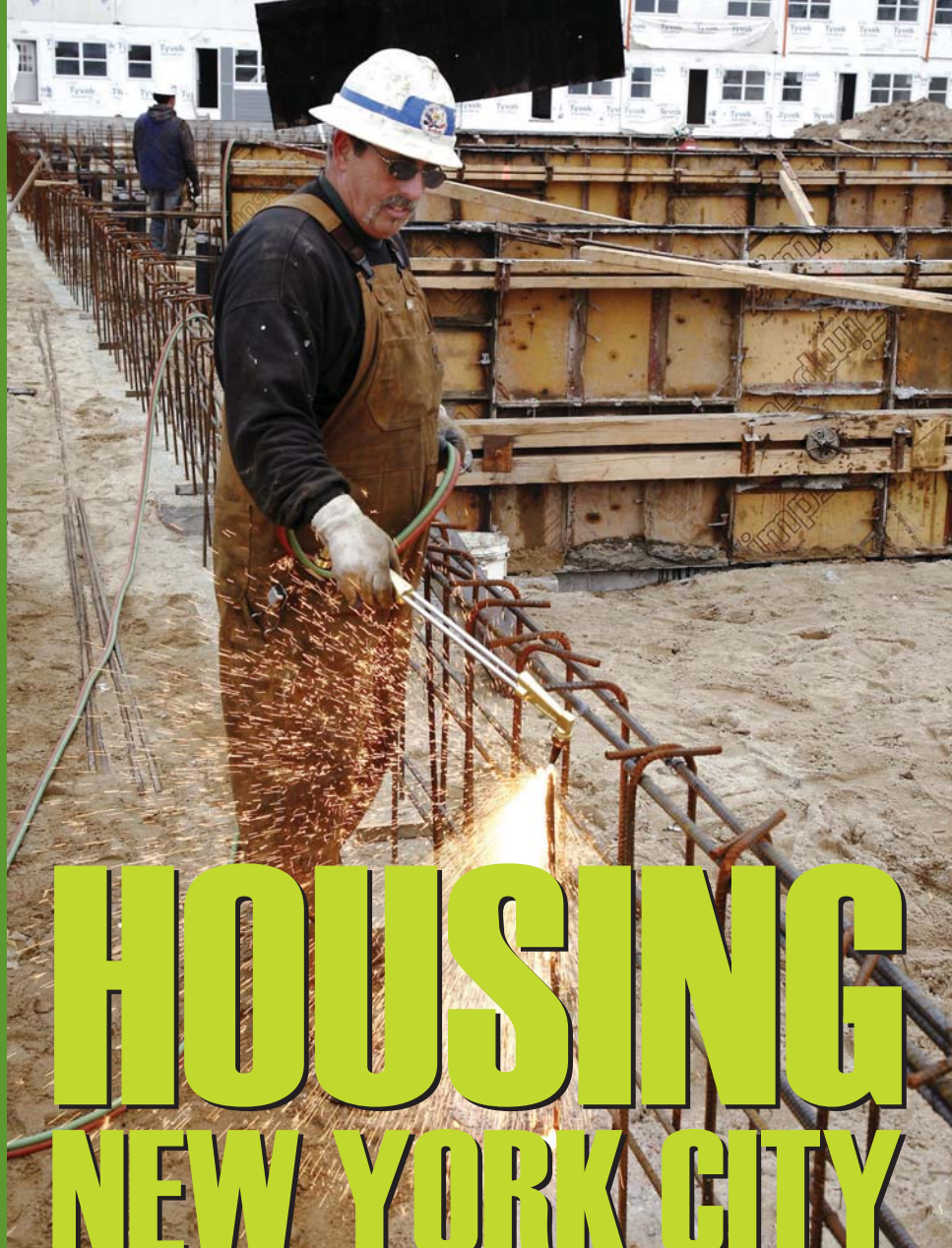


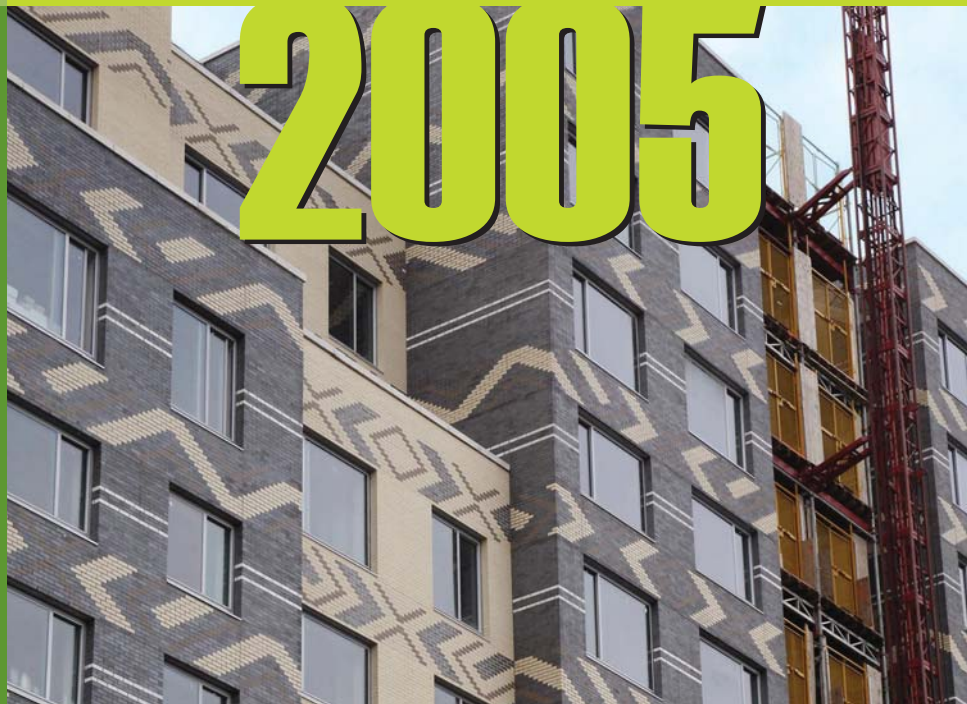


Department of  
Housing Preservation  
& Development

Michael R. Bloomberg, Mayor  
Shaun Donovan, Commissioner



# HOUSING NEW YORK CITY



# 2005

Dr. Moon Wha Lee

# **HOUSING NEW YORK CITY 2005**

---

---

by  
**Dr. Moon Wha Lee**

**The City of New York  
Department of Housing Preservation and Development  
October 2008**

**MICHAEL R. BLOOMBERG  
Mayor**

**ROBERT C. LIEBER  
Deputy Mayor for Economic Development**

**SHAUN DONOVAN  
Commissioner**

**JANE F. ORENSTEIN  
Chief of Staff/Deputy Commissioner  
for Strategic Planning,  
Policy and Communications**

Department of Housing Preservation and Development  
Cover Photos: Larry Racioppo  
Cover Design: HPD Creative Services

## ACKNOWLEDGMENTS

---

Preparing the *Housing New York City, 2005* report took longer than usual for previous reports on the New York City Housing and Vacancy Survey (HVS). On HPD's request, the Census Bureau examined extensively causes of incomparability of the 2005 HVS race and ethnicity data with such data from the 2002 HVS and the best way to use the 2005 HVS race and ethnicity data; and it provided technical documents on these issues, including recommended guidelines for users of the 2005 HVS data. Since the above unexpected extra work had to be done more than a year after the majority of the data from the 2005 HVS was released, while my staff and the Census Bureau were also working on the 2008 HVS, the Census Bureau's release of the 2005 HVS population data and the preparation of the 2005 HVS report were delayed for about a year.

Howard A. Savage (Chief of the Financial and Market Characteristics Branch), Robert Callis (Survey Statistician), and Peter Fronczek (former Chief of the Financial and Market Characteristics Branch) reviewed each of the six substantive chapters of this report and provided me with very valuable technical comments, particularly on the statistical reliability of the data presented and/or analyzed, which I faithfully incorporated in the report. Alan Friedman (Survey Statistician of the Financial and Market Characteristics Branch) and Bob Callis also worked very hard on the preparation of the technical documents that are included in the report as appendices. Without the painstaking efforts of these staff members of the Census Bureau to improve the reliability of the HVS data covered in the report, this report could not have been completed in this solid form. Cartographers of the Geography Division of the Census Bureau provided all maps included in the report.

It is impossible to successfully prepare a survey of the magnitude and depth of the HVS and the report on it without the Agency's solid and visionary commitment. HPD Commissioner Shaun Donovan provided all of the resources necessary for completing the 2005 HVS and the 2005 HVS report. Without his sustained support, guidance, and encouragement throughout the two-year period of work on the report, this report would not have been completed as a more policy-relevant, comprehensive, and user-friendly housing market analysis. With his in-depth knowledge and experience in housing accumulated at the highest levels of the federal and City governments, he has used the HVS data in the most persuasive and convincing manner in defining the most critical housing questions and in offering convincing answers to them. His effective use of the HVS data has helped me in strengthening the report by making it a more relevant and useful policy resource that can be used much more widely every day.

Jane Orenstein, Chief of Staff and Deputy Commissioner of Strategic Planning, Policy, and Communication, who is my direct supervisor, provided very valuable suggestions and advice on many important issues covered in the report. She also provided steady and solid support in completing and producing the report. The close and clear supervision and guidance she gave me during the final phase of preparation greatly helped me in producing this report in the most productive manner.

The preparation of the report in a publishable form takes a tremendous amount of technical effort and a high level of skill. Lenward Snead, Director of Creative Services, and César José Quiñones of his staff greatly helped me and my staff in making all parts of the report ready to send to the printing company for graphic work and printing.



Larry Racioppo, HPD's renowned photographer, who took the photographs for the covers of most of the previous HVS reports, was again responsible for the excellent photographs appearing on the cover of this report.

Two very able staff members of the Agency helped me gather data from HPD and other Agencies: Deanna Feder of the Division of Strategic Planning provided me with the Agency's data on production by various programs in a prompt and accurate manner; and Ted Gallagher of the Division of Federal Legislative Affairs, helped me gather data on federal programs from the Agency's other offices and from the New York City Housing Authority. Marya Kuklick and Valerie Neng prepared a presentation document, "Selected Points of the 2002 Housing and Vacancy Survey," which visualized many findings of the 2002 HVS report, while they worked for HPD. With Marya's permission, I updated some of their graphs and included them in this report.

Each of my four staff members of HPD's Division of Housing Policy Analysis and Statistical Research made extensive contributions to this report. Richard Place, computer programmer, accurately generated from various HVS files all of the data I used in the report. Dr. Stephen Werner, economist and computer programmer, prepared the customized figures I designed for the report in a precise manner. He helped me in gathering and properly presenting economic and other data from sources other than the HVS. Steve also reviewed the accuracy of the content of the appendices that cover technical statements on the sample design, estimation procedures, accuracy, and topcoding, as well as the list of census tracts included in each of the sub-borough areas. With me, Dr. Sheree West, my Special Assistant, checked the accuracy of the data in the text and tables of the report. She also checked the accuracy of the graphs and maps. With help from Sharon Nesbitt, my Administrative Assistant, Sheree also integrated in a very thorough manner all components of the report, including the text, tables, graphs, maps, and all the appendices, in a form that was ready to be sent to the printing company. Sharon typed all of the tables, which are very analytical and customized, in a thorough, accurate, and very productive manner. Sharon also incorporated final revisions in the text and tables. Steve helped Sharon and Sheree in checking the accuracy of the sub-borough tables. Sharon and Sheree, who have worked with me on the seven previous HVS reports, helped me greatly in preparing this report.

Other staff members of HPD also helped me prepare this report as a useful policy analysis resource. Rubin Wolf, Director of Neighborhood Resources, helped me constantly whenever I had questions about the reasonableness of some of the HVS data.

Any limitations or errors that may still exist in this report, except for documents produced by the Census Bureau, must remain entirely my own, despite the efforts of all of the above.

Moon Wha Lee, Ph.D.  
Assistant Commissioner of Housing Policy Analysis  
and Statistical Research  
September 2008

## TABLE OF CONTENTS

Acknowledgments.....	i
Table of Contents.....	iii
List of Tables.....	xi
List of Figures.....	xxxvii
List of Maps.....	xliv
<b><i>Housing New York City, 2005: Executive Summary</i></b> .....	<b>1</b>
Introduction.....	1
Residential Population and Households.....	1
Household Incomes.....	15
The Housing Supply.....	27
Housing Vacancies and Vacancy Rates.....	37
Variations in Rent Expenditure.....	45
Housing and Neighborhood Conditions.....	55
<b>Chapter 1: Overview of the 2005 Housing and Vacancy Survey (HVS) and the <i>Housing New York City, 2005 Report</i></b> .....	<b>63</b>
Statutory Basis of the Survey.....	63
Content, Design and Sample Size of the 2005 HVS.....	63
Uses of the HVS Data.....	64
Relationship of the 2005 HVS Data to Previous HVS Data.....	65
Presentation and Interpretation of the HVS Data in the 2005 Report.....	66
Content and Organization of the Report.....	67
<b>Chapter 2: Residential Population and Households</b> .....	<b>69</b>
Introduction.....	69
Household Population.....	70
Population Growth.....	70
Spatial Variation of the Population.....	72
Racial and Ethnic Variation of the Population.....	72
Residential Location Pattern of Each Racial and Ethnic Group.....	77
Spatial Variation of Each Racial and Ethnic Group within the Boroughs.....	85
Age Distribution of the Population.....	87
Gender Distribution of the Population.....	90
Educational Attainment of the Population.....	90
Households.....	97
Spatial Variation of Households.....	97
Racial and Ethnic Variation of Households.....	97
Variation of Households by Tenure.....	97
Spatial Variation of Households by Tenure.....	97
Ownership Rates by Race and Ethnicity.....	99
Variation of Households by Rent-Regulation Status.....	101
Racial and Ethnic Variation of Households by Rent-Regulation Status.....	104

Households by Type of Ownership.....	108
Racial and Ethnic Variation of Households by Type of Ownership.....	110
Household Size (Number of Persons per Household).....	111
Variation of Household Size by Borough.....	113
Variation of Average Household Size by Borough.....	113
Variation of Average Household Size by Race and Ethnicity.....	114
Variation of Average Household Size by Rent-Regulation Status and Type of Ownership.....	114
Household Composition: Household Types.....	117
Racial and Ethnic Variation of Household Types.....	120
Variation of Household Types within Each Racial and Ethnic Group.....	121
Rent-Regulatory Distribution by Household Type.....	123
Household Types by Rent-Regulation Status.....	125
Forms of Ownership by Household Type.....	126
Foreign-Born Households (Determined by Birthplace of Householder).....	128
Spatial Variation of Foreign-Born Households.....	130
Foreign-Born Householders by Rent-Regulation Status.....	134
Homeownership Rates of Foreign-Born Households.....	135
Foreign-Born Households by Form of Ownership.....	135
Immigrant Households.....	136
Spatial Variation of Immigrant Households.....	136
Racial and Ethnic Variation of Immigrant Households.....	138
Immigrant Renter Households by Rent-Regulation Status in Each Borough.....	140
Homeownership of Immigrant Households.....	143
Immigrant Households' Homeownership Rates by Race and Ethnicity.....	143
Distribution of Immigrant Owner Households by Type of Owner Unit in Each Borough.....	143
Educational Attainment of Immigrant Households.....	143
Incomes of Immigrant Households.....	145
Household Size of Immigrant Households.....	145
Housing and Neighborhood Conditions for Immigrant Renter Households.....	148
Crowding Situations and Doubled-Up Households with Sub-Families and Secondary Individuals of Immigrant Renter Households.....	148
Recently Moved Households.....	149
Race and Ethnicity of Recent-Movers.....	149
Reasons for Moving of Recent-Movers.....	150
Spatial Variation of Recent Movers.....	151
Homeownership of Recent Movers.....	153
Variation of Educational Attainment of Recent Movers.....	153
Economic Variation of Recent Movers.....	153
Recent-Movers by Household Type.....	153
Doubled-Up Households (Sub-Family and Secondary Individual Households).....	154
Number and Characteristics of Doubled-Up Households.....	155
Number and Characteristics of Sub-Families and Secondary Individuals.....	157
Number and Characteristics of Poor Sub-Families and Secondary Individuals in Crowded Renter Households.....	159
Previously Homeless Households.....	163

**Chapter 3: Household Incomes..... 167**

- Introduction..... 167
- Household Incomes..... 168
  - Changes in Household Incomes..... 168
  - Changes in Household Incomes by Tenure..... 169
  - Changes in Household Income by Quintile..... 171
  - Causes of Household Income Differences..... 173
  - Distribution of Household Income in New York City..... 173
  - Distribution of Household Incomes by HUD Income Classification..... 177
- Median Household Income by Borough..... 181
  - Changes in Median Household Income by Borough..... 181
  - Distribution of Household Incomes by Borough..... 183
- Housing Needs of Low-Income Areas in New York City..... 190
- Household Incomes by Rent-Regulation Status..... 194
  - Causes of Differentiated Income Changes between 2001 and 2004..... 196
  - Longitudinal Analysis of Differentiated Income Changes..... 196
  - Analysis of Incomes by Move-In Date..... 198
  - Distribution of Household Incomes by Rent-Regulation Status..... 201
- Household Income by Type of Ownership..... 203
  - Distribution of Household Income by Type of Ownership..... 204
- Racial and Ethnic Variation of Household Incomes..... 205
  - Distribution of Household Incomes by Race and Ethnicity..... 207
- Causes of Household Income Differentiation..... 211
  - Household Income by Household Size..... 211
  - Household Income by Number of Employed Persons..... 213
  - Individual Incomes by Race and Ethnicity, Educational Attainment, and Employment..... 216
- Income Variations by Household Types..... 218
  - Income Variation of Renter Household Types..... 220
  - Income Variation of Owner Household Types..... 221
- Sources of Household Incomes..... 221
  - Primary Sources of Household Income..... 222
  - Sources of Household Income by Household Type..... 226
- Poor Households (Households Living below the Poverty Level)..... 231
  - Households Living Below the Poverty Level..... 231
  - Poverty Rates by Racial and Ethnic Groups..... 231
  - Poverty Rates by Household Types..... 232
  - Poverty Rates by Borough and Sub-Borough Areas..... 233
  - Poverty Rates by Tenure..... 236
  - Poverty Rates by Number of Workers in the Household..... 236
  - Characteristics of Households Living below the Poverty Level..... 238
- Cash-Public-Assistance-Recipient Households..... 244
  - Households Receiving Public Assistance..... 244
  - Major Characteristics of Households Receiving PA..... 245
- Labor Force Participation in New York City..... 246
  - Labor Force Participation Rate..... 247
  - Labor Force Participation by Race and Ethnicity..... 250
  - Reasons for Not Being in the Labor Force..... 250
  - Labor Force Participation and Educational Attainment..... 252



Unemployment Rates in New York City.....	253
Changes in Unemployment Rates.....	253
Unemployment Rates by Race and Ethnicity.....	255
Unemployment Rates and Educational Attainment.....	256
Unemployment Rates by Occupational Categories.....	258
Unemployment Rates by Industrial Categories.....	261
Employment by Major Occupational Categories.....	261
Earnings by Occupational Categories.....	261
Employment by Race and Ethnicity by Occupational Categories.....	262
Employment by Occupational Distribution by Race and Ethnicity.....	262
Employment by Occupational Categories by Tenure.....	264
Employment by Occupational Categories by Borough.....	264
Employment by Occupational Distribution by Educational Attainment.....	265
Employment by Major Industrial Groups.....	267
Employment by Industrial Groups by Race and Ethnicity.....	268
Industrial Distribution and Educational Attainment.....	268
<b>Chapter 4: The Housing Supply.....</b>	<b>271</b>
Introduction.....	271
Size of the Housing Inventory.....	271
Components of Inventory Change.....	274
Additions to the Housing Inventory.....	274
Newly Constructed Units (Provided by the 2005 HVS).....	274
Newly Constructed Units (Provided by New York City’s Department of City Planning).....	276
Units Lost between 2000 and 2002 and Returned to the Housing Inventory Between 2002 and 2005 (Census 2000-Based Sample).....	277
Mechanisms through Which Units Returned.....	277
Tenure and Occupancy Status of Returned Losses.....	280
Location of Returned Losses.....	281
Units Lost through 1999 and Returned to the Housing Inventory Between 1999 and 2005 (Census 1990-Based Sample).....	281
Losses from the Stock.....	283
Sources of Losses.....	283
Location of Losses.....	285
Previous Occupancy Status of Losses.....	286
Composition of the Housing Inventory.....	287
Spatial Variation of the Housing Inventory by Tenure and Occupancy.....	287
The Housing Inventory by Structure Class.....	290
Housing Inventory Composition by Building Size.....	293
Housing Inventory Composition by Size of Units.....	296
Composition of the Rental Housing Inventory.....	301
Population and Units by Rent-Regulation Status.....	301
Rental Units by Rent-Regulation Status by Location.....	305
Rental and Owner Housing Units in Cooperatives and Condominiums.....	311
Size of Rental Units.....	314
Rental Units by Building Size.....	317
Structure Class of Rental Units.....	321

The Owner Housing Inventory.....	324
Growth of the Ownership Rate.....	324
Composition of Legal Forms of the Owner Unit Inventory.....	329
Owner Units by Location.....	329
Size of Owner Units.....	334
Owner Units by Estimated Current Value.....	338
Housing Units Accessible to Physically Disabled Persons.....	339
Accessible Housing by Location and Structure Class.....	340

<b>Chapter 5: Housing Vacancies and Vacancy Rates.....</b>	<b>345</b>
Introduction.....	345
Statutory Role of the Rental Vacancy Rate in Rent Control and Stabilization in New York City.....	346
Definition of Occupancy of Rental Units and Estimating the Rental Vacancy Rate...	347
Concepts and Definitions of Vacant Rental Units, Occupied Rental Units, and the Equation for Estimating the Rental Vacancy Rate.....	347
Reliability of the Rental Vacancy Rate.....	348
Rental Vacancies and Vacancy Rates.....	349
Rental Vacancies and Vacancy Rates by Boroughs and Sub-Borough Areas...	349
Rental Vacancies and Vacancy Rates by Rent-Regulation Categories.....	353
Vacancies and Vacancy Rates by Rent Levels.....	354
Vacancies and Vacancy Rates for Rent-Stabilized Units and Rent-Unregulated Units by Rent Levels.....	357
Vacancies and Vacancy Rates by Rent Quintiles.....	358
Vacancies and Vacancy Rates by Cumulative Rent Intervals.....	359
Number of Vacant Rental Units Renting at or below Public Shelter Allowances.....	361
Number of Privately Owned Vacant Rental Units Affordable to Median-Income Renter Households.....	363
Number of Vacant Rental Units at Fair-Market Rents.....	364
Median Asking Rents for Vacant Available Units by Borough.....	367
Median Asking Rents for Vacant Available Units by Rent-Regulation Categories...	368
Vacancy Rates and Building and Unit Characteristics.....	370
Rental Vacancy Rates by Building Size.....	370
Rental Vacancy Rates by Structure Class.....	370
Rental Vacancy Rates by Unit Size.....	371
Turnover of Rental Units.....	373
Length of Vacancies.....	373
Turnover.....	374
Vacancies in the Owner Housing Market.....	378
Vacancies and Vacancy Rates by Types of Owner Units.....	379
Vacancy Duration by Types of Owner Units.....	380
Vacant Units Unavailable for Rent or Sale.....	382
Unavailable Vacant Units by Borough.....	384
Unavailable Vacant Units by Structure Class.....	386
Condition of Unavailable Vacant Units.....	386
Unavailable Vacant Units by Rent-Regulatory Status.....	387

