Changes to the Rent Stabilized Housing Stock in New York City in 2015

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What's New

- ✔ The study finds a net estimated loss of 8,009 rent stabilized units in 2015.
- ✔ Most of the additions to the rent stabilized stock in 2015 were due to the 421-a tax incentive program, accounting for 90% of the additions.
- ✔ In 2015, High Rent/ Vacancy Deregulation made up the largest category of subtractions from the stabilized stock, accounting for 74% of the subtractions.
- ✔ Since 1994, New York City's rent stabilized housing stock has seen an approximate net loss of 151,222 units.

Overview

Rent regulation has been a fixture in New York City's housing market for over seven decades, although the laws that govern rent regulated housing have been substantially changed and/or modified over time. In addition to legislative changes, the existing laws 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 2015. 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 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 the New York State Division of Housing and Community Renewal (DHCR), the median legal rent of initially registered rent stabilized apartments as of the date of initial registration in 2015 Citywide was $2,167. (See Appendix 3 for initially registered rents Citywide and by borough.) 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 a significant impact on the inventory of stabilized housing: the Section 421-a Program and the J-51 Program. Under the recently expired 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 time period (10-25 years).[1] In 2015, an estimated total of 2,515 units were added to the rent stabilized stock through the 421-a program, 19% fewer than the 3,110 units added in 2014. The largest number of units were in Brooklyn (888); followed by Queens (716); Manhattan (558); and the Bronx (353). (There were none on Staten Island.) According to DHCR, the median legal rent of currently registered rent stabilized apartments receiving 421-a tax abatements in 2015 is $3,435.

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 consideration of receiving 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 2015, no units were added to the rent stabilized stock because of the J-51 program , compared to 243 units in 2014. (See Appendices 1 and 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 under 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 a term 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 2015, no Mitchell-Lama rental units became rent stabilized, compared to 318 in 2014. Since 1994, 10,444 rental units have left the Mitchell-Lama system and become a part of the rent stabilized housing stock. (See Appendices 1 and 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 become stabilized. A total of 18 units entered the rent stabilization system in 2015, compared to 21 added in 2014. (See Appendices 1 and 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 27,000.[2] When a rent controlled unit is vacated, it either becomes rent stabilized or leaves the regulatory system. A rent controlled unit becomes rent stabilized when it is contained in a rental building with six or more units and the incoming tenant pays a legal regulated rent less than the Deregulation Rent Threshold (DRT), currently $2,700 per month.[3] This process results in a diminution of the rent controlled stock and an increase in the rent stabilized stock. Otherwise, the apartment is subject to deregulation and leaves the rent regulatory system entirely.

According to rent registration filings with the NYS Division of Housing and Community Renewal

(DHCR), 270 units in 2015 were decontrolled and became rent stabilized, up 28% from the prior year. By borough, 49% of the units were in Manhattan; 24% were in Brooklyn; 18% were in Queens; 9% were in the Bronx; and fewer than 1% were on Staten Island. (See Appendices 1 and 2.)

Other Additions to the Stabilized Housing Stock

Additionally, several other events can increase the rent stabilized housing stock: tax incentive programs such as 420-c, "deconversion," returned losses, and the sub-division of large units into two or more smaller units.

Historically, the largest source of these additions reported by the RGB were 420-c units. Since 2003, the RGB estimated that almost 40,000 units were added to rent stabilization through this program. 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, from 2003 through 2014, erroneously assumed that all rental units that were recipients of 420-c tax benefits were rent stabilized. Therefore, the RGB has removed stabilized unit additions that were attributed to the 420-c program, a total of 39,227 units, reported from 2003 through 2014, and will not be included in this, or future, reports.

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 do not generally add a significant number of units to the rent stabilized stock and cannot be quantified for this study.

