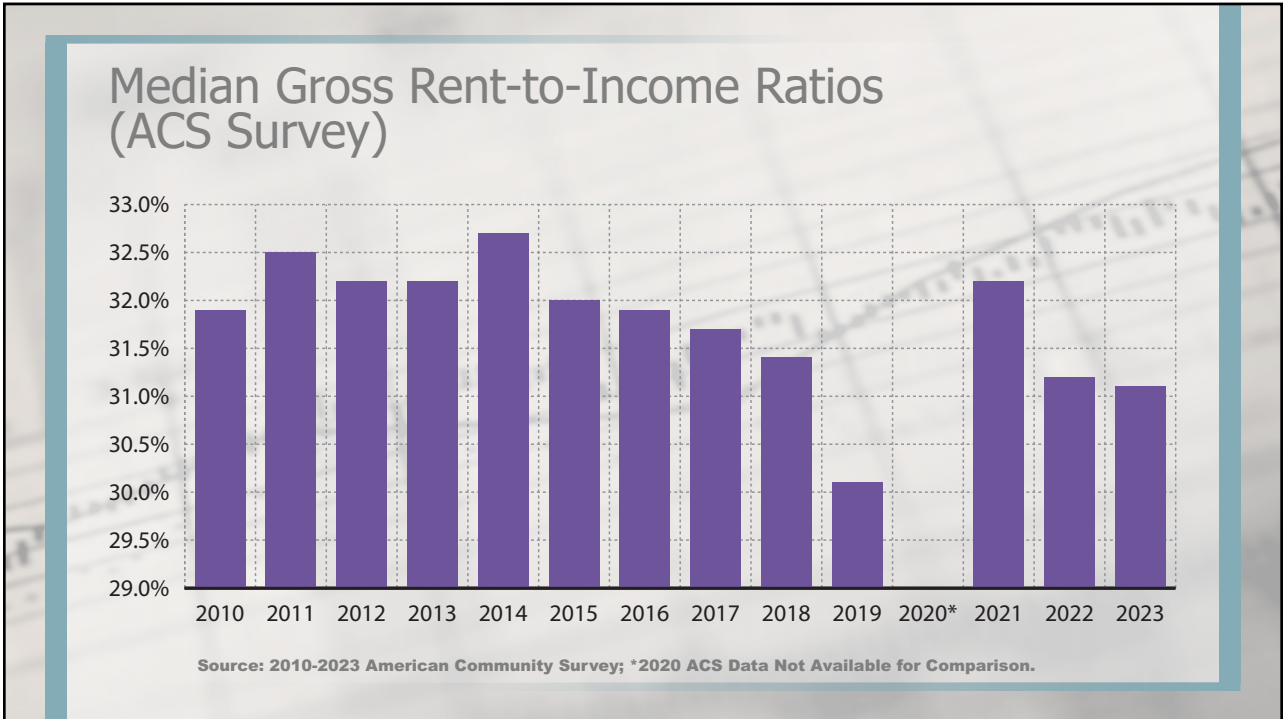
Median Gross Rent-to-Income Ratios for Rent Stabilized Tenants (excluding tenants with Section 8) — NYC HVS Survey