<b>Chapter 6:</b>	<b>Variations in Rent Expenditure.....</b>	<b>389</b>
	Introduction.....	389
	The HVS Data on Rent Expenditures.....	390
	Definitions of Contract Rent, Gross Rent and Asking Rent.....	390
	Usefulness and Limitations of the HVS Rent Subsidy Data.....	390
	Patterns of and Variations in Rent Expenditures.....	395
	Median Contract Rent of Subsidized Units and Unsubsidized Units.....	396
	Median Contract Rents for Subsidized Units and Unsubsidized Units by Contract Rent Quintile.....	398
	Contract Rent Quintiles by Rent Regulatory Status.....	399
	Contract Rent Distribution by Subsidized Units and Unsubsidized Units.....	399
	Contract Rent Distribution by Move-In Period.....	402
	Median Contract Rents and Median Household Incomes by Borough.....	404
	Contract Rent Distribution and Changes by Borough.....	405
	Housing Needs of Very-Low-Rent Areas.....	409
	Median Contract Rent by Rent-Regulation Categories.....	412
	Median Contract Rent of Recent-Movers.....	416
	Changes in Median Contract Rents and Median Household Incomes.....	417
	Median Contract Rent by Borough and by Regulatory Status.....	418
	Contract Rent Distribution by Regulatory Status.....	418
	Differences in Median Contract Rent by Unit Size.....	421
	Median Contract Rents for Unregulated Rental Units.....	426
	Contract Rent Distribution and Changes for Unregulated Units.....	427
	Rents of Units in Cooperative and Condominium Buildings.....	428
	Rent and Housing and Neighborhood Conditions.....	429
	Affordability (Rent/Income Ratio) of Rental Housing.....	432
	Median Gross Rent/Income Ratio by HUD Area Median Income Level.....	433
	Median Gross Rent/Income Ratio by Household Income Level.....	434
	Median Gross Rent/Income Ratio by Subsidized Households and Unsubsidized Households.....	438
	Affordability for Different Rent-Regulation Categories.....	440
	Rent/Income Ratio Level and Receipt of Subsidy.....	441
	Affordability for Different Racial and Ethnic Groups.....	442
	Affordability of Rental Housing by Household Type.....	443
	Affordability by Location.....	448
<b>Chapter 7:</b>	<b>Housing and Neighborhood Conditions.....</b>	<b>451</b>
	Introduction.....	451
	Structural Condition of Housing.....	452
	Occupied Units in Dilapidated Buildings.....	453
	Buildings with Structural Defects.....	457
	Renter-Occupied Units in Buildings with Structural Defects.....	458
	Renter-Occupied Units in Buildings with Structural Defects by Structure Class.....	462
	Renter-Occupied Units in Buildings with Structural Defects by Rent-Regulation Status.....	462

Renter-Occupied Units in Buildings with Structural Defects by Building Size....	464
Renter-Occupied Units in Buildings with Structural Defects by Rent Level...	466
Renter-Occupied Units in Buildings with Structural Defects by Dilapidation Status.....	466
Structural Condition of Owner-Occupied Units.....	467
Maintenance Condition of Occupied Housing Units.....	468
Maintenance Deficiencies in Occupied Units.....	468
Housing Needs of Areas with a High Concentration of Poorly Maintained Units...	470
Maintenance Conditions by Structure Class.....	475
Maintenance Conditions by Rent Regulation Categories.....	476
Maintenance Conditions by Building Size.....	477
Maintenance Conditions by Rent Level.....	477
Maintenance Deficiencies in Owner-Occupied Units.....	479
Physically Poor Renter-Occupied Units.....	480
Estimates of Physically Poor Occupied Units.....	480
Characteristics of Physically Poor Renter-Occupied Units.....	485
Characteristics of Households in Physically Poor Renter Units.....	490
Characteristics of All Households in Physically Poor Units.....	494
Neighborhood Physical Condition.....	498
Neighborhood Conditions of Occupied Units.....	502
Neighborhood Condition of Renter-Occupied Units by Rent Level.....	506
Residents' Ratings of Neighborhood Physical Condition.....	506
Residents' Rating of Neighborhood Physical Condition by Rent Level.....	511
Relationship between the Presence of Boarded-Up Buildings and Residents' Rating of Their Neighborhood's Physical Condition.....	512
Housing and Neighborhood Conditions of Immigrant Households.....	513
Neighborhood Conditions of Owner-Occupied Housing.....	515
Contributions of City-Sponsored Rehabilitation and New Construction Programs to Physical Housing and Neighborhood Conditions.....	516
Crowded Households.....	517
Sources of High Crowding Rates.....	522
Crowding by Rent-Regulation Status.....	524
Crowding by Race and Ethnicity.....	525
Crowding by Household Type.....	526
Crowding in Owner Households.....	528

**Appendix A:**

2005 HVS Data for Sub-Borough Areas.....	529
Borough Maps with Sub-Borough Boundaries.....	531
Tables of Data by Sub-Borough Area.....	536
Census Tracts Included in Each Sub-Borough Area.....	565

**Appendix B:**

2005 New York City Housing and Vacancy Survey Glossary.....	577
Poverty Thresholds for 2004 by Size of Family and Number of Related Children Under 18 Years.....	600

<b>Appendix C:</b>	Definitions of Rent Regulation Status.....	601
<b>Appendix D:</b>	2005 New York City Housing and Vacancy Survey: Sample Design, Estimation Procedure, Accuracy Statement and Topcoding.....	607
<b>Appendix E:</b>	Comparison of Population Estimates in the 2002 and 2005 New York City Housing and Vacancy Surveys.....	633
<b>Appendix F:</b>	New York City Housing and Vacancy Survey Questionnaire 2005.....	643



## LIST OF TABLES

---

### **Chapter 2: Residential Population and Households**

Table 2.1	Number of Individuals by Borough and by Tenure New York City 2002 and 2005 .....	71
Table 2.2	Percent Distribution of Individuals by Borough New York City, Selected Years 1991-2005.....	73
Table 2.3	Number of Individuals by Borough and Race/Ethnicity New York City 2005 .....	74
Table 2.4	Distribution of Individuals by Race/Ethnicity New York City, Selected Years 1991-2005.....	76
Table 2.5	Distribution of Individuals by Borough and by Race/Ethnicity New York City 2005 .....	81
Table 2.6	Distribution of Individuals by Race/Ethnicity within Borough New York City 2005 .....	86
Table 2.7	Mean Age of Individuals by Race/Ethnicity New York City, Selected Years 1991-2005.....	88
Table 2.8	Distribution of Individuals by Age Group and Mean Age within Race/Ethnicity Categories New York City 2005 .....	89
Table 2.9	Mean Age of Individuals by Borough New York City, Selected Years 1991-2005.....	89
Table 2.10	Distribution of Individuals by Gender and by Age Group New York City 2005 .....	90
Table 2.11	Distribution of Educational Attainment among Individuals Aged 18 or Over in All Households by Race/Ethnicity New York City, Selected Years 1996-2005.....	91
Table 2.12	Distribution of Educational Attainment among Individuals Aged 18 or Over in Owner Households by Race/Ethnicity New York City 2005 .....	92
Table 2.13	Distribution of Educational Attainment among Individuals Aged 18 or Over in Renter Households by Race/Ethnicity New York City 2005 .....	93

Table 2.14	Distribution of Educational Attainment among Individuals Aged 18 or Over by Borough New York City 2005 .....	95
Table 2.15	Number and Distribution of Households by Borough and Tenure New York City 2005 .....	98
Table 2.16	Distribution of All Households by Race/Ethnicity of Householder New York City 2002 and 2005 .....	99
Table 2.17	Percent of Households by Tenure New York City, Selected Years 1991-2005.....	99
Table 2.18	Distribution of Households by Tenure within Race/Ethnic Group of Householder New York City 2005 .....	100
Table 2.19	Distribution of Households by Race/Ethnicity of Householder within Tenure Group New York City 2005 .....	100
Table 2.20	Number and Distribution of Renter Households by Regulatory Status New York City 2005 .....	102
Table 2.21	Distribution of Renter Households by Regulatory Status within Boroughs New York City 2005 .....	103
Table 2.22	Distribution of Renter Households by Rent Regulation Status within Race/Ethnicity of Householder New York City 2005 .....	105
Table 2.23	Distribution of Renter Households by Race/Ethnicity of Householder within Rent Regulation Categories New York City 2005 .....	106
Table 2.24	Characteristics of Householders in Rent Controlled Units New York City 2005 .....	107
Table 2.25	Number and Distribution of Owner Households by Form of Ownership New York City 2005 .....	108
Table 2.26	Distribution of Owner Households by Form of Ownership by Borough New York City 2005 .....	109
Table 2.27	Distribution of Owner Households by Type of Ownership within Race/Ethnicity New York City 2005 .....	110
Table 2.28	Distribution of the Number of Persons per Household and Mean Household Size by Tenure New York City, Selected Years 1993-2005.....	111

Table 2.29	Distribution of the Number of Persons in Household by Tenure by Borough New York City 2005 .....	112
Table 2.30	Mean Household Size by Tenure by Borough New York City 2005 .....	113
Table 2.31	Number and Distribution of Individuals and Households and Mean Household Size by Race/Ethnicity of the Householder New York City 2005 .....	115
Table 2.32	Number of Renter Households, Individuals and Mean Household Size by Regulatory Status New York City 2005 .....	116
Table 2.33	Number of Owner Households, Individuals and Mean Household Size by Form of Ownership <sup>117</sup> New York City 2005 .....	117
Table 2.34	Distribution of Households by Household Type by Tenure New York City, Selected Years 1993-2005.....	119
Table 2.35	Distribution of All Households by Race/Ethnicity by Household Type New York City 2005 .....	120
Table 2.36	Distribution of All Households by Household Type by Race/Ethnicity New York City 2005 .....	122
Table 2.37	Distribution of Renter Households by Household Type by Regulatory Status New York City 2005 .....	123
Table 2.38	Distribution of Renter Households by Regulatory Status within Household Type New York City 2005 .....	125
Table 2.39	Number and Percent Distribution of Households by Tenure (Homeownership Rate) by Household Type New York City 2005 .....	126
Table 2.40	Distribution of Owner Households by Household Type by Form of Ownership New York City 2005 .....	127
Table 2.41	Distribution of Households by Birth Region of Householder by Tenure New York City, Selected Years 1993-2005.....	129
Table 2.42	Distribution of Households by Birth Region of Householder by Tenure New York City 2005 .....	130

Table 2.43	Distribution of Households by Borough by Birth Region of Householder New York City 2005 .....	131
Table 2.44	Distribution of Households by Birth Region of Householder by Borough New York City 2005 .....	132
Table 2.45	Distribution of Renter Households by Rent Regulation Status by Birth Region of Householder New York City 2005 .....	133
Table 2.46	Distribution of Renter Households by Birth Region of Householder by Rent Regulation Status New York City 2005 .....	134
Table 2.47	Distribution of Owner Households by Form of Ownership by Birth Region New York City 2005 .....	135
Table 2.48	Number and Rate of Households Responding to Questions Regarding Birthplace of Householder and Immigration by Tenure New York City 2005 .....	137
Table 2.49	Distribution of Immigrant Households within New York City by Borough and within Borough by Tenure New York City 2005 .....	138
Table 2.50	Percent Distribution of Immigrant Households by Race/Ethnicity of Householder by Tenure New York City 2005 .....	141
Table 2.51	Percent Distribution of All Renter Households and Immigrant Renter Households by Rent Regulation Status within New York City and within Boroughs New York City 2005 .....	142
Table 2.52	Percent Distribution of Immigrant Households by Tenure by Race/Ethnicity New York City 2005 .....	144
Table 2.53	Percent Distribution of Immigrant Owner Households by Type of Ownership within New York City and within Borough New York City 2005 .....	144
Table 2.54	Distribution of All Householders and Immigrant Householders by Educational Attainment by Time Since Moved into Current Unit New York City 2005 .....	145
Table 2.55	Household and Housing Characteristics of All Immigrant and Non-Immigrant Households New York City 2005 .....	146

Table 2.56	Household and Housing Characteristics of Immigrant and Non-Immigrant Renter Households New York City 2005 .....	147
Table 2.57	Percent Distribution of All Households, All Immigrant Households, All Renter Households and Immigrant Renter Households by Number of Persons in the Household and Mean Household Size New York City 2005 .....	148
Table 2.58	Distribution by Race/Ethnicity of All Householders and of Householders who Moved in within Previous 5 Years by Origin of Move and Householders Who Moved in Over 5 Years Ago New York City 2005 .....	150
Table 2.59	Reasons for Moving of Households Who Moved into Residence within the Last 5 Years by Origin of Move New York City 2005 .....	151
Table 2.60	Characteristics of All Households and of Households Who Moved into Residence within the Last 5 Years by Origin of Move New York City 2005 .....	152
Table 2.61	Distribution by Educational Attainment of Householders Who Moved into Residence within the Previous 5 Years by Origin of Move and of Householders Who Moved into Residence Over 5 Years Ago New York City 2005 .....	154
Table 2.62	Selected Characteristics of Doubled-up Households Containing Sub-Families or Secondary Individuals by Tenure of the Householder New York City 2005 .....	156
Table 2.63	Selected Characteristics of Sub-Families and Secondary Individuals by Tenure of Householder New York City 2005 .....	158
Table 2.64	Selected Characteristics of Sub-Families with Incomes Less than \$20,000 in Crowded Renter Households New York City 2005 .....	160
Table 2.65	Selected Characteristics of Secondary Individuals with Incomes Less than \$20,000 in Crowded Renter Households New York City 2005 .....	161
Table 2.66	Selected Characteristics of Sub-Families with Incomes Less than \$20,000 in Crowded Renter Households with Very High Rent Burden New York City 2005 .....	162



Table 2.67	Selected Characteristics of Individuals who Came from Homeless Situation who were Homeless Because Could Not Afford Own Housing New York City 2005 .....	164
Table 2.68	Selected Characteristics of Households Containing Individuals Who Came from Homeless Situation who were Homeless Because Could Not Afford Housing New York City 2005 .....	165
Table 2.69	Housing and Neighborhood Characteristics of Households Containing Individuals who Came from Homeless Situation and of All Households New York City 2005 .....	166

### **Chapter 3: Household Incomes**

Table 3.1	Median Household Income in Constant and Current Dollars by Tenure New York City 2001 and 2004 .....	168
Table 3.2	Median Household Income in Constant and Current Dollars by Tenure New York City, Selected Years 1995-2004.....	170
Table 3.3	Median Household Income by Household Income Quintile in 2004 Dollars New York City 2001 and 2004 .....	170
Table 3.4	Households Distributed into Income Quintiles by Number of Workers in the Household New York City 2004 .....	174
Table 3.5	Households Distributed into Income Quintiles by Number of Workers in the Household New York City 2001 .....	175
Table 3.6	Distribution of Household Income in 2004 Dollars by Tenure New York City 2001 and 2004 .....	176
Table 3.7	Distribution of Household Income by HUD Consolidated Plan Income Categories by Tenure New York City 2004 .....	180
Table 3.8	Median Household Incomes in 2004 Dollars of Renters and Owners by Borough New York City 2001 and 2004 .....	182
Table 3.9	Distribution of Household Income by Borough New York City 2004 .....	188
Table 3.10	Distribution of Household Income in 2004 Dollars by Borough New York City 2001 .....	189

Table 3.11	Characteristics of Areas with Household Income Less Than or Equal to 50% of HUD Median Family Income for the Area New York City 2005 .....	191
Table 3.12	Median Renter Household Income in 2004 Dollars by Regulatory Status New York City 2001 and 2004 .....	195
Table 3.13	Median Incomes by Rent Regulatory Status and Unit Turnover Longitudinal Units New York City 2004 .....	196
Table 3.14	Vacancy Rate and Unit Turnover by Rent Regulatory Status, Longitudinal Units New York City 2005 .....	197
Table 3.15	Real Median Incomes by Unit Turnover and Rent Regulatory Status and Percent Difference, Longitudinal Units New York City 2001 and 2004 .....	198
Table 3.16	Median Incomes by Rent Regulatory Status and Move-In Date New York City 2004 .....	199
Table 3.17	Vacancy Rate and Proportion of Recent Movers by Rent Regulatory Status New York City 2005 .....	200
Table 3.18	Real Median Incomes of Long Term Occupants and Recent Movers By Rent Regulatory Status and Percent Difference New York City 2001 and 2004 .....	201
Table 3.19	Distribution of Renter Household Income within Regulatory Status New York City 2004 .....	202
Table 3.20	Distribution of Owner Household Income and Median Household Income By Type of Ownership New York City 2004 .....	203
Table 3.21	Distribution of Owner Household Income and Median Household Income in 2004 Dollars by Type of Ownership New York City 2001 .....	204
Table 3.22	Median Household Income in 2004 Dollars and Percent Change by Race/Ethnicity New York City 1995, 1998, 2001 and 2004 .....	206
Table 3.23	Distribution of Household Income by Race/Ethnicity New York City 2004 .....	207
Table 3.24	Distribution of Household Income in 2004 Dollars by Race/Ethnicity New York City 2001 .....	209

Table 3.25	Median Household Income in 2004 Dollars by Race/Ethnicity and Tenure New York City 2001 and 2004 .....	210
Table 3.26	Median Income of All Households by Household Size and by Race/Ethnicity New York City 2004 .....	212
Table 3.27	Median Renter Household Income by Household Size and by Race/Ethnicity New York City 2004 .....	212
Table 3.28	Median Owner Household Income by Household Size and by Race/Ethnicity New York City 2004 .....	213
Table 3.29	Mean Number of Employed Persons in Household and Median Household Income by Number of Employed Persons in Household, by Race/Ethnicity New York City 2004 .....	214
Table 3.30	Mean Number of Employed Persons in Renter Household and Median Renter Household Income by Number of Employed Persons in Household, by Race/Ethnicity New York City 2004 .....	215
Table 3.31	Mean Number of Employed Persons in Owner Household and Median Owner Household Income by Number of Employed Persons in Household, by Race/Ethnicity New York City 2004 .....	215
Table 3.32	Median Individual Income of Persons Aged 18 Years or Over Who Worked 50 or More Weeks Last Year, 35 or More Hours per Week by Race/Ethnicity and by Educational Attainment New York City 2004 .....	216
Table 3.33	Median Individual Income of Persons Aged 18 Years or Over Who Worked 50 or More Weeks Last Year, 35 or More Hours per Week in Renter Households by Race/Ethnicity and by Educational Attainment New York City 2004 .....	217
Table 3.34	Median Individual Income of Persons Aged 18 Years or Over Who Worked 50 or More Weeks last Year, 35 or More Hours per Week in Owner Households by Race/Ethnicity and by Educational Attainment New York City 2004 .....	218
Table 3.35	Median Household Income in 2004 Dollars by Household Type and Tenure New York City 2001 and 2004 .....	219
Table 3.36	Median Household Income in 2004 Dollars by Primary Source of Income New York City 2001 and 2004 .....	223
Table 3.37	Distribution of All Households by Primary Source of Income by Race/Ethnicity New York City 2004 .....	223

Table 3.38	Distribution of All Households by Primary Source of Income by Race/Ethnicity New York City 2001 .....	225
Table 3.39	Distribution of Aggregate of All Household Income by Source of Income by Race/Ethnicity New York City 2004 .....	225
Table 3.40	Distribution of Aggregate of All Household Income by Source of Income by Race/Ethnicity New York City 2001 .....	226
Table 3.41	Distribution of Households by Primary Source of Income within Household Type New York City 2004 .....	227
Table 3.42	Distribution of Aggregate of All Household Income by Source of Income within Household Type New York City 2004 .....	229
Table 3.43	Distribution of Households by Primary Source of Income within Household Type New York City 2001 .....	229
Table 3.44	Distribution of Aggregate of All Household Income by Source of Income within Household Type New York City 2001 .....	230
Table 3.45	Number and Percent of Poor Households and Poverty Rate by Race/Ethnicity New York City 2001 and 2004 .....	232
Table 3.46	Number and Percent of Poor Households and Poverty Rate by Household Type New York City 2001 and 2004 .....	233
Table 3.47	Number of Poor Households and Poverty Rate by Borough and Tenure New York City 2001 and 2004 .....	234
Table 3.48	Number and Distribution of Households by Number of Workers in the Household by Poverty Status New York City 2004 .....	237
Table 3.49	Selected Characteristics of Poor and Non-Poor Households New York City 2005 .....	239
Table 3.50	Poor and Non-Poor Female-Headed Households by Composition of Household New York City 2004 .....	240
Table 3.51	Selected Characteristics and Race/Ethnicity of Poor and Non-Poor Single Female Householders New York City 2005 .....	241

Table 3.52	Number and Distribution of Adult Persons in Poor Households where No Household Member Worked in 2004 but Some Household Income by Labor Force Status by Age Group New York City 2005 .....	242
Table 3.53	Reason for Not Looking for Work Given by Adults in Poor Households with No Workers and Some Household Income by Age Group New York City 2005 .....	243
Table 3.54	Percentage of Poor Households Receiving Cash Public Assistance by Race/Ethnicity New York City 1993, 2002 and 2005 .....	244
Table 3.55	Number and Percent of All Households in Receipt of Public Assistance by Race/Ethnicity New York City 2002 and 2005 .....	245
Table 3.56	Selected Characteristics of Households Receiving/Not Receiving Public Assistance New York City 2005 .....	246
Table 3.57	Labor Force Participation and Unemployment Rates of Individuals Aged 16 and Over by Borough New York City 1999, 2002 and 2005 .....	247
Table 3.58	Labor Force Participation Rates of Individuals Aged 16 and Over by Age Group and Gender New York City 2005 .....	249
Table 3.59	Labor Force Participation Rates of Individuals Aged 16 Years and Over by Age Group and by Race/Ethnicity New York City 2005 .....	249
Table 3.60	Reasons Given by Individuals Aged 16 and Over for Not Looking For Work by Race/Ethnicity New York City 2005 .....	251
Table 3.61	Labor Force Participation Rates of Individuals Aged 25-54 by Race/Ethnicity and by Educational Attainment New York City 2005 .....	252
Table 3.62	Unemployment Rates of Individuals 16 Years and Over by Tenure and by Borough New York City 2002 and 2005 .....	253
Table 3.63	Unemployment Rates of Individuals 16 Years and Over by Gender New York City 2002 and 2005 .....	255
Table 3.64	Unemployment Rates of Individuals Aged 16 Years and Over by Age Group and by Race/Ethnicity New York City 2002 and 2005 .....	256