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 lead 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

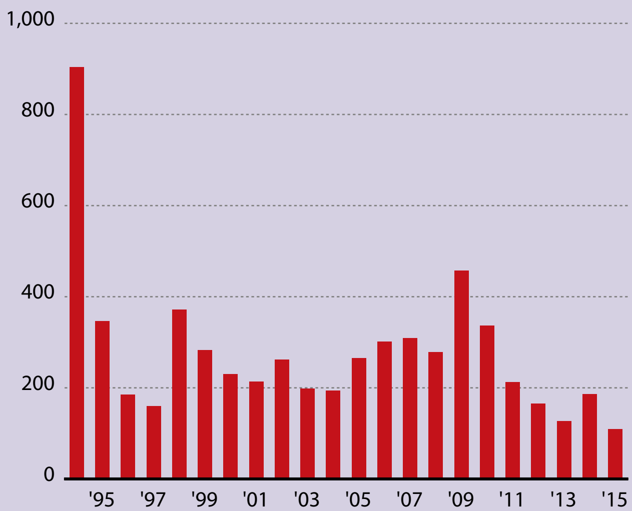
Since enactment of the Rent Regulation Reform Act (RRRA) of 1993, occupied apartments may be deregulated under certain circumstances. Beginning with the RRRA of 1993, apartments renting for $2,000 or more in which the tenants in occupancy had a combined household income in excess of $250,000 in each of the immediately two preceding calendar years could be deregulated. In 1997, that year's RRRA reduced the income threshold to $175,000. Four 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.

Most recently, the Rent Act of 2015, effective June 15, 2015, maintained the same income requirement but modified the Deregulation Rent Threshold for High-Rent High-Income Deregulation. The DRT was increased to $2,700 and will be increased each January 1st thereafter by the one year renewal lease guideline percentage issued the prior year by the Rent Guidelines Board.

Deregulation occurs upon application by the owner and upon the expiration of the rent stabilized lease. This income-based deregulation process, which is administered by DHCR, relies upon data furnished to the NYS Department of Taxation and Finance as part of the verification process. Note that both the rent level and household income criteria have to be met for deregulation to take place. For example, currently, if a household earning at least $200,000 paid less than $2,700 per month, rent regulation would remain in effect. Also note that the owner must apply to DHCR in

High-Rent High-Income Deregulation, 1994-2015

Number of Units Deregulated due to High-Rent High-Income Deregulation Decrease



Source: NYS Division of Housing and Community Renewal annual registration data.

order to deregulate the unit. If the owner did not submit a deregulation application, the occupying tenant would remain regulated regardless of rent level and household income. Because DHCR has to approve the orders of deregulation, an exact accounting exists of units leaving regulation as a result of High-Rent High-Income Deregulation.

Based on DHCR processing records, High-Rent High-Income Deregulation removed a total of 109 apartments from rent regulation in 2015, a 41% decrease from the prior year, and the fifth decrease in six years.[5] Of these units, 46% were located in Manhattan; 34% in Brooklyn; 12% in the Bronx; and 8% in Queens. None were on Staten Island.

Since 1994, a total of 6,093 units have been deregulated due to High-Rent High-Income Deregulation, of which 88% have been located in Manhattan. (See graph on this page and Appendix 4.)

High-Rent Vacancy Deregulation

Similar to the provisions of High-Rent High-Income Deregulation, High-Rent Vacancy Deregulation has also changed several times since its inception. In 1993, the New York State legislature instituted High-Rent Vacancy Deregulation.[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.)

