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# 2015 Income and Expense Study

March 12, 2015

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# 2015 Income and Expense Study

## What's New

From 2012 to 2013, Net Operating Income (revenue remaining after operating expenses are paid) grew **3.4%**. This is the **ninth** consecutive year that net operating income has increased.

On average, in stabilized buildings, from 2012-2013:

- ✓ Rental income increased by **4.5%**.
- ✓ Total income rose by **4.5%**.
- ✓ Operating costs increased by **5.0%**.
- ✓ Net operating income (NOI) grew by **3.4%**.

## Introduction

As required by the Rent Stabilization Law, the Rent Guidelines Board (RGB) has analyzed the cost of operating and maintaining rental housing in New York City since 1969, as part of the process of establishing rent adjustments for stabilized apartments. Historically, the Board's primary instrument for measuring changes in prices and costs has been the Price Index of Operating Costs (PIOC), a survey of prices and costs for various goods and services required to operate and maintain rent stabilized apartment buildings.

In 1990, the RGB acquired a new data source that enabled researchers to compare PIOC-measured prices and costs with those reported by owners: Real Property Income and Expense (RPIE) statements from rent stabilized buildings collected by the NYC Department of Finance. These Income and Expense (I&E) statements, filed annually by property owners, provide detailed information on the revenues and costs of income-producing properties. The addition of I&E statements has greatly expanded the information base used in the rent setting process. I&E statements not only describe conditions in rent stabilized housing in a given year, but also depict changes in conditions over a two-year period. Most importantly, I&E data encompasses both revenue and expenses, allowing the Board to more accurately gauge the overall economic condition of New York City's rent stabilized housing stock.

These findings examine the conditions that existed in New York's rent stabilized housing market in 2013, the year for which the most recent data is available, and also the extent by which these conditions changed from 2012.

## Local Law 63

The income and expense data for stabilized properties originates from Local Law 63, enacted in 1986. This statute requires owners of apartment buildings and other properties to file RPIE statements with the NYC Department of Finance annually. While certain types of properties are exempt from filing RPIE forms (cooperatives, condominiums, buildings with fewer than 11 units or with an assessed value under \$40,000), the mandate produces detailed financial records on thousands of rent stabilized buildings. Although information on individual properties is strictly confidential, the NYC Department of Finance is allowed to release summary statistics of the data to the RGB.

Since 1990, the RGB has received data on samples of rent stabilized properties that file RPIE forms. Samples in the first two studies (data for 1988 and 1989) were limited to 500 buildings, because RPIE files were not automated. Upon computerization of I&E filings in 1992 (for cross-sectional data from 1990 and longitudinal data from 1989-90), the size of the samples used in RGB I&E studies has grown and this year includes 14,564 properties containing 660,083 units.

## Cross-Sectional Study

### Rents and Income<sup>1</sup>

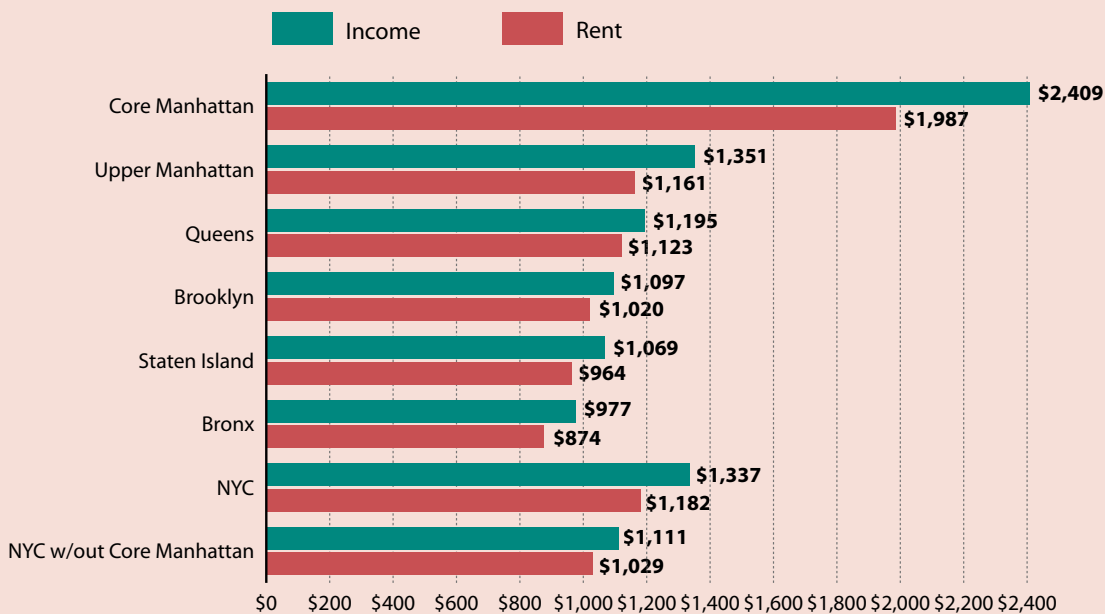
In 2013, rent stabilized property owners collected monthly rent averaging \$1,182 per unit. Similar to prior years, units in pre-war buildings rented for less on average (\$1,120 per month) than those in post-war buildings (\$1,351 per month).<sup>2</sup> At the borough level, the average monthly rents in stabilized buildings were \$1,638 in Manhattan (\$1,987 in Core Manhattan and \$1,161 in Upper Manhattan); \$1,123 in Queens; \$1,020 in Brooklyn; \$964 in Staten Island; and \$874 in the Bronx. Average monthly rent per unit in the City, excluding Core Manhattan, was \$1,029. Looking at *median* figures, the median rent Citywide was \$1,038. At the borough level, median monthly rent was \$1,410 in Manhattan; \$1,091 in Queens; \$970 in Brooklyn; \$883 in Staten Island; and \$859 in the Bronx.

Many owners of stabilized buildings augment income from their apartment rents by selling services to

their tenants as well as by renting commercial space. Current RPIE filings show an average monthly gross income of \$1,337 per unit in 2013, with pre-war buildings earning \$1,272 per unit and those in post-war properties earning \$1,517 per unit. Gross income was highest in Core Manhattan, at \$2,409 per unit per month, and lowest in the Bronx, at \$977. Monthly income per unit in the City, excluding Core Manhattan, was \$1,111. These gross income figures encompass rent from stabilized apartments as well as the sale of services (e.g., laundry, vending, parking) and commercial income. Such proceeds accounted for an 11.6% share of the total income earned by building owners in 2013, down from 11.9% the prior year. By borough, income earned from the sale of services was 16.5% in Manhattan (17.5% in Core Manhattan and 14.0% in Upper Manhattan); 10.5% in the Bronx; 9.9% in Staten Island; 7.0% in Brooklyn; and 6.0% in Queens. The graph on this page shows the average rent and income collected in 2013 by borough, and for the City as a whole.

#### Average Monthly Collected Rent/Income per Dwelling Unit by Borough\*

##### Rent and Income Were Highest in Manhattan in 2013



\* See endnote 1

Note: Core Manhattan represents the area south of W 110th and E 96th Streets.

Upper Manhattan is the remainder of the borough.

Source: NYC Department of Finance, 2013 RPIE Data

Median Citywide income for owners in 2013 was \$1,127. At the borough level, Manhattan had the highest median income, at \$1,633; followed by Queens at \$1,126; Staten Island at \$1,041; Brooklyn at \$1,024; and the Bronx at \$944. (For rent and income averages and medians by borough and building age and size, see Appendices 3 and 4.)

## Comparing Rent Measurements

Another data source, the NYS Division of Housing and Community Renewal (DHCR) annual registration data, provides important comparative rent data to the collected rents stated in RPIE filings. A comparison of the collected RPIE rents to the DHCR rents is a good indicator of the overall rental market and reflects both how well owners are able to collect the rent roll and the prevalence of both vacancies and preferential rents.

Rents included in RPIE filings are different than DHCR figures primarily because of differences in how average rents are computed. RPIE data reflects actual rent collections that account for vacancies or non-payment of rent. By contrast, DHCR data consists of legal rents registered annually with the agency. Since DHCR rent data does not include preferential rents or vacancy and collection losses, in most years these rents are higher than RPIE rent collection data. Furthermore, RPIE information includes unregulated apartments in buildings containing rent stabilized units. Also, the RPIE information reflects rents collected over a 12-month period, while DHCR data reflects rents registered on April 1, 2013. In sum, despite the anomalies between the two rent indicators, the difference between RPIE rents and DHCR rents reflects preferential rents as well as vacancy and collection losses incurred by building owners.

In comparing annual RPIE and DHCR average rents from 1991 to 2004, the gap between the two contracted steadily during that time period. In fact, from 1991- 2001, the difference between RPIE and DHCR rents decreased by almost two-thirds, from a difference of 15% between the two in 1991 to a difference of 5.6% in 2001. However, from 2002 until the current year, 2013, the gap grew almost every year, including the most recent data year, 2013, when the gap increased to a current difference of 24.5%, as

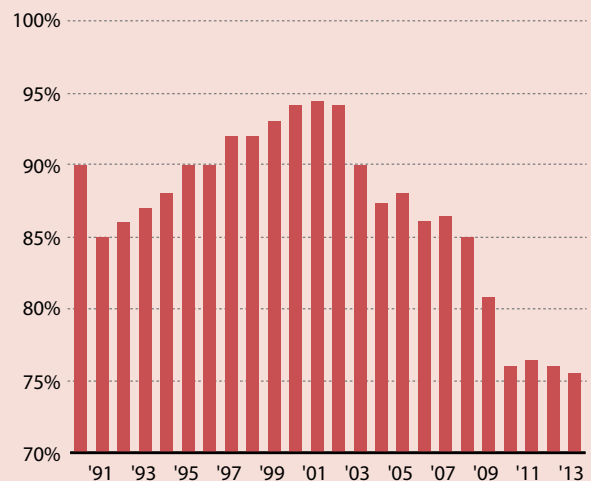
indicated by the average I&E rent of \$1,182 and DHCR's average stabilized rent of \$1,566. The increase in the gap between collected and legal rent indicates that building owners are collecting a lower proportion of their legal rent rolls in 2013 (see graph on this page).

At the borough level, the gap between collected and legal rent varies widely. In 2013, Manhattan property owners collected an average rent (\$1,638) that was 23.7% below DHCR's average legal rent for the borough (\$2,147), while owners in the other boroughs collected average rents that were 22.4% lower than legal rents in Queens; 24.0% lower in Brooklyn; 26.0% lower in the Bronx; and 29.7% lower in Staten Island. At least part of this differential in the boroughs is due to preferential rents, usually offered when the legal stabilized rent exceeds the market rate for the area.<sup>4</sup>

Another benchmark that can help place RPIE rent data in context is the RGB Rent Index, which measures the overall effect of the Board's annual rent increases on contract rents each year. As the table on the next page shows, average RPIE rent growth was higher than

**Average Monthly Citywide Collected Rents as a Share of Average Monthly DHCR Legal Registered Rents, 1990-2013**

### Percentage of Legal Rent Collected Decreased in 2013



Source: DHCR Annual Rent Registrations;  
 NYC Department of Finance, 1990-2013 RPIE Data  
 Note: 2012 Data revised from last year.

the renewal lease increases allowed by the RGB's guidelines for a third consecutive year. RPIE rent growth, up 4.5%, was greater than the increase in the RGB rent index, which was up 4.1%, between 2012 and 2013 (adjusted to a calendar year).<sup>5</sup> There are a number of ways in which rents may be raised beyond the RGB's guidelines, including the deregulation of apartment units; raising preferential rents; and through individual apartment and building-wide improvements.

An extended view of the three indices illustrates that overall, DHCR legal rents have grown faster than both collected rents and RGB rent guidelines from 1990 to 2013. During that period, DHCR adjusted legal rents increased 177.7%; RPIE collected rents

increased 158.1%; and the RGB Rent Index increased 151.7% (these figures are not adjusted for inflation).<sup>6</sup>

## Operating Costs

Rent stabilized apartment buildings regularly incur several types of expenses. RPIE filings include data on eight categories of operating and maintenance (O&M) costs: taxes; labor; utilities; fuel; insurance; maintenance; administrative; and miscellaneous costs. Costs do not include debt service. However, in contrast to revenues, this data does not distinguish between expenses for commercial space and those for apartments, making the calculation of "pure" residential operating and maintenance costs impossible, except in a smaller sample of residential buildings. Thus, the operating costs reported are comparatively high because they include maintenance costs for commercial space.

The average monthly operating cost for units in stabilized buildings was \$884 in 2013. Costs were lower in units in pre-war structures (\$856), and higher among post-war buildings (\$959). Geographically, average costs were lowest in Brooklyn (\$713); the Bronx (\$718); Staten Island (\$727); and Queens (\$787), and highest in Manhattan (\$1,244). Looking more closely at Manhattan buildings, costs for units located in Core Manhattan averaged \$1,453 a month, while the costs in Upper Manhattan were \$959. The average monthly operating costs for stabilized building owners in New York City, excluding Core Manhattan, reduces the City average to \$750. The graph on the next page details average monthly expenses by cost category and building age for 2013. As the graph illustrates, taxes make up the largest share of expenses, averaging 26.6% of all costs.

*Median Citywide* expenses in 2013 were \$787. By borough, Manhattan had the highest median costs, at \$1,046; followed by Queens at \$734; the Bronx at \$703; Brooklyn at \$668; and Staten Island at \$655. (Appendices 1, 2 and 3 break down average costs by borough and building age; Appendix 4 details *median* costs; and Appendix 6 details distribution of costs.)