Table 3.65	Unemployment Rates of Individuals Aged 25-54 by Race/Ethnicity and by Level of Educational Attainment New York City 2005 .....	257
Table 3.66	Unemployment Rates of Individuals Aged 16 Years and Over by Occupational Classification New York City 2002 and 2005 .....	258
Table 3.67	Unemployment Rates of Individuals Aged 16 and Over by Major Industry Group New York City 2005 .....	259
Table 3.68	Distribution of Individuals Aged 16 and Over in the Labor Force by Race Ethnicity with Average Weekly Earnings by Occupational Classification New York City 2005 .....	260
Table 3.69	Distribution of Individuals Aged 16 and Over in the Labor Force by Occupational Classification by Race/Ethnicity New York City 2005 .....	263
Table 3.70	Number and Distribution of Individuals Aged 16 and Over in the Labor Force by Occupational Classification by Tenure New York City 2005 .....	264
Table 3.71	Distribution of Individuals Aged 16 and Over in the Labor Force by Occupational Classification by Borough New York City 2005 .....	265
Table 3.72	Distribution of Individuals Aged 16 and Over in the Labor Force by Level of Educational Attainment by Occupational Classification New York City 2005 .....	266
Table 3.73	Number and Distribution of Employed Individuals Aged 16 and Over by Major Industry Group New York City 2005 .....	267
Table 3.74	Distribution of Individuals Aged 16 and Over in the Labor Force by Major Industry Group by Race/Ethnicity New York City 2005 .....	269
Table 3.75	Distribution of Individuals Aged 16 and Over in the Labor Force by Level of Educational Attainment by Major Industry Group New York City 2005 .....	270

## Chapter 4: The Housing Supply

Table 4.1	Size and Composition of the Housing Inventory by Tenure, Occupancy Status, and Availability New York City, Selected Years 1991-2005.....	272
Table 4.2	Components of Inventory Change New York City, Selected Periods 1984-2005 .....	275
Table 4.3	New Housing Construction by Borough New York City 1981-2005.....	278
Table 4.4	2002 Status of Units Returned to the Inventory in 2005 New York City 2002-2005.....	279
Table 4.5	New and Returned Losses by Occupancy Status New York City 2002-2005.....	279
Table 4.6	New Losses and Returned Losses by Borough New York City 2002-2005.....	280
Table 4.7	1999 Inventory Losses by Occupancy Status in 2005 New York City 1999-2005.....	281
Table 4.8	1999 Status of Units Returned from 1999 Inventory Losses to the Inventory in 2005 New York City 1999-2005.....	282
Table 4.9	Units Returned from 1999 Inventory Losses by Borough New York City 1999-2005.....	283
Table 4.10	Gross Losses from the Inventory for Selected Periods New York City 1981-2005.....	284
Table 4.11	Losses from the Inventory by Type of Loss New York City 1984-2005.....	284
Table 4.12	Losses from the Inventory by Borough New York City 1970-2005.....	286
Table 4.13	Inventory Losses by Occupancy Status at the Beginning of the Period New York City 1984-2005.....	287
Table 4.14	Size and Composition of the Housing Inventory by Tenure, Occupancy Status, and Availability by Borough New York City 2005 .....	289

Table 4.15	Number and Distribution of All Occupied and Vacant Available Units by Structure Classification and by Borough New York City 2005 .....	292
Table 4.16	Distribution of Occupied and Vacant Available Units by Building Size within Borough New York City 2005 .....	295
Table 4.17	Distribution of Occupied and Vacant Available Units by Borough within Building Size New York City 2005 .....	295
Table 4.18	Distribution of Occupied and Vacant Available Units by Number of Bedrooms within Borough New York City 2005 .....	297
Table 4.19	Distribution of Occupied and Vacant Available Units by Borough within Number of Bedrooms New York City 2005 .....	297
Table 4.20	Numerical Composition of the Housing Inventory in Each Borough by Rent Regulatory Status or Form of Ownership and Occupancy Status New York City 2005 .....	299
Table 4.21	Percent Composition of the Housing Inventory in Each Borough by Rent Regulatory Status or Form of Ownership and Occupancy Status New York City 2005 .....	300
Table 4.22	Distribution of Occupied and Vacant Available Rental Units by Regulatory Status New York City 2002 and 2005 .....	302
Table 4.23	Distribution of Population by Rent Regulation Status or Form of Ownership New York City 2005 .....	303
Table 4.24	Distribution of Occupied and Vacant Available Rental Units by Borough within Rent Regulatory Status New York City 2005 .....	307
Table 4.25	Distribution of Occupied and Vacant Available Rental Units by Rent Regulatory Status within Borough New York City 2005 .....	309
Table 4.26	Distribution of Occupied and Vacant Available Units in Coop/Condominium Buildings by Tenure/Regulatory Status New York City 1996-2005 .....	311

Table 4.27	Distribution of Occupied and Vacant Available Units in Coop/Condominium Buildings by Borough and Tenure/Regulatory Status New York City 2005 .....	313
Table 4.28	Distribution of Occupied and Vacant Available Rental Units by Number of Bedrooms within Borough New York City 2005 .....	314
Table 4.29	Distribution of Occupied and Vacant Available Rental Units by Borough within Number of Bedrooms New York City 2005 .....	315
Table 4.30	Distribution of Occupied and Vacant Available Rental Units by Number of Bedrooms within Regulatory Status New York City 2005 .....	316
Table 4.31	Distribution of Occupied and Vacant Available Rental Units by Regulatory Status within Number of Bedrooms New York City 2005 .....	316
Table 4.32	Distribution of Occupied and Vacant Available Rental Units by Building Size within Regulatory Status New York City 2005 .....	318
Table 4.33	Distribution of Occupied and Vacant Available Rental Units by Regulatory Status within Building Size New York City 2005 .....	319
Table 4.34	Distribution of Occupied and Vacant Available Rental Units by Borough within Building Size New York City 2005 .....	320
Table 4.35	Distribution of Occupied and Vacant Available Rental Units by Building Size within Borough New York City 2005 .....	320
Table 4.36	Number and Distribution of Occupied and Vacant Available Rental Units by Structure Classification and by Borough New York City 2005 .....	322
Table 4.37	Distribution of Occupied and Vacant Available Rental Units by Regulatory Status within Structure Class New York City 2005 .....	323
Table 4.38	Homeownership Rate by Borough New York City, Selected Years 1991-2005.....	326

Table 4.39	Homeownership Rate by Race/Ethnicity of Householder New York City, Selected Years 1991-2005.....	327
Table 4.40	Distribution of Occupied and Vacant Available Owner Units by Legal Form of Ownership New York City, Selected Years 1991-2005.....	329
Table 4.41	Number and Distribution of Occupied and Vacant Available Owner Units by Legal Form of Ownership and Borough New York City 2005 .....	330
Table 4.42	Number and Distribution of Occupied and Vacant Available Owner Units by Legal Form of Ownership by Borough New York City 2002 .....	334
Table 4.43	Distribution of Occupied and Vacant Available Owner Units by Number of Bedrooms within Form of Ownership New York City 2005 .....	335
Table 4.44	Distribution of Occupied and Vacant Available Owner Units by Type of Ownership within Number of Bedrooms New York City 2005 .....	336
Table 4.45	Distribution of Occupied and Vacant Available Owner Units by Borough within Number of Bedrooms New York City 2005 .....	337
Table 4.46	Distribution of Occupied and Vacant Available Owner Units by Number of Bedrooms within Borough New York City 2005 .....	337
Table 4.47	Distribution of Estimated Current Value of Owner Occupied Units New York City 2002 and 2005 .....	339
Table 4.48	Number and Percent of All Units in Multiple Family Dwellings with Wheelchair Accessibility by Accessibility Criteria and Number and Percent Meeting All Criteria by Borough - Units in Buildings with Elevators New York City 2005 .....	341
Table 4.49	Number and Percent of All Units in Multiple Family Dwellings with Wheelchair Accessibility by Accessibility Criteria and Number and Percent Meeting All Criteria by Borough - Units in Buildings without Elevators New York City 2005 .....	342
Table 4.50	Number and Percent of All Units in Multiple Family Dwellings with Wheelchair Accessibility by Accessibility Criteria and Number and Percent Meeting All Criteria by Structure Class - Units in Buildings with Elevators New York City 2005 .....	343



Table 4.51	Number and Percent of All Units in Multiple Family Dwellings with Wheelchair Accessibility by Accessibility Criteria and Number and Percent Meeting All Criteria by Structure Class - Units in Buildings without Elevators New York City 2005 .....	344
------------	--	-----

**Chapter 5: Housing Vacancies and Vacancy Rates**

Table 5.1	Number of Occupied and Vacant Available Rental Units and Net Rental Vacancy Rates New York City, Selected Years 1960 - 2005 .....	350
Table 5.2	Number and Percent of Vacant Available Rental Units and Rental Vacancy Rates by Borough New York City 2002 and 2005 .....	352
Table 5.3	Number/Percent of All Vacant Available Units and Net Rental Vacancy Rates by Regulatory Status New York City 2002 and 2005 .....	353
Table 5.4	Number of Occupied and Vacant Available Rental Units and Vacancy Rates by Monthly Rent Level in 2005 Dollars New York City 2002 and 2005 .....	355
Table 5.5	Net Rental Vacancies and Rental Vacancy Rates in Stabilized and Unregulated Housing by Monthly Asking Rent Level New York City 2005 .....	360
Table 5.6	Median Rent in 2005 Dollars and Rental Vacancy Rate by Rent Quintile New York City 2002 and 2005 .....	360
Table 5.7	Number of Vacant Available Rental Units and Rental Vacancy Rate by Cumulative Monthly Asking Rent Intervals in 2005 Dollars New York City 2002 and 2005 .....	361
Table 5.8	Estimate of Physically Decent Rental Units within the Basic Public Assistance Shelter Allowance New York City 2002 and 2005 .....	363
Table 5.9	Privately Owned Vacant Available for Rent Units, Total Units and Rental Vacancy Rates at Affordable Rent Levels New York City 2002 and 2005 .....	364
Table 5.10	Estimate of the Number, Percent and Rental Vacancy Rate of Physically Decent Rental Units with Rent At or Below the “Fair Market Rent” New York City 2005 .....	365

Table 5.11	Estimate of the Number, Percent and Rental Vacancy Rate of Physically Decent Rental Units with Rent At or Below the “Fair Market Rent” New York City 2002 .....	365
Table 5.12	Size Distribution of Physically Decent Units Renting At or Below Fair Market Rent Level by Occupancy Status New York City 2005 .....	366
Table 5.13	Vacancy Rates, Number of Vacant Available Rental Units, Median Asking Rents and Percent Change in Median Asking Rents by Borough New York City 2002 and 2005 .....	367
Table 5.14	Median Asking Rents, Number and Percent of Vacant Available Rental Units by Selected Regulatory Status in 2005 Dollars New York City 2002 and 2005 .....	368
Table 5.15	Number and Percent of Vacant Available Units and Rental Vacancy Rates by Building Size New York City 2002 and 2005 .....	369
Table 5.16	Number and Percent of Vacant Available Rental Units and Rental Vacancy Rates by Structure Class New York City 2002 and 2005 .....	371
Table 5.17	Number of Vacant Available Rental Units and Vacancy Rates by Regulatory Status and Median Asking Rent by Number of Bedrooms New York City 2005 .....	372
Table 5.18	Percent Distribution of the Length of Vacancies in Rental Units by Borough and within Borough New York City 2005 .....	374
Table 5.19	Number and Distribution of Vacant Available Rental Units by Regulatory Status by Length of Time Vacant New York City 2005 .....	375
Table 5.20	Number and Distribution of Vacant Available Rental Units by Regulatory Status by Length of Time Vacant New York City 2002 .....	276
Table 5.21	Percent of Units that were Renter Occupied in both 2002 and 2005 and Turned Over at Least Once Between 2002 and 2005 by 2002 Regulatory Status New York City 2005 .....	377
Table 5.22	Percent of Units that were Renter Occupied in both 2002 and 2005 and Turned Over at Least Once Between 2002 and 2005 by 2002 Rent Level in 2005 Dollars New York City 2005 .....	378

Table 5.23	Number of Owner Occupied Units, Vacant for Sale Units, Distribution of Vacant Units and Owner Vacancy Rates by Borough New York City 2002 and 2005 .....	379
Table 5.24	Owner Occupied and Vacant for Sale Units and Owner Vacancy Rates by Form of Ownership New York City 2002 and 2005 .....	380
Table 5.25	Percent Distribution of the Length of Time that Vacant for Sale Owner Units Have Been Vacant by Form of Ownership New York City 2002 and 2005 .....	381
Table 5.26	Vacant Units Unavailable for Rent or Sale by Reason for Unavailability New York City 1996, 1999, 2002 and 2005 .....	382
Table 5.27	Distribution of Units that Were Vacant Unavailable in 2002 by Reason for Unavailability and by 2005 Availability New York City 2002 and 2005 .....	384
Table 5.28	Vacant Unavailable Units by Borough New York City 2002 and 2005 .....	385
Table 5.29	Distribution of Reasons Vacant Units are Unavailable for Rent or Sale by Borough New York City 2005 .....	385
Table 5.30	Vacant Unavailable Units by Structure Class New York City 2002 and 2005 .....	386
Table 5.31	Vacant Unavailable Units by Building and Neighborhood Conditions New York City 2005 .....	387
Table 5.32	Number and Percent Distribution of 2005 Vacant Unavailable Units by Tenure and Regulatory Status/Form of Ownership in 2002 New York City 2005 .....	388

## **Chapter 6: Variations in Rent Expenditure**

Table 6.1	Median Contract Rent and Distribution of Renter Households Receiving and Not Receiving Rent Subsidies by Selected Regulatory Status Categories New York City 2005 .....	392
Table 6.2	Median Contract Rent and Distribution of Renter Households Receiving Rent Subsidies by Type of Subsidy New York City 2005 .....	393

Table 6.3	Median Contract Rent and Median Out-of-Pocket Rent Paid by Renter Households Receiving Rent Subsidies by Type of Rent Subsidy New York City 2005 .....	394
Table 6.4	Median Contract Rent and Median Gross Rent in Constant (2005) and Current Dollars and Percent Change New York City 1999, 2002 and 2005 .....	395
Table 6.5	Median Contract Rent and Distribution of All Renter Households, Rent Subsidized Households and Unsubsidized Households New York City 2005 .....	397
Table 6.6	Median Gross Rent and Distribution of All Renter Households Rent Subsidized Households and Unsubsidized Households New York City 2005 .....	397
Table 6.7	Median Contract Rent by Contract Rent Quintile for All, Subsidized and Unsubsidized Households New York City 2005 .....	398
Table 6.8	Contract Rent Quintiles by Rent Regulatory Status New York City 2005 .....	399
Table 6.9	Contract Rent Distribution (in 2005 Dollars) for All Renter Households, Subsidized Households and Unsubsidized Households New York City 2002 and 2005 .....	401
Table 6.10	Contract Rent Distribution and Median Contract Rent for All Renter Households and Households by Date of Move In New York City 2005 .....	404
Table 6.11	Median Contract Rent and Median Renter Household Income by Borough New York City 2002 and 2005 .....	405
Table 6.12	Distribution of Renter Occupied Units by Contract Rent in 2005 Dollars by Borough New York City 2002 and 2005 .....	407
Table 6.13	Characteristics of Areas with High Percentage of Renter-Occupied Units with Monthly Contract Rents Less than \$500 New York City 2005 .....	411
Table 6.14	Median Contract Rent in 2005 Dollars of All Renter Households, Subsidized Households Unsubsidized Households and Out-of-Pocket Rent of Subsidized Households by Regulatory Status New York City 2002 and 2005 .....	413
Table 6.15	Percentage of Occupants Who Moved in Between 2002 and 2005 by Rent Level New York City 2005 .....	415

Table 6.16	Percentage of Occupants Who Moved in Between 2002 and 2005 and Median Contract Rents by Regulatory Status and Move-In Date New York City 2005 .....	415
Table 6.17	Median Contract Rent, Median Household Income and Percent Change in Each by Regulatory Status New York City 2002 and 2005 .....	417
Table 6.18	Median Contract Rents (in 2005 Dollars) by Borough and by Regulatory Status New York City 2002 and 2005 .....	420
Table 6.19	Distribution of Renter Occupied Units by Contract Rent by Regulatory Status New York City 2005 .....	422
Table 6.20	Median Contract Rent by Number of Bedrooms and by Borough New York City 2005 .....	423
Table 6.21	Median Contract Rent and Number of Units in Manhattan by Rent Regulatory Status and Year Built, by Number of Bedrooms New York City 2005 .....	424
Table 6.22	Median Contract Rents by Regulatory Status and by Number of Bedrooms New York City 2005 .....	426
Table 6.23	Median Contract Rent of Unregulated Units by Borough and by Type of Building New York City 2002 and 2005 .....	427
Table 6.24	Distribution of Unregulated Renter Occupied Units by Contract Rent Interval (in 2005 Dollars) by Type of Building New York City 2002 and 2005 .....	428
Table 6.25	Number of Renter Occupied Units in Cooperative and Condominium Buildings by Regulatory Status of Unit New York City 2002 and 2005 .....	429
Table 6.26	Real Median Contract Rent of Renter Occupied Units in Cooperative or Condominium Buildings by Borough and by Regulatory Status New York City 2002 and 2005 .....	430
Table 6.27	Median Contract Rents of Renter Occupied Units in Cooperative or Condominium Buildings by Number of Bedrooms and Regulatory Status New York City 2005 .....	430
Table 6.28	Median Contract Rent by Housing and Neighborhood Conditions New York City 2005 .....	431
Table 6.29	Median Gross Rent/Income Ratio New York City, Selected Years 1960-2005.....	433

Table 6.30	Median Contract Rent and Median Gross Rent/Income Ratio by Area Median Income Level New York City 2005 .....	434
Table 6.31	Median Renter Income, Median Gross Rent and Median Gross Rent/Income Ratio by Household Income Level New York City 2002 and 2005 .....	435
Table 6.32	Number and Percent of Renter Households, Median Income, Gross Rent and Gross Rent/Income Ratio by Household Income Level New York City 2005 .....	436
Table 6.33	Number and Percent of Stabilized and Unregulated Renter Households, Median Income, Gross Rent and Gross Rent/Income Ratio by Household Income Level New York City 2005 .....	437
Table 6.34	Median Gross Rent/Income Ratio, Number and Percent of All Renter Households, Subsidized Households and Unsubsidized Households New York City 2005 .....	439
Table 6.35	Median Gross Rent/Income Ratios of All Renter Households, Subsidized Households and Unsubsidized Households and Out-of-Packet Rent/Income Ratios of Subsidized Households by Regulatory Status New York City 2005 .....	441
Table 6.36	Distribution of Gross Rent/Income Ratio of All Renter Households, Subsidized Households and Unsubsidized Households New York City 2005 .....	442
Table 6.37	Median Gross Rent (in 2005 Dollars) and Median Gross Rent/Income Ratio of All Renter Households, Subsidized Households and Unsubsidized Households by Race/Ethnicity New York City 2002 and 2005 .....	444
Table 6.38	Median Gross Rent, Median Household Income and Median Gross Rent/Income Ratio of All Renter Households, Subsidized Households and Unsubsidized Households by Household Type New York City 2005 .....	447
Table 6.39	Distribution of Renter Households by Gross Rent/Income Ratio Category and Median Gross Rent/Income Ratio by Borough New York City 2005 .....	448



## Chapter 7: Housing and Neighborhood Conditions

Table 7.1	Incidence of Dilapidation in Renter Occupied and All Occupied Units New York City, Selected Years 1970-2005.....	454
Table 7.2	Incidence of Renter Occupied and All Occupied Units in Dilapidated Buildings by Borough New York City 2002 and 2005 .....	456
Table 7.3	Number, Incidence and Percent Distribution of Renter Occupied Units in Dilapidated Buildings by Building Structure Classification New York City 2005 .....	457
Table 7.4	Incidence of Observable Building Defects in Renter Occupied and All Occupied Housing by Type of Defect New York City 2002 and 2005 .....	458
Table 7.5	Incidence of One or More Observable Building Defects in Renter Occupied Housing by Borough New York City, Selected Years 1991-2005.....	459
Table 7.6	Incidence of One or More Observable Building Defects in All Occupied Housing by Borough New York City 2002 and 2005 .....	459
Table 7.7	Incidence of One or More Observable Building Defects in Renter Occupied Housing by Building Structure Classification New York City 2002 and 2005 .....	462
Table 7.8	Incidence of One or More Observable Building Defects in Renter Occupied Housing by Regulatory Status New York City 2002 and 2005 .....	463
Table 7.9	Incidence of One or More Observable Building Defects in Renter Occupied Units by Building Size Category New York City 2005 .....	464
Table 7.10	Distribution of Renter Occupied and All Occupied Units by Year Built within Building Size Categories New York City 2005 .....	465
Table 7.11	Incidence of Number of Building Defect Types by Contract Rent Level for All Renter Occupied Units New York City 2005 .....	466
Table 7.12	Distribution of Renter Occupied Units by Number of Building Defect Types by Dilapidation Status New York City 2005 .....	467

Table 7.13	Incidence of Dilapidation and Observable Building Defects in Owner Occupied Housing Units New York City 2002 and 2005 .....	467
Table 7.14	Incidence of Maintenance and Equipment Deficiencies in Renter Occupied Units by Type of Deficiency New York City, Selected Years 1991-2005.....	468
Table 7.15	Incidence of No Maintenance Deficiencies and of Five or More Deficiencies in Renter Occupied Units by Borough New York City 1996, 1999, 2002 and 2005 .....	469
Table 7.16	Incidence of No Maintenance Deficiencies and of Five or More Deficiencies in All Occupied Units by Borough New York City 2002 and 2005 .....	470
Table 7.17	Characteristics of Areas with High Percentage of Renter-Occupied Units with Four or More Maintenance Deficiencies New York City 2005 .....	474
Table 7.18	Incidence of Five or More Maintenance and Equipment Deficiencies in Renter Occupied Housing by Building Structure Classification New York City 1996, 1999, 2002 and 2005 .....	475
Table 7.19	Incidence of Maintenance and Equipment Deficiencies (None and Five or More) in Renter Occupied Units by Regulatory Status New York City 2002 and 2005 .....	476
Table 7.20	Incidence of Five or More Maintenance and Equipment Deficiencies in All Renter Occupied Units by Building Size New York City 2005 .....	477
Table 7.21	Incidence of Maintenance and Equipment Deficiencies by Contract Rent Level for Renter Occupied Units New York City 2005 .....	478
Table 7.22	Distribution of Renter Occupied Units by Building Condition by Number of Maintenance and Equipment Deficiencies New York City 2005 .....	478
Table 7.23	Distribution of Maintenance and Equipment Deficiencies in Owner Occupied Units by Form of Ownership New York City 2005 .....	479