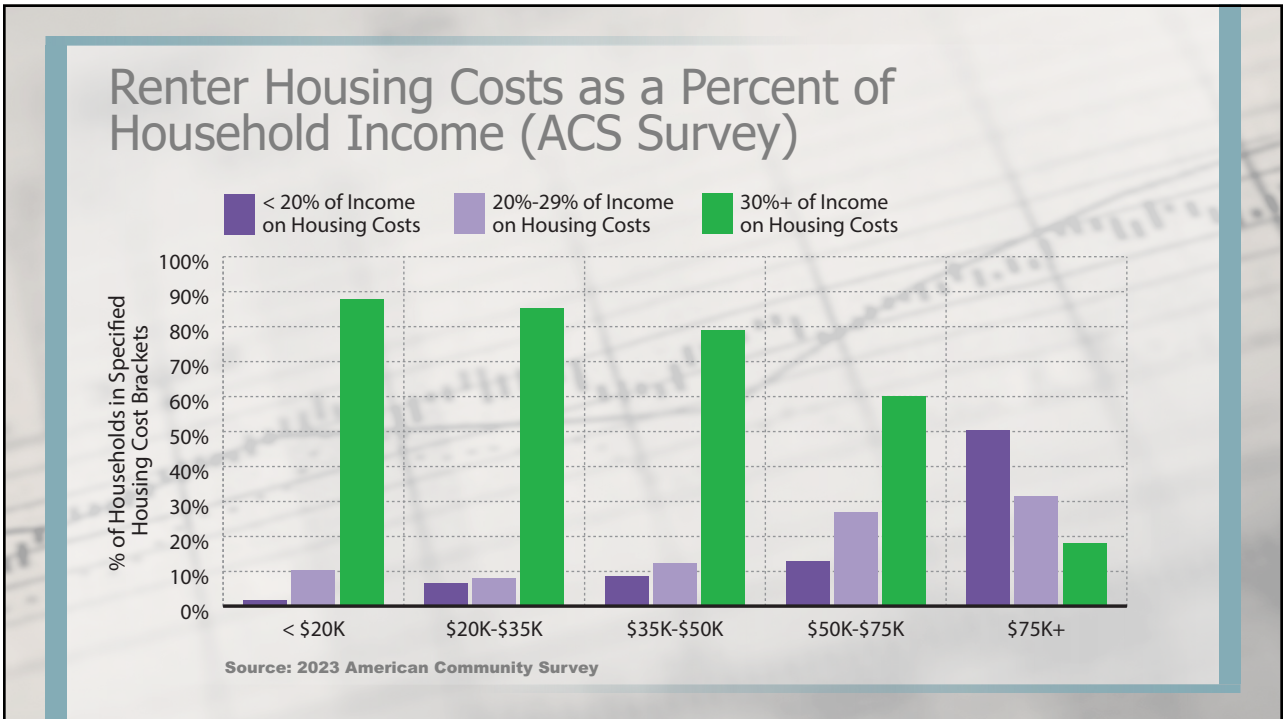
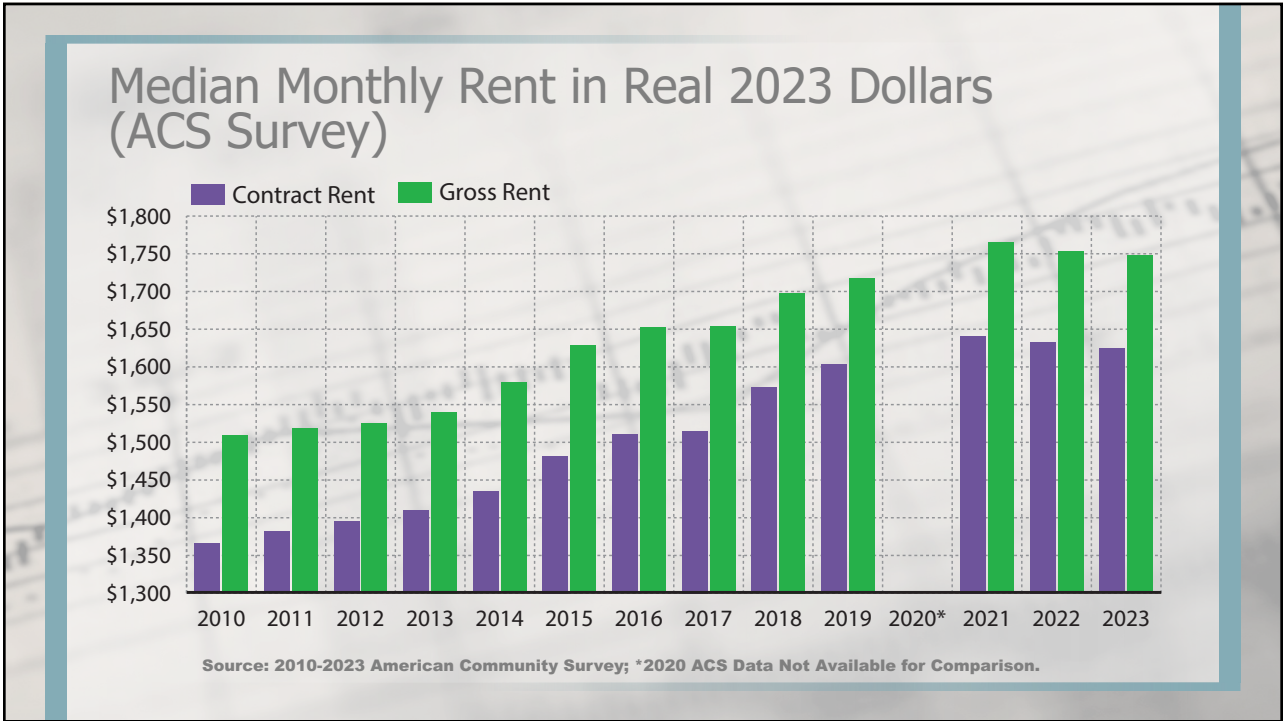