In 1992, the NYC Department of Finance and RGB staff tested RPIE expense data for accuracy. Initial examinations found that most "miscellaneous" costs

### Rent Comparisons, 1990-2013

#### 2012-13 DHCR Legal Rents Grew Faster Than RPIE Collected Rents and RGB Rent Index

	RPIE Rent Growth	DHCR Rent Growth (Adjusted) <sup>§</sup>	RGB Rent Index (Adjusted) <sup>∅</sup>
90-91	3.4%	4.1%	4.1%
91-92	3.5%	3.0%	3.7%
92-93	3.8%	3.0%	3.1%
93-94	4.5%	2.4%	2.9%
94-95	4.3%	3.1%	3.1%
95-96	4.1%	4.1%	4.5%
96-97	5.4%	4.6%	5.2%
97-98	5.5%	3.3%	3.7%
98-99	5.5%	3.7%	3.8%
99-00	6.2%	4.4%	4.2%
00-01	4.9%	5.3%	5.0%
01-02	4.0%	4.4%	4.5%
02-03	3.6%	6.9%	4.1%
03-04 <sup>‡</sup>	-	1.6%	5.5%
04-05	4.6%	5.8%	4.6%
05-06	5.6%	7.2%	4.3%
06-07	6.5%	6.0%	4.2%
07-08	5.8%	5.9%	4.7%
08-09	1.2%	5.4%	7.5%
09-10	0.7%	5.4%	5.2%
10-11	4.4%	5.7% <sup>^</sup>	3.7%
11-12	5.0%	5.8%	4.4%
12-13	4.5%	5.4%	4.1%
1990 to 2013* <sup>‡</sup>	158.1%	177.7%	151.7%

\* Not adjusted for inflation

<sup>§</sup> See endnote 3    <sup>∅</sup> See endnote 5

<sup>‡</sup> See endnote 6    <sup>^</sup> Revised from last year

Sources: NYS DHCR Annual Rent Registrations; NYC Department of Finance, 1990-2013 RPIE Data

were actually administrative or maintenance costs, while 15% were not valid business expenses. Further audits on the revenues and expenses of 46 rent stabilized properties discovered that O&M costs stated in RPIE filings were generally inflated by about 8%. Costs tended to be less accurate in small (11-19 units) properties and more precise for large (100+ units) buildings. However, these results are somewhat inconclusive since several owners of large stabilized properties refused to cooperate with the NYC Dept. of Finance’s assessors. Adjustment of the 2013 RPIE O&M cost (\$884) by the results of the 1992 audit results in an average monthly O&M cost of \$812 Citywide.

Just as buildings without commercial space typically generate less revenue than stabilized properties with commercial space, operating expenses in these buildings tend to be lower on average than in

buildings with a mixture of uses. In 2013, unaudited average O&M costs for “residential-only” buildings were \$815 per month and average audited O&M costs for these buildings were \$749 per month.

## "Distressed" Buildings

For the purposes of this study, buildings that have operating and maintenance costs greater than gross income are considered distressed. Among the properties that filed RPIEs for 2013, 991 buildings, or 6.8% of the cross-sectional sample, had O&M costs in excess of gross income, compared to 6.6% found the prior year. In 2013, only 63 (6.4%) of these distressed buildings were built after 1946. Since 1990, when 13.9% of the sample of stabilized properties were considered distressed, the proportion of distressed

buildings declined each year until 1999, reaching a low of 6.1%. From 1999 until 2004, the proportion generally increased, but has declined for seven of the last nine years, and in 2012 reached its lowest level in thirteen years (see graph on the next page). Most distressed stabilized properties (59%) contain 20 to 99 units. Further, almost half (48%) of the buildings are located in Manhattan; while virtually all the remaining are in the Bronx (27%); Brooklyn (16%) and Queens (8%). (See Appendix 7 for a complete breakdown of distressed buildings by borough, building size and building age.)

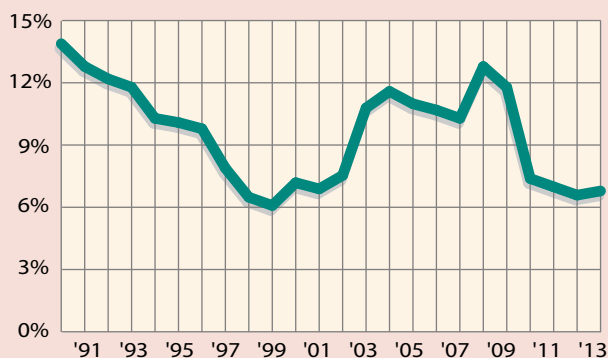


## Net Operating Income

Revenues exceed operating costs in most stabilized buildings, yielding funds that can be used for mortgage payments, improvements and/or pre-tax profit. The amount of income remaining after operating and maintenance (O&M) expenses are paid is typically referred to as Net Operating Income (NOI). While

### Percent of Distressed Properties in Cross-Sectional Samples 1990-2013

#### Share of Distressed Properties Increase in 2013



Source: NYC Department of Finance, 1990-2013 RPIE Data

financing costs, income taxes and appreciation determine the ultimate value of a property, NOI is a good indicator of its basic financial condition. Moreover, changes in NOI are easier to track on an aggregated basis than changes in profitability, which require an individualized examination of return on capital placed at risk.

On average, apartments in rent stabilized buildings generated \$454 of net income per month in 2013, with units in post-war buildings earning more (\$557 per month) than those in pre-war buildings (\$416 per month). Average monthly NOI tended to be greater for stabilized properties in Manhattan (\$718) than for those in the other boroughs: \$408 in Queens; \$383 in Brooklyn; \$342 in Staten Island; and \$259 per unit per month in the Bronx. There was a sizable difference when looking at NOI on a sub-borough level in Manhattan. Core Manhattan properties earned on average \$956 per unit per month in NOI, while properties in Upper Manhattan had an NOI of \$392. The monthly NOI average calculated Citywide, excluding Core Manhattan, was \$361. Looking at the NOI using audited expense figures, the Citywide NOI in 2013 was \$526.

Average monthly unaudited NOI in “residential-only” properties Citywide was \$404 per unit in 2013, 11.1% lower than the average for all stabilized buildings.

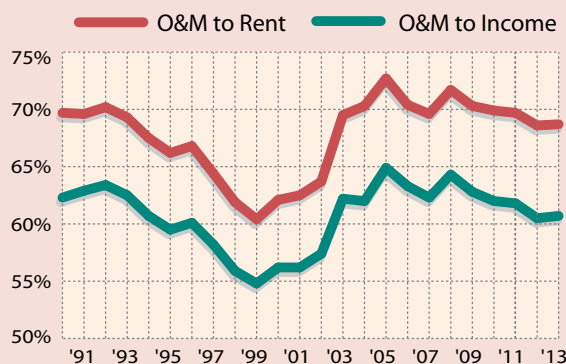
NOI reflects the revenue available after payment of operating costs; that is, the amount of money owners have for financing their buildings; making improvements; and for pre-income tax profits. While NOI should not be the only criteria to determine the ultimate profitability of a particular property, it is a useful exercise to calculate the annual NOI for a hypothetical “average stabilized building” with 11 units or more. Multiplying the average unaudited monthly NOI of \$454 per unit by the typical size of buildings in this year’s cross-sectional sample (an average of 45.3 units) yields an estimated average annual NOI of about \$246,700 in 2013. By comparison, if one multiplies the Citywide average, excluding Core Manhattan, monthly NOI of \$361 per unit by the typical size of buildings in this year’s cross-sectional sample (an average of 45.6 units Citywide, excluding Core Manhattan), it yields an estimated average annual Net Operating Income of about \$197,800.

### Operating Cost Ratios

Another way to evaluate the profitability of New York City’s rent stabilized housing is by measuring the ratio of expenses to revenues. Traditionally, the RGB has used O&M Cost-to-Income and O&M Cost-to-Rent

### Ratios of Citywide Average Monthly Audited O&M Costs to Average Monthly Gross Income and Rent 1990-2013

#### Cost-to-Income and Cost-to-Rent Ratios Increase in 2013



Source: NYC Dept. of Finance, 1990-2013 RPIE Data



ratios to assess the overall health of the stabilized housing stock, presuming that buildings are better off by spending a lower percentage of revenue on expenses. The graph on the previous page shows how over the period from 1990 to 2013, the proportion of total income and rent collections spent on audited operating costs has fluctuated. The audited Cost-to-Income ratio in 2013 was 60.7%, up 0.2 percentage points from the prior year's 60.5%. This means that on average, owners of rent stabilized properties spent roughly 60.7 cents out of every dollar of revenue on operating and maintenance costs in 2013. Looking at unaudited expenses, the cost-to-income ratio in 2013 was 66.1%. The unaudited *median* cost-to-income ratio was 67% in 2013.

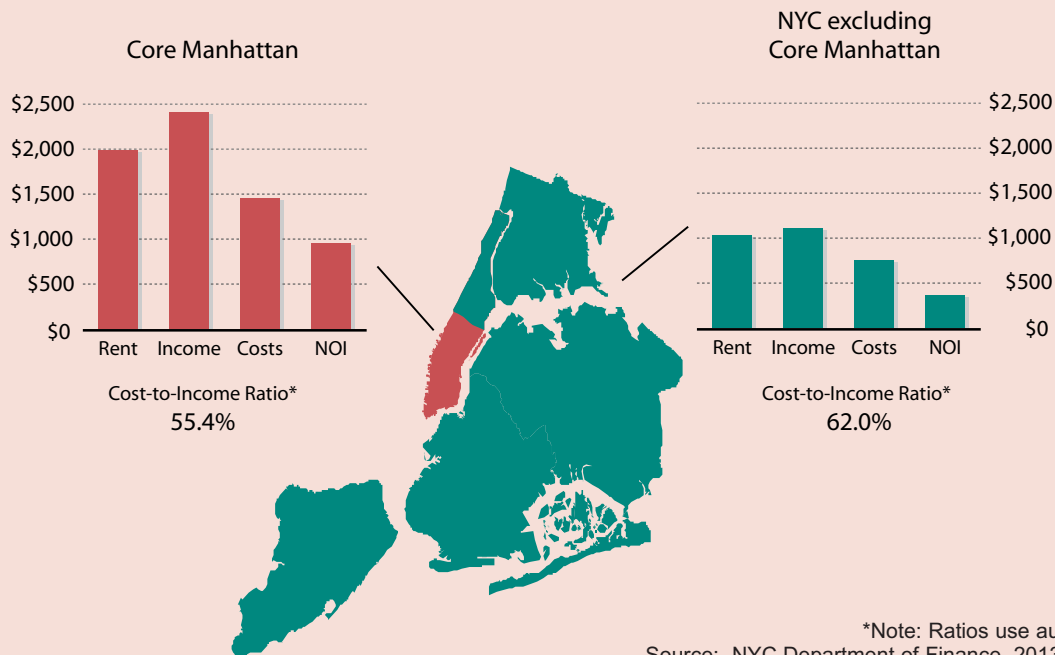
Examining the ratio of costs to rent collections, audited operating costs in 2013 were 68.7% of revenues from rent, virtually unchanged from 68.6% in the prior year. Using unaudited expenses, the cost-to-rent ratio in 2013 was 74.8%. Looking at the unaudited *median* cost-to-rent ratio, it was 74% in 2013.

Rents, income, and costs per unit were on average highest in Core Manhattan in 2013 (see map and graphs on this page). When looking at the City with Core Manhattan excluded, the average revenue and costs figures are generally lower, resulting in expense to revenue ratios that are different. The audited Cost-to-Income Ratio for the rest of the City was 62.0%, higher than the Cost-to-Income Ratio for stabilized buildings in Manhattan's Core (55.4%). These figures indicate that on average, owners of stabilized properties outside of Core Manhattan spend about six and one-half cents more of every dollar of revenue on expenses, as compared to their counterparts in Core Manhattan.

In an attempt to capture the financial health of small rent stabilized buildings, staff analyzed income and expense data for buildings with fewer than 11 units. As stated earlier, owners of rent stabilized buildings with fewer than 11 units are not required to file RPIE forms. However, they can voluntarily file an RPIE-B form with the Department of Finance. The information on this form is limited, containing only gross income and expense for each unit. Rent is not

**Average Monthly Rent, Income, Operating Costs and Net Operating Income per Dwelling Unit and Cost-to-Income Ratios, Core Manhattan and the Rest of the City, 2013**

**Cost-to-Income Ratio Lower in Core Manhattan in 2013**



\*Note: Ratios use audited costs.  
Source: NYC Department of Finance, 2013 RPIE Data

reported separately so a cost-to-rent ratio could not be calculated. A total of 979 buildings with fewer than eleven units were examined. Citywide, the average cost to income ratio for rent stabilized buildings with fewer than 11 units was 75.0% in 2013, with an unaudited ratio of 81.7%.