Table 7.24	Incidence of All Occupied Units that are Physically Poor by Borough New York City 2002 and 2005 .....	481
Table 7.25	All Occupied Units that are Physically Poor by Borough by Type of Physically Poor Condition New York City 2005 .....	481
Table 7.26	Incidence of Physically Poor Renter Occupied Units by Borough New York City, Selected Years 1991-2005.....	484
Table 7.27	Physically Poor Renter Occupied Units by Borough by Type of Physically Poor Condition New York City 2005 .....	484
Table 7.28	Number, Incidence and Distribution of Physically Poor Renter Occupied Units by Structure Class by Type of Physically Poor Condition New York City 2005 .....	486
Table 7.29	Number, Incidence and Distribution of Physically Poor Renter Occupied Units by Building Size New York City 2005 .....	487
Table 7.30	Number and Distribution of Physically Poor Renter Occupied Units by Number of Bedrooms by Type of Physically Poor Condition New York City 2005 .....	488
Table 7.31	Number, Incidence and Distribution of Physically Poor Renter Occupied Units by Rent Regulatory Status by Type of Physically Poor Condition New York City 2005 .....	489
Table 7.32	Physically Poor Renter Occupied Units by Contract Rent Interval (in 2005 dollars) New York City 2002 and 2005 .....	490
Table 7.33	Number, Incidence and Distribution of Physically Poor Renter Occupied Units by Race/Ethnicity by Type of Physically Poor Condition New York City 2005 .....	491
Table 7.34	Number, Incidence and Distribution of Physically Poor Renter Occupied Units by Household Type by Type of Physically Poor Condition New York City 2005 .....	493
Table 7.35	Number, Incidence and Distribution of Physically Poor Renter Occupied Units by Income Group by Type of Physically Poor Condition New York City 2005 .....	494
Table 7.36	Number and Percent of Renter Households and All Households in Physically Poor Housing by Poverty Level and Receipt of Public Assistance New York City 2005 .....	495

Table 7.37	Distribution of Physically Poor Renter Occupied Units by Gross Rent/Income Ratio by Type of Physically Poor Condition New York City 2005 .....	496
Table 7.38	Distribution of Physically Poor Renter Occupied Units by Birthplace of Householder by Type of Physically Poor Condition New York City 2005 .....	497
Table 7.39	All Households in Physically Poor Units by Race/Ethnicity by Type of Physically Poor Condition New York City 2005 .....	498
Table 7.40	Number, Incidence and Distribution of All Occupied Units that are Physically Poor by Income Group by Type of Physically Poor Condition New York City 2005 .....	499
Table 7.41	Number, Incidence and Distribution of All Occupied Units that are Physically Poor by Household Type New York City 2005 .....	500
Table 7.42	All Occupied Units that are Physically Poor by Birthplace of Household Head New York City 2005 .....	500
Table 7.43	Incidence of Units on Same Street as Building with Broken/Boarded-Up Windows, by Borough For All Occupied and Renter Occupied Units New York City, Selected Years 1991-2005.....	502
Table 7.44	Percentage of Renter Occupied Units on Same Street as a Building with Broken/Boarded-Up Windows by Contract Rent Level New York City 2005 .....	506
Table 7.45	Distribution of All Households' Ratings of the Physical Condition of Residential Structures in the Neighborhood by Borough New York City 2002 and 2005 .....	507
Table 7.46	Distribution of Renter Ratings of the Physical Condition of Residential Structures in the Neighborhood by Borough New York City 2002 and 2005 .....	511
Table 7.47	Distribution of Renter Ratings of the Physical Condition of Residential Structures in the Neighborhood by Contract Rent Level New York City 2005 .....	512
Table 7.48	Distribution of Renter Ratings of the Physical Condition of Residential Buildings in Renter's Neighborhood by the Presence/Absence of Buildings with Broken or Boarded-Up Windows on Renter's Street New York City 2005 .....	513

Table 7.49	Incidence of Unit, Building and Neighborhood Condition Problems by Immigrant Status for Renter Households New York City 2005 .....	514
Table 7.50	Incidence of Unit, Building and Neighborhood Condition Problems by Immigrant Status for All Households New York City 2005 .....	515
Table 7.51	Incidence of Owner Occupied Units on Same Street as Building with Broken or Boarded-Up Windows and Distribution of Owner Ratings of the Physical Condition of Residential Structures in the Neighborhood New York City 2002 and 2005 .....	516
Table 7.52	Incidence of Crowding and Severe Crowding in Renter Occupied Units New York City, Selected Years 1960-2005.....	518
Table 7.53	Incidence of Crowding and Severe Crowding in All Occupied and Renter Occupied Units by Borough New York City 1999, 2002 and 2005 .....	520
Table 7.54	Incidence of Crowding in Renter Occupied Units by Borough by Household Size New York City 2005 .....	521
Table 7.55	Incidence of Crowding and Severe Crowding in Renter Occupied Units by Number of Persons in Household New York City 2005 .....	522
Table 7.56	Number, Incidence and Distribution of Crowded Renter Households by Immigrant Status by Borough New York City 2005 .....	523
Table 7.57	Incidence of Crowding and Severe Crowding in Renter Occupied Units by Regulatory Status New York City 1999, 2002 and 2005 .....	524
Table 7.58	Incidence of Crowding, Severe Crowding and Mean Household Size of All Households and Renter Households by Race/Ethnicity New York City 2002 and 2005 .....	526
Table 7.59	Incidence of Crowding, Severe Crowding and Mean Household Size of All Households and Renter Households by Household Type New York City 2002 and 2005 .....	527
Table 7.60	Incidence of Crowding and Severe Crowding in Owner Occupied Units by Number of Persons in Household New York City 2005 .....	528

## LIST OF FIGURES

---

### **Chapter 2: Residential Population and Households**

Figure 2.1	Distribution of Individuals by Borough New York City 2005 .....	73
Figure 2.2	Distribution of Individuals by Race/Ethnicity New York City 2005 .....	77
Figure 2.3	Population of Individuals in Households by Race/Ethnicity New York City, Selected Years 1996 – 2005 .....	78
Figure 2.4	Population of Individuals by Race/Ethnicity within Borough New York City 2005 .....	86
Figure 2.5	Level of Educational Attainment by Race/Ethnicity of Individuals Aged 18 or Over in Renter Households New York City 2005 .....	94
Figure 2.6	Level of Educational Attainment by Race/Ethnicity of Individuals Aged 18 or Over in Owner Households New York City 2005 .....	94
Figure 2.7	Level of Educational Attainment of Individuals Aged 18 or Over by Borough New York City 2005 .....	95
Figure 2.8	Distribution of Renter Households by Rent Regulation Status New York City 2005 .....	101
Figure 2.9	Households by Rent Regulation Status within Borough New York City 2005 .....	104
Figure 2.10	Households by Rent Regulation Status by Race/Ethnicity New York City 2005 .....	105
Figure 2.11	Households by Form of Ownership within Borough New York City 2005 .....	109
Figure 2.12	Households by Form of Ownership by Race/Ethnicity New York City 2005 .....	110
Figure 2.13	Number of Individuals and of Households by Race/Ethnicity New York City 2005 .....	115



Figure 2.14	Average Household Size by Race/Ethnicity New York City 2005 .....	116
Figure 2.15	Distribution of Households by Household Type New York City 2005 .....	118
Figure 2.16	Household Type by Race/Ethnicity New York City 2005 .....	121
Figure 2.17	Renter Households by Household Type within Rent Regulation Status New York City 2005 .....	124
Figure 2.18	Distribution of Households by Birth Region of Head of Household New York City 2005 .....	128
Figure 2.19	Birth Region of Head of Household within Borough New York City 2005 .....	132
Figure 2.20	Distribution of Immigrant Households by Borough New York City 2005 .....	140
Figure 2.21	Distribution of Immigrant Households by Race/Ethnicity of Head of Household New York City 2005 .....	141
 <b>Chapter 3: Household Incomes</b>		
Figure 3.1	Median Household Income by Quintile New York City 2004 .....	171
Figure 3.2	Renter and Owner Households by Income Group New York City 2004 .....	177
Figure 3.3	Distribution of Renter Households by Income Level New York City 2004 .....	178
Figure 3.4	Distribution of Owner Households by Income Level New York City 2004 .....	178
Figure 3.5	Number of Households by HUD Income Categories as Percent of PMSA Median Income by Tenure New York City 2004 .....	179
Figure 3.6	Median Household Incomes of Renters and Owners by Borough New York City 2004 .....	183

Figure 3.7	Percent Distribution of Household Income Categories by Borough New York City 2004 .....	184
Figure 3.8	Distribution of Households by Income Categories in 2004 Dollars New York City and by Borough New York City 1990 and 2004 .....	187
Figure 3.9	Median Household Income by Race/Ethnicity New York City 2004 .....	206
Figure 3.10	Percent of Households by Income Categories (2004 Dollars) by Race/Ethnicity New York City 2001 and 2004 .....	208
Figure 3.11	Distribution of Households by Primary Sources of Income by Race/Ethnicity New York City 2004 .....	224
Figure 3.12	Distribution of Primary Sources of Income within Household Type New York City 2004 .....	228
Figure 3.13	Distribution of Poor Households by Household Type New York City 2004 .....	238
Figure 3.14	Reasons Not Looking for Work of Individuals Age 16 and Over by Race/Ethnicity New York City 2005 .....	250
Figure 3.15	Unemployment Rates by Race/Ethnicity by Level of Education Individuals Age 25 – 54 New York City 2005 .....	257
 <b>Chapter 4: The Housing Supply</b>		
Figure 4.1	Percent of Housing Units by Tenure and Availability New York City, Selected Years 1991-2005.....	273
Figure 4.2	New Housing Completions New York City, Selected Years 1981- 2005 .....	276
Figure 4.3	Distribution of Occupied and Vacant Available Units by Borough New York City 2005 .....	288
Figure 4.4	Distribution of Occupied and Vacant Available Units by Structure Class New York City 2005 .....	291
Figure 4.5	Distribution of Occupied and Vacant Available Units by Building Size New York City 2005 .....	293

Figure 4.6	Number of Occupied and Vacant Available Units by Size of Building within Borough New York City 2005 .....	294
Figure 4.7	Number of Occupied and Vacant Available Units by Number of Bedrooms within Borough New York City 2005 .....	298
Figure 4.8	Distribution of Occupied and Vacant Available Units by Regulatory Status New York City 2005 .....	301
Figure 4.9	Percent of Occupied and Vacant Available Rental Units by Selected Rent Regulation Status New York City, Selected Years 1991 - 2005 .....	304
Figure 4.10	Number of Occupied and Vacant Available Rental Units by Rent Regulation Status within Borough New York City 2005 .....	310
Figure 4.11	Number of Occupied and Vacant Available Units in Cooperative/Condominium Buildings by Tenure and Regulatory Status within Borough New York City 2005 .....	312
Figure 4.12	Home Ownership Rates New York City, Selected Years 1991 - 2005 .....	325
Figure 4.13	Home Ownership Rates by Borough New York City, Selected Years 1987 - 2005 .....	326
Figure 4.14	Home Ownership Rates by Race/Ethnicity New York City 2005 .....	327
Figure 4.15	Occupied and Vacant Available Owner Units by Type of Ownership within Borough New York City 2005 .....	333
Figure 4.16	Distribution of Occupied and Vacant Available Owner Units by Number of Bedrooms New York City 2005 .....	335
 <b>Chapter 5: Housing Vacancies and Vacancy Rates</b>		
Figure 5.1	Net Rental Vacancy Rates New York City, Selected Years 1960 - 2005 .....	351

Figure 5.2	Number of Vacant Available Rental Units and Vacancy Rates by Borough New York City 2005 .....	352
Figure 5.3	Distribution of Vacant Available Rental Units by Regulatory Status New York City 2005 .....	354
Figure 5.4	Net Rental Vacancy Rate by Monthly Rent Level New York City 2005 .....	356
Figure 5.5	Rental Unit Vacancies by Monthly Asking Rent in 2005 Dollars New York City 2002 and 2005 .....	357
Figure 5.6	Vacancy Rates by Rent Quintile of Occupied and Vacant Available Units New York City 2002 and 2005 .....	358
Figure 5.7	Number of Vacant Available Units by Rent Quintile of Occupied and Vacant Available Units New York City 2002 and 2005 .....	359
Figure 5.8	Median Asking Rent in 2005 Dollars of Rent Stabilized and Unregulated Vacant Units New York City 2002 and 2005 .....	369
Figure 5.9	Net Rental Vacancy Rates by Building Size New York City 2005 .....	370
Figure 5.10	Distribution of Vacant Owner Units by Form of Ownership New York City 2005 .....	381
Figure 5.11	Composition of the Vacant Unavailable Inventory by Reason for Unavailability New York City, Selected Years 1999-2005.....	383
 <b>Chapter 6: Variations in Rent Expenditure</b>		
Figure 6.1	Distribution of Rent Subsidized Households by Type of Subsidy New York City 2005 .....	393
Figure 6.2	Mean and Median Contract Rent in 2005 Dollars New York City, Selected Years 1993 - 2005 .....	396
Figure 6.3	Percent Distribution of Rent Subsidized and Unsubsidized Households by Contract Rent New York City 2005 .....	400

Figure 6.4	Percent of Renter Households at Different Rent Levels in 2005 Dollars New York City 2002 and 2005 .....	402
Figure 6.5	Percent of Renter Households by Contract Rent Categories by Borough in 2005 Dollars New York City 1991 and 2005 .....	403
Figure 6.6	Distribution of Renter Households by Contract Rent Categories within Borough New York City 2005 .....	408
Figure 6.7	Median Contract Rent by Rent Regulatory Status New York City 2005 .....	414
Figure 6.8	Median Contract Rent by Rent Regulatory Status by Borough New York City 2005 .....	419
Figure 6.9	Distribution of Renter Occupied Stabilized Units by Contract Rent New York City 2005 .....	421
Figure 6.10	Distribution of Renter Occupied Unregulated Units by Contract Rent New York City 2005 .....	423
Figure 6.11	Monthly Contract Rent by Number of Bedrooms New York City and Manhattan 2005 .....	425
Figure 6.12	Median Gross Rent/Income Ratio New York City, Selected Years 1960 - 2005 .....	432
Figure 6.13	Median Gross Rent/Income Ratio of All Renter Households, Rent Subsidized and Rent Unsubsidized Households by Race/Ethnicity New York City 2005 .....	445
Figure 6.14	Distribution of Renter Households by Gross Rent/Income Ratio within Borough New York City 2005 .....	446
 <b>Chapter 7: Housing and Neighborhood Conditions</b>		
Figure 7.1	Dilapidation Rate for Renter Occupied Units New York City, Selected Years 1965 - 2005 .....	455
Figure 7.2	Incidence of Building Defects in Renter Occupied Buildings by Number of Units in Building New York City 2005 .....	465

Figure 7.3	Incidence of Maintenance and Equipment Deficiencies in Renter Occupied Units by Type of Deficiency New York City, Selected Years 1978 - 2005 .....	469
Figure 7.4	Number of Physically Poor Renter Occupied Units by Borough New York City 2005 .....	485
Figure 7.5	Incidence of Physically Poor Renter Occupied Units and Specific Physically Poor Conditions by Race/Ethnicity New York City 2005 .....	492
Figure 7.6	Incidence of Physically Poor Renter Occupied Units and Specific Physically Poor Conditions by Income Group New York City 2005 .....	495
Figure 7.7	Incidence of Renter Occupied Units on Same Street as a Building with Broken/Boarded-up Windows by Borough New York City, Selected Years 1981 – 2005 .....	503
Figure 7.8	Distribution of Renter Ratings of the Physical Condition of Residential Structures in the Neighborhood New York City 2005 .....	510
Figure 7.9	Renter Household Ratings of Physical Condition of Residential Structures in the Neighborhood by Borough New York City 2005 .....	510
Figure 7.10	Incidence of Crowding and Severe Crowding in Renter Occupied Units New York City, Selected Years 1970 – 2005 .....	517
Figure 7.11	Crowding and Mean Household Size in Renter Households by Race/Ethnicity New York City 2005 .....	525



## LIST OF MAPS

---

Map 2.1	White Population Density as a Percentage of Total Population New York City 2005 .....	79
Map 2.2	Black Population Density as a Percentage of Total Population New York City 2005 .....	80
Map 2.3	Puerto Rican Population Density as a Percentage of Total Population New York City 2005 .....	82
Map 2.4	Non-Puerto Rican Hispanic Population Density as a Percentage of Total Population New York City 2005 .....	83
Map 2.5	Asian, Native Hawaiian and Pacific Islander Population Density as a Percentage of Total Population New York City 2005 .....	84
Map 2.6	Percentage of Population Age 18 and Over with Less than 12 Years of Education New York City 2005 .....	96
Map 2.7	Percent Immigrant Householders New York City 2005 .....	139
Map 3.1	Median Household Incomes New York City 2005 .....	186
Map 3.2	Household Income Less Than or Equal to 50% of HUD Median Family Income for the Area for Each Household Size New York City 2005 .....	193
Map 3.3	Percentage of Households Below the Federal Poverty Level New York City 2005 .....	235
Map 3.4	Percent of Population Age 16 to 64 Not in the Labor Force New York City 2005 .....	248
Map 3.5	Percentage of Unemployed Individuals Age 16 to 64 New York City 2005 .....	254
Map 4.1	Rent Stabilized Units as a Percentage of Total Rental Units New York City 2005 .....	306
Map 4.2	Unregulated Rental Units as a Percentage of Total Rental Units New York City 2005 .....	308

---

Map 4.3	Home Ownership Rates New York City 2005 .....	328
Map 4.4	Occupied and Vacant Conventional Owner Units as a Percentage of Private Owner Units New York City 2005 .....	331
Map 4.5	Occupied and Vacant Cooperative and Condominium Owner Units as a Percentage of Private Owner Units New York City 2005 .....	332
Map 6.1	Median Contract Rents New York City 2005 .....	406
Map 6.2	Renter-Occupied Units with Monthly Contract Rents of Less Than \$500 New York City 2005 .....	410
Map 6.3	Median Gross Rent to Income Ratios New York City 2005 .....	449
Map 7.1	Percentage of Renter-Occupied Units in Buildings with One or More Defect Types New York City 1991 .....	460
Map 7.2	Percentage of Renter-Occupied Units in Buildings with One or More Defect Types New York City 2005 .....	461
Map 7.3	Percentage of Renter-Occupied Units with Four or More Maintenance Deficiencies New York City 1991 .....	472
Map 7.4	Percentage of Renter-Occupied Units with Four or More Maintenance Deficiencies New York City 2005 .....	473
Map 7.5	Physically Poor Occupied Rental Units as a Percentage of Total Occupied Rental Units New York City 1991 .....	482
Map 7.6	Physically Poor Occupied Rental Units as a Percentage of Total Occupied Rental Units New York City 2005 .....	483
Map 7.7	Percentage of Renter-Occupied Units on the Same Street as a Building with Broken or Boarded-Up Windows New York City 1991 .....	504
Map 7.8	Percentage of Renter-Occupied Units on the Same Street as a Building with Broken or Boarded-Up Windows New York City 2005 .....	505

Map 7.9	Percentage of Renters Rating the Physical Condition of Residential Buildings in Their Neighborhood as “Good” or “Excellent” New York City 1991 .....	508
Map 7.10	Percentage of Renters Rating the Physical Condition of Residential Buildings in Their Neighborhood as “Good” or “Excellent” New York City 2005 .....	509
Map 7.11	Crowded Renter Households New York City 2005 .....	519

# Housing New York City, 2005: Executive Summary

## Introduction

This summary highlights important findings of this report. The primary purpose of the summary is to enable readers to acquire quickly an overview of the salient prevailing issues pertinent to an adequate understanding of the New York City housing market. However, it is important to realize that the findings presented in this summary are the result of a comprehension of all the detailed evidence; thus, it is necessary to review all the data and data analyses in each chapter of this report in order to get a fuller picture of the structure of the City's housing market and how it functions and a fuller appreciation of the issues.

Findings of each substantive chapter of this report are summarized in the following sections.

## Residential Population and Households

### Population Growth

New York City is the largest and one of the fastest growing cities in the United States, according to Census 2000. The City's population grew by 686,000, or by 9.4 percent, in the ten years between 1990 and 2000. The long-term upward trend of population growth in the City was sustained in the following several years. In 2005, the City's population was 8,012,000. This represents an increase of 67,000 or 0.8 percent over the population of 7,945,000 in 2002. Virtually all of this increase was in owner households.

From 2002 to 2005, the crime rate in the City declined significantly, and housing and neighborhood conditions improved visibly. The total number of crimes in the seven major felony categories dropped by 13 percent, from 156,559 in fiscal year 2002 to 136,491 in fiscal year 2005.

In addition, people in New York City were significantly better educated in 2005 than they were three years previously. In 2005, 80 percent of individuals 18 years old or older in all households had finished at least high school, an increase of 2 percentage points over 2002. Also, significantly, the percentage of those who had graduated at least from college increased by 2 percentage points to 32 percent.

Also, in 2005 housing conditions in the City were extremely good and neighborhood conditions were the best since the HVS started covering them. Of all occupied units, a mere 0.5 percent were in dilapidated buildings, the lowest dilapidation rate in the 40-year period since 1965. The proportion of households near buildings with broken or boarded-up windows on the same street was 6 percent in 2005, down by 2 percentage points from 2002. Moreover, the proportion of households that rated the quality of their neighborhood's residential structures as "good" or "excellent" increased by 2 percentage points to 78 percent in 2005. With the remarkable improvement in quality of life, better

educational attainment, and housing and neighborhood conditions, the number of New Yorkers grew accordingly, as the City became a much better place to live, as well as a better place to work, and, thus, continuously attracted more people.

### **Spatial Variation of the Population**

In 2005, Brooklyn had the largest share of the City's population, followed by Queens, Manhattan, the Bronx, and Staten Island. The order of each borough's population size has held constant for almost four decades since 1965, when the first HVS provided residential population counts. In Brooklyn, 2,467,000, or 31 percent of the people in the City, were housed, while Queens captured 2,229,000, or 28 percent of the City's population, in 2005. In Manhattan, 1,536,000, or 19 percent of the people in the City, were housed. In the Bronx, there were 1,315,000 people, 16 percent of the City's population. In Staten Island, the least populous borough in the City, 6 percent of the people in the City, or 465,000 people, were housed.

### **Racial and Ethnic Variation of the Population**

New York City is racially and ethnically one of the most diverse cities in the United States. The white non-Hispanic population (hereafter referred to as the "white" population) was 2,941,000, or 37 percent of the total population in the City. The Hispanic population—Puerto Rican and non-Puerto Rican Hispanic together—captured the second-largest share of the City's population: 2,229,000, or 28 percent, with Puerto Ricans numbering 806,000 (10 percent) and non-Puerto Rican Hispanics numbering 1,424,000 (18 percent).

The black/African American non-Hispanic population (hereafter referred to as the "black" population) numbered 1,872,000, accounting for 23 percent of the population in the City. The Asian population numbered 909,000, or 11 percent of the City's population in 2005.

In 2005, the white population continued to constitute the largest racial and ethnic group in the City. However, when the percent distribution of the City's population is disaggregated by race and ethnicity for the eleven years between 1991 and 2002, a trend is seen: the racial and ethnic diversity in the City widened markedly during that time. The proportions of whites, blacks, and Puerto Ricans continued to drift downward, while the proportions of non-Puerto Rican Hispanics and Asians drifted upward. The proportion of the white population progressively descended from 41 percent in 1991 to 37 percent in 2002. The corresponding proportion of blacks also declined appreciably from 27 percent to 25 percent in the same eleven-year period. The proportion of Puerto Ricans decreased also during the same period of time from 11 percent to 9 percent.