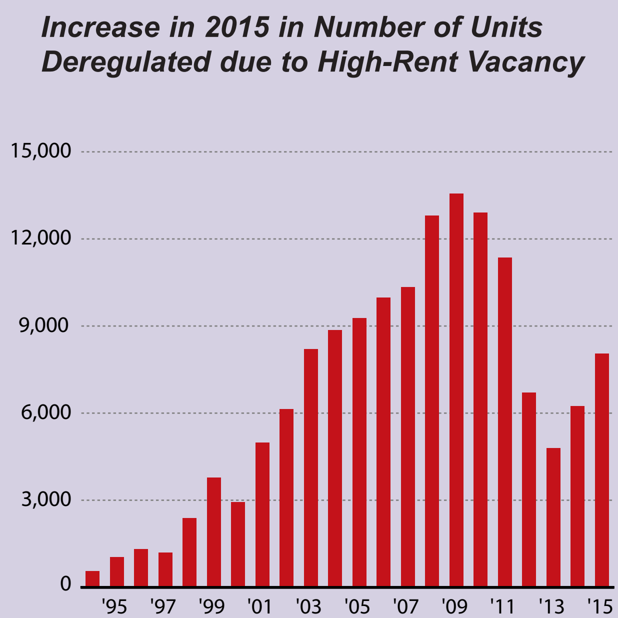
Currently, under the Rent Act of 2015, when a tenant moves into a vacant apartment and the rent has lawfully reached the Deregulation Rent Threshold (DRT), currently $2,700, the apartment qualifies for permanent High-Rent Vacancy Deregulation. The DRT will be increased each January 1st thereafter by the one year renewal lease guideline percentage issued the prior year by the NYC Rent Guidelines Board.

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

According to DHCR rent registration records, 8,049 units were deregulated in 2015 under the High-Rent Vacancy Deregulation provisions of the RRRA, up 29% from the number deregulated the prior year. Of these deregulated units, 53% were in Manhattan; 22% were in Brooklyn; 19% were in Queens; 5% were in the Bronx; and 1% were on Staten Island. Since 1994, at least 147,457 units were registered with the DHCR as being deregulated due to High-Rent Vacancy Deregulation, 71% of which have been located in Manhattan.[7]

Since 2001, the first year owners were asked, but not required, to file High-Rent Vacancy Deregulation registrations, the rate at which they have changed over the prior year has varied.[8] From 2001 to 2002, High-Rent Vacancy Deregulation registrations increased by 23%, and from 2002 to 2003, they increased by 34%.

High-Rent Vacancy Deregulation, 1994-2015



Note: Prior to 2014, registration of deregulated units with DHCR was voluntary and not required. These totals represent a 'floor' or minimum count of the actual number of deregulated units in these years.

Source: NYS Division of Housing and Community Renewal annual registration data.

From 2004 to 2009, the rate of increase was between 4% and 8% each year, with the exception of 2008, when the number of units registering as deregulated due to High-Rent Vacancy Deregulation increased 24% over the prior year. Between 2010 and 2013, the number of units subject to High-Rent Vacancy Deregulation declined each year. However, over the past two years, the number of units newly deregulated rose 30% in 2014 and another 29% in 2015. (See graph on this page and Appendices 5 through 7.)

Co-operative & 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 tenant 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 (which are the overwhelming 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 2015, a total of 618 units located in co-ops or condos left the stabilized housing stock, 22% fewer than left the system the prior year. By borough, the largest proportion of units leaving rent stabilization and becoming co-op/condo was in Queens, with 35% of the units; followed by Brooklyn (30%); Manhattan (28%); the Bronx (7%); and Staten Island (less than 1%). An estimated total of 48,303 co-op or condo units have left the stabilized stock since 1994. (See Appendices 6 and 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 time period of the benefits and then exit the system.

In 2015, expiration of 421-a benefits resulted in the removal of a total of 1,079 units from the rent stabilization system, 7% more than the number removed the prior year. The expiration of J-51 benefits in 2015 resulted in the removal of 287 units, more than double the number in 2014. The vast majority of 421-a expirations were in Manhattan (98%), while the remainder were in Queens (2%); Brooklyn or Staten Island (each less than 1%). There were none in the Bronx.

Among J-51 expirations, a majority were in Manhattan, with 74%; followed by Brooklyn, with 25%; and Queens, with 1%. There were none in the Bronx nor on Staten Island. Since 1994 Citywide, 23,013 421-a units and 15,393 J-51 units have left the rent stabilization system. (See Appendices 6 and 7.)