In an analysis of the distribution of operating costs in relation to total income in buildings by decile, it may be useful to examine the percentage of buildings with cost-to-income ratios at or below certain levels. The Department of Finance calculated decile levels, and in examining them, for instance, decile statistics reveal that half of all rent stabilized buildings Citywide have unaudited cost-to-income ratios of 0.67 or less. This means that half the building owners spent no more than 67 cents out of every dollar of revenue on operating and maintenance costs in 2013. Another

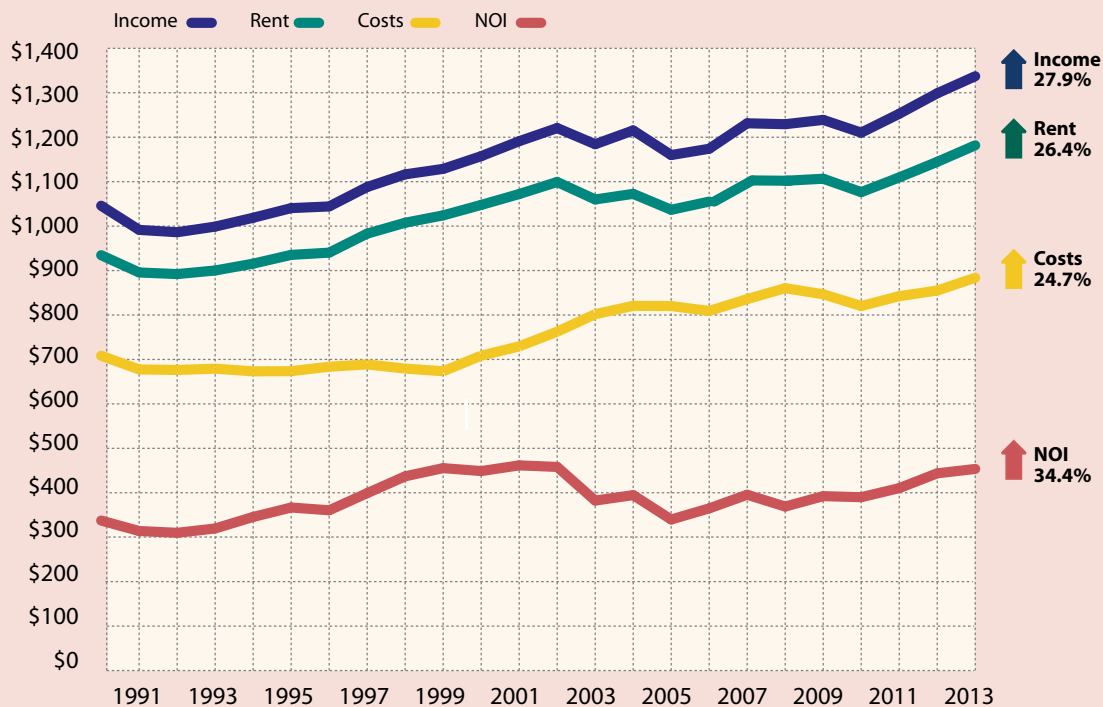
example: If you look at the 70% decile level Citywide, 70% of buildings pay no more than 77 cents of every dollar of revenue on operating and maintenance costs, and 30% pay more. The complete table of all ten decile levels Citywide and by borough can be found in Appendix 8.

### Net Operating Income After Inflation

The amount of net operating income is a function of the level of expense and the level of revenue in a given year (revenues minus operating expenses equals net operating income). Adjusting NOI as well as rent, income and costs figures for inflation (in constant 2013 dollars) and comparing different base years to the latest data available is a useful way to assess the health of the stabilized housing stock and how well revenues have

## Citywide Income, Rent, Costs and NOI After Inflation, 1990-2013

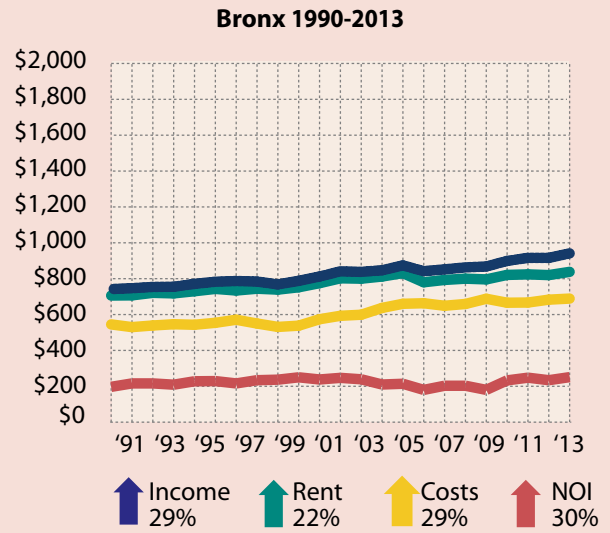
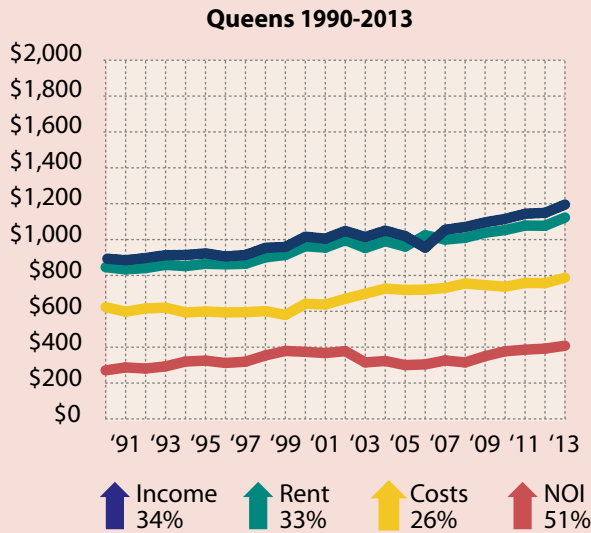
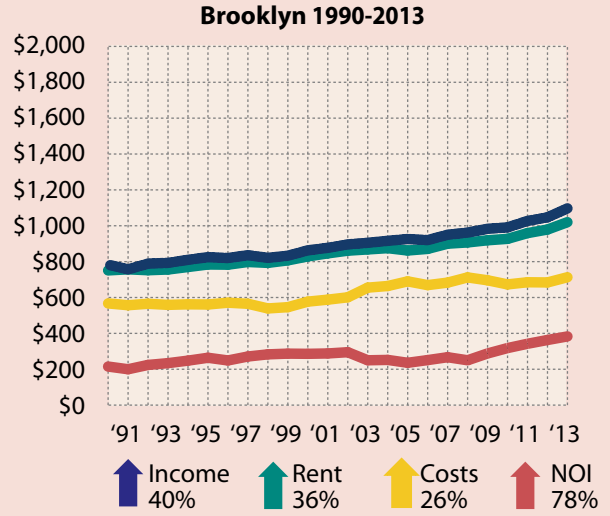
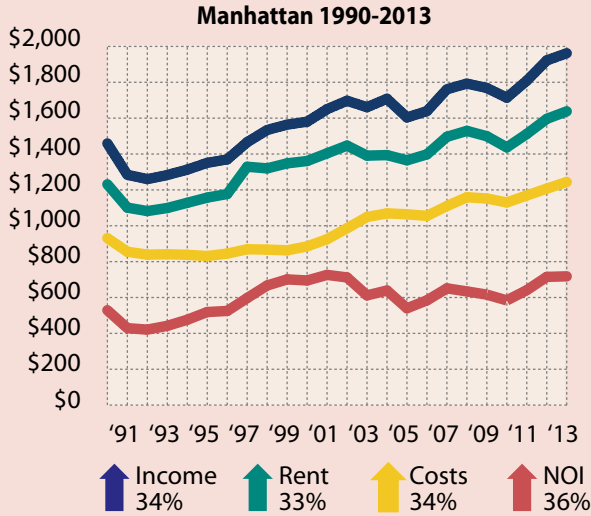
**After Inflation, NOI Up Since 1990**  
(Average Monthly Income, Rent, Operating Costs and Net Operating Income per Dwelling Unit in Constant 2013 Dollars)



Note: Percent changes are point-to-point measurements and should not be considered cumulatively.  
Sources: NYC Rent Guidelines Board *Income and Expense Studies*, 1992-2015.  
NYC Department of Finance, 1990-2013 RPIE Data.

## Income, Rent, Costs and NOI After Inflation per Borough, 1990-2013

**Since 1990, Inflation-Adjusted NOI Rises Citywide and in Each Borough**  
 (Average Monthly Income, Rent, Operating Costs and Net Operating Income per Dwelling Unit in Constant 2013 Dollars)



Note: Percent changes are point-to-point measurements and should not be considered cumulatively. Staten Island is excluded due to insufficient data from prior years.  
 Sources: NYC Rent Guidelines Board *Income and Expense Studies*, 1992-2015.  
 NYC Department of Finance, 1990-2013 RPIE Data.

been meeting or exceeding expenses without erosion by inflation.

Point-to-point comparisons of average figures show that, from 1990 to 2013, *after* adjusting for inflation, NOI (the surrogate measure for profit) has increased 34.4% (see graph on page 10). This indicates that revenues have outpaced expenses to the extent that average monthly NOI was worth 34.4% more in 2013 than it was in 1990, after adjusting for inflation. A different point-to-point comparison shows that between 2001 (NOI's peak year since 1990) and 2013, NOI declined 1.7%, after adjusting for inflation.

Another way to look at how rent, income and costs, as well as NOI, have changed absent the effect of inflation is to graph inflation-adjusted monthly figures for each of the four components measured in the I&E studies. During the 1990 to 2013 period, inflation-adjusted rent increased a cumulative 26.4%, income by 27.9%, and costs by 24.7%, resulting in the aforementioned increase in NOI of 34.4%.

Examining the ratio of NOI to income, since 1990, the ratio has varied. From 1990-96 the ratio of NOI/income averaged 33%, while from 1997-2002, NOI's share of income averaged 39%. In the last ten years, the average ratio of NOI/income was about 32%. This means that on average, over the past eleven years, 32 cents of every dollar earned is net operating income for the owner.

While the Citywide graph of inflation-adjusted revenue, expense and NOI figures is useful for demonstrating the overall stabilized rental housing market, disaggregating the same figures by borough shows how the market can differ from area to area (see graphs on the previous page). Looking at each of the boroughs individually, from 1990 to 2013, all boroughs saw sizable increases in their net income, with Brooklyn seeing the most significant increase, 78%; followed by Queens, up 51%; Manhattan, up 36%; and the Bronx, up 30%.

## Longitudinal Study

The longitudinal section of this study measures changes in rent, income, costs, operating cost ratios, and net operating income that occurred in the same set of 12,649 buildings from 2012 to 2013.

## Rents and Income

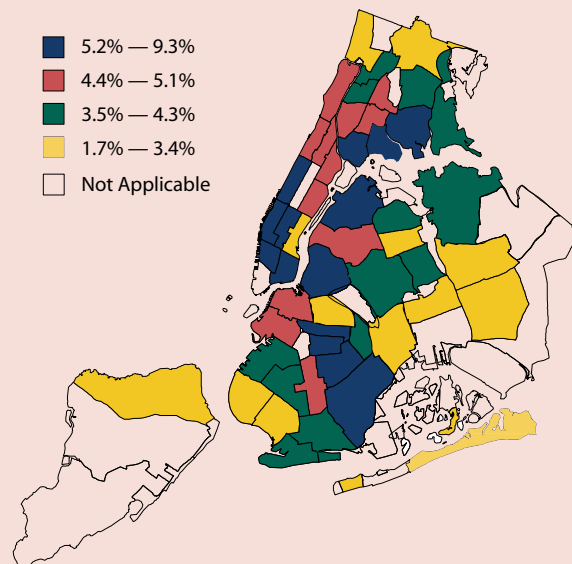
Rent collections increase for a number of reasons, including increases allowed under RGB renewal guidelines; vacancy allowances of at least 16-20% allowed under the Rent Regulation Reform Act of 1997; termination of preferential rents; individual apartments improvements; and building-wide improvements (MCIs).

Average rent collections in stabilized buildings rose by 4.5% in 2013. Rent collections in pre-war buildings grew at a higher rate, up 4.8%, than in post-war buildings, which increased by 3.9%. Rent collections increased the greatest among smaller, 11-19 unit buildings, up 5.6%; while rents rose 4.4% among mid-sized, 20-99 unit buildings; and the least among large, 100+ unit buildings, up 4.1%. Examining rent collections by borough, Brooklyn saw the largest increase, up 4.8%; followed by Manhattan, up 4.6%; Bronx and Queens, each up 4.2%; and Staten Island, up 3.8%. Within Manhattan, Upper Manhattan rents grew 4.9%, greater than the 4.5% increase in rents in Core Manhattan. The growth in *median* rent Citywide was 4.2%.

### Change in Rent by Community District, 2012-13

#### Rent Increases Vary by Community District

- 5.2% — 9.3%
- 4.4% — 5.1%
- 3.5% — 4.3%
- 1.7% — 3.4%
- Not Applicable



Source: NYC Department of Finance, 2012-13 RPIE Data

Looking at rent collections throughout New York City, every community district saw increases in average rent from 2012 to 2013.<sup>8</sup>

At the neighborhood level, the greatest rent growth was found in the Mott Haven/Port Morris area of the Bronx, rising 9.3%. Midtown Manhattan’s rent growth averaged 6.4%. Also among the largest rent increases were three Brooklyn neighborhoods: Williamsburg/Greenpoint; South Crown Heights; and Flatlands/Canarsie, each up 6.2%. The Queens neighborhood seeing the largest increase was Astoria, up 5.8%. See map on the previous page for a breakdown of rent increases by community district throughout NYC.

The average total income collected in rent stabilized buildings, comprising apartment rents, commercial rents and sales of services, increased by 4.5% from 2012 to 2013. Revenues rose faster in pre-war buildings, up 4.6%, than in post-war buildings, up 4.1%. Brooklyn saw the highest growth in income, rising 4.9%; followed by the Bronx, up 4.4%; Queens and Manhattan, each up 4.3%; and Staten Island, up 3.8%. Within Manhattan, Upper Manhattan income

rose 4.6%; while Core Manhattan income rose 4.2%. The *median* growth in income Citywide was 4.6%.