Non-Puerto Rican Hispanics' rose from 12 percent in 1991 to 17 percent in 2002. This pushed Hispanics' (including Puerto Ricans') share of the City's population past blacks in 1999 and 2002, despite the downward drift of Puerto Ricans' share. Asians also captured a growing share of the City's population, going from 7 percent in 1991 to 11 percent in 2002.

However, in the three-year period since 2002, a new trend appears to have taken place: the white population and the Asian population seem to have stabilized, while blacks continued to fall and non-Puerto Rican Hispanics continued to grow.

As the residential movement of a growing number of immigrants from countries in the Caribbean, Latin America, and Asia to the City continues in the coming years, the upward trend of non-Puerto Rican

Hispanics' and Asians' shares of the City's population will continue. As a result, the racial and ethnic diversity in the City is expected to further accelerate in the coming years. The pronounced surge in non-Puerto Rican Hispanics' and the expected increase in Asians' shares of the City's population are expected to have a profound impact not only on population characteristics, but also on household characteristics that have a great bearing on housing requirements in the City in general and in the neighborhoods where these racial and ethnic groups tend to reside in particular.

### **Residential Location Pattern of Each Racial and Ethnic Group**

Almost one-third of whites in the City lived in Brooklyn (32 percent), similar to the borough's share of the City's overall population. About a quarter of the City's whites each lived in Queens and Manhattan.

The proportion of whites in Staten Island was about twice the proportion of the City's total population living in the borough: where only one in twenty of the City's total population lived, one in ten of the City's white population lived. The proportion of whites in the Bronx was disproportionately small, compared to the proportion of the City's population in the borough: one in fourteen versus one in six persons.

In 2005, disproportionately large numbers of blacks in the City, more than two-fifths (43 percent), lived in Brooklyn, outnumbering the proportion of the City's population living in the borough by a ratio of 4:3.

Just over two-fifths of blacks in the City lived in either Queens (23 percent) or the Bronx (22 percent). The Bronx's share of blacks in the City was more than the borough's share of the City's population, 22 percent versus 16 percent, while Queens' share of blacks was lower than the borough's share of the City's population, 23 percent versus 28 percent.

Manhattan's share of blacks was only one in ten. Staten Island's share of blacks was only 2 percent, about one-third of the borough's share of the City's population.

In 2005, Puerto Ricans were disproportionately over-represented in the Bronx. Puerto Ricans' share of the borough's population (41 percent) overwhelmingly outnumbered the borough's share of the City's population by about two-and-a-half to one. In contrast to Puerto Ricans' dominant concentration in the Bronx, they were under-represented in the balance of the boroughs, compared to their share of the City's population. This was particularly true in Queens, where they were only one-half of the borough's share of the total population.

Non-Puerto Rican Hispanics were over-represented in the Bronx and Queens in 2005. The two boroughs together captured almost three-fifths of the non-Puerto Rican Hispanics in the City. Almost a quarter lived in the Bronx, where one in six of the City's population resided. And in Queens, where fewer than three in ten of the City's population resided, more than a third of non-Puerto Rican Hispanics lived.

In Manhattan, non-Puerto Rican Hispanics were as frequent as the City's population living in the borough: approximately one in five.

The great preponderance of Asians, more than half of those in the City, were clustered in Queens, where fewer than three in ten of the City's population resided in 2005. Consequently, Asians were greatly under-represented in the rest of the boroughs. A quarter of Asians in the City lived in Brooklyn, while 15 percent lived in Manhattan. The proportions of Asians in the Bronx and Staten Island were disproportionately small: 4 percent and 3 percent respectively.

## **Educational Attainment of the Population**

The level of educational attainment in the City has improved remarkably. Between 1996 and 2005, the proportion of individuals who had at least graduated from high school increased from 75 percent to 80 percent. The improvement was experienced by every major racial and ethnic group, except for Asians. The improvement for whites, Puerto Ricans, and non-Puerto Rican Hispanics was exceptional.

When educational attainment is measured by the percentage of individuals who have graduated from college, again New Yorkers became better educated over the nine-year period, going from 26 percent in 1996 to 32 percent in 2005.

In 2005, whites were the best educated: 92 percent had finished at least high school and 49 percent had graduated at least from college. Applying the measure of “at least a high school graduate,” blacks’ educational attainment was second. Applying the measure of “at least a college graduate,” Asians’ educational attainment was second. The proportions of individuals with at least a high school diploma and at least a college degree were 78 percent and 21 percent for blacks and 76 percent and 37 percent for Asians in 2005.

Applying both the lower and higher educational attainment measures, both Puerto Ricans’ and non-Puerto Rican Hispanics’ educational attainment improved substantially between 1996 and 2005. However, in 2005, Puerto Ricans and non-Puerto Rican Hispanics still had much lower educational attainment levels compared to those in the other major racial and ethnic groups: 65 percent and 63 percent respectively had at least graduated from high school; and 12 percent and 16 percent respectively had at least graduated from college.

The improvement in whites’ higher educational attainment in the nine-year period between 1996 and 2005 was extraordinary: the proportion of whites who had received at least a college degree jumped by 11.4 percentage points to 49 percent in 2005.

## **Spatial Variations of Households**

The number of households in the City was 3,038,000. The geographical distribution of households in the City by borough very closely resembled that of the population, since a household is all persons occupying a housing unit. Brooklyn was the largest borough, capturing the largest share of the City’s households: 878,000 or 29 percent of all households in the City. Queens, where 787,000 households or 26 percent of all households in the City resided, was the second-largest borough. Manhattan was third, with 738,000 households or 24 percent of the City’s households. In the Bronx, 472,000 households or 16 percent of the City’s households resided, which amounts to a little more than half the number of households in Brooklyn. Staten Island, the least populous borough in the City, captured 164,000 households or 5 percent of the households in the City.

## **Racial and Ethnic Variations of Households**

Except for blacks, each racial and ethnic group’s share of all households in the City in 2005 was basically the same as in 2002. The number of white households in the City was 1,331,000, or 44 percent of all households in the City. During the same three-year period, blacks’ proportion of the City’s households slipped by 1.1 percentage points to 22.8 percent in 2005.



## **Variation of Households by Tenure**

Since 1993, owner households' proportion of all households in the City, the so-called "ownership rate," has steadily increased, without interruption, from 29.8 percent in 1991 to 31.9 percent in 1999 and to 33.3 percent in 2005. Consequently, renter households' proportional share in the City has gradually declined from 70.2 percent in 1991 to 68.1 percent in 1999 and to 66.7 percent in 2005. However, in 2005 New York City was still predominantly a city of renters, as two-thirds of the households in the City were renters in 2005.

## **Spatial Variation of Households by Tenure**

The tenure pattern in each borough approximates that of the City as a whole, except for Queens and Staten Island. In the Bronx, Brooklyn, and Manhattan, more than seven out of ten households were renters, while only half of the households in Queens and one in three households in Staten Island were renters.

The geographical pattern within tenure is not parallel to that of all households in the City: 36 percent of owner households in the City were located in Queens, while only 26 percent of all households lived there in 2005. As a result of the great preponderance of owner households in Queens, the proportions of owner households in the balance of the boroughs were accordingly under-represented compared to the respective boroughs' share of all households, except for Staten Island. Specifically, in Brooklyn, with the largest share of the City's households, 29 percent, the proportion of owner households there was only 25 percent. In Manhattan, where 24 percent of the City's households resided, only 17 percent were owner households. The Bronx, with 16 percent of all households in the City, had only 10 percent of its owner households. On the other hand, Staten Island captured 11 percent of owner households, while it had only 5 percent of the households in the City.

## **Ownership Rates by Race and Ethnicity**

In 2005, one-third of the households in the City were owner households, and two-thirds were renter households. White households had the highest ownership rate, 43.6 percent, while Puerto Rican and non-Puerto Rican Hispanic households had the lowest: a mere 15.9 percent and 16.6 percent respectively, about half the city-wide rate. Asian households had the second-highest homeownership rate, 37.6 percent. The rate for black households was 29.1 percent.

## **Variation of Households by Rent-Regulation Status**

New York City's rental housing market is preponderantly regulated. This regulated rental housing market protects the overwhelming majority of renters in the City. Of the 2,028,000 renter households in the City, two-thirds or 1,359,000 were rent-controlled or rent-regulated by some form of federal, State, or City law or regulation. The rent-controlled and regulated categories include rent-controlled units, rent-stabilized units, Mitchell-Lama units, Public Housing units, *in rem* units, and "other-regulated" units (HUD-regulated units, Loft Board units, Article 4 units, and Municipal Loan Program units).

Of all renter households, 1,016,000, or about half, were in rent-stabilized units, while 43,000, or 2 percent, were in rent-controlled units. Another 300,000 renter households, or 15 percent, resided in Public Housing (8 percent), Mitchell-Lama (3 percent), *in rem* (0.5 percent), or "other-regulated" (3 percent) units.

On the other hand, 669,000 renter households, or 33 percent of all renter households, resided in units whose rents were unregulated by government laws or regulations. Instead, their rents were basically determined by various housing market forces.

### **Racial and Ethnic Variation of Households by Rent-Regulation Status**

Reviewing the data on households by race and ethnicity within each rent-regulation category shows much more clearly which units served which racial and ethnic groups. Rent-controlled units mostly served white households. Two-thirds of the householders in the 43,000 rent-controlled units in the City were white, while about one in seven were black in 2005. The median age of householders in rent-controlled units was 69, with almost two-thirds being 65 years old or older, and three-fifths being single-person households. In short, most householders in rent-controlled units were single elderly people.

At the same time, almost two-fifths of households in the 1,016,000 rent-stabilized units were white, while another two-fifths were almost evenly divided into either black or non-Puerto Rican Hispanic households.

The 10,000 *in rem*, 168,000 Public Housing, and 59,000 Mitchell-Lama units in the City predominantly served black households in 2005. More than half of the households in *in rem* units, almost half of the households in Public Housing units, and two-fifths of the households in Mitchell-Lama units were black. Public Housing units also served a great number of Hispanic households. Two-fifths of the households in such units were Hispanic: Puerto Rican (30 percent) and non-Puerto Rican Hispanic (11 percent). Mitchell-Lama units also served other racial and ethnic groups: white (28 percent), Puerto Rican (15 percent), non-Puerto Rican Hispanic (12 percent), and Asian (5 percent). “Other-regulated” units served all major racial and ethnic groups. Nine-tenths of the households in “other-regulated” units were either black (27 percent), Puerto Rican (25 percent), non-Puerto Rican Hispanic (20 percent), or white (19 percent).

Two-thirds of the households in the 669,000 unregulated units were either white (45 percent) or black (21 percent). A quarter were largely either non-Puerto Rican Hispanic (14 percent) or Asian (12 percent). The racial and ethnic distribution of households in unregulated units in rental buildings was very similar to that for all unregulated units, since most unregulated units were in this category. But for unregulated units in cooperative and condominium buildings, the pattern further magnified the dominance of white households in this rental category: half of the households in such units were white. The proportion of whites in this category was 13 percentage points higher than it was for whites in all renter households.

### **Households by Type of Ownership**

The ownership rate in the City was still relatively small compared to other cities. However, New York City’s rate has been growing respectably in recent years, and owners represent, in absolute numbers, a very large number of households in the City.

Of the 1,010,000 owner households in the City, 636,000 or 63 percent resided in conventional owner units, which include mostly traditional one- or two-family housing units. The remaining owner households resided in 256,000 private cooperative units (25 percent), 73,000 condominium units (7 percent), or 45,000 Mitchell-Lama cooperative units (5 percent).

In Brooklyn, which housed 256,000 or a quarter of the City’s owner households, more than three-quarters of such households lived in conventional units, while most of the remainder lived in private cooperative

units (17 percent). In Queens, where 365,000 owner households or 36 percent of the City's owner households resided, almost three-quarters lived in conventional units, while most of the remainder lived in private cooperative units (20 percent).

In Manhattan, which housed 174,000 or a little more than one in six of the owner households in the City, almost nine in ten of such households resided in either private cooperative (70 percent) or condominium (19 percent) units, while most of the remainder lived in Mitchell-Lama cooperative units (8 percent).

In Staten Island, where 111,000 or 11 percent of the owner households in the City resided, almost nine in ten of such households resided in conventional units; the remainder resided mostly in condominium units.

### **Household Size (Number of Persons per Household)**

The mean household size for all households in the City—that is, the average number of persons per household—was 2.64 in 2005.

In 2005, 33.6 percent of all households (36.3 percent of renter households and 28.2 percent of owner households) were one-person households. Conversely, 22.0 percent of all households (20.0 percent of renter households and 26.0 percent of owner households) were large households with four or more persons. Thus, although a majority of households in the City are smaller (with one or two people), a considerable proportion are large households (with four or more people). Consequently, on balance, New York is a city of all sizes of households and, thus, needs to preserve and develop all sizes of units.

### **Variation of Average Household Size by Rent-Regulation Status and Type of Ownership**

The size of renter households in the City was 2.56 in 2005. Of all households residing in the various categories of rental units, households in *in rem* units were the largest: 3.26. The size of households in *in rem* units was even larger than that of all households in unregulated units, 2.79, which was about the same size as the City's owner households, 2.80.

The size of renter households in unregulated units in rental buildings was 2.83, considerably larger than the size of all renter households. However, the size of households in unregulated units in cooperative and condominium buildings was small, only 2.31.

The size of households in rent-controlled units was 1.76, the smallest among those in any type of rental unit in the City. Most of the households in rent-controlled units were single elderly households. The size of households in "other-regulated" units was 2.18, also much smaller than the city-wide average renter household size.

The size of households in rent-stabilized units built after 1947 was also small, 2.23, smaller than the average size of all renter households. The primary reason for the smaller size of households in this type of rental unit is that many recently built rent-stabilized units in the City have been small units, studios and one-bedroom units. Three-fifths of post-1947 rent-stabilized units were either studios or one-bedroom units.

In general, the size of owner households in the City, 2.80, was slightly larger than in the United States as a whole, 2.70. In the City, the average size of households in conventional units was 3.23, the largest size among all types of owner units in the City. However, household sizes in other ownership categories were

not large. The average sizes of households in private cooperative units, in condominium units, and in Mitchell-Lama cooperative units were very small, 2.02, 2.27, and 1.96 respectively, smaller than the average size of households in all types of rental units, except for rent-controlled units, where most of the tenants were single elderly households.

### **Household Composition: Household Types**

Over the twelve-year period between 1993 and 2005: the single adult household's share increased from 21 percent to 22 percent, while the adult household's share increased from 24 percent to 26 percent. It is worth noting that, among renter households, both single adult households' and adult households' shares increased much more than they did for all households.

Conversely, the shares of single elderly, single adult with minor children, and elderly households decreased from 13 percent to 11 percent, 8 percent to 7 percent, and 11 percent to 10 percent respectively from 1993 to 2005. The decrease in these households' shares also occurred among renter households. However, among owner households, only the share of elderly households decreased considerably, from 20 percent to 16 percent.

### **Foreign-Born Households (Determined by the Birthplace of the Householder)**

New York City was a city of foreign-born households. In 2005, the proportion of householders in the City who reported they were born outside the United States (including householders born in Puerto Rico) was 49 percent (1,277,000 households). This number is an undercount since, of the total number of 3,038,000 households in the City, 537,000 households, or 18 percent, did not answer the birthplace question. In other words, almost one in every two householders in the City was born outside the United States or in Puerto Rico. Of householders in the City, the proportion of householders born in Puerto Rico has progressively decreased from 1993 to 2005, while the proportions of foreign-born householders from other areas—particularly the Caribbean, Latin America, Asia, and Africa—have all grown considerably and have more than compensated for the decrease in Puerto Rican householders during the eleven-year period.

### **Immigrant Households**

According to the 2005 HVS, of the 3,038,000 households in the City in 2005, 934,000 reported they were immigrant households. However, 537,000 households, or 18 percent of all households, did not answer the birthplace question; and, of the households that did respond to the birthplace question, another 60,000 households did not provide answers to the immigrant questions covered in the 2005 HVS. Thus, the number of 934,000 immigrant households that the 2005 HVS reports is likely a considerable underestimate.

### **Spatial Variations of Immigrant Households**

The overwhelming majority of immigrant households selected Brooklyn or Queens as their residential location. Seven in ten of the 934,000 immigrant households in the City lived in either Brooklyn (315,000 households or 34 percent of all immigrant households) or Queens (339,000 households or 36 percent). The remaining 280,000 immigrant households were scattered among Manhattan (129,000 households or 14 percent), the Bronx (123,000 households or 13 percent), and Staten Island (28,000 households or 3 percent).

Queens is the immigrant county in the City. In Queens, half of the households (51 percent) were immigrant households. More than six in ten households were immigrant households in each of the following Queens sub-borough areas: 2 (Sunnyside/Woodside), 3 (Jackson Heights), and 4 (Elmhurst/Corona). In Brooklyn, 44 percent of the households were immigrant households. More than six in ten households were immigrant households in sub-borough area 17 (East Flatbush) in 2005.

### **Racial and Ethnic Variations of Immigrant Households**

Racially and ethnically, New York City is already very diverse. However, immigrant households are even more diverse than all households in the City.

The 934,000 immigrant households in the City were divided into the following four major racial and ethnic groups (excluding Puerto Ricans): non-Puerto Rican Hispanics (29 percent), whites (27 percent), blacks (23 percent), and Asians (20 percent).

### **Homeownership of Immigrant Households**

Of the 934,000 immigrant households in the City in 2005, 298,000 were owner households. Thus, the homeownership rate for immigrant households was 31.9 percent, lower than the rate of 33.3 percent for all households in the City, but higher than the rate of 29.1 percent for foreign-born householders—that is, immigrant and non-immigrant foreign-born householders together. However, the homeownership rates for immigrant households in Staten Island and Queens were tremendously higher than the city-wide rate, mirroring closely the rates for all households in the two boroughs: 64.8 percent and 43.6 percent respectively. Conversely, in the Bronx and Manhattan, the rates were very much lower than the city-wide rate: 20.7 percent and 13.2 percent respectively. These rates were even lower than the rates for all households in the two boroughs, 22.1 percent and 23.6 percent respectively. The rate in Brooklyn was 28.5 percent, also substantially lower than the city-wide rate for immigrant households.

### **Educational Attainment of Immigrant Households**

Immigrant householders, particularly those that had moved into their current residence in the City over five years ago (before 2000), were substantially less educated than all householders in the City in 2005. Of all householders, 81 percent had finished at least high school, while 37 percent had graduated at least from college. Of immigrant householders that had moved into their current units in the City before 2000, 73 percent had finished at least high school and 28 percent had graduated at least from college. On the other hand, those that had moved into their current units recently (between 2000 and 2005) were noticeably better educated than those that had moved in before 2000. These recent immigrants' comparable educational attainment levels were 76 percent and 34 percent respectively.

### **Incomes of Immigrant Households**

In 2004, the median income of immigrant renter households was \$30,000, or 91 percent of the median income of non-immigrant renter households. At the same time, their median contract rent was \$825, compared to \$819 for non-immigrant households. Their median gross rent/income ratio was 33.7 percent, while it was 29.2 percent for non-immigrant households.



## **Household Size of Immigrant Households**

Of all households in the City, 34 percent were one-person households, while 29 percent were two-person households, 16 percent were three-person households, and 22 percent were four-or-more-person households in 2005. Compared to this city-wide pattern, the pattern for immigrant household size was reversed: only 21 percent were one-person households, while 34 percent were four-or-more-person households. Consequently, the average size of immigrant households was considerably larger than that of all households: 3.21 versus 2.64 in 2005. Immigrant households were larger households and experienced the consequential housing problems typical of larger households, particularly crowding.

## **Housing and Neighborhood Conditions for Immigrant Renter Households**

Housing and building conditions for immigrant renter households were slightly poorer than they were for non-immigrant renter households. Of rental units occupied by immigrant households, 10.6 percent were in buildings with one or more building defects, compared to 8.5 percent for renter units occupied by non-immigrant households. On the other hand, based on the proportion of boarded-up buildings on the same street where respondents' housing units were located, neighborhood condition for immigrant renter households was somewhat better than it was for non-immigrant renter households: 5.5 percent versus 6.8 percent respectively. However, 69.6 percent of immigrant renter households rated the physical condition of their neighborhood's residential structures as "good" or "excellent," while 72.0 percent of non-immigrant renter households gave such ratings.

## **Crowding Situations and Doubled-Up Households with Sub-Families and Secondary Individuals for Immigrant Renter Households**

The crowding situation for immigrant households was extremely serious. The incidence of crowding for immigrant renter households was almost double that of all renter households in the City: 18.6 percent of immigrant renter households were crowded and 6.9 percent were severely crowded, compared to 10.2 percent and 3.7 percent respectively for renter households as a whole. The equivalent crowding rates for non-immigrant renter households were 6.9 percent and 2.4 percent. Immigrant renter households' higher crowding rate was mostly a consequence of immigrant households' larger household size, since crowding is a phenomenon typical of larger households.

Of immigrant renter households, 6.2 percent were doubled up with sub-families and 5.5 percent were doubled up with secondary individuals. Of all renter households, the comparable proportions of those containing sub-families or secondary individuals were 3.5 percent and 5.8 percent respectively. In short, more immigrant renter households were crowded and doubled up with sub-families.

## **Recently Moved Households**

New York City is a new housing market place. The housing market in the City in recent years has been significantly transformed from what it was in most of the last three decades.

The major characteristics of householders that moved into their current housing units in the City over five years ago—that is, in 2000 or earlier—closely resembled those of all householders in the City, since they were the overwhelming majority of households in 2005.

However, the major characteristics of householders that moved into their current residence in the City within the five years between 2000 and 2005, particularly those recent-movers from other parts of the United States outside New York City, differed substantially from those of all householders and those of householders who moved into their current residence in the City in 2000 or before. Almost two-thirds of householders that had recently moved into the City from other parts of the country outside New York City were white, while a little more than two-fifths of all householders in the City were white in 2005.

### **Reasons for Moving of Recent-Movers**

The major reasons for moving are distinctively different for recent-movers from different places. Almost two-thirds of recent-movers from abroad reported that they had moved for job- or family-related reasons, while more than a quarter said they had moved for housing- (19 percent) or neighborhood-related (8 percent) reasons.

On the other hand, two-fifths of recent-movers from within the United States (excluding the City) reported that they had moved for job-related reasons (41 percent), while a third cited housing (21.0 percent) or neighborhood (13 percent) as the reason for their moves.

However, of recent-movers from within the City, more than half said they had moved for housing- (43 percent) or neighborhood-related (12 percent) reasons, while almost a third said that they had moved for family-related reasons (32 percent).

### **Spatial Variations of Recent-Movers**

The residential location of recent-movers from outside the United States resembled that of all households in the City. More than four-fifths of recent-movers *from outside the United States* moved into either Brooklyn (28 percent), Queens (30 percent), or Manhattan (24 percent), while most of the remainder moved into the Bronx (12 percent). Somewhat more of these recent-movers went to southwestern Brooklyn, the northern Queens, and the Upper West Side of Manhattan.

