

NYC Rent Guidelines Board

***2025 Mortgage
Survey Report***

April 17, 2025

What is the Mortgage Survey Report?

- Highlights changes in N.Y.C. multifamily lending market over the prior year
- Survey of lenders offering mortgages to buildings containing rent stabilized units
- Analysis of building sales data

2025 Mortgage Survey Report Highlights

- Among 100% stabilized buildings, the average per-unit sales price Citywide in 2024 was \$175,225, an inflation-adjusted decline of 37.6%
- Among all buildings with stabilized units, the Citywide average price per unit sold in 2024 was \$253,389, an inflation-adjusted decrease of 28.9% from the prior year
- From 2019 to 2024, among all stabilized buildings, the average inflation-adjusted per-unit sales price Citywide declined 47.0%

2025 Mortgage Survey Report Highlights

- By borough, from 2019 to 2024, average inflation-adjusted sales prices declined 60.4% in Queens; 58.5% in the Bronx; 47.4% in Manhattan; and 37.1% in Brooklyn
- A total of 550 buildings containing rent stabilized units were sold Citywide in 2024, a 6% decline from the prior year
- Average interest rates for new multifamily mortgages decreased 28 basis points, to 6.73% this year

Analysis of Sales of Buildings Containing Stabilized Units

- 550 buildings sold in 2024, a 6% decline from the prior year
- Change in sales volume varied by building size:
 - Sales among 6-10 unit buildings down 8%
 - Sales of 11-19 unit buildings down 15%
 - Sales of 20-99 unit buildings down 2%
 - Sales of 100+ unit buildings rose from 11 in 2023 to 19 in 2024

Comparison of Building Sales in 2023 vs. 2024

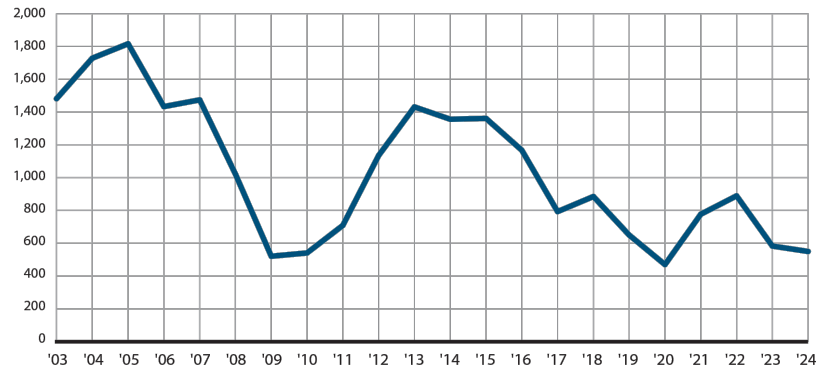
Sales Volume Fell Citywide

	2023	2024	Change
Bronx	75	67	-11%
Brooklyn	164	206	26%
Manhattan	231	178	-23%
Queens	113	99	-12%
Citywide	583	550	-6%

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

Sales of Buildings Containing Rent Stabilized Units, 2003-2024

Citywide Building Sales Decrease This Year



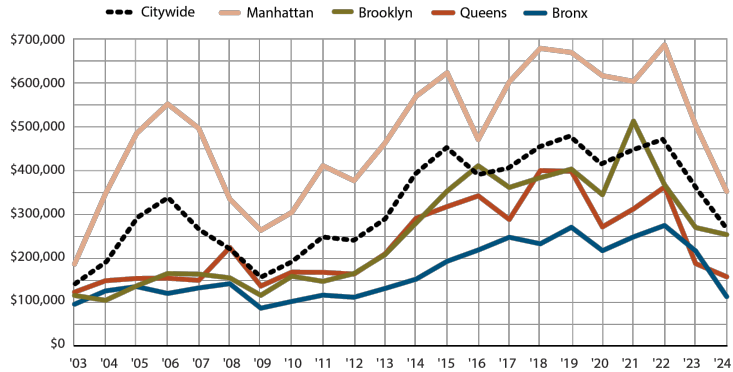
Note: Figures exclude Staten Island.
Source: NYC Department of Finance