Substantial Rehabilitation

The Emergency Tenant Protection Act (ETPA) of 1974 exempts apartments from rent regulation in buildings that have been substantially rehabilitated on or after January 1, 1974. DHCR processes applications by owners seeking exemption from rent regulation based on the substantial rehabilitation of their properties. Owners must replace at least 75% of building-wide and apartment systems (i.e., plumbing, heating, electrical wiring, windows, floors, kitchens, bathrooms, etc.). In general, buildings that have been substantially rehabilitated and vacated tend to have been stabilized properties. Therefore, when these 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.

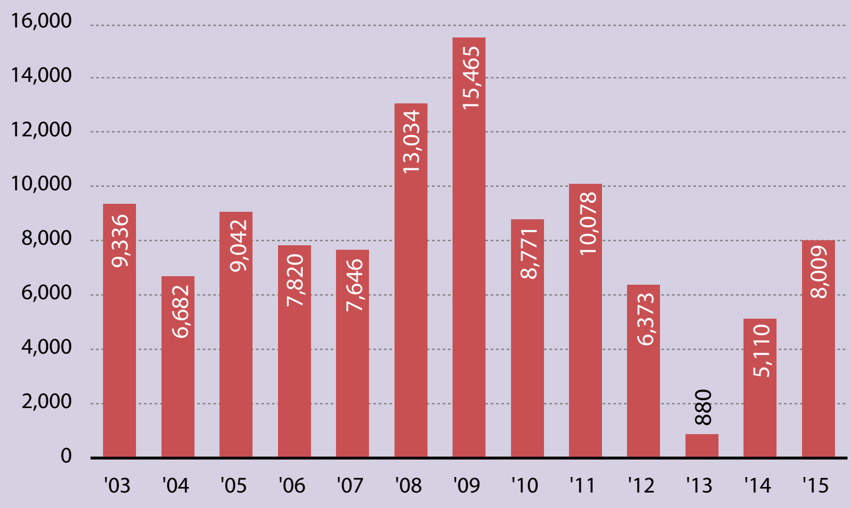
In 2015, 288 units were removed from stabilization through substantial rehabilitation, an increase of 27% from the prior year. By borough, the largest proportion of units leaving rent stabilization was in Brooklyn, with 63% of the units; followed by Manhattan (29%); and Queens (8%). There were none in the Bronx nor on Staten Island. A total of 9,051 units have been removed from the rent stabilization system through substantial rehabilitation since 1994. (See Appendix 6.)

Conversion to Commercial or Professional Status

Space converted from residential use to commercial or professional use are no longer subject to rent regulation. In 2015, 13 units were converted to nonresidential use, the same as the prior year. Since

Net Decline in Rent Stabilized Units, 2003-2015

Greater Decline of Units under Rent Stabilization in 2015



Note: Figures for 2003-2014 have been revised from those reported in prior reports, due to the removal of 420-c program units. See "Other Additions to the Stabilized Housing Stock" section on page 4 for more information.

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

1994, 2,288 residential units have been converted to nonresidential use. (See Appendix 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, demolished or boarded-up/burnt-out. DHCR annual registration data shows that 369 units were removed from the stabilized housing stock in 2015 due to these reasons, down 11% from the prior year. By borough, the largest proportion of units leaving rent stabilization due to other losses was in Manhattan, with half of the units; followed by Brooklyn (33%); Queens (12%); and the Bronx (5%). There were none on Staten Island. Since 1994, 25,179 units have been removed from rent stabilization due to these other types of losses. (See Appendix 6.)

Summary

In 2015, at least 10,812 housing units left rent stabilization and approximately 2,803 units initially entered the stabilization system.

The built-in fluidity of the system resulted in a net loss of at least 8,009 units in the rent stabilized housing stock in 2015, a greater loss than in the prior year, following a revised estimated net loss of 5,110 units in 2014.[8] (See graph on previous page and Summary Table on next page.)

By borough, Brooklyn saw the most additions (37%); followed by Queens (28%); Manhattan (22%); the Bronx (13%); and Staten Island (less than 1%). Units added to the stabilized stock in 2015 registered median legal rents of $2,167. The vast majority of additions were the result of the 421-a program, which equaled 90% of the additions. (See Appendices 1 and 2.)