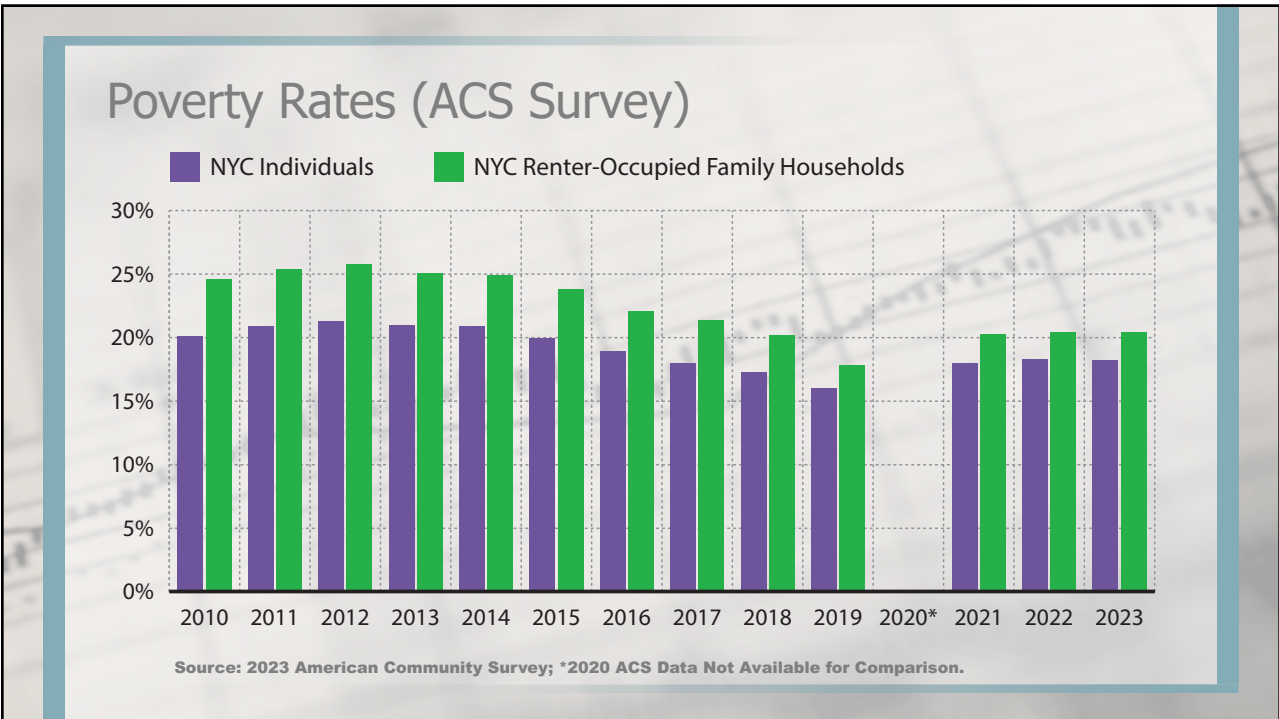
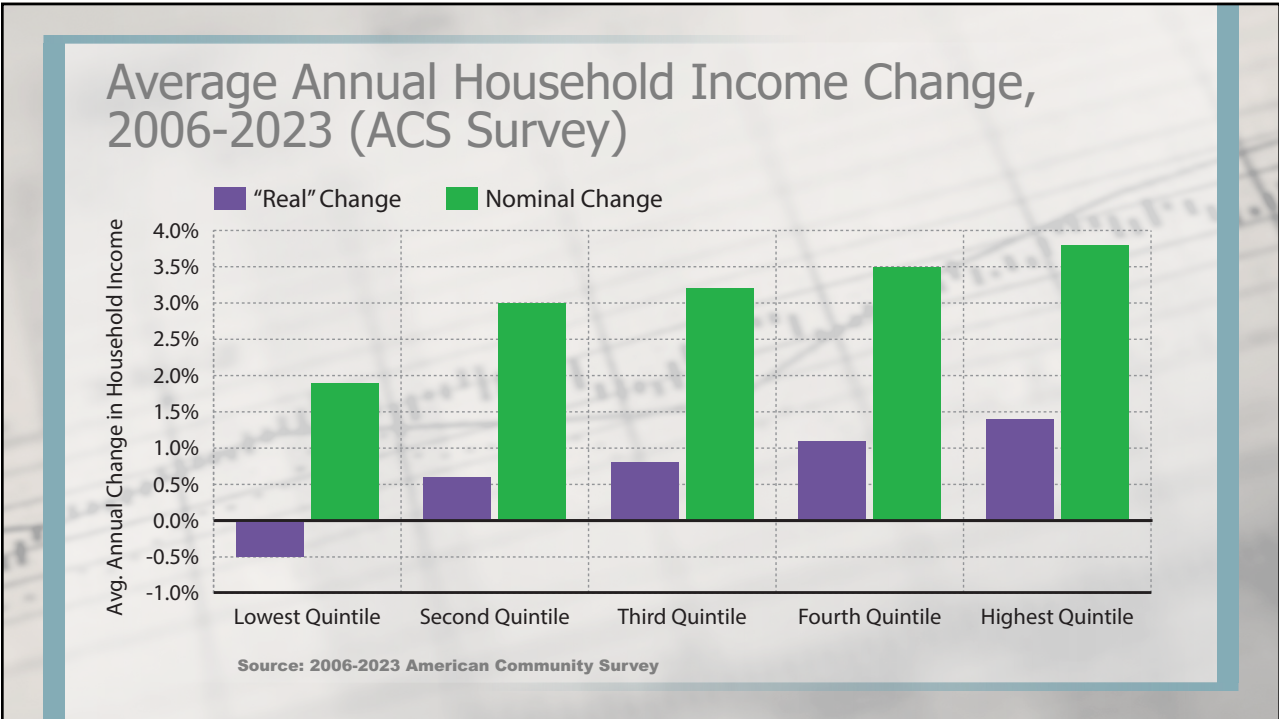
Source: 2005-2023 NYC Housing and Vacancy Survey