## Operating Costs

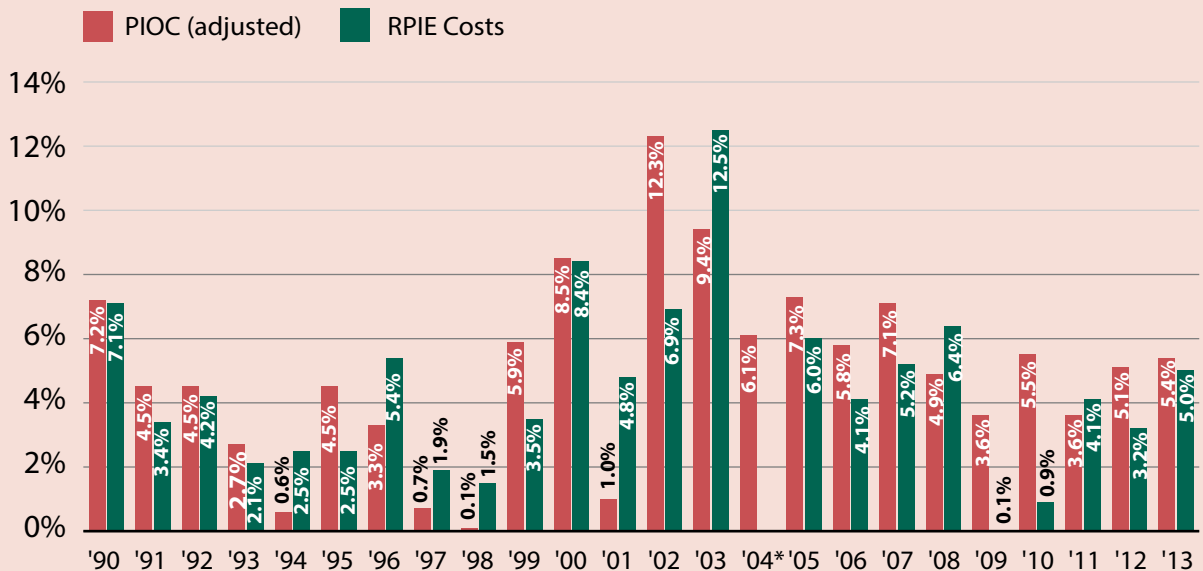
Average expenses in stabilized buildings Citywide increased 5.0% from 2012 to 2013. However, the change in operating costs varied by building age and by borough. Pre-war buildings saw expenses increase 4.9%, while newer, post-war buildings saw expenses increase 5.3%. Breaking down the change in costs by borough, costs rose the most in Staten Island, up 7.9%; while costs rose 5.4% in Manhattan; 5.0% in Brooklyn; and 4.5% in both the Bronx and Queens. Citywide, *median* expenses rose 5.0%. For a detailed breakdown of the changes in rent, income and costs by building size, age and location, see Appendices 10 and 11.

## RPIE Expenses and the PIOC

Data from the RPIE and the RGB’s long-running survey, the Price Index of Operating Costs (PIOC), each

### Change in Operating & Maintenance Costs, RPIE and the PIOC, 1990 to 2013

**In 2013, Owner-Reported RPIE Costs Increased at a Lesser Rate than the PIOC**



\*Longitudinal RPIE data for 2003-04 is unavailable (see endnote 8).

Sources: NYC Department of Finance, 1990-2013 RPIE Data; NYC Rent Guidelines Board Price Index of Costs (PIOC) 1990-2013

provide a form of independent verification for the expense findings in the other. However, comparison of I&E and PIOC data is somewhat distorted due to differences in the way each instrument defines costs and time periods. For example, there is a difference between when expenses are incurred and actually paid by owners as reported in the RPIE, versus the price quotes obtained from vendors for specific periods as surveyed in the PIOC. In addition, the PIOC primarily measures prices on a March to March basis, while most RPIE statements filed by landlords are based on the calendar year. (See endnote 3.) To compare the two, weighted averages of each must be calculated, which may cause a loss in accuracy. Finally, the PIOC measures a hybrid of costs, cost-weighted prices and pure prices, whereas the RPIE provides unaudited owner-reported costs. The PIOC rose 5.4% from 2012 to 2013, the same period as the 5.0% increase in I&E costs, a 0.4 percentage point difference.<sup>8</sup> (See graph on the previous page.)

From 1990-91 to 2012-13, cumulative growth in owners' costs as measured by the two indices varied. Overall nominal costs measured in the PIOC increased at a greater rate, 179.9%, compared to RPIE data, which grew 150.6%, over this period.<sup>9</sup>

### Operating Cost Ratios

Between 2012 and 2013, the proportion of gross income spent on audited expenses (the O&M Cost-to-Income ratio) increased, rising by 0.3 percentage points. The proportion of rental income used for audited expenses (the O&M Cost-to-Rent ratio) similarly rose, increasing by 0.3 percentage points.

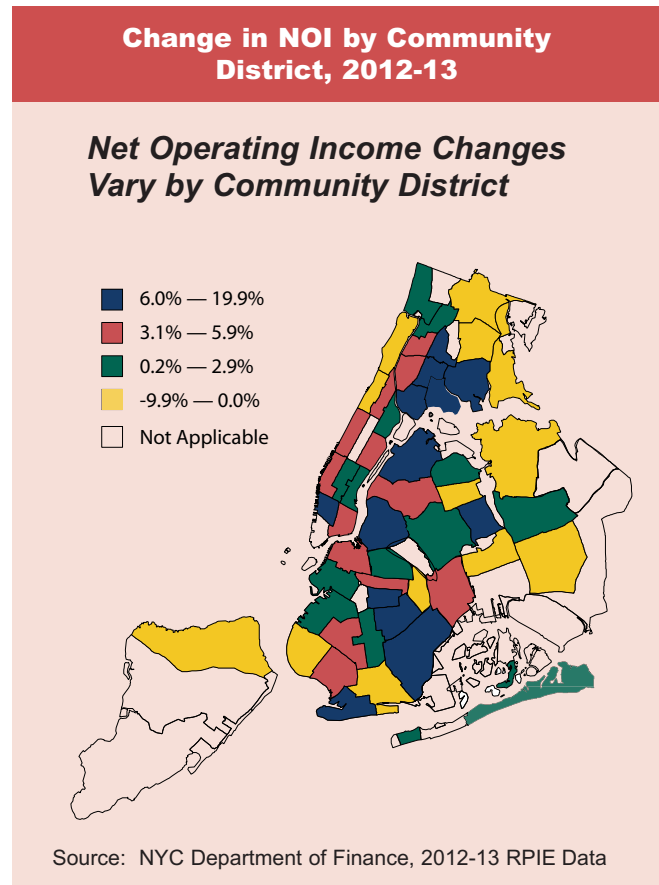
### Net Operating Income

Net Operating Income (NOI) refers to the earnings that remain after operating and maintenance (O&M) expenses are paid, but before payments of income tax and debt service. Since average collected income grew more than operating costs, Citywide net operating income in rent stabilized buildings increased by 3.4% in 2013, the ninth consecutive year that NOI has increased.

The average change in NOI from 2012 to 2013 differed throughout the City. All but one borough saw

NOI increase, with Brooklyn seeing the largest increase, up 4.8%; while NOI rose 4.0% in the Bronx; 3.8% in Queens; and 2.6% in Manhattan. By contrast, NOI declined 4.0% in Staten Island. Within Manhattan, Core Manhattan NOI increased 3.2%, while it rose 0.8% in upper Manhattan. See Appendix 12 for a breakdown of NOI by borough, building age and building size.

At the Community District level, change in NOI varied widely, with 75% of neighborhoods experiencing increases in NOI. Three neighborhoods seeing the largest growth in NOI were in the Bronx, with E. Tremont/Belmont rising 19.9%; Mott Haven/Port Morris up 15.3%; and Hunts Point/Longwood up 11.7%. The next two largest increases were in two Brooklyn neighborhoods, with Williamsburg/Greenpoint up 10.5% and East Flatbush up 9.8%. The Queens neighborhood with the largest increase was Forest Hills/Rego Park, up 8.8%. The Manhattan neighborhood witnessing the largest increase was Greenwich Village, up 6.7%.



On the other hand, 23% of neighborhoods saw NOI decline from 2012 to 2013. The largest was in Jamaica, Queens, down 9.9%; followed by Staten Island's North Shore, down 4.6%; the Bronx's Pelham Parkway, down 4.0%; and Manhattan's Morningside Heights/Hamilton Heights, down 3.2%. The largest decline in Brooklyn was in Brownsville/Ocean Hill, falling 3.1%. The map on the previous page shows how

change in NOI varied in each neighborhood. (See endnote 7.)

## Summary

RPIE filings, from almost 14,600 rent stabilized buildings containing over 660,000 units in the cross-sectional sample and from over 12,600 buildings

### Changes in Average Monthly Rents, Income, Operating Costs and Net Operating Income per Dwelling Unit, 1990-2013

#### Net Operating Income (NOI) Increased from 2012 to 2013, 9th Consecutive Yearly Increase in NOI

	<i>Avg. Rent Growth</i>	<i>Avg. Income Growth</i>	<i>Avg. Cost Growth</i>	<i>Avg. NOI Growth</i>
90-91	3.4%	3.2%	3.4%	2.8%
91-92	3.5%	3.1%	4.2%	1.2%
92-93	3.8%	3.4%	2.1%	6.3%
93-94	4.5%	4.7%	2.5%	9.3%
94-95	4.3%	4.4%	2.5%	8.0%
95-96	4.1%	4.3%	5.4%	2.3%
96-97	5.4%	5.2%	1.9%	11.4%
97-98	5.5%	5.3%	1.5%	11.8%
98-99	5.5%	5.5%	3.5%	8.7%
99-00	6.2%	6.5%	8.4%	3.5%
00-01	4.9%	5.2%	4.8%	5.9%
01-02	4.0%	4.1%	6.9%	-0.1%
02-03	3.6%	4.5%	12.5%	-8.7%
03-04	-	-	-	-
04-05	4.6%	4.7%	6.0%	1.6%
05-06	5.6%	5.5%	4.1%	8.8%
06-07	6.5%	6.5%	5.2%	9.3%
07-08	5.8%	6.2%	6.4%	5.8%
08-09	1.4%	1.8%	0.1%	5.8%
09-10	0.7%	1.2%	0.9%	1.8%
10-11	4.4%	4.5%	4.1%	5.6%
11-12	5.0%	5.3%	3.2%	9.6%
<b>12-13</b>	<b>4.5%</b>	<b>4.5%</b>	<b>5.0%</b>	<b>3.4%</b>

Source: NYC Department of Finance, 1990-2013 RPIE Data  
Note: Longitudinal data from 2003-04 is unavailable.

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containing almost 587,000 units in the longitudinal sample, were analyzed in this year's *Income and Expense Study*. Citywide, rent and revenue collections each rose 4.5%; and expenses rose by 5.0%. Despite the greater rate of increase in expenses, Net Operating Income (NOI) Citywide increased by 3.4%, the ninth consecutive year that NOI has increased. However, the proportion of distressed properties Citywide rose 0.2 percentage points, and the cost-to-income ratio was 60.7%, up 0.2 percentage points from the prior year.

## Methodology

The information in this report was generated by analyzing data derived from RPIE forms filed with the NYC Department of Finance in 2014 by owners of apartment buildings with primarily eleven or more dwelling units. The data in these forms, which reflects financial conditions in stabilized buildings for the year 2013, was made available to NYC Rent Guidelines Board research staff in February, 2015 for analysis. Unit averages contained in this analysis were computed by the NYC Department of Finance. The averages were then weighted by the RGB using data from the *2011 NYC Housing and Vacancy Survey*, the most recent comprehensive data available, to calculate averages that are representative of the population of residential buildings in New York City. In addition, medians were calculated and included in this report. The medians derived from the sample were also produced by the NYC Department of Finance and are unweighted.

Two types of summarized data, cross-sectional and longitudinal, were obtained for stabilized buildings. Cross-sectional data, which provides a "snapshot" or "moment-in-time" view, comes from properties that filed 2014 RPIE or alternatively, TCIE (Tax Commission Income & Expense) forms.<sup>10</sup> Data from the forms was used to compute average and median rents, operating costs, etc., that were typical of the year 2013. Longitudinal data, which provides a direct comparison of identical elements over time, encompasses properties that filed RPIE/TCIE forms for the years 2012 and 2013. The longitudinal data describes changing conditions in average rents, operating costs, etc., by comparing forms from the same buildings over two

years. Thus, cross-sectional data in this report measures conditions in effect throughout 2013, while longitudinal data measures changes in conditions that occurred from 2012 to 2013.

This year, 14,564 buildings containing rent stabilized units were analyzed in the cross-sectional study and 12,649 buildings were examined in the longitudinal study. The sample of buildings was created by matching a list of properties registered with the DHCR against building data found in 2014 RPIE or TCIE statements (or 2013 and 2014 statements for the longitudinal sample). A building is considered rent stabilized if it contains at least one rent stabilized unit.

Once the two samples were drawn, properties that met the following criteria were not included:

- Buildings containing fewer than 11 units. Owners of buildings with fewer than 11 apartments (without commercial units) are not required to file RPIE forms;
- Owners who did not file a 2014 RPIE or TCIE form for the cross-sectional study, or a 2013 and a 2014 RPIE or TCIE form for the longitudinal study;
- No unit count could be found in RPIE/TCIE records; and
- No apartment rent or income figures were recorded on the RPIE or TCIE forms. In these cases, forms were improperly completed or the building was vacant.

Three additional methods were used to screen the samples so properties with inaccurate building information could be removed to protect the integrity of the samples:

- In early I&E studies, the NYC Department of Finance used the total number of units from their Real Property Assessment Data (RPAD) files to classify buildings by size and location. RGB researchers found that sometimes the unit counts on RPIE forms were different than those on the RPAD file, and consequently deemed the residential counts from the RPIE form more reliable;
- Average monthly rents for each building were compared to rent intervals for each borough to improve data quality. Properties with average rents outside of the borough rent ranges were removed



from all samples. Such screening for outliers is critical since such deviations may reflect data entry errors and thus could skew the analysis; and

- Buildings in which operating costs exceeded income by more than 300% as well as buildings above the 99th percentile or below the 1st percentile were excluded from both samples.

As in prior studies, after compiling both samples, the NYC Department of Finance categorized sample data reflecting particular types of buildings throughout the five boroughs (e.g., structures with 20-99 units). □

was revised from 5.7% to 5.2%. The revised figure is used in this report.

9. Due to the unavailability of RPIE longitudinal data for 2003-04, PIOC data from 2003-04 is also excluded from this comparison.
10. TCIE (Tax Commission Income & Expense) forms are used by the NYC Department of Finance when RPIE forms are not filed by owners.