Meanwhile, 56% of all units leaving rent stabilization were located in Manhattan, a total of 6,043 units. Second largest was Brooklyn, representing 22% (2,382 units) removed; followed by Queens, 17% (1,823 units); the Bronx, 5% (508 units); and Staten Island, representing 1% (56 units) of the total number of units removed from rent stabilization in 2015. High-Rent Vacancy Deregulation was the largest source of measured subtractions from the rent stabilized housing stock in 2015, accounting for 74% of the total number of subtractions. (See Appendix 7.)

Since 1994, the first year for which we have data, a total of at least 125,555 units have been added to the rent stabilization system, while a minimum of 276,777 rent stabilized units have been deregulated, for an estimated net loss to the rent stabilization system of 151,222 units over the last 22 years. (See Endnote 8.) ❐

Endnotes

1. The 421-a tax exemption program expired in January, 2016 but is expected to be reenacted in some form in the future. The tax exemption will continue for those buildings that have already received benefits. “421-a Tax Break Expires as Deal Between Developers and Labor Falls Apart,” https://www.dnainfo.com/new-york/20160115/sunnyside/421-a-tax-break-expires-as-deal-between-developers-labor-falls-apart, accessed January 17, 2016.

2. The 2014 Housing and Vacancy Survey reported a total of 27,039 rent controlled units in New York City.

3. The Rent Act of 2015, effective June 15, 2015, raised the Deregulation Rent Threshold for deregulation upon vacancy from $2,500 to at least $2,700. See “High-Rent High-Income Deregulation” section on page 5 for more information.

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). Eligible projects are owned or controlled by a not-for-profit Housing Development Fund Company, subject to an HPD regulatory agreement which requires use as low-income housing and are financed in part with a loan from the City or State in conjunction with federal low-income housing tax credits. While the RGB is unable to quantify the number of units that became rent stabilized since 2003, 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. The final count for petitions for High-Rent High-Income Deregulation may be slightly reduced as they are subject to appeal or in some cases, to review by a court of competent jurisdiction.

6. Deregulation of certain high rent apartments was instituted in New York City twice before, in 1964 and in 1968.

7. An October 2009 court decision, Roberts v Tishman Speyer Props., L.P., found that about 4,000 apartments in the Stuyvesant Town and Peter Cooper Village complexes in Manhattan were improperly deregulated because the buildings were receiving J-51 tax benefits. This ruling affects other apartments deregulated elsewhere in the city but data on the precise number of units returned to rent stabilization status is unavailable.

8. Additions to the rent stabilized stock between 2003 and 2014 have been revised from those reported in prior reports due to the removal of 420-c program units. See “Other Additions to the Stabilized Housing Stock” section on page 5 for more information.

Summary Table of Additions and Subtractions to the Rent Stabilized Housing Stock in 2015

Program	***Number of Units***
ADDITIONS	
421-a	+ 2,515
J-51 conversions	+ 0
Mitchell-Lama buyouts	+ 0
Loft conversions	+ 18
420-c	+ 0
CHANGES	
Rent control to rent stabilization	+ 270
Subtotal Additions & Changes	**+ 2,803**
SUBTRACTIONS	
Co-op and Condo subtractions	- 618
High-Rent Vacancy Deregulation	- 8,049
High-Rent High-Income Deregulation	- 109
421-a Expiration	- 1,079
J-51 Expiration	- 287
Substantial Rehabilitation	- 288
Commercial/Professional Conversion	- 13
Other Subtractions	- 369
Subtotal Subtractions	**- 10,812**
NET TOTAL	
Net Estimated Loss	***- 8,009***

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

Appendix

1. Additions to the Stabilized Housing Stock, 1994-2015

Year	421-a	J-51	Mitchell-Lama Buyouts State	Mitchell-Lama Buyouts City	Lofts	421-g	420-cΩ	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
Total	**64,746**	**3,406**	**4,814**	**5,630**	**802**	**2,484**	**5,500Ω**	**38,173**	**125,555†**

Ω Figures for 2003-2014 have been revised from those reported in prior reports, due to the removal of 420-c program units. See "Other Additions to the Stabilized Housing Stock" section on page 5 for more information.