Analysis of Sales Prices of Buildings Containing Stabilized Units

- Average sales price per residential unit in 2024: \$253,389
 - Inflation-adjusted 28.9% decrease from prior year
- Average price per unit and inflation-adjusted change by borough:
 - Manhattan: \$351,579, down 30.1%
 - Brooklyn: \$253,160, down 6.0%
 - Queens: \$157,188, down 16.1%
 - Bronx: \$112,023, down 48.1%

Average Sales Price per Residential Unit in Buildings Containing Rent Stabilized Units, Adjusted for Inflation, by Borough, 2003-2024 (In 2024 dollars)

Average Sales Price per Residential Unit Decreases This Year



Notes: Figures exclude Staten Island. Average prices based on total number of residential units in a building. Inflation adjustment based on Consumer Price Index for All Urban Consumers, NY-Northeastern NJ. Source: NYC Department of Finance

Building Sales by Building Age

- Post-1973 buildings
 - 34 buildings sold (6.2% of all buildings)
 - Average per unit sales price of \$400,330
 - Inflation-adjusted decline of 38.0%
- Pre-1974 buildings
 - 516 buildings sold
 - Average per unit sales price of \$234,481
 - Inflation-adjusted decline of 22.6%

Buildings Sales by Proportion of Stabilized Units

Average sales price per unit:

- 50%+ stabilized
 - \$187,307 in 2024
 - 24.9% inflation-adjusted decline from prior year
- 80%+ stabilized
 - \$179,526 in 2024
 - 27.3% inflation-adjusted decline from prior year
- 100% stabilized
 - \$175,225 in 2024
 - 37.6% inflation-adjusted decline from prior year

How the Mortgage Survey is Conducted

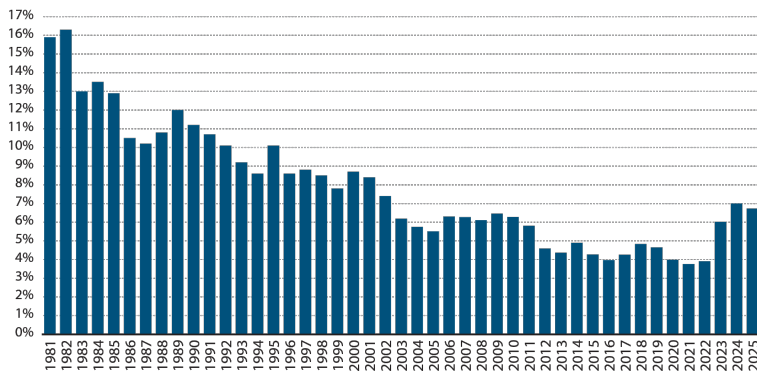
- Lenders surveyed each winter
- List of mortgage lenders updated annually
- Received seven surveys in 2025
 - One fewer respondent than last year

Interest Rates Increase

- Mortgage survey data shows decline in interest rates for new mortgages, to 6.73%
 - Three interest rate reductions by Fed over the past year
 - Decrease of 28 basis points (4%)
 - First decline in four years
 - Moving five-year average interest rate was 5.94%, up from 4.94% last year

Average Interest Rates for New Loans, 1981-2025

Multifamily Mortgage Interest Rates Decrease This Year



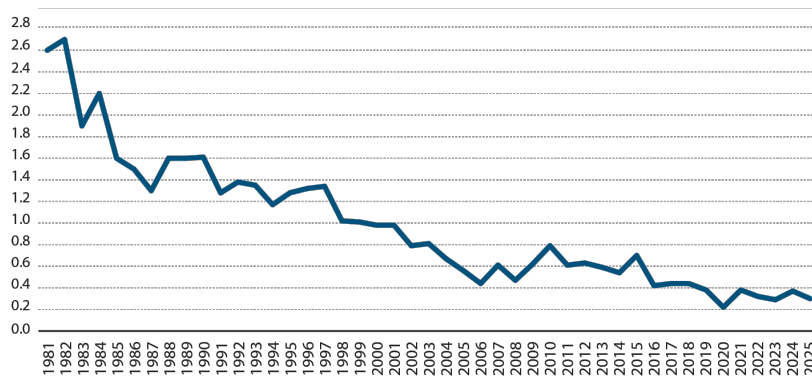
Source: NYC Rent Guidelines Board, Annual Mortgage Surveys

Points Increase

- Points charged for loans fell to 0.30
 - Decrease from 0.37 prior year
- Points ranged between 0 and 1.13 points
 - Four lenders charge no points