2023 NYC Housing & Vacancy Survey

- Vacancy Rates:
 - Rental households: 1.41%
 - Lowest rate since the inception of the HVS
 - Significantly lower than the rate in 2021: 4.54%
 - Rent Stabilized: 0.98%
- Financial Hardship:
 - Rent arrears: 13% of all rental households missed one or more rent payment in past year
 - Among households who missed a payment, 34% still had rent arrears
 - Food insecurity: 17% of all rental households experienced food insecurity over previous 12 months
 - Rent stabilized: 21%
 - Market rentals: 12%







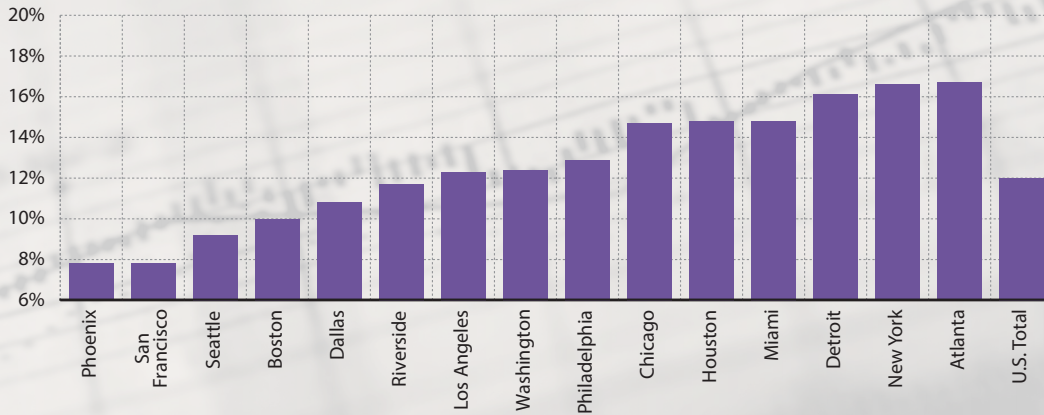
Household Pulse Survey

- Household Pulse Survey Background:
 - Conducted by U.S. Census Bureau
 - Began in April 2020
 - Ended in September 2024
 - A total of seven surveys conducted since last I&A published (March 2024 through September 2024)
 - Data available for 15 metro areas, including NYC metro area

Household Pulse Survey

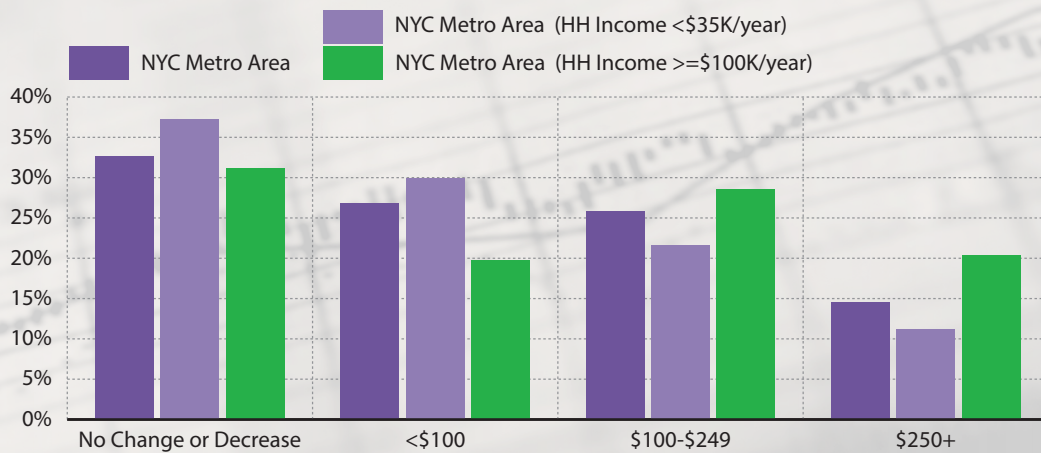
- Caught up on rent? (March 2024-September 2024)
 - NYC metro renter households: 16.6% not caught up on rent, down from 18.5% in prior year
 - U.S. renter households: 12.0% not caught up on rent, up from 11.9% in prior year
 - Of those in NYC metro not caught up on rent:
 - 21.9% "0" months behind
 - 21.1% one month behind and 16.1% two months behind
 - 26.5% three to seven months behind and 14.4% eight or more months behind
 - For those behind at least one month, average is 3.57 months, versus 3.55 months in prior year
- Caught up on rent? (NYC metro, April 2023-September 2024)
 - Household income less than \$35,000: 24.8% not caught up on rent
 - Household income of \$100,000 or more: 4.4% not caught up on rent

Average Proportion of Households that Report Being Behind on Rent, by Metro Area, March 2024-Sept 2024 (HPS Survey)



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

Proportion of Renter Households in NYC Metro Area, by Amount of Rent Change, March 2024-Sept 2024 (HPS Survey)