## **Endnotes**

1. RPIE rent figures include money collected for apartments, owner-occupied or related space and government subsidies. Income encompasses all revenue from rents, sales of services, such as laundry, parking, and vending, and all other operating income.
2. Pre-war buildings refer to those built before 1947; post-war buildings refer to those built after 1946.
3. According to the NYC Department of Finance, over 90% of owners filing RPIE's report income and expense data by calendar year. In earlier reports, adjusted DHCR data was calculated on a July-to-June fiscal year. Beginning with the 2008 *Income and Expense Study*, adjustment of DHCR Citywide data was calculated on the January-to-December calendar year, so figures may differ from data reported in prior years.
4. Preferential rents refer to actual rent paid, which is lower than the "legal rent," or the maximum amount the owner is entitled to charge. Owners can offer preferential rents when the current market cannot bear the legal rent. According to DHCR, 27% of all 2013 apartment registrations filed indicate a preferential rent.
5. Since the 2008 *Income and Expense Study*, adjustment of the RGB Rent Index has been calculated on a January-to-December calendar year. Also see Endnote 3.
6. RPIE longitudinal data from 2003-04 is excluded from this study because no longitudinal sample was available for 2003-04. Therefore, the growth in RPIE collected rents, 158.1%, is understated. To make a more valid comparison between the three indices, cumulative increases in both the RGB Rent Index and DHCR contract rent calculations exclude 2003-04 data as well.
7. Seven Community Districts were excluded from this analysis because they contained too few buildings for the data to be reliable. Unlike Citywide and borough level rent and expense data, average CD rents and expenses are unweighted and do not necessarily represent the population of buildings in these Community Districts. All averages were computed by the NYC Department of Finance.
8. In the *Calculating the Price Index of Operating Costs (PIOC) Using Component Weights from the RPIE data presented in the Income and Expense Study* staff memo dated April 24, 2014, the 2014 PIOC for apartments was updated to reflect current expenditure patterns based on those found in the 2014 *Income & Expense Study*. As discussed on page 4 of the memo, the apartment PIOC

# Appendices

## 1. Cross-Sectional Income and Expense Study, Estimated Average Operating & Maintenance Cost (2013) per Apartment per Month by Building Size and Location, Structures Built Before 1947

	Taxes	Labor	Fuel	Water/Sewer	Light & Power	Maint.	Admin.	Insurance	Misc.	Total
<b>Citywide</b>	<b>\$221</b>	<b>\$78</b>	<b>\$124</b>	<b>\$73</b>	<b>\$26</b>	<b>\$148</b>	<b>\$111</b>	<b>\$46</b>	<b>\$30</b>	<b>\$856</b>
11-19 units	\$264	\$73	\$128	\$74	\$29	\$160	\$121	\$50	\$39	\$938
20-99 units	\$197	\$68	\$125	\$73	\$24	\$144	\$106	\$45	\$28	\$812
100+ units	\$376	\$185	\$100	\$63	\$34	\$163	\$142	\$41	\$26	\$1,129
<b>Bronx</b>	<b>\$115</b>	<b>\$66</b>	<b>\$146</b>	<b>\$79</b>	<b>\$24</b>	<b>\$134</b>	<b>\$93</b>	<b>\$48</b>	<b>\$15</b>	<b>\$720</b>
11-19 units	\$108	\$79	\$151	\$82	\$31	\$134	\$97	\$51	\$23	\$756
20-99 units	\$115	\$64	\$146	\$79	\$24	\$134	\$93	\$48	\$15	\$718
100+ units	\$119	\$86	\$135	\$74	\$21	\$144	\$91	\$45	\$12	\$727
<b>Brooklyn</b>	<b>\$156</b>	<b>\$56</b>	<b>\$91</b>	<b>\$71</b>	<b>\$22</b>	<b>\$133</b>	<b>\$91</b>	<b>\$42</b>	<b>\$33</b>	<b>\$695</b>
11-19 units	\$172	\$59	\$106	\$71	\$23	\$149	\$94	\$45	\$28	\$747
20-99 units	\$150	\$54	\$89	\$71	\$22	\$130	\$89	\$42	\$35	\$682
100+ units	\$179	\$84	\$69	\$69	\$23	\$127	\$108	\$37	\$27	\$722
<b>Manhattan</b>	<b>\$379</b>	<b>\$113</b>	<b>\$134</b>	<b>\$71</b>	<b>\$32</b>	<b>\$177</b>	<b>\$154</b>	<b>\$48</b>	<b>\$43</b>	<b>\$1,149</b>
11-19 units	\$401	\$92	\$139	\$79	\$37	\$184	\$166	\$56	\$60	\$1,214
20-99 units	\$333	\$88	\$137	\$71	\$28	\$172	\$144	\$47	\$41	\$1,060
100+ units	\$607	\$288	\$104	\$53	\$48	\$193	\$189	\$43	\$27	\$1,552
<b>Queens</b>	<b>\$202</b>	<b>\$65</b>	<b>\$116</b>	<b>\$66</b>	<b>\$21</b>	<b>\$134</b>	<b>\$87</b>	<b>\$40</b>	<b>\$22</b>	<b>\$754</b>
11-19 units	\$180	\$46	\$131	\$62	\$20	\$132	\$68	\$42	\$18	\$699
20-99 units	\$203	\$62	\$117	\$66	\$21	\$135	\$90	\$40	\$21	\$756
100+ units	\$230	\$115	\$86	\$70	\$19	\$134	\$100	\$38	\$39	\$832
<b>Core Man</b>	<b>\$531</b>	<b>\$137</b>	<b>\$110</b>	<b>\$61</b>	<b>\$35</b>	<b>\$186</b>	<b>\$177</b>	<b>\$49</b>	<b>\$44</b>	<b>\$1,331</b>
11-19 units	\$518	\$89	\$123	\$72	\$36	\$193	\$177	\$57	\$57	\$1,321
20-99 units	\$486	\$99	\$108	\$60	\$29	\$177	\$170	\$47	\$47	\$1,223
100+ units	\$680	\$315	\$100	\$51	\$52	\$206	\$201	\$44	\$21	\$1,670
<b>Upper Man</b>	<b>\$217</b>	<b>\$86</b>	<b>\$158</b>	<b>\$80</b>	<b>\$29</b>	<b>\$166</b>	<b>\$128</b>	<b>\$47</b>	<b>\$41</b>	<b>\$952</b>
11-19 units	\$225	\$96	\$163	\$89	\$39	\$171	\$150	\$54	\$64	\$1,051
20-99 units	\$213	\$80	\$160	\$80	\$27	\$167	\$124	\$46	\$36	\$932
100+ units	\$262	\$159	\$121	\$63	\$30	\$129	\$129	\$36	\$54	\$984
<b>City w/o Core</b>	<b>\$159</b>	<b>\$66</b>	<b>\$126</b>	<b>\$75</b>	<b>\$24</b>	<b>\$140</b>	<b>\$98</b>	<b>\$45</b>	<b>\$27</b>	<b>\$760</b>
11-19 units	\$177	\$67	\$130	\$75	\$27	\$149	\$101	\$47	\$33	\$806
20-99 units	\$155	\$64	\$127	\$75	\$23	\$139	\$97	\$45	\$26	\$752
100+ units	\$185	\$103	\$100	\$70	\$22	\$134	\$104	\$40	\$29	\$786

Notes: The sum of the lines may not equal the total due to rounding. Totals in this table may not match those in Appendix Table 3 due to rounding. Data in this table is NOT adjusted for the results of the 1992 NYC Dept. of Finance audit on I&E reported operating costs. The category "Utilities" used in the I&E Study is the sum of "Water & Sewer" and "Light & Power." The number of Pre-47 rent stabilized buildings in Staten Island was too small to calculate reliable statistics. Owners are not required to report tax expenses; therefore, tax figures used in this report were calculated by the NYC Dept. of Finance.

Source: NYC Department of Finance, RPIE Filings.

## 2. Cross-Sectional Income and Expense Study, Estimated Average Operating & Maintenance Cost (2013) per Apartment per Month by Building Size and Location, Structures Built After 1946

	Taxes	Labor	Fuel	Water/Sewer	Light & Power	Maint.	Admin.	Insurance	Misc.	Total
<b>Citywide</b>	<b>\$272</b>	<b>\$144</b>	<b>\$85</b>	<b>\$64</b>	<b>\$38</b>	<b>\$141</b>	<b>\$132</b>	<b>\$39</b>	<b>\$44</b>	<b>\$959</b>
11-19 units	\$145	\$83	\$72	\$60	\$39	\$133	\$109	\$44	\$30	\$716
20-99 units	\$192	\$92	\$82	\$65	\$33	\$131	\$117	\$40	\$36	\$788
100+ units	\$359	\$199	\$88	\$63	\$42	\$150	\$148	\$37	\$52	\$1,139
<b>Bronx</b>	<b>\$110</b>	<b>\$89</b>	<b>\$109</b>	<b>\$75</b>	<b>\$40</b>	<b>\$111</b>	<b>\$114</b>	<b>\$40</b>	<b>\$20</b>	<b>\$707</b>
11-19 units	-	-	-	-	-	-	-	-	-	-
20-99 units	\$106	\$77	\$111	\$74	\$39	\$116	\$108	\$43	\$21	\$696
100+ units	\$118	\$108	\$108	\$75	\$41	\$103	\$121	\$35	\$15	\$725
<b>Brooklyn</b>	<b>\$167</b>	<b>\$103</b>	<b>\$63</b>	<b>\$65</b>	<b>\$31</b>	<b>\$133</b>	<b>\$116</b>	<b>\$41</b>	<b>\$48</b>	<b>\$766</b>
11-19 units	-	-	-	-	-	-	-	-	-	-
20-99 units	\$169	\$89	\$64	\$66	\$28	\$134	\$120	\$42	\$44	\$756
100+ units	\$175	\$140	\$63	\$60	\$36	\$126	\$102	\$37	\$50	\$790
<b>Manhattan</b>	<b>\$638</b>	<b>\$288</b>	<b>\$103</b>	<b>\$55</b>	<b>\$51</b>	<b>\$199</b>	<b>\$205</b>	<b>\$43</b>	<b>\$54</b>	<b>\$1,636</b>
11-19 units	\$554	\$104	\$91	\$67	\$52	\$260	\$204	\$56	\$20	\$1,409
20-99 units	\$401	\$133	\$94	\$52	\$38	\$165	\$164	\$39	\$50	\$1,136
100+ units	\$717	\$342	\$106	\$55	\$56	\$209	\$218	\$44	\$55	\$1,802
<b>Queens</b>	<b>\$216</b>	<b>\$115</b>	<b>\$76</b>	<b>\$62</b>	<b>\$33</b>	<b>\$124</b>	<b>\$110</b>	<b>\$33</b>	<b>\$48</b>	<b>\$818</b>
11-19 units	\$161	\$74	\$80	\$57	\$38	\$122	\$93	\$38	\$2	\$666
20-99 units	\$208	\$90	\$80	\$62	\$31	\$124	\$101	\$34	\$31	\$762
100+ units	\$230	\$138	\$72	\$63	\$34	\$125	\$118	\$32	\$67	\$879
<b>St. Island</b>	<b>\$170</b>	<b>\$126</b>	<b>\$85</b>	<b>\$56</b>	<b>\$23</b>	<b>\$126</b>	<b>\$85</b>	<b>\$34</b>	<b>\$11</b>	<b>\$718</b>
11-19 units	-	-	-	-	-	-	-	-	-	-
20-99 units	-	-	-	-	-	-	-	-	-	-
100+ units	-	-	-	-	-	-	-	-	-	-
<b>Core Man</b>	<b>\$729</b>	<b>\$310</b>	<b>\$101</b>	<b>\$53</b>	<b>\$52</b>	<b>\$205</b>	<b>\$212</b>	<b>\$44</b>	<b>\$60</b>	<b>\$1,766</b>
11-19 units	\$554	\$104	\$91	\$67	\$52	\$260	\$204	\$56	\$20	\$1,409
20-99 units	\$510	\$138	\$80	\$43	\$36	\$171	\$174	\$37	\$57	\$1,246
100+ units	\$785	\$357	\$106	\$55	\$56	\$212	\$221	\$46	\$61	\$1,900
<b>Upper Man</b>	<b>\$213</b>	<b>\$185</b>	<b>\$115</b>	<b>\$65</b>	<b>\$48</b>	<b>\$174</b>	<b>\$172</b>	<b>\$39</b>	<b>\$24</b>	<b>\$1,035</b>
11-19 units	-	-	-	-	-	-	-	-	-	-
20-99 units	\$184	\$124	\$121	\$69	\$42	\$152	\$144	\$44	\$37	\$917
100+ units	-	-	-	-	-	-	-	-	-	-
<b>City w/o Core</b>	<b>\$176</b>	<b>\$109</b>	<b>\$81</b>	<b>\$66</b>	<b>\$35</b>	<b>\$126</b>	<b>\$115</b>	<b>\$38</b>	<b>\$40</b>	<b>\$786</b>
11-19 units	\$132	\$83	\$71	\$59	\$38	\$129	\$106	\$43	\$30	\$692
20-99 units	\$166	\$88	\$83	\$67	\$32	\$127	\$112	\$40	\$34	\$750
100+ units	\$195	\$138	\$80	\$65	\$37	\$124	\$119	\$34	\$48	\$839

Notes: The sum of the lines may not equal the total due to rounding. Totals in this table may not match those in Appendix Table 3 due to rounding. Data in this table is NOT adjusted for the results of the 1992 NYC Dept. of Finance audit on I&E reported operating costs. The category "Utilities" used in the I&E Study is the sum of "Water & Sewer" and "Light & Power." The number of Post-46 rent stabilized buildings with 11-19 units in the Bronx, Brooklyn, Staten Island and Upper Manhattan; 20-99 unit buildings on Staten Island; as well as 100+ unit buildings on Staten Island and Upper Manhattan, was too small to calculate reliable statistics. Owners are not required to report tax expenses; therefore, tax figures used in this report were calculated by the NYC Dept. of Finance.