However, the pattern of recent-movers *from other places in the country* (excluding the City) was disparate: almost one in two of such recent-movers moved to Manhattan, while about two-fifths moved to either Brooklyn (22 percent) or Queens (20 percent). These recent-movers were heavily concentrated in the lower and middle parts of Manhattan. On the other hand, the pattern of recent-movers *from other places within the City* approximated that of all households in the City, except that a smaller proportion of such recent-movers moved into Manhattan, while a larger proportion moved into the Bronx.

Almost half of the households in Manhattan sub-borough area 1 (Financial District/Greenwich Village) and just slightly less than that in Manhattan sub-borough area 3 (Chelsea/Clinton/Midtown), Bronx sub-borough area 5 (Kingsbridge Heights/Mosholu), and Brooklyn sub-borough area 10 (Bay Ridge) were households new to the neighborhood in the last five years. This suggests these are very dynamic neighborhoods with a fair amount of turnover activity.



## **Homeownership of Recent-Movers**

In 2005, two-thirds of the households in the City were renter and one-third was owner. Contrary to this occupancy pattern by tenure for all households, the overwhelming preponderance of recent-movers were renters: 94 percent of recent-movers from outside the United States, 85 percent of recent-movers from other places in the United States, and 77 percent of those from other places in the City were renters. As a result, compared to the city-wide ownership rate of 33.3 percent, the ownership rates of these three recent-mover groups were unparalleledly low: 6.4 percent, 14.6 percent, and 22.6 percent respectively.

## **Variations of Educational Attainment of Recent-Movers**

Of householders who were recent-movers, those who had moved into their current residences from other parts of the country outside the City were the best educated: 66 percent of them had graduated at least from college. In terms of this higher educational attainment, householders who had moved into their current residence from other places within the City had the lowest level: only 37 percent had graduated at least from college.

## **Economic Variations of Recent-Movers**

Among recent-mover groups, those from other parts of the United States outside the City had the highest incomes. Their 2004 median income was \$55,000—that is, \$15,000 more than the median income of all households in the City. However, among recently-moved owner groups, those from other places within the City had the highest income: \$80,000.

The labor-force-participation rate for all recent-mover groups as a whole was very high compared to all individuals in the City. In 2005, 79.5 percent of the individuals in recently-moved households participated in the labor force, compared to the city-wide overall rate of 67.9 percent. Particularly, for those who had recently moved into their current residences in the City from other parts of the United States outside the City, who were the best educated, the rate was remarkably high: 81.1 percent, or 13.2 percentage points higher than the city-wide rate.

## **Recent-Movers by Household Types**

Approximately three-quarters of all households in the City were distributed among the following three adult household types: adult households (26 percent), adult households with minor children (25 percent), and single adult households (22 percent). The remaining households were divided into single elderly households (11 percent), elderly households (10 percent), and single adult households with minor children (7 percent). Compared to this pattern of households overall, the dominant proportion of households that had recently moved into the City from outside the United States was one of the following two adult household types: adult households (41 percent) and adult households with minor children (34 percent). On the other hand, four-fifths of recent-movers from other places in the United States were either single adult households (35 percent) or adult households (45 percent). The household composition pattern of recent-movers from other places within the City approximated that of all households, with the following exceptions: higher proportions of adult households with minor children and single adult households with minor children and lower proportions of elderly households and single elderly households.

## **Number and Characteristics of Doubled-Up Households**

The 2005 HVS reports that 114,000 households, or 3.7 percent of all households in the City, contained at least one sub-family. In addition, 142,000 households, or 4.7 percent of all households, contained a secondary individual in 2005. Together, there were 255,000 doubled-up households in the City in 2005.

In 2005, three-quarters of the heads of doubled-up households containing sub-families were either black (29 percent), non-Puerto Rican Hispanic (27 percent), or Asian (19 percent). The remaining quarter were either white (14 percent) or Puerto Rican (11 percent).

The racial and ethnic pattern of heads of households containing secondary individuals was profoundly different from that of households containing sub-families. Half of the heads of households containing secondary individuals were white, while almost all of the remainder were either non-Puerto Rican Hispanic (18 percent), black (15 percent), or Asian (13 percent).

Of the 114,000 doubled-up households containing sub-families, 71,000 households or 63 percent were renters. With a crowding rate of 44.9 percent, the housing conditions for these doubled-up renter households are alarming in terms of space limitations inside a house that may cause serious physical, psychological, and/or mental health as well as social problems. This was 4.4 times the overall crowding rate of 10.2 percent for all renter households in the City. Of doubled-up renter households, 12.2 percent were severely crowded. This was 3.3 times the comparable proportion for all renter households.

Of the 142,000 doubled-up households containing secondary individuals, 117,000 households or 83 percent were renters.

Of households containing sub-families, 58 percent had immigrant householders, while, of households containing secondary individuals, 35 percent had immigrant householders. Thus, it is clear that doubled-up households, particularly those containing sub-families, are typical of immigrant households. In other words, many immigrant households host hidden households. Three-fifths of renter households containing sub-families were immigrant households, while 36 percent of renter households containing secondary individuals were headed by an immigrant householder. Again, sub-families and secondary individuals are a typical phenomenon of immigrant households.

## **Number and Characteristics of Sub-Families and Secondary Individuals**

In 2005, altogether there were 449,000 hidden households in the City: 159,000 sub-families and 290,000 secondary individuals. Of these, 85 percent were in either Manhattan (124,000), Brooklyn (136,000), or Queens (121,000). In each of all ten sub-borough areas in Manhattan—except for sub-borough areas 1 (Greenwich Village/Financial District), 5 (Upper West Side), 8 (Central Harlem), and 9 (East Harlem)—there were more than 10,000 sub-families and secondary individuals. In Brooklyn—in sub-borough areas 1 (Williamsburg/Greenpoint), 4 (Bushwick), 7 (Sunset Park), and 18 (Flatbush/Canarsie)—there were also more than 10,000 sub-families and secondary individuals. The number of sub-families and secondary individuals in these sub-borough areas in Queens was also as large: 1 (Astoria), 3 (Jackson Heights), 4 (Elmhurst/Corona), and 7 (Flushing/Whitestone).

The median income of sub-families in renter households was only \$15,000, which was just 47 percent of the median income of all renter households in the City, \$32,000, in 2004. Of renter sub-families, 56,000 or 56 percent had incomes below \$20,000 in 2004.

Crowding was an extremely serious housing problem for renter sub-families: almost half of the 101,000 renter sub-families (46.6 percent or 47,000) were crowded. Of renter sub-families, 13,000 or 13.2 percent were severely crowded.

About 85 percent of the 290,000 secondary individuals, or 245,000 secondary individuals, lived in renter households in 2005. The median income of these secondary individuals in renter households was \$24,000, or 75 percent of the median income of all renter households in the City. Of these secondary individuals in renter households, 104,000 or 43 percent had incomes below \$20,000.

Of all 245,000 secondary individuals in renter households, 15.3 percent were crowded, while 6.4 percent were severely crowded.

### **Number and Characteristics of Poor Sub-Families and Secondary Individuals in Crowded Renter Households**

According to the 2005 HVS, 27,000 sub-families in renter households had incomes below \$20,000 in 2004 and were crowded. The median income of these sub-families was a mere \$7,000, an extremely low 22 percent of the median income of all renter households in the City in 2004. Of these 27,000 sub-families, an overwhelming 47 percent were not in the labor force. The principal reason given for their not being in the labor force was family/childcare (39 percent). These poor sub-families lived in crowded, large renter households in which the average number of persons was 6.1. Of these poor sub-families in crowded renter households, about two-thirds were single-female-parent sub-families, and half of the heads of these sub-families had not finished high school.

There were 22,000 secondary individuals with incomes of less than \$20,000 in 2004 living in crowded renter households. Almost three-fifth of these had not finished high school. The median income of these single individuals was an extremely low \$7,000, 22 percent of the median income of all renter households, in 2004. Their median share of the hosting household's income was 11 percent, and the average size of the hosting household was 6.2 persons.

Of the 27,000 poor sub-families in crowded renter households, 29 percent were hidden in very poor and crowded renter households with very high rent burdens, paying more than 50 percent of their incomes for rent. The median income of these sub-families was an appallingly low \$5,000, and the rent/income ratio of the doubled-up households containing these sub-families was 70.8 percent. Judging from the extremely low incomes of the host households and sub-families and the already extremely serious rent burdens the host households bear, it is obviously very hard for host households and sub-families to continuously spend such an unbearably high proportion of their incomes for rent. At the same time, each of these very poor host households and sub-families alone apparently cannot afford their own housing units. Thus, without substantial financial assistance from either public or private entities, not only these sub-families but also the host households are households at risk of homelessness if any situation forces them to become separated.

### **Previously Homeless Households**

About 80,000 people in 23,000 households told the Census Bureau that they had come from a homeless situation within the past five years, where they were homeless because they could not afford their own housing. The median age of these individuals was 21. Almost nine in ten of these people were either black (43 percent), Puerto Rican (31 percent), or non-Puerto Rican Hispanic (13 percent). And nine in ten of

them were primary families (82 percent) or individuals (6 percent). In other words, almost all of them lived in their own units: they were not sub-families or secondary individuals in another household. This is a very encouraging finding.

However, the median income of these previously homeless individuals was extremely low, a mere \$8,000, only 20 percent of the median income of all households in 2004. Only 58 percent of them had finished at least high school, and 28 percent of them were unemployed, while 80 percent of the individuals in the City as a whole had that level of educational attainment and only 6.3 percent were unemployed in 2005.

Even with such a low income, 58 percent of them contributed 40 percent or more of their incomes to the incomes of their households. However, even with such contributions, the households' median income was just \$15,000, only 38 percent of the median income of all households in the City in 2004. Almost all of such households were renters, and these renters paid 52.8 percent of their incomes for gross rent, compared to 31.2 percent for all renter households in the City in 2005. More than half of these households received some type of rent subsidy. Despite paying such a high proportion of their income for rent, 18.6 percent of such households were crowded, compared to 10.2 percent of all renter households in the City.

Housing and neighborhood conditions of households containing formerly homeless individuals were unparalleledly poor compared to the overall conditions of housing units and neighborhoods where average New Yorkers lived. Of these households, 35 percent lived in physically poor housing units, compared to 8 percent of all households. Moreover, only 60 percent of these households rated the physical condition of the residential structures in their neighborhoods as "good" or "excellent," while 78 percent of all households in the City gave their neighborhood conditions such ratings.

In short, most previously homeless individuals were very poor, the rents their households paid were unbearably high compared to their household incomes, and yet many of them lived in crowded and physically poor units located in physically distressed neighborhoods. Thus, they were in situations with a serious proclivity towards making them homeless again.

## **Household Incomes**

### **Changes in Household Incomes**

For all households, renters and owners together, the median household income in current dollars grew by 2.6 percent, from \$39,000 to \$40,000, or by an annual compound rate of 0.9 percent. However, during the three-year period, the annual average Consumer Price Index (CPI) grew by 9.5 percent, outpacing the growth rate of 2.6 percent for household income. Consequently, real household income, after adjusting for inflation, declined by 6.3 percent, or by an annual compound rate of 2.2 percent.

In the previous three years, between 1998 and 2001, real household income grew by 9.7 percent, while it grew by 4.2 percent between 1995 and 1998. Consequently, despite the most recent decline, real household income grew at a moderate clip in the nine years between 1995 and 2004 by an average annual compound rate of 0.76 percent for all households, 0.66 percent for renter households, and 0.65 percent for owner households.

## Changes in Household Incomes by Tenure

Renters' nominal income, their income before inflation, did not increase appreciably in the three years between 2001 and 2004. In constant dollars, renters' incomes declined by 5.7 percent or by an annual compound rate of 1.94 percent. During the same three-year period, owners' nominal income increased by \$5,000, or by 8.3 percent. But after adjusting for inflation, owner income inched down by an average annual compound rate of 0.34 percent.

## The Disparity in Household Income

The disparity in household income between the rich and the poor in the City is enormous. In 2004, the median income of the 604,000 households in the lowest income quintile was only \$7,992, or a mere 6 percent of the median income of the \$125,000 for the 608,000 households in the highest income quintile. The median income of the richest household group was more than 15 times the income of the poorest group. The paucity of absolute dollars available to these extremely poor households and the concomitant impact on their ability to afford decent housing demonstrate the magnitude of their housing poverty situations and their need for various forms of housing assistance.

In 2005, of these extremely poor households in the lowest income quintile, 83 percent, or 504,000 households, were renters. A third of these extremely poor renters lived in heavily rent-subsidized units (public housing units, *in rem* units, or other-regulated units) or rent-controlled units, while the other two-thirds lived in rent-stabilized units (46 percent) or rent-unregulated units (21 percent). Of these extremely poor households in rent-stabilized or rent-unregulated units, nine in ten paid 50 percent of their income for rent, and three in ten received rent subsidies.

Of these extremely poor households in the lowest income quintile, 17 percent, or 100,000 households, were owners. Of extremely poor owner households in conventional units, 68 percent said they had paid off their mortgages, while 73 percent of cooperative or condominium owners said they had paid off their housing debt.

Close to half of all the extremely poor households in the lowest income quintile were either single elderly households (32 percent) or single households with children (13 percent), the two household types with median incomes of \$12,360 and \$17,500 respectively, the lowest and second-lowest household incomes in 2004.

The household income disparity gradually descended as the level of income ascended, but still remained substantial, even at the second-highest quintile. The median income of the 561,000 households in the second-lowest quintile was \$21,000, which was still a mere 17 percent of the median household income of households in the highest quintile. The median income of the 658,000 households in the middle quintile was \$40,000, which was five times the median income of \$7,992 for households in the lowest income quintile but still less than a third of the median household income of households in the highest quintile.

The median income of the 607,000 households in the second-highest quintile was \$67,000, which was more than eight times the median household income of the lowest quintile. However, the median income of the second-highest quintile was still only a little more than half of the median household income of the households in the highest quintile.

The serious income gap between the poor and the rich remained virtually the same in 2004, as was the case three years earlier in 2001, since the incomes of the rich and the poor declined by similar rates: 3.2 percent and 2.7 percent respectively after inflation. A fifth of the City's households are the extremely poor, while another fifth are the very rich, although they live in different neighborhoods in the City, not far from each other.



The trend of disparity between the incomes of the affluent and the incomes of the poor, which had widened throughout the growth years of the mid- and late-1990s, continued to be maintained between 2001 and 2004. A persistent inequality in the distribution of household incomes in recent years has created an increased affordability hardship for the most vulnerable New Yorkers in an increasingly inflationary housing market where, for a rapidly growing number of households, housing is no longer just a necessity; it is a commodity for investment, or a commodity as well as shelter.

### **Causes of Household Income Differences**

More than seven in ten households in the lowest income quintile did not have any workers, compared to more than a fifth of all households in the City with no workers. On the other hand, only one in fifty households in the highest quintile had no workers. Almost a fifth of households in the top quintile had three or more workers, while almost no households with that many workers were in the lowest group. This substantiates that, in general, earnings were the principal source of household income; and the more workers in a household, the higher the household income. Similar patterns were found in 2001.

### **Distribution of Household Income**

On the one hand, a number of households in the City were very poor, while, on the other, a smaller but still substantial number were very rich. Specifically, 825,000 households, or 27 percent of all households in the City, were very poor, with incomes below \$20,000 in 2004, while 501,000 households, or 16 percent of all households in the City, were very well-to-do, with incomes of \$100,000 or more.

In the distribution for renters, a third, or 676,000 households, had incomes below \$20,000, while one in ten, or 194,000 households, had incomes of \$100,000 or more. Among owners, the pattern was inverted: one in seven, or 148,000 households, were very-low-income households, while three in ten, or 307,000 households, were high-income households.

In the three-year period from 2001 to 2004, when the real median income of New Yorkers declined considerably, the number of very-low- and low-income households, households with incomes below \$50,000, increased by 28,000. During the same three-year period, the number of high-income households, households with incomes of \$100,000 or more, increased by only 13,000, while the number of moderate- and middle-income households, households with incomes at or above \$50,000 but below \$100,000, decreased by 9,000. A similar change was mirrored in renters' income distribution.

As the real median income of owner households grew at a slow clip between 2001 and 2004, the number of owner households with incomes below \$100,000 changed little, while the number of high-income owner households, those with incomes of \$100,000 or more, increased by 28,000.

In 2004, a third of renter households, or 676,000 renter households, had incomes of less than \$20,000 a year. Such extremely poor households could only afford \$555 a month for rent, if paying no more than a third of household income for a housing unit is used as a reasonable measure of affordability. In 2004, only units in the following three categories, the rents of which were controlled or regulated with heavy public subsidies, had median contract rents of less than \$555: rent-controlled units, Public Housing units, and *in rem* units.

## Distribution of Household Incomes by HUD Income Classification

The income distribution by the following HUD income limits for a family of four for each income level in January 2004 confirms that a preponderance of households in the City were poor.

30% of MFI	\$18,850
50% of MFI	\$31,400
80% of MFI	\$50,250
95% of MFI	\$59,650

Of the total number of 3,038,000 households (renter and owner households together), 1,069,000 households, or 35 percent, were very-low-income households with 2004 incomes that were less than 50 percent of the median family income, adjusted for each household size, in the PMSA. Included in this number were 663,000 households, or 22 percent of all households, that were extremely-low-income households with incomes below \$18,850, or 30 percent of the PMSA income for a family of four. Another 503,000 households, or 17 percent of all households, were other low-income households with incomes greater than \$31,400 up to \$50,250, or between 51 and 80 percent of the PMSA income. More than one in every two households in the City, or 1,572,000 households, were low-income households.

About one-quarter of low-income renter households with incomes of \$50,250 or less—that is, households at or below 80 percent of the median family income for each household size in the PMSA—lived in public housing units, Mitchell-Lama rental units, *in rem* units, rent-controlled units, or other-regulated units.

In addition, 194,000 households, or 6 percent of all households, were moderate-income households with incomes greater than \$50,250 up to \$59,650 or between 81 and 95 percent of the PMSA income for a family of four.

## Changes in Median Household Income by Borough

In the Bronx, as in the City, the real median household income for all households declined, albeit by about half the city-wide decrease rate of 6.3 percent, to \$27,500 in the three years between 2001 and 2004. Renters' real income in the borough declined by 4.5 percent to \$23,000. For owners, the income change was inverted: their real income grew surprisingly by 8.4 percent to \$54,000.

In the Bronx, 15 percent of owners, or 16,000 households, were recent movers, households that moved into their current residences from 2002 to 2005. The median income of these recently moved owner households was \$60,000, 15 percent higher than the median income of long-term owners, who moved into their current residences before 2002. This is most likely the source of the growth in owner incomes in the borough.

In Brooklyn, real income declined for all households by 5.4 percent to \$35,000. Renters' real income also declined by a similar rate of 5.5 percent to \$30,000, while owners' 2004 income was \$62,000, basically the same as it was three years earlier.

In Manhattan, where the median incomes for renters and owners were higher than the City's and each of the other four boroughs' equivalent incomes, the decline rate of the real income of all households was 5.6 percent, slightly lower than the City's equivalent rate between 2001 and 2004. Renter real incomes in Manhattan declined slightly, by a rate lower than the decline rate for all households, to \$41,527. But the median income of renter households that moved into their current residences from 2002 to 2005, which



was 37 percent of all renters in the borough, was 55 percent higher than the income of long-term renters. The real incomes of owners in the borough grew markedly by 6.2 percent to \$100,000. The median income of recently moved owners, 40,000 households, was \$118,000, 28 percent higher than the income of long-term owners. This could be the reason for the growth in owner incomes in the borough. As a result, owner income in the borough was 2.4 times renter income in 2004.

In Queens, real incomes for renters and owners all declined as the incomes of all households did: renters' incomes and owners' incomes declined by 7.7 percent and 4.8 percent respectively. Real income for all households in Staten Island grew, but renters' and owners' incomes declined. In the borough, where the income of all households was the highest of the five boroughs, the real median income increased slightly, by less than 4 percent, to \$60,000 during the three years, while renters' real income declined by 2.4 percent to \$34,200 and owners' income declined by 4.2 percent to \$73,072.

### **Household Incomes by Rent-Regulation Status**

The real median household income of all renter households in 2004 was \$32,000, a noticeable decrease from \$33,933 in 2001. Households in other-regulated units (such as units regulated by HUD and by Article 4) were the poorest, with an extremely low income of \$11,040, which was only 35 percent of the median income of all renters in the City in 2004.

For three-quarters of the households in the City, the primary source of their incomes was earnings, and more than nine out of every ten dollars of their incomes came from earnings in 2004. Therefore, the primary determinant of household incomes was the number of workers in the household. The mean number of workers in the average household in the City was 1.17 persons in 2005. However, the number of workers in households in other-regulated units was a mere 0.57 persons, less than half of the city-wide average and the fewest among all rental categories. In other words, households in other-regulated units were the poorest because so many of them had no workers. Moreover, 44 percent of these households were either single elderly households, who were extremely poor and the poorest households, or elderly households, most of them retired. In addition, 11 percent of them were single households with children, which were the second-poorest households in the City in 2004. Other regulated tenants' 2004 income was the result of an 8.6-percent real decrease from their income of \$12,084 three years earlier.

In 2004, the income of tenants in Public Housing units was \$13,902, only 43 percent of the income of all renter households and the second-lowest among renter households in all rent-regulatory categories in 2004.

The income of households in *in rem* units was \$19,000 in 2004, not appreciably different from their 2001 income of \$19,230. Their 2004 income was only three-fifths of the income of all renter households. Of *in rem* households, 86 percent were low-income households with 80 percent or less of the PMSA median family income—that is, \$50,250 or less in 2004.

The income of households in rent-controlled units was \$22,176 in 2004, which was about the same as their 2001 income of \$22,330. Their income was only seven-tenths of the income of all renters in the City.

The median income of households in Mitchell-Lama rental units was \$22,000 in 2004, a 22-percent real decrease from three years earlier. For 75 percent of renter households in the City, the primary source of income was earnings. In 2001, it was 67 percent for Mitchell-Lama renter households. However, the proportion of Mitchell-Lama households whose incomes came primarily from earnings dropped by 5.1

percentage points in the three years from 2001. This appears to be one of the major reasons for the steep decline in income in such households. Also, this is at least partially caused by the situation that the income of households who moved into Mitchell-Lama units between 2002 and 2005 was considerably lower than the income of households who moved into such units before 2002.

Other-regulated units, Public Housing units, *in rem* units, rent-controlled units, and Mitchell-Lama units protected 343,000 households, or 17 percent of all renter households in the City that were economically very vulnerable, by providing very affordable rental housing.

The income of households in rent-stabilized units as a whole was \$32,000, the same as the median income of all renters. But the income of households in rent-stabilized units in buildings built in 1947 or later was \$34,840, which was 9 percent higher than the overall income of all renters. On the other hand, the income of those in rent-stabilized units in buildings built before 1947 was \$32,000, the same as the income of all renters in the City.