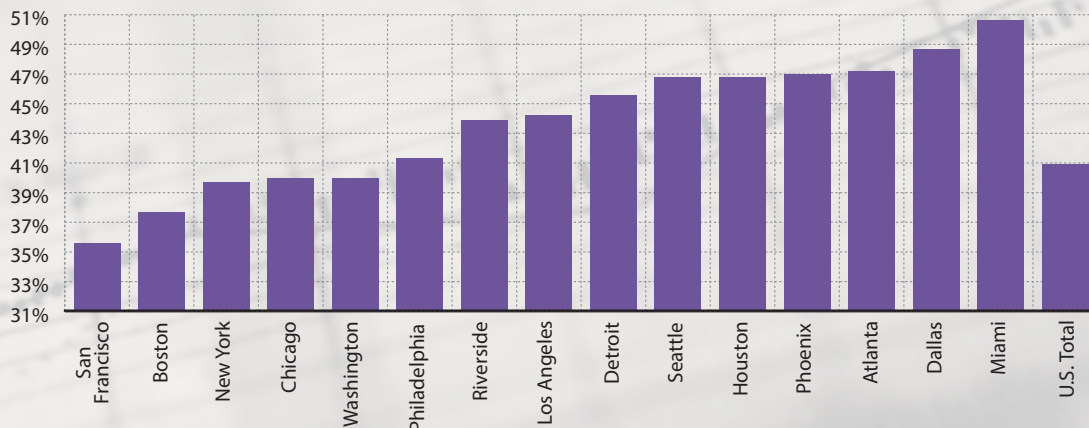


Source: U.S. Census Bureau, Household Pulse Survey

Household Pulse Survey

- Pressure to Move?
 - In June 2023, the HPS began asking respondents if they felt any pressure to move in the past six months
 - Pressure includes the owner raising the rent; missing a rent payment; a lack of repairs; a change of locks, removal of belongings, or shutting off utilities; a dangerous neighborhood; or any other pressure
 - NYC metro: average of 39.7% of renters report pressure to move
 - ✓ By household income: 43.9% of lower-income households (less than \$35,000 per year) and 34.0% of higher-income households (\$100,000 or more per year)
 - ✓ Of 15 metro areas, NYC reports third lowest proportion of households feeling pressure
 - ✓ U.S.: average of 40.9% of renters report pressure to move
 - Most common pressure in NYC metro (for those reporting pressure):
 - ✓ Rent increases: 48.7%, including 34.2% of lower-income households and 62.2% of higher-income households
 - ✓ "Other" pressure: 30.1%; owner not making repairs: 30.7%

Average Proportion of Households that Reported Feeling Pressure to Move, by Metro Area, March 2024-September 2024 (HPS Survey)



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

Household Pulse Survey

- Moved in Past Six Months?
 - NYC Metro: 6.7% of renters overall reported moving, including 16.9% of those who felt pressure
 - Lower-income households: 8.1% moved, including 18.4% of those feeling pressure
 - Higher-income households: 5.0% moved, including 14.6% of those feeling pressure
 - U.S.: 9.3% of renters overall reported moving, including 22.8% of those who felt pressure
 - Of 15 metros nationwide, the NYC metro has lowest proportion of renter households that moved, and second-lowest proportion of renter households that moved due to pressure

Change in Selected I&A Indicators, by Quarter (2024)

Indicator	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Annual
Unemployment Rate	-0.4 pp	0.1 pp	0.7 pp	0.7 pp	0.3 pp
Employment	1.9%	2.3%	2.3%	2.4%	2.2%
Gross City Product	N/A	N/A	N/A	N/A	2.1%
Homelessness*	24.7%	9.1%	3.8%	-2.3%	8.6%
Cash Assistance Caseloads	14.4%	16.1%	16.4%	17.8%	16.2%
SNAP Caseloads	-1.0%	2.2%	5.0%	6.0%	3.0%
Medicaid Enrollees	10.9%	7.5%	3.6%	0.4%	5.5%
Non-Payment Filings	-11.2%	-14.2%	-15.1%	-7.5%	-11.7%
Calendared Cases	12.9%	-14.0%	-10.8%	-8.3%	-6.1%
Residential Evictions	57.8%	18.1%	12.3%	12.9%	22.6%
"Real" Average Wages	-0.2%	-0.2%	-0.3%	N/A	-0.4%**

NOTES: "pp" refers to percentage point; All changes are as compared to the same time period in the previous year.
 *Including asylum-seekers **As based on the fourth quarter of 2023-third quarter of 2024.



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