Source: NYC Department of Finance, RPIE Filings.

### 3. Cross-Sectional Income and Expense Study, Estimated Average Rent, Income and Costs (2013) per Apartment per Month by Building Size and Location

	Post-46			Pre-47			All		
	Rent	Income	Costs	Rent	Income	Costs	Rent	Income	Costs
<b>Citywide</b>	<b>\$1,351</b>	<b>\$1,517</b>	<b>\$959</b>	<b>\$1,120</b>	<b>\$1,272</b>	<b>\$856</b>	<b>\$1,182</b>	<b>\$1,337</b>	<b>\$884</b>
11-19 units	\$1,138	\$1,260	\$716	\$1,165	\$1,407	\$938	\$1,162	\$1,392	\$915
20-99 units	\$1,130	\$1,231	\$788	\$1,071	\$1,194	\$812	\$1,081	\$1,201	\$807
100+ units	\$1,573	\$1,803	\$1,139	\$1,497	\$1,759	\$1,129	\$1,549	\$1,789	\$1,135
<b>Bronx</b>	<b>\$960</b>	<b>\$1,066</b>	<b>\$707</b>	<b>\$855</b>	<b>\$957</b>	<b>\$720</b>	<b>\$874</b>	<b>\$977</b>	<b>\$718</b>
11-19 units	-	-	-	\$828	\$950	\$756	\$831	\$956	\$752
20-99 units	\$954	\$1,031	\$696	\$851	\$953	\$718	\$861	\$961	\$716
100+ units	\$974	\$1,116	\$725	\$935	\$1,021	\$727	\$954	\$1,068	\$726
<b>Brooklyn</b>	<b>\$1,076</b>	<b>\$1,184</b>	<b>\$766</b>	<b>\$1,000</b>	<b>\$1,066</b>	<b>\$695</b>	<b>\$1,020</b>	<b>\$1,097</b>	<b>\$713</b>
11-19 units	-	-	-	\$1,007	\$1,096	\$747	\$1,012	\$1,103	\$747
20-99 units	\$1,064	\$1,162	\$756	\$986	\$1,046	\$682	\$994	\$1,058	\$689
100+ units	\$1,070	\$1,201	\$790	\$1,164	\$1,249	\$722	\$1,106	\$1,219	\$764
<b>Manhattan</b>	<b>\$2,315</b>	<b>\$2,720</b>	<b>\$1,636</b>	<b>\$1,473</b>	<b>\$1,777</b>	<b>\$1,149</b>	<b>\$1,638</b>	<b>\$1,962</b>	<b>\$1,244</b>
11-19 units	\$1,693	\$2,182	\$1,409	\$1,434	\$1,891	\$1,214	\$1,436	\$1,894	\$1,216
20-99 units	\$1,699	\$1,923	\$1,136	\$1,400	\$1,635	\$1,060	\$1,424	\$1,658	\$1,066
100+ units	\$2,521	\$2,985	\$1,802	\$1,951	\$2,415	\$1,552	\$2,293	\$2,756	\$1,702
<b>Queens</b>	<b>\$1,171</b>	<b>\$1,259</b>	<b>\$818</b>	<b>\$1,075</b>	<b>\$1,129</b>	<b>\$754</b>	<b>\$1,123</b>	<b>\$1,195</b>	<b>\$787</b>
11-19 units	\$1,103	\$1,187	\$666	\$978	\$1,026	\$699	\$990	\$1,041	\$696
20-99 units	\$1,131	\$1,201	\$762	\$1,079	\$1,130	\$756	\$1,092	\$1,148	\$758
100+ units	\$1,208	\$1,310	\$879	\$1,209	\$1,288	\$832	\$1,208	\$1,305	\$868
<b>St. Island</b>	<b>\$969</b>	<b>\$1,101</b>	<b>\$718</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$964</b>	<b>\$1,069</b>	<b>\$727</b>
11-19 units	-	-	-	-	-	-	-	-	-
20-99 units	-	-	-	-	-	-	\$1,021	\$1,098	\$726
100+ units	-	-	-	-	-	-	-	-	-
<b>Core Man</b>	<b>\$2,519</b>	<b>\$2,972</b>	<b>\$1,766</b>	<b>\$1,781</b>	<b>\$2,191</b>	<b>\$1,331</b>	<b>\$1,987</b>	<b>\$2,409</b>	<b>\$1,453</b>
11-19 units	\$1,693	\$2,182	\$1,409	\$1,598	\$2,177	\$1,321	\$1,601	\$2,177	\$1,324
20-99 units	\$1,942	\$2,178	\$1,246	\$1,747	\$2,058	\$1,223	\$1,761	\$2,067	\$1,225
100+ units	\$2,671	\$3,178	\$1,900	\$2,086	\$2,608	\$1,670	\$2,425	\$2,939	\$1,804
<b>Upper Man</b>	<b>\$1,371</b>	<b>\$1,555</b>	<b>\$1,035</b>	<b>\$1,142</b>	<b>\$1,332</b>	<b>\$952</b>	<b>\$1,161</b>	<b>\$1,351</b>	<b>\$959</b>
11-19 units	-	-	-	\$1,183	\$1,456	\$1,051	\$1,182	\$1,449	\$1,045
20-99 units	\$1,214	\$1,417	\$917	\$1,126	\$1,301	\$932	\$1,130	\$1,305	\$932
100+ units	-	-	-	\$1,297	\$1,482	\$984	\$1,375	\$1,554	\$1,041
<b>City w/o Core</b>	<b>\$1,100</b>	<b>\$1,204</b>	<b>\$786</b>	<b>\$1,004</b>	<b>\$1,078</b>	<b>\$737</b>	<b>\$1,029</b>	<b>\$1,111</b>	<b>\$750</b>
11-19 units	\$1,119	\$1,229	\$692	\$965	\$1,032	\$718	\$985	\$1,058	\$714
20-99 units	\$1,063	\$1,152	\$750	\$986	\$1,059	\$723	\$1,001	\$1,076	\$728
100+ units	\$1,141	\$1,262	\$839	\$1,142	\$1,229	\$792	\$1,142	\$1,252	\$826

Notes: City, borough totals and building size categories are weighted. Cost figures in this table are NOT adjusted for the results of the 1992 NYC Dept. of Finance audit on I&E reported operating costs. The number of Post-46 rent stabilized buildings with 11-19 units in the Bronx, Brooklyn, Staten Island and Upper Manhattan; 20-99 unit buildings on Staten Island; as well as 100+ unit buildings on Staten Island and Upper Manhattan, was too small to calculate reliable statistics. In addition, the number of Pre-47 rent stabilized buildings of all sizes in Staten Island was too small to calculate reliable statistics.

Source: NYC Department of Finance, RPIE Filings.

## 4. Cross-Sectional Income and Expense Study, Estimated Median Rent, Income and Costs (2013) per Apartment per Month by Building Size and Location

	Post-46			Pre-47			All		
	Rent	Income	Costs	Rent	Income	Costs	Rent	Income	Costs
<b>Citywide</b>	<b>\$1,137</b>	<b>\$1,216</b>	<b>\$797</b>	<b>\$1,024</b>	<b>\$1,112</b>	<b>\$786</b>	<b>\$1,038</b>	<b>\$1,127</b>	<b>\$787</b>
11-19 units	\$1,073	\$1,284	\$721	\$1,087	\$1,228	\$868	\$1,085	\$1,235	\$863
20-99 units	\$1,075	\$1,142	\$742	\$1,002	\$1,080	\$763	\$1,011	\$1,089	\$761
100+ units	\$1,236	\$1,343	\$944	\$1,153	\$1,286	\$840	\$1,215	\$1,324	\$920
<b>Bronx</b>	<b>\$955</b>	<b>\$1,009</b>	<b>\$669</b>	<b>\$850</b>	<b>\$936</b>	<b>\$707</b>	<b>\$859</b>	<b>\$944</b>	<b>\$703</b>
11-19 units	-	-	-	\$813	\$904	\$728	\$813	\$907	\$721
20-99 units	\$954	\$995	\$673	\$852	\$936	\$704	\$861	\$942	\$701
100+ units	\$974	\$1,060	\$691	\$947	\$1,047	\$720	\$954	\$1,052	\$708
<b>Brooklyn</b>	<b>\$1,068</b>	<b>\$1,146</b>	<b>\$722</b>	<b>\$959</b>	<b>\$1,009</b>	<b>\$662</b>	<b>\$970</b>	<b>\$1,024</b>	<b>\$668</b>
11-19 units	-	-	-	\$954	\$1,008	\$699	\$960	\$1,014	\$701
20-99 units	\$1,056	\$1,122	\$693	\$957	\$1,005	\$648	\$966	\$1,016	\$654
100+ units	\$1,094	\$1,198	\$772	\$1,081	\$1,182	\$684	\$1,084	\$1,196	\$742
<b>Manhattan</b>	<b>\$1,949</b>	<b>\$2,240</b>	<b>\$1,331</b>	<b>\$1,375</b>	<b>\$1,599</b>	<b>\$1,029</b>	<b>\$1,410</b>	<b>\$1,633</b>	<b>\$1,046</b>
11-19 units	\$1,573	\$1,637	\$1,243	\$1,429	\$1,785	\$1,137	\$1,433	\$1,784	\$1,138
20-99 units	\$1,670	\$1,891	\$1,060	\$1,332	\$1,489	\$969	\$1,349	\$1,510	\$976
100+ units	\$2,542	\$2,983	\$1,775	\$1,879	\$2,320	\$1,506	\$2,352	\$2,744	\$1,641
<b>Queens</b>	<b>\$1,153</b>	<b>\$1,228</b>	<b>\$777</b>	<b>\$1,064</b>	<b>\$1,094</b>	<b>\$716</b>	<b>\$1,091</b>	<b>\$1,126</b>	<b>\$734</b>
11-19 units	\$1,008	\$1,105	\$624	\$981	\$1,012	\$666	\$982	\$1,013	\$664
20-99 units	\$1,128	\$1,174	\$750	\$1,085	\$1,114	\$722	\$1,097	\$1,129	\$731
100+ units	\$1,202	\$1,278	\$882	\$1,182	\$1,292	\$827	\$1,202	\$1,281	\$864
<b>St. Island</b>	<b>\$857</b>	<b>\$1,032</b>	<b>\$640</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$883</b>	<b>\$1,041</b>	<b>\$655</b>
11-19 units	-	-	-	-	-	-	-	-	-
20-99 units	-	-	-	-	-	-	\$883	\$963	\$658
100+ units	-	-	-	-	-	-	-	-	-
<b>Core Man</b>	<b>\$2,172</b>	<b>\$2,537</b>	<b>\$1,472</b>	<b>\$1,609</b>	<b>\$1,892</b>	<b>\$1,139</b>	<b>\$1,647</b>	<b>\$1,944</b>	<b>\$1,163</b>
11-19 units	\$1,583	\$1,933	\$1,274	\$1,541	\$1,941	\$1,195	\$1,544	\$1,941	\$1,198
20-99 units	\$1,884	\$1,987	\$1,124	\$1,640	\$1,837	\$1,091	\$1,660	\$1,856	\$1,094
100+ units	\$2,719	\$3,094	\$1,851	\$2,212	\$2,597	\$1,601	\$2,491	\$2,949	\$1,763
<b>Upper Man</b>	<b>\$1,225</b>	<b>\$1,295</b>	<b>\$896</b>	<b>\$1,028</b>	<b>\$1,165</b>	<b>\$857</b>	<b>\$1,033</b>	<b>\$1,169</b>	<b>\$859</b>
11-19 units	-	-	-	\$1,011	\$1,214	\$916	\$1,011	\$1,213	\$909
20-99 units	\$1,144	\$1,224	\$823	\$1,029	\$1,155	\$848	\$1,032	\$1,158	\$847
100+ units	-	-	-	\$1,193	\$1,308	\$894	\$1,250	\$1,349	\$1,013
<b>City w/o Core</b>	<b>\$1,065</b>	<b>\$1,142</b>	<b>\$735</b>	<b>\$942</b>	<b>\$1,014</b>	<b>\$716</b>	<b>\$958</b>	<b>\$1,029</b>	<b>\$718</b>
11-19 units	\$983	\$1,074	\$650	\$935	\$1,004	\$729	\$939	\$1,007	\$723
20-99 units	\$1,038	\$1,096	\$712	\$940	\$1,012	\$712	\$951	\$1,020	\$712
100+ units	\$1,143	\$1,224	\$819	\$1,068	\$1,143	\$741	\$1,117	\$1,196	\$792

Notes: Cost figures in this table are NOT adjusted for the results of the 1992 NYC Dept. of Finance audit on I&E reported operating costs. The number of Post-46 rent stabilized buildings with 11-19 units in the Bronx, Brooklyn, Staten Island and Upper Manhattan; 20-99 unit buildings on Staten Island; as well as 100+ unit buildings on Staten Island and Upper Manhattan, was too small to calculate reliable statistics. In addition, the number of Pre-47 rent stabilized buildings of all sizes in Staten Island was too small to calculate reliable statistics.

Source: NYC Department of Finance, RPIE Filings.

