

2025 Hotel Report

NYC Rent Guidelines Board

May 22, 2025

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”).
- To assist the Board in setting these guidelines, the *2025 Hotel 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.

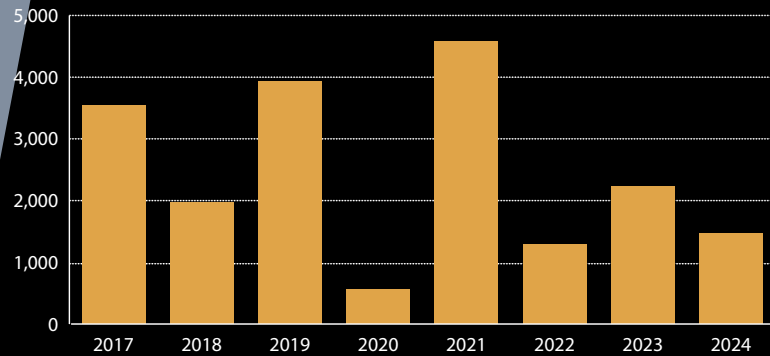
Summary

- The NYC Department of Housing Preservation and Development granted 70 Certifications of No Harassment to Single Room Occupancy buildings during 2024, an increase of 9.4% over the prior year. The number of units in these buildings, 1,467, declined by 34.3% from the prior year.
- The Mayor's Office of Special Enforcement issued 1,452 violations for illegal hotels in 2024, a 14.7% increase from 2023.
- The *2025 Price Index of Operating Costs* found an average increase in the cost of operating hotels of 7.3% between April of 2024 and March of 2025.
- Per an analysis of 2023/2024 NYS Homes and Community Renewal registration data, the median legal rent for hotels and rooming houses is \$1,172 and the average is \$1,235. The median "rent received" (the legal rent, except where there is preferential rent) for rooming houses and hotels is \$962 and the average is \$1,095.
- Per a longitudinal analysis of 2023 and 2024 NYS Homes and Community Renewal registration data, the median legal rent rose by 2.5% between 2023 and 2024, and the average legal rent rose by 3.3%. The median "rent received" rose by 2.0%, and the average "rent received" rose by 3.6%.

Certifications of No Harassment — SROs

- SRO owners may convert SRO housing to other uses after obtaining a "Certification of No Harassment" from the NYC Department of Housing Preservation and Development.
- In 2024, the number of buildings granted CONHs granted by HPD rose, but the number of units in the buildings granted CONHs fell.
- A total of 70 CONHs were granted to buildings in 2024, an increase of 9.4%.
- These buildings contained 1,467 units of housing, a decline of 34.3% from the 2,234 units in 2023.

Units in Buildings Granted Certifications of No Harassment — SROs



Source: NYC Department of Housing Preservation and Development

Illegal Hotel Violations

- A series of laws, beginning May of 2011, strengthened the City's ability to crack down on housing being used illegally for transient occupancy and increased the fines for doing so.
- In 2024, 1,452 violations were issued by the Mayor's Office of Special Enforcement (OSE) relating to the illegal short-term rental of units (including apartments, private homes, and SROs). The total number of violations rose 14.7% from 2023.
- By borough:
 - 593 violations in Brooklyn (40.8% of the total)
 - 493 violations in Manhattan (30.2% of the total)
 - 352 violations in Queens (24.2% of the total)
 - 49 violations in the Bronx (3.4% of the total)
 - 19 violations in Staten Island (1.3% of the total)
- Between May 2011 and December 2024, approximately 27,000 violations have been issued by OSE as part of its efforts to address illegal short-term rentals.

Illegal Hotel Violations

Illegal Hotel Violations Issued by the Mayor's Office of Special Enforcement, 2017-2024

In 2024, Violations Increased by 15%

Year	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Total Violations Citywide	Substantive Violations Citywide*
2017	41	803	1,273	397	43	2,557	2,299
2018	12	924	1,913	570	37	3,456	2,719
2019	16	755	2,276	494	24	3,565	3,200
2020	58	409	832	219	9	1,527	1,111
2021	59	716	1,507	472	6	2,760	708
2022	49	857	432	452	11	1,801	1,657
2023	78	456	353	361	18	1,266	1,210
2024	49	593	439	352	19	1,452	1,389

*NOTE: Substantive Violations refer to any violations issued by OSE with the exception of those for failure to comply with an order to file a certification of correction with the NYC Department of Buildings (known as a B263 violation).

Source: The Mayor's Office of Special Enforcement

2025 Hotel PIOC

- Per the 2025 Price Index of Operating Costs (PIOC), the Hotel Price Index for all hotels that contain rent stabilized units increased 7.3% this year, compared to the rise of 3.3% in 2024.
- There were increases in all seven Hotel PIOC components.
 - The Insurance Costs component had the highest proportional increase, rising by 18.7%, but accounts for just 8.5% of the index.
 - Fuel rose by 10.1%, and Utilities by 8.2%.
 - More moderate increases were seen in Administrative Costs (7.1%), Taxes (6.0%), Maintenance (3.9%), and Labor Costs (3.7%).
- Among the different categories of Hotels, the index for "Traditional" Hotels increased by 7.5%, Rooming Houses by 7.7%, and SROs by 7.1%.