The real income of households in all rent-stabilized units declined by 9 percent from 2001. For households in pre-1947 units, real income declined by 5.7 percent, while for households in post-1947 units, it declined by 11.7 percent.

The median income of \$42,000 for all unregulated units masks the considerable difference between the two types of unregulated units. Households in unregulated units in cooperative and condominium buildings had the highest income at \$50,000 in 2004. This was 56 percent higher than the income of all renter households in the City and 19 percent higher than that of unregulated households in rental buildings, which was \$42,000 and the second highest. The real incomes of households in unregulated units in condominiums and cooperatives declined by 8.6 percent, while those of households in rental buildings ticked down a little by just 1.6 percent in the three years between 2001 and 2004.

### **Differentiated Income Changes**

A review of the longitudinal data on rental units that remained in the same regulatory status between 2002 and 2005 reveals that the 2004 median income of households in rental units that turned over at least once in the three years was \$6,672 or 22.7 percent higher than the median income of households in rental units that did not turn over during the three-year period. During the three years between 2001 and 2004, 34 percent of renter units in the City turned over.

The 2004 median income of households in rent-stabilized units in buildings built in or after 1947 that turned over was \$40,000, \$8,000 or 25.0 percent higher than the median income of households in such units that did not turn over between 2002 and 2005. Of post-1947 rent-stabilized units 31 percent turned over during the three-year period.

The level of change in income of households in turned-over and non-turned-over post-1947 rent-stabilized units was substantially different. The 2004 median income of households in such turned-over units declined by 6.3 percent, while the income of households in such non-turned-over units declined by 17.6 percent between 2001 and 2004. This explains that the 11.7-percent decline in income of households in post-1947 rent-stabilized units in the three years was mostly caused by the decline in income of households in non-turned-over units.

The median income of households in Mitchell-Lama units that turned over between 2002 and 2005 declined by 21.5 percent, while the income of households in such units that did not turn over declined slightly by 5.0 percent from 2001 to 2004. In the three years, Mitchell-Lama rental units turned over by 28.3 percent. Thus, it is reasonable to assume that the 21.5-percent decline in the income of households in Mitchell-Lama units between 2001 and 2004 was most likely caused by the decline in the income of households in turned-over Mitchell-Lama units.

### **Incomes by Move-In Date**

The median income of renter households who moved into their current units from January 2002 through the end of June 2005 was tremendously different from the income of renter households that moved into their current units before 2002. Moreover, the differences in income between recent-movers and long-term occupants varied widely from one rental category to another. The income of recently-moved households in rent-stabilized units as a whole was 17 percent higher than that of long-term occupants in those units. Particularly, recent-movers' income in post-1947 rent-stabilized units was an overwhelming 29 percent higher than that of long-term occupants in those units, while recent-movers' income in pre-1947 units was 15 percent higher than that of long-term occupants in the same category of units.

The income of recently-moved households in unregulated units as a whole was 13 percent higher than that of long-term occupants in such units. The difference in unregulated units in rental buildings was the same as that in all unregulated units.

The large differences between the incomes of recent-movers and long-term occupants in rent-stabilized units and unregulated units, particularly those in post-1947 units, are largely the consequence of the following unique situations in those units. First, in rent-stabilized units and unregulated units, very large proportions of tenants, 34 percent of rent-stabilized tenants and 52 percent of unregulated tenants, were recent-movers. Second, long-term tenants in rent-stabilized units, who have probably been sitting tenants for many years, have been largely insulated from the sharply upward market pressures on rent in the private housing market during the last several years, when rents in the City have increased sharply. Rents of unregulated units are basically determined by market forces. Thus, rents of these units, whose tenure can be changed from rental to owner and vice versa, have increased rapidly, particularly in recent years, when housing costs, rents or purchasing prices, have been extremely inflationary in the City's housing market. The confluence of these situations helps to explain why the incomes of recent-movers in private units (rent-stabilized units and rent-unregulated units) must be enough higher than those of long-term occupants in such units in order to pay the very inflationary rents of units in these rental categories, particularly those in post-1947 rent-stabilized units and unregulated units.

The comparison of changes in the median incomes of recent-movers and long-term occupants between 2001 and 2004 by rental categories discloses that the change varied considerably for different rental categories. The 2004 income of long-term occupants in Mitchell-Lama units was substantially lower, by 22 percent, than the real income of households who were long-term occupants in 2001, while the income of recent-movers in such units was lower, by 30 percent, than the real income of recent-movers in 2001. This finding explains why Mitchell-Lama household income decreased so much, as discussed earlier in this section.

The income of long-term occupants of unregulated units in cooperative and condominium buildings in 2004 was 15 percent higher than that of long term occupants in 2002. The income of recent-movers in the same type of units was 19 percent lower than the parallel income in 2002 of recent movers into such units. This finding explains why the income of households in such units declined in the three years from 2001 to 2004 by 9 percent.

## **Distribution of Household Incomes by Rent-Regulation Status**

An examination of data on household income distribution within each of the rent-regulation categories shows that each rental category serves uniquely different income groups. A third of rental units in the City served very-low-income households with incomes below \$20,000; another third served low-income households with incomes between \$20,000 and \$49,999. Twenty-three percent served moderate- and middle-income households with incomes between \$50,000 and \$99,000, while the remainder, one in ten, served high-income households with incomes of \$100,000 or more in 2004. Rent-stabilized units served all income groups, similar to all rental units, since about half of all rental units were rent-stabilized units. Of rent-stabilized units, pre-1947 units served households of all income levels, as did all such units, since more than seven out of ten rent-stabilized units were in such old buildings. Meanwhile, post-1947 rent-stabilized units served slightly more moderate-, middle-, and high-income households and slightly fewer very-low- and low-income households than did all rent-stabilized units in 2004.

Compared to the income distribution for households in rent-stabilized units or all rental units, unregulated units served considerably more moderate-, middle-, and high-income households and fewer very-low- and low-income households in 2004.

Public Housing and rent-controlled units all served mostly very-low- and low-income households. Three-fifths of the households that lived in Public Housing units were very-low-income households in 2004. Close to one of two households in rent-controlled units was also a very-low-income household.

*In rem* households were very poor. More than half of them were very-low-income households. The income of two out of every five *in rem* households was less than \$15,000. Of *in rem* households, almost two-thirds (65 percent) had incomes below 50 percent of the HUD area median income, compared to 43 percent of all renters. Altogether, the incomes of 86 percent of *in rem* households were at or below 80 percent of the HUD area median income, compared to 61 percent of all renters.

Mitchell-Lama units mostly served households at all levels of income except for high-income households. Forty-seven percent of the households in Mitchell-Lama units were very-low-income households, while another 28 percent had low incomes. Most of the remainder, a little more than a fifth, had moderate and middle incomes.

## **Household Income by Type of Ownership**

The median income of homeowners was \$65,000, while the income of households in conventional owner units in New York City was \$64,000 in 2004. With an income of \$81,000, households in condominium units had the highest income, followed by that of households in cooperative units, which was \$70,000. The income of households living in Mitchell-Lama cooperative units was \$38,000, the lowest income among homeowner household groups.

In the three years between 2001 and 2004, the real median income of all homeowners changed little, from \$65,676 to \$65,000, while the income of owner households in conventional units declined by \$1,676 or 2.6 percent. During the same three-year period, the real income of owner households in cooperative units declined considerably by \$4,433 or 6.0 percent. However, the real income of owner households in condominium units grew by \$4,378 or 5.7 percent. At the same time, the real income of owner households in Mitchell-Lama units declined slightly.

## **Racial and Ethnic Variation of Household Incomes**

The median income of all households (renters and owners combined) in New York City was \$40,000 in 2004. However, income varied significantly from one racial and ethnic group to another, and the income disparity between whites and the other major racial and ethnic groups, particularly Puerto Rican households, was very substantial. Whites' median income in 2004 was \$52,752, the highest among all the major racial and ethnic groups. Asians' income was \$45,000, the second-highest and 85 percent that of whites.

The incomes of blacks and non-Puerto Rican Hispanics were \$34,602 and \$32,000, only 66 percent and 61 percent respectively of whites' income. Puerto Ricans' income was very low, \$25,000, a mere 47 percent of the income of whites and 63 percent of the income of all households. With the sheer paucity of the absolute dollar amount of their income, there is no additional need to elaborate the serious challenge Puerto Rican households face in improving their housing conditions nowadays in the City's increasingly inflationary housing market.

From 2001 to 2004, the median real income of all households decreased by 6.3 percent to \$40,000. In the three years, the real incomes for Puerto Ricans and Asians grew slightly. On the other hand, the real income of white households declined by 4.4 percent, while the real incomes of black and non-Puerto Rican Hispanic households also declined, albeit at very much lower rates than the rate for white households.

## **Individual Incomes by Race and Ethnicity, Educational Attainment, and Employment**

In 2004, the median income of Asian households was \$45,000, 85 percent of that of white households, the highest of the racial and ethnic groups. However, when looking at individuals rather than households, of individuals 18 years old or older who had full-time jobs in 2004—that is, individuals who worked 35 or more hours a week for 50 or more weeks in 2004—the income of Asians was \$33,000, only 66 percent of the comparable white income of \$50,000. On the other hand, the mean number of employed persons in Asian households was 1.54, higher than that of any of major racial and ethnic group, including whites, whose mean number of employed persons was only 1.14. From this, it is fair to reason that the higher median income of Asian households resulted mostly from the large number of employed persons in such households.

The median income of Puerto Rican households in 2004, \$25,000, was the lowest of any racial and ethnic group. However, the income of Puerto Rican individuals 18 years old or older who had full-time jobs was not the lowest. Since their income and the incomes of blacks and Asians were the same, and their average household size was smaller than blacks and Asians, it is reasonable to say that the smaller average number of employed persons, 0.98 per household, the lowest of any racial and ethnic group, contributed mostly to the lower income of Puerto Rican households.

Of individuals who had full-time jobs, the median income of Puerto Ricans was \$33,000, only 66 percent that of whites. However, the income of Puerto Rican individuals who had completed at least college and had full-time jobs was \$45,000, or 82 percent that of whites with the same level of education. Moreover, the income of Puerto Ricans who were college graduates was higher than that of blacks who were college graduates. This is because, with higher educational attainment, Puerto Rican individuals had jobs in higher-than-average-paying occupations, all requiring more advanced knowledge and specialized skills.

The distribution for individuals in owner households shows that, of those who had full-time jobs, the income of Puerto Ricans was the second highest after whites. Also, of individuals in all owner households who had graduated from college and had full-time jobs, the incomes of blacks, Puerto Ricans, and Asians



were the same at \$50,000 and 79 percent that of whites. Furthermore, the income of Puerto Rican individuals in owner households who had completed at least some post-undergraduate education (an educational attainment of 17 years or more) was \$60,000, higher than the incomes of blacks, Asians, and non-Puerto Rican Hispanics with the same level of educational attainment.

The number of employed persons and the level of their educational attainment are key determinants of the level of household income. Therefore, efforts to improve individuals' educational attainment are critically important in upgrading the level of their households' ability to afford housing, since finding jobs in the City that pay earnings high enough to pay housing costs in the City's extremely inflationary housing market, definitely requires higher educational attainment or highly specialized knowledge and skills. In this regard, it is very encouraging to find that New Yorkers' level of educational attainment in recent years has improved steadily.

### **Income Variations by Household Types**

The overall median household income in the City was \$40,000 in 2004, which was a 6.3-percent decrease after inflation over the 2001 income of \$42,689. Adult households (households of two or more adults with no children and a householder of younger than 62 years of age) had median incomes of \$64,200, the highest of any household type in 2004, as in 2001. Their incomes were \$24,200, or more than 61 percent, higher than that of all households in the City. In the three-year period between 2001 and 2004, their real income declined by 2.2 percent.

Adult households with minor children had the second-highest income, at \$52,000, a 1.3-percent real drop from their income in 2001. Household incomes of the remaining four types of households were below the income of all households in 2004. The income of single adult households was \$37,000 in 2004, a 7.6-percent real decrease over the three years. The income of elderly households was \$34,000 in 2004, growing at a slow clip, by 2.1 percent after inflation, over their income three years earlier.

The 2004 income of single adult households with minor children was very low, \$20,000. Since 2001, their real income grew by 3.7 percent. However, their income was still the second-lowest among all household types, as in 2001, and only half of the income of all households in 2004. With such a low amount of financial resources, they have acute problems with housing affordability, and their requirement for housing assistance needs little elaboration.

The real income of single elderly households inched up by 2.6 percent to a still troublingly low \$12,360 in 2004, the lowest income of all household types and a mere 31 percent of the median income of all households. After paying for food, which is the least discretionary item of necessary living expenditures, their financial resources might be almost exhausted, so that they might not have adequate resources left to improve their current housing conditions or improve their housing by moving up the housing-cost ladder, without housing assistance. Fortunately, many of them currently live in public or publicly-assisted housing units.

### **Households Living below the Poverty Level**

In 2004, 526,000 households, or 17.3 percent of all households, lived below the poverty level in the City. This was no appreciable change from three years earlier in 2001, when the number was 525,000 households and the poverty rate for all households was 17.5 percent.

### **Poverty Rates by Racial and Ethnic Groups**

The city-wide overall poverty rate for each major racial and ethnic group varied widely. The poverty rate for whites was well below that for all households, as their income was well above that for all households. The rate for whites was only 11.5 percent, the lowest of all groups, as was the case three years earlier in 2001, when their rate was 11.2 percent. Asians' rate was 15.6 percent, the second lowest in 2004. The equivalent rate in 2001 was 18.1 percent.

The poverty rates for the balance of the racial and ethnic groups were conversely higher than that for all households. The rate for blacks was 20.7 percent, 3.4 percentage points higher than the city-wide rate. Their 2001 rate was 19.4 percent. The poverty rate for non-Puerto Rican Hispanics was 22.4 percent, the second highest among all racial and ethnic groups in 2004, as in 2001. Their 2001 rate was 23.7 percent.

On the other hand, the 2004 rate for Puerto Ricans was 30.8 percent, 1.8 times the city-wide rate, and the highest of any racial and ethnic group in 2004. This rate was a 2.8-percentage-point decrease from the 2001 rate of 33.6 percent, the largest decrease among all major racial and ethnic groups.

### **Poverty Rates by Household Types**

The poverty rates for two very-low-income household groups—single elderly households and single adult households with minor children—were unparalleledly higher than the rate for all households and other household groups in the City in 2004, as they were in 2001. The rate for single adult households with minor children, a group that includes many extremely poor single female-headed households with children, was 41.9 percent, which was 2.4 times the city-wide overall rate of 17.3 percent, and the highest of any household type in 2004. Their 2001 rate was 43.2 percent.

At the same time, the poverty rate for single elderly households, which had the lowest income among all household types, was 33.1 percent, the second-highest rate in the City and almost two times the City's overall rate. Their 2004 rate was a 4.1-percentage-point decline from their 2001 rate. The rate for single adult households was 17.4 percent, not meaningfully different from the City's overall rate.

Contrarily, rates for the other three household types were lower than the city-wide rate in 2004. The rate for adult households, whose incomes were the highest among all household types, was a mere 7.4 percent, the lowest poverty rate and 9.9 percentage points less than that for all households in the City in 2004.

The rates for elderly households and adult households with minor children were 12.1 percent and 15.4 percent respectively. But their rates changed in opposite directions during the three years between 2001 and 2004: the rate for elderly households declined by 2.3 percentage points, while the rate for adult households with minor children ticked up slightly.

### **Poverty Rates by Number of Workers in the Household**

Almost two-thirds of households with incomes below the poverty threshold had no workers, while three in ten had one worker.



Among households with no workers, the poverty rate was extraordinarily high: 50.2 percent. However, the rate drops very sharply as the number of workers in a household increases. The rate dropped to 12.3 percent for households with one worker, to 2.8 percent for households with two workers, and to 2.1 percent for households with three or more workers. In short, poverty is a typical phenomenon of having no income earners in a household.

### **Characteristics of Households Living below the Poverty Level**

Among poor households, more than a fifth were single elderly, more than twice the proportion among non-poor households. In addition, one in six poor households was a single adult household with minor children, which is much more than three times the proportion among non-poor households.

Of poor households, 18 percent were non-Puerto Rican Hispanic, compared to 13 percent of non-poor households. At the same time, 17 percent of poor households were Puerto Rican, while only 8 percent of non-poor households were Puerto Rican. In addition, 27 percent of poor households were black, while 22 percent of non-poor households were black.

The proportions of poor householders born in Puerto Rico or Other Caribbean Islands were 11 percent and 17 percent respectively compared to 4 percent and 13 percent for non-poor householders.

Of poor householders, 40 percent did not finish high school, compared to 15 percent of non-poor householders.

Among poor households, the proportion of householders who were in the labor market (the labor-force participation rate) was extraordinarily low, only 33 percent, compared to 75 percent of non-poor households. The level of household income and the level of poverty are largely determined by a household's employment characteristics.

Poverty in the City is concentrated in single households with a female householder. In 2004, three-fifths of poor households had a single female householder. In 2004, there were 776,000 single-female households in the City. Of them, 241,000, or 31.1 percent, were poor. Single-female households consisted of the following three household groups: 248,000 single female elderly households (32 percent); 336,000 single adult female households without children (43 percent); and 192,000 single female households with children (25 percent). Of single female households with children and single elderly female households, a great proportion—43 percent and 36 percent respectively—were poor.

Of the 241,000 poor single-female householders, only 58 percent had graduated from at least high school. Only 26 percent were in the labor force, and their median household income was a troublingly low \$6,800 in 2004. Three-fifths of such poor female householders were either white (29 percent) or black (30 percent), while a little more than a third were either Puerto Rican (19 percent) or non-Puerto Rican Hispanic (16 percent).

Among individuals 18 years old or older in poor households where no household member worked in 2004, 92 percent were still not in the labor force in 2005. In other words, in the week before the household was interviewed for the 2005 HVS—nine in ten individuals in such poor households did not work, were not temporarily absent from a job or on layoff, and were not looking for work. Even among individuals in such poor households who were in the economically active age group of 25-54, 84 percent were not in the labor force.

Among all adults in poor households without workers but with some 2004 household income, 43 percent reported that they were retired, while another almost two-fifths cited ill health/physical disability (32 percent) or family responsibilities/children (7 percent) as the reason they were not participating in the labor force. However, the major reasons varied widely for different age groups. For individuals under 25 years of age, 72 percent cited “going to school or getting training” as their reason for not being in the labor force. For seven in ten of those in the economically active 25-54 age group, the major reasons were ill health/physical disability (54 percent) or family responsibilities/childcare (16 percent). Of individuals 55 years old or older, seven in ten reported that they were retired (69 percent), while almost one-quarter said they were in ill health or were physically disabled (24 percent) and, thus, were not looking for work.

Contrarily to intuition, which says that most poor households receive cash Public Assistance (PA), only 45 percent of the poor households in the City received cash Public Assistance in 2005, down from 54 percent in 1993. The proportion of poor households receiving cash PA varied widely from one racial and ethnic group to another. Only 29 percent of white poor households received cash Public Assistance, while almost three-quarters of Puerto Rican, half of non-Puerto Rican Hispanic, and 46 percent of black poor households received it in 2005. Only 18 percent of Asian poor households received cash Public Assistance.

### **Households Receiving Public Assistance**

In 2005, 383,000 households, or 15.5 percent of all households in New York City, received Public Assistance. This was an increase of 1.4 percentage points in the three years between 2002 and 2005. The proportion of households receiving PA declined noticeably for Asian households, by 2.3 percentage points to 7.5 percent in 2005, while the proportion for non-Puerto Rican Hispanic households remained the same at 19.7 percent. Contrarily, the proportions for the other racial and ethnic household groups increased. For black and Puerto Rican households, the proportions increased slightly from 16.5 percent to 19.3 percent and from 35.4 percent to 38.7 percent respectively, while the proportion inched up by 0.6 percentage points to 7.8 percent for white households.

## **The Housing Supply**

### **Size of the Housing Inventory**

The number of housing units in New York City was 3,261,000 in 2005, the largest housing stock in the forty-year period since the first HVS was conducted in 1965. The housing inventory increased by 52,000 units between 2002 and 2005. This is the largest increase between two survey years since the 1991 to 1993 change.

The net increase of 52,000 housing units in the City in the three-year period was largely the net result of an increase in the total number of units in the owner sector. During the three-year period, the total number of owner units, occupied and vacant together, grew markedly by 35,000, or by 3.5 percent. During the same period, the number of units that were vacant and not available for sale or rent increased by 10,000, or by 7.8 percent.

However, rental units still accounted for the preponderant majority of the overall housing stock in the City. Of all 3,261,000 housing units in the City in 2005, 64.2 percent were rental units and 31.6 percent were owner units, while the remaining 4.2 percent were vacant units that were unavailable for sale or rent.

In the City, the number of rental units and owner units can change without new rental or owner units being created. Specifically, the number of rental units in cooperative and/or condominium buildings and other owner units oscillates from rental to owner and vice versa, reflecting changes in supply and demand in the rental housing market or owner housing market situations, as witnessed by the fact that the number of rental units in cooperatives and condominiums has changed considerably in recent years.

### **Additions to the Housing Inventory**

Additions to the stock come from units newly constructed or gut-rehabilitated, conversions from non-residential to residential use, returned losses (previously lost units that have returned to the active housing inventory), and conversions within the residential sector (such as larger units that have been broken up into smaller units).

Over the three years between 2002 and 2005, 125,000 housing units were added to the inventory. Yearly gross additions were about 42,000 for the period. About half of the additions for the three-year period came from returned losses (63,000 units), while 35 percent came from newly constructed units (44,000 units). At the same time, 14 percent came from other additions (18,000 units).

### **Newly Constructed Units (Provided by the 2005 HVS)**

Between 2002 and 2005, 44,000 units were constructed in New York City. This is the largest number of units constructed in the three years between any two HVS surveys since 1981.

### **Newly Constructed Units (Provided by New York City's Department of City Planning)**

According to data on newly constructed units provided by the City's Department of City Planning, the number of newly constructed units in the City was 63,943 units, or 15,986 per year in 48 months, the four-year period between 2002 and 2005, the highest number since the late 1980s. Particularly, in 2004 and 2005 the total numbers of newly constructed units in the City for each year were 17,300 and 17,468 respectively, the largest numbers of newly constructed units in the City in any year in the more than twenty years since 1981. The yearly average number of newly constructed units between 2004 and 2005 was 17,384 units, which is 2.1 times the yearly average number between 1996 and 1999 and 1.3 times the equivalent number of such units between 2000 and 2003.

Particularly, in Brooklyn the number of newly constructed units in 2005 was 4,567 units, more than 1.7 times the equivalent number in any of the previous five years. In Manhattan, the yearly average number of newly constructed units between 2000 and 2005 was 5,501, more than double the equivalent number between 1991 and 1999.

During the period of time between the 2002 and 2005 HVSs, HPD created 10,389 affordable units through new construction and gut-rehabilitation programs. In addition, 25,043 units were constructed through HPD's tax incentive programs. Altogether, 35,432 units were created with HPD's assistance. In other words, approximately seven out of ten of about 47,000 new units reported by the Department of City Planning over this period of time were added with HPD's assistance.