† Totals have been revised from those reported in prior years due to the removal of 420-c additions. See above note.

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 RPAD database 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 DHCR, 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.

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.

421-g Note: 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. It is not expected to add any further units since the program required 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 Division of Housing and Community Renewal (DHCR), Office of Rent Administration, annual registration data, and Office of Housing Operations; and NYC Loft Board.

2. Additions to the Stabilized Housing Stock by Borough, 2015

	Bronx	Brooklyn	Manhattan	Queens	S.I.	Total
421-a	353	888	558	716	0	2,515
420-c	0	0	0	0	0	0
J-51	0	0	0	0	0	0
Mitchell-Lama Buyouts (City & State)	0	0	0	0	0	0
Lofts	0	14	4	0	0	18
Formerly Controlled	23	133	48	65	1	270
Total Additions	**376**	**1,035**	**610**	**781**	**1**	**2,803**

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

3. Average and Median Rent of Initially Registered Rent Stabilized Apartments by Borough, 2015

	Bronx	Brooklyn	Manhattan	Queens	S.I.	Citywide
Average Rent	$1,452	$2,690	$4,878	$2,490	-	$2,766
Median Rent	$1,434	$2,500	$4,378	$2,395	-	$2,167

Note: There were too few units on Staten Island to report average and median rents.

Source: NYS Division of Housing and Community Renewal (DHCR), Office of Rent Administration, annual registration data.

4. Subtractions from the Stabilized Housing Stock Due to High-Rent High-Income Deregulation by Borough, 1994-2015

Year	Bronx	Brooklyn	Manhattan	Queens	S.I.	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
Total	**102**	**442**	**5,340**	**209**	**0**	**6,093**

Source: NYS Division of Housing and Community Renewal (DHCR), Office of Rent Administration, annual registration data.

5. Subtractions from the Stabilized Housing Stock Due to High-Rent Vacancy Deregulation by Borough, 1994-2015

Year	Bronx	Brooklyn	Manhattan	Queens	S.I.	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
Total	**4,560**	**20,111**	**104,626**	**17,481**	**679**	**147,457**

Note: Prior to 2014, registration of deregulated units with DHCR was voluntary and not required. These totals 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. See "High-Rent Vacancy Deregulation" section on page 6 for more information.

Source: NYS Division of Housing and Community Renewal (DHCR), Office of Rent Administration, annual registration data.

6. Subtractions from the Stabilized Housing Stock, 1994-2015

Year	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
Total	**6,093**	**147,457**	**48,303**	**23,013**	**15,393**	**9,051**	**2,288**	**25,179**	**276,777**

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 Vacancy Deregulation Note: Prior to 2014, registration of deregulated units with DHCR was voluntary and not required. These totals 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. See “High-Rent Vacancy Deregulation” section on page 6 for more information.

Source: NYS Division of Housing and Community Renewal (DHCR), Office of Rent Administration, annual registration data.

7. Subtractions from the Stabilized Housing Stock by Borough, 2015

	Bronx	Brooklyn	Manhattan	Queens	S.I.	Total
High-Rent High-Income Deregulation	13	37	50	9	0	109
High-Rent Vacancy Deregulation	432	1,773	4,280	1,510	54	8,049
Co-op/Condo Conversion	43	183	176	215	1	618
421-a Expirations	0	5	1,054	19	1	1,079
J-51 Expirations	0	73	212	2	0	287
Substantial Rehabilitation	0	180	84	24	0	288
Commercial/Professional Conversion	2	8	3	0	0	13
Other	18	123	184	44	0	369
Total Subtractions	**508**	**2,382**	**6,043**	**1,823**	**56**	**10,812**

Source: NYS Division of Housing and Community Renewal (DHCR), Office of Rent Administration, annual registration data.