## 5. Cross-Sectional Income and Expense Study, Average Net Operating Income in 2013 per Apartment per Month by Building Size and Location

	Post-46	Pre-47	All		Post-46	Pre-47	All
<b>Citywide</b>	<b>\$557</b>	<b>\$416</b>	<b>\$454</b>	<b>Core Man</b>	<b>\$1,205</b>	<b>\$860</b>	<b>\$956</b>
11-19 units	\$545	\$469	\$477	11-19 units	\$773	\$856	\$853
20-99 units	\$443	\$383	\$393	20-99 units	\$932	\$835	\$842
100+ units	\$664	\$630	\$653	100+ units	\$1,278	\$938	\$1,135
<b>Bronx</b>	<b>\$359</b>	<b>\$236</b>	<b>\$259</b>	<b>Upper Man</b>	<b>\$521</b>	<b>\$380</b>	<b>\$392</b>
11-19 units	-	\$194	\$204	11-19 units	-	\$405	\$404
20-99 units	\$335	\$235	\$245	20-99 units	\$500	\$369	\$373
100+ units	\$391	\$294	\$342	100+ units	-	\$498	\$513
<b>Brooklyn</b>	<b>\$418</b>	<b>\$371</b>	<b>\$383</b>	<b>City w/o Core</b>	<b>\$418</b>	<b>\$341</b>	<b>\$361</b>
11-19 units	-	\$349	\$356	11-19 units	\$537	\$314	\$343
20-99 units	\$406	\$364	\$369	20-99 units	\$402	\$335	\$348
100+ units	\$411	\$527	\$455	100+ units	\$423	\$436	\$427
<b>Manhattan</b>	<b>\$1,084</b>	<b>\$629</b>	<b>\$718</b>				
11-19 units	\$773	\$677	\$678				
20-99 units	\$788	\$575	\$591				
100+ units	\$1,183	\$863	\$1,055				
<b>Queens</b>	<b>\$441</b>	<b>\$375</b>	<b>\$408</b>				
11-19 units	\$521	\$327	\$345				
20-99 units	\$439	\$374	\$390				
100+ units	\$431	\$456	\$437				
<b>St. Island</b>	<b>\$383</b>	<b>-</b>	<b>\$342</b>				
11-19 units	-	-	-				
20-99 units	-	-	\$372				
100+ units	-	-	-				

Notes: City, borough totals and building size categories are weighted. Cost figures in this table are NOT adjusted for the results of the 1992 NYC Dept. of Finance audit on I&E reported operating costs. The number of Post-46 rent stabilized buildings with 11-19 units in the Bronx, Brooklyn, Staten Island and Upper Manhattan; 20-99 unit buildings on Staten Island; as well as 100+ unit buildings on Staten Island and Upper Manhattan, was too small to calculate reliable statistics. In addition, the number of Pre-47 rent stabilized buildings of all sizes in Staten Island was too small to calculate reliable statistics.

Source: NYC Department of Finance, RPIE Filings.

## 6. Cross-Sectional Distribution of Operating Costs in 2013, by Building Size and Age

	Taxes	Maint.	Labor	Admin.	Utilities	Fuel	Misc.	Insurance	Total
<b>Pre-47</b>	25.8%	17.3%	9.1%	13.0%	11.5%	14.4%	3.5%	5.3%	100.0%
11-19 units	28.1%	17.1%	7.8%	12.9%	11.1%	13.7%	4.2%	5.3%	100.0%
20-99 units	24.3%	17.7%	8.4%	13.1%	12.0%	15.4%	3.5%	5.6%	100.0%
100+ units	33.3%	14.4%	16.3%	12.6%	8.6%	8.9%	2.3%	3.7%	100.0%
<b>Post-46</b>	28.4%	14.7%	15.0%	13.8%	10.6%	8.9%	4.6%	4.1%	100.0%
11-19 units	20.3%	18.6%	11.7%	15.3%	13.7%	10.1%	4.2%	6.1%	100.0%
20-99 units	24.4%	16.6%	11.6%	14.9%	12.4%	10.5%	4.6%	5.1%	100.0%
100+ units	31.5%	13.1%	17.5%	13.0%	9.2%	7.7%	4.6%	3.3%	100.0%
<b>All Bldgs.</b>	26.6%	16.5%	10.9%	13.2%	11.2%	12.8%	3.8%	5.0%	100.0%
11-19 units	27.4%	17.2%	8.1%	13.1%	11.3%	13.3%	4.2%	5.4%	100.0%
20-99 units	24.3%	17.5%	9.0%	13.4%	12.1%	14.5%	3.7%	5.5%	100.0%
100+ units	32.1%	13.5%	17.1%	12.9%	9.0%	8.1%	3.9%	3.4%	100.0%

Source: NYC Department of Finance, RPIE Filings.

## 7. Cross-Sectional Number of “Distressed” Buildings, 2013 RPIE Data

	Citywide	Bronx	Brooklyn	Manhattan	Queens	St. Island	Core Man	Upper Man
<b>Pre-47</b>								
11-19 units	369	70	72	201	24	2	114	87
20-99 units	546	172	81	249	44	0	103	146
100+ units	13	3	1	8	1	0	6	2
All	928	245	154	458	69	2	223	235
<b>Post-46</b>								
11-19 units	9	2	0	5	2	0	4	1
20-99 units	40	16	7	10	6	1	3	7
100+ units	14	3	2	7	2	0	5	2
All	63	21	9	22	10	1	12	10
<b>All Bldgs.</b>								
11-19 units	378	72	72	206	26	2	118	88
20-99 units	586	188	88	259	50	1	106	153
100+ units	27	6	3	15	3	0	11	4
All	991	266	163	480	79	3	235	245

Source: NYC Department of Finance, RPIE Filings.

## 8. Operating Cost-to-Income Ratios by Decile, 2013 RPIE Data

	# of Bldgs	10%	20%	30%	40%	50%	60%	70%	80%	90%	100%
<b>Citywide</b>	14,564	0.49	0.54	0.59	0.63	0.67	0.72	0.77	0.83	0.95	3.83
Manhattan	6,048	0.47	0.52	0.56	0.59	0.64	0.69	0.74	0.82	0.96	3.83
Bronx	3,199	0.56	0.63	0.68	0.71	0.75	0.79	0.83	0.89	0.98	2.41
Brooklyn	3,335	0.49	0.55	0.59	0.62	0.66	0.70	0.74	0.80	0.90	1.85
Queens	1,904	0.50	0.55	0.59	0.62	0.65	0.70	0.74	0.80	0.89	2.87
St. Island	78	0.47	0.52	0.58	0.59	0.63	0.71	0.78	0.82	0.87	1.15

Source: NYC Department of Finance, RPIE Filings.

## 9. Cross-Sectional Sample, 2013 RPIE Data

	Post-46		Pre-47		All	
	Bldgs.	DU's	Bldgs.	DU's	Bldgs.	DU's
<b>Citywide</b>	<b>1,784</b>	<b>187,321</b>	<b>12,779</b>	<b>472,728</b>	<b>14,564</b>	<b>660,083</b>
11-19 units	142	2,078	3,495	52,742	3,637	54,820
20-99 units	1,062	61,301	8,913	351,587	9,976	412,922
100+ units	580	123,942	371	68,399	951	192,341
<b>Bronx</b>	<b>363</b>	<b>28,804</b>	<b>2,836</b>	<b>120,183</b>	<b>3,199</b>	<b>148,987</b>
11-19 units	23	333	404	6,022	427	6,355
20-99 units	269	15,954	2,357	102,655	2,626	118,609
100+ units	71	12,517	75	11,506	146	24,023
<b>Brooklyn</b>	<b>353</b>	<b>34,403</b>	<b>2,982</b>	<b>106,685</b>	<b>3,335</b>	<b>141,088</b>
11-19 units	18	278	878	13,145	896	13,423
20-99 units	233	14,717	2,041	85,943	2,274	100,660
100+ units	102	19,408	63	7,597	165	27,005
<b>Manhattan</b>	<b>466</b>	<b>64,717</b>	<b>5,581</b>	<b>191,196</b>	<b>6,048</b>	<b>255,947</b>
11-19 units	54	807	1,828	27,623	1,882	28,430
20-99 units	208	10,749	3,584	123,955	3,793	134,738
100+ units	204	53,161	169	39,618	373	92,779
<b>Queens</b>	<b>549</b>	<b>55,306</b>	<b>1,355</b>	<b>53,411</b>	<b>1,904</b>	<b>108,717</b>
11-19 units	39	554	374	5,773	413	6,327
20-99 units	322	18,611	921	38,603	1,243	57,214
100+ units	188	36,141	60	9,035	248	45,176
<b>St. Island</b>	<b>53</b>	<b>4,091</b>	<b>25</b>	<b>1,253</b>	<b>78</b>	<b>5,344</b>
11-19 units	8	106	11	179	19	285
20-99 units	30	1,270	10	431	40	1,701
100+ units	15	2,715	4	643	19	3,358
<b>Core Man</b>	<b>375</b>	<b>55,054</b>	<b>3,529</b>	<b>118,588</b>	<b>3,904</b>	<b>173,642</b>
11-19 units	43	654	1,401	21,200	1,444	21,854
20-99 units	151	7,683	1,997	62,769	2,148	70,452
100+ units	181	46,717	131	34,619	312	81,336
<b>Upper Man</b>	<b>91</b>	<b>9,663</b>	<b>2,052</b>	<b>72,608</b>	<b>2,144</b>	<b>82,305</b>
11-19 units	11	153	427	6,423	438	6,576
20-99 units	57	3,066	1,587	61,186	1,645	64,286
100+ units	23	6,444	38	4,999	61	11,443

Source: NYC Department of Finance, RPIE Filings.

DU = Dwelling Unit



## 10. Longitudinal Income and Expense Study, Estimated Average Rent, Income and Costs Changes (2012-2013) by Building Size and Location

	Post-46			Pre-47			All		
	Rent	Income	Costs	Rent	Income	Costs	Rent	Income	Costs
<b>Citywide</b>	<b>3.9%</b>	<b>4.1%</b>	<b>5.3%</b>	<b>4.8%</b>	<b>4.6%</b>	<b>4.9%</b>	<b>4.5%</b>	<b>4.5%</b>	<b>5.0%</b>
11-19 units	10.6%	11.7%	4.7%	5.1%	5.0%	4.7%	5.6%	5.6%	4.7%
20-99 units	3.7%	4.2%	5.2%	4.6%	4.6%	5.1%	4.4%	4.5%	5.1%
100+ units	3.6%	3.5%	5.3%	5.5%	4.3%	3.7%	4.1%	3.8%	4.8%
<b>Bronx</b>	<b>3.2%</b>	<b>3.6%</b>	<b>5.4%</b>	<b>4.5%</b>	<b>4.6%</b>	<b>4.3%</b>	<b>4.2%</b>	<b>4.4%</b>	<b>4.5%</b>
11-19 units	-	-	-	6.0%	4.7%	4.4%	5.7%	4.6%	4.1%
20-99 units	2.9%	3.9%	5.6%	4.4%	4.6%	4.4%	4.2%	4.5%	4.5%
100+ units	3.6%	3.1%	5.4%	4.2%	4.5%	3.8%	3.8%	3.5%	4.8%
<b>Brooklyn</b>	<b>4.9%</b>	<b>5.5%</b>	<b>5.4%</b>	<b>4.7%</b>	<b>4.7%</b>	<b>4.8%</b>	<b>4.8%</b>	<b>4.9%</b>	<b>5.0%</b>
11-19 units	-	-	-	4.4%	4.5%	4.6%	6.3%	6.6%	5.1%
20-99 units	3.9%	4.8%	5.6%	4.7%	4.7%	5.1%	4.5%	4.7%	5.3%
100+ units	4.1%	3.8%	3.9%	5.2%	5.0%	2.1%	4.6%	4.3%	3.2%
<b>Manhattan</b>	<b>3.3%</b>	<b>3.4%</b>	<b>6.1%</b>	<b>5.1%</b>	<b>4.7%</b>	<b>5.1%</b>	<b>4.6%</b>	<b>4.3%</b>	<b>5.4%</b>
11-19 units	5.3%	8.4%	5.3%	5.5%	5.5%	4.7%	5.5%	5.5%	4.7%
20-99 units	4.3%	4.3%	6.4%	4.8%	4.6%	5.4%	4.7%	4.5%	5.5%
100+ units	3.1%	3.1%	6.0%	6.2%	4.3%	4.4%	4.1%	3.5%	5.4%
<b>Queens</b>	<b>4.2%</b>	<b>4.2%</b>	<b>3.9%</b>	<b>4.2%</b>	<b>4.3%</b>	<b>5.2%</b>	<b>4.2%</b>	<b>4.3%</b>	<b>4.5%</b>
11-19 units	-	-	-	4.4%	4.3%	4.5%	5.0%	5.1%	3.8%
20-99 units	3.8%	3.5%	3.6%	4.2%	4.4%	5.9%	4.1%	4.1%	5.1%
100+ units	4.2%	4.4%	4.3%	3.5%	3.5%	2.1%	4.1%	4.2%	3.9%
<b>Staten Island</b>	<b>3.8%</b>	<b>4.2%</b>	<b>7.9%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3.8%</b>	<b>3.8%</b>	<b>7.9%</b>
11-19 units	-	-	-	-	-	-	-	-	-
20-99 units	-	-	-	-	-	-	3.0%	3.3%	6.7%
100+ units	-	-	-	-	-	-	-	-	-
<b>Core Manhattan</b>	<b>3.1%</b>	<b>3.4%</b>	<b>5.2%</b>	<b>5.3%</b>	<b>4.7%</b>	<b>4.8%</b>	<b>4.5%</b>	<b>4.2%</b>	<b>5.0%</b>
11-19 units	5.3%	8.4%	5.3%	5.0%	4.9%	4.9%	5.0%	5.0%	4.9%
20-99 units	4.1%	4.2%	5.5%	5.0%	4.8%	4.9%	4.9%	4.8%	5.0%
100+ units	2.9%	3.2%	5.2%	6.2%	4.2%	4.6%	4.0%	3.5%	5.0%
<b>Upper Manhattan</b>	<b>4.9%</b>	<b>3.3%</b>	<b>13.6%</b>	<b>4.9%</b>	<b>4.7%</b>	<b>5.5%</b>	<b>4.9%</b>	<b>4.6%</b>	<b>6.2%</b>
11-19 units	-	-	-	6.7%	6.9%	4.4%	6.7%	6.9%	4.4%
20-99 units	4.7%	4.6%	8.8%	4.5%	4.2%	5.9%	4.6%	4.3%	6.1%
100+ units	-	-	-	5.6%	4.8%	2.1%	5.3%	3.5%	10.1%
<b>All City w/o Core</b>	<b>4.3%</b>	<b>4.4%</b>	<b>5.3%</b>	<b>4.6%</b>	<b>4.6%</b>	<b>4.9%</b>	<b>4.5%</b>	<b>4.6%</b>	<b>5.0%</b>
11-19 units	10.9%	11.9%	4.6%	5.2%	5.1%	4.5%	5.9%	6.0%	4.5%
20-99 units	3.7%	4.2%	5.2%	4.5%	4.5%	5.1%	4.3%	4.5%	5.1%
100+ units	4.2%	3.9%	5.4%	4.6%	4.4%	2.6%	4.3%	4.0%	4.7%

Notes: City, borough totals and building size categories are weighted. Cost figures in this table are NOT adjusted for the results of the 1992 NYC Dept. of Finance audit on I&E reported operating costs. The number of Post-46 rent stabilized buildings with 11-19 units in the Bronx, Brooklyn, Staten Island, Queens and Upper Manhattan, as well as 20-99 and 100+ unit buildings on Staten Island and 100+ units buildings in Upper Manhattan was too small to calculate reliable statistics. In addition, the number of Pre-47 rent stabilized buildings in all categories in Staten Island was too small to calculate reliable statistics.