Points for New Loans, 1981-2025

Average Points Charged by Lenders Decrease This Year



Source: NYC Rent Guidelines Board, Annual Mortgage Surveys

Mortgage Loan Activity

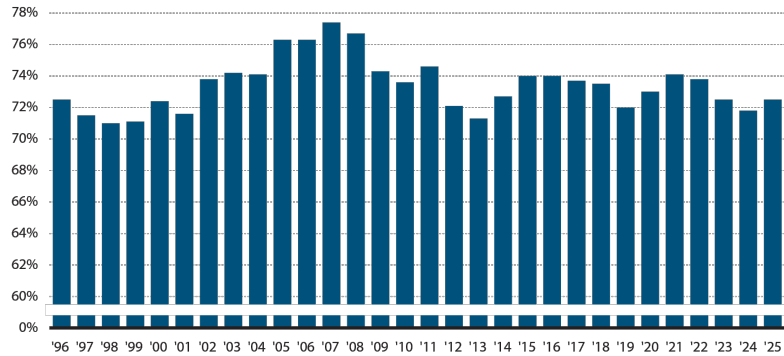
- New loan volume declined
 - Average of 19 loans per institution
 - Down from 31 loans last year
- Refinanced loan volume also declined
 - Average number of refinanced loans fell to 11
 - Down from 20 loans last year

Adjustments in Underwriting Criteria

- Maximum Loan-to-Value (LTV) ratios ranged from 60% to 85%
- Average LTV ratio increased 0.7 percentage points, from 71.8% last year to 72.5% this year
- Average debt-service coverage ratio (DSCR) little changed, at 1.27 this year vs. 1.26 last year
- DSCR ranged between 1.15 and 1.50

Average Loan-to-Value Standards, 1996-2025

Maximum Loan-to-Value Ratios Increase This Year



Source: NYC Rent Guidelines Board, Annual Mortgage Surveys

Non-Performing Loans & Foreclosures

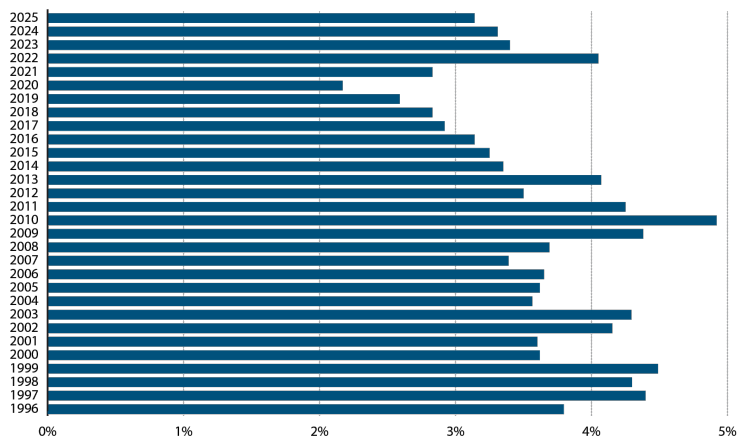
- Three lenders reported non-performing loans, down from six last year
 - Among these three lenders, represents about 4.0% of their portfolios
 - Up from 1.2% of their portfolios last year
- One lender reported having foreclosures, compared to three last year
 - It represents about 2.85% of their portfolio

Characteristics of stabilized buildings in lenders' portfolios

- Average building size in lenders' portfolios:
 - 20-49 units: 2 lenders
 - 100+ units: 2 lenders
 - Under 11 units: 1 lender
 - 11-19 units: 1 lender
 - 50-99 units: 1 lender

Average Vacancy and Collection Losses, 1996-2025

Vacancy and Collection Losses Decrease This Year



Source: NYC Rent Guidelines Board, Annual Mortgage Surveys

Longitudinal Analysis Summary

- All seven of this year's lenders responded to our survey both this and last year
- Average rate for new originations fell to 6.73%, down from 6.88% in prior year
- Average points also declined, from 0.45 last year to 0.30 this year

Longitudinal Analysis Summary

- Maximum LTV ratio rose from 71.4% last year to 72.5% this year
- Debt service ratio rose slightly, from 1.26 last year to 1.27 this year
- V&C losses declined from 3.71% last year to 3.14% this year

NYC Rent Guidelines Board

***2025 Mortgage
Survey Report***

April 17, 2025