Analysis of 2023/2024 HCR Registration Data – Introduction

- Each year, staff use the two most recent registration files from NYS Homes and Community Renewal (HCR) to analyze data on “hotels” and “rooming houses.”
- Only those buildings likely to be hotels or rooming houses are included in the analysis.
- The sample frame for the 2023/2024 HCR analysis includes 108 “hotels” and 370 “rooming houses,” a total of 478 buildings which have been identified since 2015 as likely to be hotels or rooming houses.
 - In 2023/2024, 351 of the 478 buildings in the sample frame were registered with HCR.
 - Data from 2024 was utilized for vast majority of buildings (96%), while 99% of the data used to compute median and average rent levels was based on 2024 HCR registration filings.

Analysis of 2023/2024 HCR Registration Data – Registration Status

Summary Table of HCR Unit Registration Status (2023/2024)

**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	2,577 (39%)	3,011 (58%)	5,588 (48%)
Permanently Exempt	45 (1%)	46 (1%)	91 (1%)
Vacant	314 (5%)	827 (16%)	1,141 (10%)
Temporarily Exempt	3,619 (55%)	1,301 (25%)	4,920 (42%)
Hotel/SRO (Transient)	2,611 (72%)	918 (71%)	3,529 (72%)
Not-for-Profit	851 (24%)	214 (16%)	1,065 (22%)
Owner/Employee Occupied	35 (1%)	144 (11%)	179 (4%)
Not for Profit/Commercial/Prof/Other	122 (3%)	25 (2%)	147 (3%)
Total Number of HCR Registered Units	6,555	5,185	11,740

Source: 2023/2024 HCR Registration Files

Analysis of 2023/2024 HCR Registration Data – Building Use

Summary Table of HCR Building Use (2023/2024)			
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%)	80 (30%)	94 (27%)
Number of Units in such buildings	756 (12%)	1,233 (24%)	1,989 (17%)
Buildings With at Least 85% Units Rent Stabilized	31 (37%)	87 (33%)	118 (34%)
Number of Units in such buildings	1,845 (28%)	2,241 (43%)	4,086 (35%)
Total Number of HCR Registered Buildings	84	267	351
Total Number of HCR Registered Units	6,555	5,185	11,740
Source: 2023/2024 HCR Registration Files			

Analysis of 2023/2024 HCR Registration Data – 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, the legal rent provides the maximum amount able to be collected by owners either currently or upon vacancy for those tenants who pay a lower preferential rent.
- A preferential rent is defined as a rent that owners charge to tenants that is lower than the registered legal rent. 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 SCRIE.
- 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.

Analysis of 2023/2024 HCR Registration Data – Median and Average Rents

Summary Table of HCR Median and Average Rent Stabilized Rent Levels (2023/2024)

Analysis of Median and Average Rents for Permanently Rent Stabilized Tenants, as Reported in Annual HCR Registration Filings									
HCR-Registered Median and Average Rents (Permanently Rent Stabilized Units)	Hotel			Rooming House			Total		
	<i>Median Rent</i>	<i>Average Rent</i>	<i># of Units</i>	<i>Median Rent</i>	<i>Average Rent</i>	<i># of Units</i>	<i>Median Rent</i>	<i>Average Rent</i>	<i># of Units</i>
Legal Rent	\$965	\$1,201	2,465	\$1,246	\$1,264	2,982	\$1,172	\$1,235	5,447
Preferential Rent	\$650	\$633	194	\$1,025	\$1,111	592	\$770	\$993	786
Actual Rent	\$394	\$503	460	\$306	\$817	1,176	\$342	\$729	1,636
"Rent Received"	\$823	\$1,050	2,465	\$1,163	\$1,132	2,982	\$962	\$1,095	5,447
<i>Source: 2023/2024 HCR Registration Files</i>									

Analysis of 2023/2024 HCR Registration Data – Longitudinal Rent Analysis

- HCR registration data from 2023 and 2024 can also be analyzed longitudinally, comparing rent levels in the same set of units in each of the two years.
- Of the 337 hotels and rooming houses identified in the 2024 data, 295 were also registered in 2023.
- However, not every building contains units with registered rents.
- Therefore, the longitudinal sample includes 65 hotels (containing 2,285 rent stabilized units) and 162 rooming houses (containing 2,705 rent stabilized units), a total of 227 buildings with 4,990 units.

Analysis of 2023/2024 HCR Registration Data – Longitudinal Rent Analysis

Summary Table of HCR Median and Average Longitudinal Rent Change (2023-2024)									
Longitudinal Analysis of Median and Average Rent Change (2023-2024) 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	-1.0%	2.2%	2,285	2.5%	4.1%	2,705	2.5%	3.3%	4,990
Preferential Rent	0.0%	0.1%	184	1.1%	4.5%	424	2.0%	3.7%	608
Actual Rent	0.7%	1.3%	440	8.3%	10.1%	960	4.0%	7.6%	1,400
"Rent Received"	-1.7%	2.6%	2,285	1.5%	4.4%	2,705	2.0%	3.6%	4,990
Source: 2023/2024 HCR Registration Files									

Analysis of 2023/2024 HCR Registration Data – Longitudinal Rent Analysis

- Some owners increased legal rents, even though rent increases for hotels and rooming houses were not granted by the RGB during this time frame.
- In total, 68% of units in the longitudinal sample had no rent increase in legal rent, while 6% of units had a rent decrease and 26% had a rent increase.
- Among the 1,298 units in total that registered a legal rent increase (26% of all units), 54% increased rent by either exactly 2.75%, 3.0%, 3.25%, or 5.0%.
 - These increases coincide with one- and two-year lease increases granted to rent stabilized *apartments* under either Order #54 or Order #55. 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.