Source: NYC Department of Finance, RPIE Filings.

## 11. Longitudinal Income and Expense Study, Estimated Median Rent, Income and Costs Changes (2012-2013) by Building Size and Location

	Post-46			Pre-47			All		
	Rent	Income	Costs	Rent	Income	Costs	Rent	Income	Costs
<b>Citywide</b>	<b>3.6%</b>	<b>3.8%</b>	<b>3.6%</b>	<b>4.4%</b>	<b>4.9%</b>	<b>5.3%</b>	<b>4.2%</b>	<b>4.6%</b>	<b>5.0%</b>
11-19 units	3.5%	9.1%	-1.1%	4.7%	5.2%	4.2%	4.6%	5.3%	4.2%
20-99 units	3.3%	3.9%	3.3%	4.5%	4.8%	5.7%	4.4%	4.9%	5.4%
100+ units	3.7%	3.9%	2.4%	4.4%	3.9%	1.7%	4.2%	4.3%	3.5%
<b>Bronx</b>	<b>4.8%</b>	<b>4.7%</b>	<b>6.8%</b>	<b>5.2%</b>	<b>4.8%</b>	<b>4.7%</b>	<b>5.0%</b>	<b>4.8%</b>	<b>4.8%</b>
11-19 units	-	-	-	6.5%	5.8%	5.1%	5.9%	5.0%	5.4%
20-99 units	4.3%	5.3%	8.0%	4.9%	4.8%	4.8%	4.9%	4.9%	4.8%
100+ units	5.5%	2.4%	4.6%	4.6%	5.3%	-0.3%	6.8%	3.9%	3.3%
<b>Brooklyn</b>	<b>4.8%</b>	<b>4.7%</b>	<b>6.3%</b>	<b>4.0%</b>	<b>4.7%</b>	<b>5.4%</b>	<b>4.2%</b>	<b>4.9%</b>	<b>5.7%</b>
11-19 units	-	-	-	4.1%	4.3%	6.3%	4.4%	4.6%	6.5%
20-99 units	5.5%	4.7%	7.3%	4.0%	4.7%	5.4%	4.1%	4.8%	5.8%
100+ units	3.9%	3.3%	0.8%	4.2%	5.9%	3.9%	4.1%	3.3%	2.3%
<b>Manhattan</b>	<b>3.1%</b>	<b>2.7%</b>	<b>9.6%</b>	<b>5.2%</b>	<b>4.5%</b>	<b>6.4%</b>	<b>5.0%</b>	<b>4.7%</b>	<b>5.9%</b>
11-19 units	7.5%	2.4%	7.2%	4.4%	4.5%	5.3%	4.5%	4.3%	5.2%
20-99 units	4.6%	4.6%	5.1%	5.3%	3.3%	6.2%	4.8%	3.0%	6.5%
100+ units	7.1%	3.6%	7.2%	5.2%	4.4%	6.2%	6.3%	5.2%	7.8%
<b>Queens</b>	<b>3.4%</b>	<b>3.4%</b>	<b>3.3%</b>	<b>4.6%</b>	<b>4.8%</b>	<b>6.5%</b>	<b>4.4%</b>	<b>4.0%</b>	<b>5.4%</b>
11-19 units	-	-	-	3.0%	4.5%	5.4%	3.3%	4.2%	5.8%
20-99 units	3.3%	2.2%	2.2%	4.4%	4.7%	6.3%	4.5%	4.3%	5.5%
100+ units	4.4%	4.2%	6.3%	3.0%	7.8%	7.3%	4.4%	4.7%	6.1%
<b>Staten Island</b>	<b>3.4%</b>	<b>7.4%</b>	<b>-0.5%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.1%</b>	<b>5.7%</b>	<b>1.5%</b>
11-19 units	-	-	-	-	-	-	-	-	-
20-99 units	-	-	-	-	-	-	6.6%	7.2%	-0.5%
100+ units	-	-	-	-	-	-	-	-	-
<b>Core Manhattan</b>	<b>1.7%</b>	<b>3.5%</b>	<b>3.7%</b>	<b>4.6%</b>	<b>4.8%</b>	<b>4.9%</b>	<b>5.1%</b>	<b>5.5%</b>	<b>3.9%</b>
11-19 units	6.4%	6.3%	7.9%	4.3%	5.3%	3.9%	4.4%	5.3%	4.1%
20-99 units	3.2%	4.3%	3.3%	4.4%	5.0%	6.2%	5.0%	4.9%	5.9%
100+ units	3.1%	3.9%	9.1%	10.4%	1.9%	4.0%	6.5%	4.8%	6.2%
<b>Upper Manhattan</b>	<b>6.6%</b>	<b>3.4%</b>	<b>7.1%</b>	<b>3.9%</b>	<b>6.1%</b>	<b>5.9%</b>	<b>3.9%</b>	<b>5.8%</b>	<b>5.8%</b>
11-19 units	-	-	-	2.8%	8.0%	1.7%	2.7%	7.9%	1.5%
20-99 units	4.8%	6.7%	3.7%	4.2%	5.7%	6.4%	4.0%	5.7%	6.3%
100+ units	-	-	-	5.5%	1.6%	4.0%	5.3%	3.4%	11.0%
<b>All City w/o Core</b>	<b>3.5%</b>	<b>4.2%</b>	<b>3.5%</b>	<b>4.2%</b>	<b>4.6%</b>	<b>5.3%</b>	<b>4.1%</b>	<b>4.6%</b>	<b>5.1%</b>
11-19 units	5.9%	7.3%	5.2%	4.5%	4.1%	6.0%	4.7%	4.1%	6.0%
20-99 units	4.0%	3.9%	5.2%	4.1%	4.9%	5.2%	3.9%	4.7%	5.2%
100+ units	3.6%	3.2%	5.2%	2.9%	3.9%	1.2%	3.5%	2.9%	3.6%

Notes: Cost figures in this table are NOT adjusted for the results of the 1992 NYC Dept. of Finance audit on I&E reported operating costs. The number of Post-46 rent stabilized buildings with 11-19 units in the Bronx, Brooklyn, Staten Island, Queens and Upper Manhattan, as well as 20-99 and 100+ unit buildings on Staten Island and 100+ units buildings in Upper Manhattan was too small to calculate reliable statistics. In addition, the number of Pre-47 rent stabilized buildings in all categories in Staten Island was too small to calculate reliable statistics.

Source: NYC Department of Finance, RPIE Filings.

## 12. Longitudinal Income and Expense Study, Avg. Net Operating Income Changes (2012-2013) by Bldg. Size & Location

	Post-46	Pre-47	All		Post-46	Pre-47	All
<b>Citywide</b>	<b>2.0%</b>	<b>4.1%</b>	<b>3.4%</b>	<b>Core Manhattan</b>	<b>0.8%</b>	<b>4.5%</b>	<b>3.2%</b>
11-19 units	22.5%	5.8%	7.5%	11-19 units	14.6%	5.0%	5.1%
20-99 units	2.4%	3.6%	3.4%	20-99 units	2.6%	4.7%	4.4%
100+ units	0.6%	5.3%	2.0%	100+ units	0.4%	3.5%	1.4%
<b>Bronx</b>	<b>0.0%</b>	<b>5.4%</b>	<b>4.0%</b>	<b>Upper Manhattan</b>	<b>-13.5%</b>	<b>2.8%</b>	<b>0.8%</b>
11-19 units	-	5.9%	6.2%	11-19 units	-	13.4%	13.4%
20-99 units	0.6%	5.3%	4.5%	20-99 units	-2.8%	0.3%	0.1%
100+ units	-1.0%	6.3%	1.0%	100+ units	-	10.5%	-8.4%
<b>Brooklyn</b>	<b>5.8%</b>	<b>4.4%</b>	<b>4.8%</b>	<b>All City w/o Core</b>	<b>2.9%</b>	<b>4.0%</b>	<b>3.6%</b>
11-19 units	-	4.2%	9.4%	11-19 units	22.9%	6.5%	9.3%
20-99 units	3.2%	4.0%	3.8%	20-99 units	2.4%	3.2%	3.0%
100+ units	3.6%	9.3%	6.1%	100+ units	0.9%	8.0%	2.8%
<b>Manhattan</b>	<b>-0.5%</b>	<b>4.0%</b>	<b>2.6%</b>				
11-19 units	14.6%	6.9%	7.0%				
20-99 units	1.4%	3.1%	2.9%				
100+ units	-1.0%	4.1%	0.6%				
<b>Queens</b>	<b>4.9%</b>	<b>2.6%</b>	<b>3.8%</b>				
11-19 units	-	3.9%	7.7%				
20-99 units	3.3%	1.6%	2.3%				
100+ units	4.7%	6.3%	5.0%				
<b>St. Island</b>	<b>-2.1%</b>	<b>-</b>	<b>-4.0%</b>				
11-19 units	-	-	-				
20-99 units	-	-	-4.5%				
100+ units	-	-	-				

Notes: City, borough totals and building size categories are weighted. The number of Post-46 rent stabilized buildings with 11-19 units in the Bronx, Brooklyn, Staten Island, Queens and Upper Manhattan, as well as 20-99 and 100+ unit buildings on Staten Island and 100+ units buildings in Upper Manhattan was too small to calculate reliable statistics. In addition, the number of Pre-47 rent stabilized buildings in all categories in Staten Island was too small to calculate reliable statistics.

Source: NYC Department of Finance, RPIE Filings.

### 13. Longitudinal Sample, 2012 & 2013 RPIE Data

	Post-46		Pre-47		All	
	Bldgs.	DU's	Bldgs.	DU's	Bldgs.	DU's
<b>Citywide</b>	<b>1,599</b>	<b>171,298</b>	<b>11,049</b>	<b>415,573</b>	<b>12,649</b>	<b>586,905</b>
11-19 units	113	1,672	2,969	44,866	3,082	46,538
20-99 units	953	55,510	7,738	307,106	8,692	362,650
100+ units	533	114,116	342	63,601	875	177,717
<b>Bronx</b>	<b>320</b>	<b>25,609</b>	<b>2,471</b>	<b>104,869</b>	<b>2,791</b>	<b>130,478</b>
11-19 units	17	254	350	5,195	367	5,449
20-99 units	241	14,299	2,052	89,568	2,293	103,867
100+ units	62	11,056	69	10,106	131	21,162
<b>Brooklyn</b>	<b>309</b>	<b>31,733</b>	<b>2,612</b>	<b>95,175</b>	<b>2,921</b>	<b>126,908</b>
11-19 units	10	156	728	10,945	738	11,101
20-99 units	205	13,300	1,828	77,518	2,033	90,818
100+ units	94	18,277	56	6,712	150	24,989
<b>Manhattan</b>	<b>419</b>	<b>57,192</b>	<b>4,747</b>	<b>166,291</b>	<b>5,166</b>	<b>223,483</b>
11-19 units	51	764	1,555	23,538	1,606	24,302
20-99 units	188	9,645	3,038	105,544	3,226	115,189
100+ units	180	46,783	154	37,209	334	83,992
<b>Queens</b>	<b>505</b>	<b>52,875</b>	<b>1,197</b>	<b>48,124</b>	<b>1,702</b>	<b>100,999</b>
11-19 units	29	420	327	5,044	356	5,464
20-99 units	294	17,170	810	34,045	1,104	51,215
100+ units	182	35,285	60	9,035	242	44,320
<b>St. Island</b>	<b>46</b>	<b>3,889</b>	<b>22</b>	<b>1,114</b>	<b>68</b>	<b>5,003</b>
11-19 units	6	78	9	144	15	222
20-99 units	25	1,096	10	431	35	1,527
100+ units	15	2,715	3	539	18	3,254
<b>Core Manhattan</b>	<b>341</b>	<b>48,313</b>	<b>3,090</b>	<b>106,042</b>	<b>3,431</b>	<b>154,355</b>
11-19 units	42	639	1,215	18,407	1,257	19,046
20-99 units	141	7,124	1,758	55,293	1,899	62,417
100+ units	158	40,550	117	32,342	275	72,892
<b>Upper Manhattan</b>	<b>78</b>	<b>8,879</b>	<b>1,657</b>	<b>60,249</b>	<b>1,735</b>	<b>69,128</b>
11-19 units	9	125	340	5,131	349	5,256
20-99 units	47	2,521	1,280	50,251	1,327	52,772
100+ units	22	6,233	37	4,867	59	11,100

Source: NYC Department of Finance, RPIE Filings.

DU = Dwelling Unit