### **Units Lost between 2000 and 2002 and Returned to the Housing Inventory between 2002 and 2005 (Census 2000-Based Sample)**

For many years in New York City, the change in the size of the housing supply has been significantly determined by the level of new housing losses and the level of returned losses, rather than by the level of newly constructed units alone. Since the 1975-1978 period, when the HVS for the first time provided data on returning losses (previously lost units that have returned to the inventory through gut-rehabilitation or changes in use or physical characteristics), such losses have accounted for the largest single source of all additions to the housing stock in New York City. The number of returned units in the 2002-2005 period was 63,000, or 1.4 times the 44,000 newly constructed units the 2005 HVS reports for the same period.

#### **Location of Returned Losses**

Of units returned between 2002 and 2005, 32 percent were in Brooklyn, where 37 percent of new losses during the same three years were located. Another two-fifths of returned units were located in either Queens (26 percent) or Manhattan (13 percent), where a similar proportion of new losses were located (28 percent in Queens and 17 percent in Manhattan). During the same three-year period, 14 percent of returned units in the City were located in the Bronx.

### **Units Lost through 1999 and Returned to the Housing Inventory between 1999 and 2005 (Census 1990-Based Sample)**

In addition to data on returning losses from the 2005 HVS, the 2005 HVS-Survey of Returning Losses, which is a separate, independent survey from the main 2005 HVS, estimates that an additional 21,000 units lost between 1990 and 1999 and not returned as of the 1999 HVS were returned to the inventory by 2005 through various return mechanisms, such as gut-rehabilitation, subdivision, or conversion from non-residential to residential units.

Of the 21,000 returned units that were lost between 1990 and 1999 and not returned as of the 1999 HVS, but returned to the inventory by 2005, 18 percent were either vacant or boarded-up/burned-out in 1999. Undoubtedly, these types of previously lost units returned through rehabilitation. An additional 43 percent of such returned units were merged into fewer, larger units and, thus, lost in 1999 but returned to the inventory by 2005 through the process of decoupling of merged units into more, smaller units.

The locational pattern of units lost between 1990 and 1999 and returned by 2005 was noticeably different from that of units lost between 2000 and 2002 and then returned between 2002 and 2005. Nine in ten of such returned units were located in Manhattan (34 percent), Queens (29 percent), or Brooklyn (28 percent).

#### **Losses from the Stock**

Gross losses from the stock come from merging smaller units into larger ones, conversion of residential units to non-residential use, demolition, condemnation, boarded-up/burned-out units, and other losses through market and non-market mechanisms.

During the three-year period between 2002 and 2005, 73,000 units, or 24,000 units annually, were lost from the active housing inventory. This was 71 percent more than the losses between 1996 and 1999. This large loss is similar to the annual gross loss between 1981 and 1984.

### **Location of Losses**

The locational pattern of losses between 2002 and 2005 was very similar to that in the 1996-1999 period: Brooklyn's share of the City's losses was still the largest, 37 percent, while Queens' share, at 28 percent, was the second largest. Manhattan's share was only one in six of the City's total losses, about half of the borough's share in the 1991-1993 period, when the borough's share was three in ten of the losses in the City. The Bronx's share remained small, one in ten of the City's losses.

### **Spatial Variation of the Housing Inventory by Tenure and Occupancy**

Each of the two tenure categories in the City exhibits unique variations in terms of spatial distribution. Four-fifths of the City's 3,261,000 housing units were located in Brooklyn (945,000 units, or 29 percent), Queens (828,000 units, or 25 percent), and Manhattan (815,000 units, or 25 percent) in order of size. The remaining fifth was in the Bronx (499,000 units, or 15 percent) and Staten Island (174,000 units, or 5 percent).

The spatial distribution of rental units by borough varied noticeably from that of the City's housing stock, except for Brooklyn. Of the 2,092,000 rental units in the City, Brooklyn captured the largest share (639,000 units, or 31 percent) of any borough, and its proportional share of rental units was consistent with its proportion of all housing units in the City. However, the Bronx's (378,000 units, or 18 percent) and Manhattan's (586,000 units, or 28 percent) shares of rental units were more than their shares of all units in the City.

For the two other boroughs, Queens and Staten Island, the most recently developed boroughs, their shares of rental units were lower than their shares of all units: Queens' had 434,000 units, or 21 percent, and Staten Island had 55,000 units, or 3 percent.

Owner units' distribution by borough reversed the pattern of rental units' distribution. Of the 1,032,000 owner units in the City, Queens' (373,000 units, or 36 percent) and Staten Island's (112,000 units, or 11 percent) accommodations of such units were substantially more than their shares of all units in the City. On the other hand, Brooklyn's (262,000 units or 25 percent), Manhattan's (180,000 units or 17 percent), and the Bronx's (105,000 units or 10 percent) shares of owner units were less than their shares of all units in the City.

The spatial pattern of occupied rental units approached that of all rental units, since almost 97 percent of rental units were occupied. However, the spatial distribution of vacant rental units deviated markedly from that of all rental units. Of the 65,000 vacant rental units in the City, their impact was greater in the following two boroughs: 62 percent were in either Manhattan (34 percent) or Brooklyn (27 percent). Those remaining vacant rental units were mostly in Queens (19 percent) and the Bronx (15 percent).

The distribution of the 1,010,000 occupied owner units very much mirrored that of all owner units, since almost all were occupied. However, the spatial distribution of vacant owner units was dissimilar to that of occupied owner units: nine in ten of them were in Queens (36 percent), Brooklyn (28 percent), or Manhattan (27 percent).



Of the 137,000 vacant units not available for sale or rent, the impact was greatest in Manhattan: that borough alone accounted for 36 percent or 50,000 units. The remaining vacant, unavailable units were situated mostly in either Brooklyn (32 percent), Queens (16 percent), or the Bronx (12 percent).

### **Housing Inventory Composition by Size of Units**

Two-thirds of all 3,124,000 occupied and vacant-available housing units in the City were either units with one bedroom or units with two bedrooms (33 percent each). A little more than a quarter had three or more bedrooms (27 percent). The remaining 7 percent of units were studios with no bedrooms. The distribution in the Bronx and Brooklyn approached that in the City overall. In the Bronx, seven in ten units were either one-bedroom units (35 percent) or two-bedroom units (36 percent), while the remainder were mostly three-or-more-bedroom units (25 percent). In Brooklyn, slightly more units were two-bedroom units (37 percent) and fewer were studios (4 percent), compared to the city-wide distribution.

However, the composition of housing units by size in Manhattan was distinctly different from the city-wide composition. In the borough, close to three-fifths of all units were small units, either studios (15 percent) or one-bedroom units (42 percent). The proportion of studios in the borough was more than double the equivalent proportion in the City as a whole. On the other hand, the proportion of large units with three or more bedrooms in the borough was 13 percent, about half of the equivalent proportion of all such units in the City. In other words, the predominant supply of housing units in the borough is not designed for large households.

Conversely, most housing units in the two most recently developed boroughs, Queens and Staten Island, were larger units. More than two-thirds of the units in Queens were either two-bedroom units (34 percent) or three-or-more-bedroom units (35 percent). Almost three-fifths of the units in Staten Island were larger units with three or more bedrooms (58 percent), while the remainder were mostly units with either two bedrooms (22 percent) or one bedroom (18 percent).

Close to six in ten of the smallest units, studio units with no bedroom, were clustered in Manhattan (57 percent). Four-fifths of the one-bedroom units were located in either Manhattan (31 percent), Brooklyn (28 percent), or Queens (22 percent). On the other hand, a third of two-bedroom units in the City were located in Brooklyn (32 percent), while close to half were located in either Queens (26 percent) or Manhattan (22 percent). More than three-fifths of the largest units, those with three or more bedrooms, were clustered in either Queens (33 percent) or Brooklyn (29 percent), while the remaining units of this size were more or less evenly distributed among the other three boroughs: the Bronx (14 percent), Manhattan (12 percent), and Staten Island (12 percent).

### **Rental Units by Borough**

The total number of rental units in the City, occupied and vacant-available-for-rent together, numbered at 2,092,000 units, or 64 percent of the total housing stock in the City in 2005. Six in ten rental units in the City were located in either Brooklyn (31 percent) or Manhattan (28 percent). Most of the remainder were in either Queens (21 percent) or the Bronx (18 percent).

More than two-thirds of all housing units in the Bronx (76 percent), Manhattan (72 percent) and Brooklyn (68 percent) were rental units. On the other hand, the proportions of rental units were much lower in the

other two boroughs: 52 percent in Queens and 32 percent in Staten Island. In other words, in these two boroughs, which developed later than the other boroughs, ownership was more frequent.

### **Population and Units by Rent-Regulation Status**

There were 1,044,000 rent-stabilized units, comprising 50 percent of the rental stock in 2005. Of these, 747,000 units, or 36 percent of all rental units, were in buildings built before 1947, while 296,000 units, or 14 percent of the total rental stock, were in buildings built in 1947 or later. These 1,044,000 units in the largest single rent-regulation category housed 2,494,000 people, or 31 percent of the population in the City in 2005.

Rent-controlled units numbered 43,000, or 2 percent of the rental stock in 2005. Of these, 11,000 units, or 26 percent, were occupied by tenants who had moved into them after July 1, 1971. This means that these 11,000 rent-controlled units were most likely occupied by tenants with succession rights. In identifying rent-controlled units for the 2005 HVS, the Census Bureau incorporated addresses of rent-controlled units whose owners had submitted applications for MBR to the New York State Division of Housing and Community Renewal for the 2001-2002 and 2003-2004 MBR cycles. This has helped the HVS cover more rent-controlled units, including those occupied by tenants with succession rights. The Vacancy Decontrol Act of 1971 allows for the decontrol of all rent-controlled and rent-stabilized units after a change in tenancy, except for family members who may have succession rights to protect them from eviction when the tenant dies or permanently leaves the apartment. Thus, some household members who moved into rent-controlled units in July 1971 or later should be considered tenants with the right to remain in occupancy subject to the rent-control laws, since they resided with the original tenant as primary residents in the apartment prior to the death of the tenant or the tenant's permanent leaving of the apartment. The 2002 HVS reported 13,000 such units.

Rent-controlled units housed 76,000 people. Rent-stabilized and rent-controlled units combined totaled 1,087,000 units and housed 2,570,000 people in the City in 2005.

The number of Public Housing units reported by the 2005 HVS was 171,000, or 8 percent of all rental units in the City. Meanwhile, the number of City-owned *in rem* units was 11,000, or 0.5 percent of all rental units in the City. In addition, there were 62,000 Mitchell-Lama rental units; this was 3 percent of all rental units in the City. Also, there were 64,000 units, or 3 percent of all rental units, whose rents were regulated by other federal, State, or City laws or regulations—such as the U.S. Department of Housing and Urban Development or the State's Article 4 programs. *In rem*, Public Housing, and rent-controlled units together housed 540,000 poor New Yorkers, while Mitchell-Lama and other-regulated units provided 284,000 low-, moderate-, and middle-income people with affordable housing. On the other hand, 1,044,000 rent-stabilized units helped 2,494,000 New Yorkers at all income levels in securing affordable housing units in the City's inflationary housing market. In short, the City's extensive rent-regulation systems provided 3,318,000 New Yorkers with various forms of housing assistance.

During the three-year period between 2002 and 2005, of the total number of rental units in the City, the number of unregulated units increased considerably. Particularly, the number of such units in rental buildings increased by 33,000. Altogether, the 697,000 unregulated units (650,000 units in rental buildings and 48,000 in cooperative and condominium buildings) provided 1,867,000 people, or 23 percent of the population in the City, at all levels of income with housing at free market rents in the City.



Between 2002 and 2005, the number of rent-stabilized units changed little. In the same period, the number of rent-stabilized units in buildings built before 1947 declined by 28,000, while the number of such units in buildings built in or after 1947 increased by 29,000 in the three years.

### **Rental Units by Rent-Regulation Status by Location**

In 2005, Manhattan had the most rent-controlled units in the City, more than one in every two such units (54 percent), while about a quarter were in Brooklyn (24 percent). The remainder were distributed between Queens (13 percent) and the Bronx (9 percent).

Rent-stabilized units were concentrated in Manhattan and Brooklyn: almost a third of such units were located in Manhattan (32 percent), while a little more than a quarter were in Brooklyn (27 percent). Most of the remainder were located in the Bronx (21 percent) and Queens (19 percent).

More than two-thirds of Mitchell-Lama rental units were located in the two boroughs of the Bronx (37 percent) and Brooklyn (31 percent). Most of the remainder were located in Manhattan (20 percent) and Queens (10 percent).

About two-thirds of the Public Housing units in the City were concentrated in the two boroughs of Brooklyn (35 percent) and Manhattan (31 percent), while most of the remainder were in the Bronx (23 percent) and Queens (10 percent).

Manhattan alone provided an umbrella for seven in ten (72 percent) of the *in rem* units in the City.

Almost two-thirds of the unregulated rental units in the City were concentrated in Brooklyn (36 percent) and Queens (29 percent). The remainder were mostly located in either Manhattan (20 percent) or the Bronx (10 percent). More than seven in ten of unregulated rental units in cooperative and condominium buildings were concentrated in Manhattan (38 percent) and Queens (34 percent).

### **Rental and Owner Housing Units in Cooperatives and Condominiums**

In 2005, the number of units in cooperative (excluding Mitchell-Lama cooperative) and condominium buildings in the City was 452,000. This was 14 percent of the total number of occupied and vacant-available housing units in the City. Of these units in cooperative and condominium buildings, three-quarters, or 340,000 units, were owner units, while the remaining 112,000 were rental units, divided into rent-regulated units (14 percent for rent-controlled and rent-stabilized together) and unregulated rental units (11 percent).

The proportion of owner units in cooperative and condominium buildings increased steadily in nine years, from 61 percent in 1996 to 66 percent in 1999 to 72 percent in 2002 and to 75 percent in 2005, reflecting a robust demand for owner housing in the City in recent years. Between 2002 and 2005, the number of such owner units increased by 33,000 to 340,000 units.

Manhattan and Queens accounted for more than seven in ten of all units in cooperative and condominium buildings in the City, with Manhattan being the greatest repository with 197,000 such units (44 percent) and Queens next with 126,000 such units (28 percent).

The remaining units in cooperative and condominium buildings in the City were scattered throughout the other three boroughs: 74,000 in Brooklyn (16 percent), 40,000 in the Bronx (9 percent), and 15,000 in Staten Island (3 percent).

Of all 340,000 owner units in cooperative and condominium buildings, three-quarters were concentrated in two boroughs: Manhattan (160,000 units, or 47 percent) and Queens (91,000 units, or 27 percent). The remaining such owner units were located mostly in Brooklyn (54,000 units, or 16 percent) and the Bronx (22,000 units, or 6 percent). In Manhattan, of all units in cooperative and condominium buildings, more than four-fifths were owner-occupied or for sale.

Of the 112,000 rent-regulated and unregulated rental units in cooperative and condominium buildings, 65,000 rent-regulated units and 48,000 unregulated units, two-thirds were concentrated in Manhattan (33 percent) and Queens (32 percent), while the remainder were located mostly in Brooklyn (18 percent) and the Bronx (16 percent). In the Bronx, of all 40,000 units in cooperative and condominium buildings, 18,000 units, or 46 percent, were rental units.

### **Size of Rental Units**

In 2005, of the 2,092,000 rental units in the City, half were smaller units—either studio units with no bedroom (8 percent) or one-bedroom units (41 percent)—and the other half were larger units—either units with two bedrooms (36 percent) or units with three or more bedrooms (15 percent). In Manhattan, most units were small: almost three-fifths of all rental units in the borough were either studios (16 percent) or one-bedroom units (42 percent), while the remaining two-fifths were two-bedroom units (30 percent) or three-or-more-bedroom units (12 percent). Compared to the city-wide distribution, in the Bronx, Brooklyn, and Queens, there were more two-bedroom units and fewer studios. The distribution in Staten Island approximated the distribution in the City as a whole.

More than half of the rental studios in the City were concentrated in Manhattan (56 percent), while the remainder were located mostly in Brooklyn (17 percent), Queens (15 percent), or the Bronx (11 percent). One-bedroom rental units were scattered throughout the four most populous boroughs: Brooklyn (30 percent), Manhattan (29 percent), Queens (21 percent), and the Bronx (18 percent). Two-bedroom units were also scattered throughout the same four boroughs: a third were located in Brooklyn, while the remainder were scattered in either Manhattan (23 percent), Queens (22 percent), or the Bronx (19 percent). The distribution of rental units with three or more bedrooms closely approximated that of two-bedroom units.

A review of different sizes of rental units within each rent-regulation category reveals that a much larger proportion of the Public Housing, *in rem*, and rent-unregulated categories provided an umbrella for larger units. Of Public Housing units, seven in ten were either two-bedroom units (48 percent) or three-or-more-bedroom units (23 percent). Of *in rem* units, more than three-quarters were larger units, either two-bedroom units (34 percent) or three-or-more-bedroom units (43 percent). Of unregulated rental units, more than three-fifths were either two-bedroom units (39 percent) or three-or-more-bedroom units (23 percent); the remainder were mostly one-bedroom units.

Compared to the distribution of all rental units, more rent-stabilized units, three-fifths, were smaller units: one-bedroom units (48 percent) and studios (11 percent).

## **Growth of the Ownership Rate**

The homeownership rate in New York City increased by 4.3 percentage points in the twelve-year period between 1993 and 2005, from 29.0 percent to 33.3 percent. The rates were 30.0 percent in 1996, 31.9 percent in 1999, and 32.7 percent in 2002. The City made a great contribution to such ownership growth. During the period between July 2002 and June 2005, 3,432 families became owners through HPD's various programs to offer more affordable owner housing units in the City.

The homeownership rates in the most recently developed boroughs of Staten Island and Queens were unparalleledly higher than the overall city-wide rate, while the rates in the other three older boroughs—the Bronx, Brooklyn, and Manhattan—were lower than the city-wide rate. In Staten Island, the rate was 67.7 percent, the highest of any of the boroughs and more than double the city-wide rate, while the rate in Queens was 46.4 percent, the second highest in the City and 1.4 times the city-wide rate. The homeownership rate in Staten Island grew by 3.1 percentage points between 2002 and 2005.

The homeownership rates in the Bronx and Manhattan were 22.1 percent and 23.6 percent respectively, markedly lower than the city-wide rate. At the same time, the rate in Brooklyn was 29.2 percent, higher than the rates in Manhattan and the Bronx, but still considerably lower than the city-wide rate.

The homeownership rate for each racial and ethnic group in the City varied widely. In 2005, the homeownership rate for white households was 43.6 percent, the highest of any racial and ethnic group and 1.3 times higher than the city-wide rate of 33.3 percent. The rate for Asian households was 37.6 percent, the second highest of all racial and ethnic groups and 4.3 percentage points higher than the city-wide rate. The rates for the other major racial and ethnic groups were lower than the city-wide rate. For black households, the rate was 29.1 percent. For Puerto Rican and non-Puerto Rican Hispanic households, the homeownership rates were a mere 15.9 percent and 16.6 percent respectively, only about half of the city-wide rate.

As homeownership grew city-wide, the homeownership rate grew considerably for every major racial and ethnic group, although at various rates, from 1993 to 2005. In the twelve-year period, every group made improvements; blacks and Asians, particularly, made remarkable improvements. The homeownership rate for these two groups increased by 6.6 percentage points and 6.5 percentage points respectively in the twelve-year period. In the meantime, the rates for the remaining major racial and ethnic groups also increased considerably in the same twelve-year period: 4.6 percentage points for whites, 3.9 percentage points for Puerto Ricans, and 4.6 percentage points for non-Puerto Rican Hispanics.

## **Composition of Legal Forms of the Owner Unit Inventory**

The number of occupied and vacant-available owner units in the City was 1,032,000 in 2005. In the three years from 2002 to 2005, the owner unit inventory in the City grew noticeably by 35,000 units. This growth resulted predominantly from the growth in the number of private cooperative units and condominium units. During the three-year period, the number of private cooperative units grew by 23,000 units, while the number of condominium units grew by 11,000 units.

### **Owner Units by Location**

In 2005, the 1,032,000 owner units in the City consisted of the following four types of ownership (legal forms of ownership): conventional (63 percent), private cooperatives (26 percent), Mitchell-Lama

cooperatives (4 percent), and condominiums (7 percent). The composition of owner units varied from borough to borough. In the Bronx, preponderantly more owner units were Mitchell-Lama cooperatives and fewer were private cooperatives and condominiums, compared to the composition of owner units in the City. In 2005, of the 105,000 owner units in the borough, 14 percent were Mitchell-Lama cooperatives, while 16 percent and 5 percent respectively were private cooperatives and condominiums. Mitchell-Lama cooperatives were highly concentrated in the borough: 32 percent of all such owner units in the City were located there.

In Brooklyn, 76 percent of the 262,000 owner units were conventional units, while only 17 percent and 3 percent respectively were private cooperatives and condominiums.

A disproportionately large proportion, 69 percent, of the 180,000 owner units in Manhattan were private cooperatives, while another 20 percent were condominiums. In the three years between 2002 and 2005, the number of private cooperative and condominium units in the borough increased by 12,000 units, or by 8 percent. A mere 4 percent of the owner units in Manhattan were conventionally owned.

The composition of the 373,000 owner units by type of ownership in Queens resembled that in Brooklyn, except that, in Queens, proportionately somewhat more units were private cooperatives (21 percent) and fewer units were conventional units (73 percent). In Staten Island, almost nine in ten of the 112,000 units were conventional units, while 11 percent were condominium units.

### **Size of Owner Units**

In 2005, half of all owner units were larger units with three or more bedrooms, while the remainder were mostly units with either two bedrooms (28 percent) or one bedroom (19 percent). In other words, of all owner units, about four-fifths were larger units with two or more bedrooms.

Of the conventional units in the City, 94 percent were larger units with two or more bedrooms; seven in ten had three or more bedrooms.

Half of the private cooperatives were either one-bedroom units (43 percent) or studios (8 percent), while a little more than a third were two-bedroom units (35 percent). The condominium category accommodated more larger units than did private cooperatives. Close to three-fifths of condominium units were larger units, either two-bedroom units (35 percent) or three-or-more-bedroom units (22 percent). The Mitchell-Lama cooperative category also accommodated more larger units: almost three-fifths of Mitchell-Lama units were either two-bedroom units (40 percent) or three-or-more-bedroom units (17 percent).

Two-thirds of the owner studio units in the City were concentrated in one borough, Manhattan (67 percent), where most owner units were in the non-conventional owner unit categories. Most of the remainder were located in either Brooklyn (12 percent) or Queens (14 percent). On the other hand, close to nine in ten of the owner one-bedroom units were scattered in three boroughs: Manhattan (39 percent), Queens (27 percent), and Brooklyn (22 percent). The remainder were located mostly in the Bronx (9 percent).

The three boroughs of Manhattan, Queens, and Brooklyn, which provided an umbrella for most of the one-bedroom units in the City, also accommodated more than four-fifths of the owner two-bedroom units: Queens (37 percent), Brooklyn (27 percent), and Manhattan (20 percent). The remainder were located in either the Bronx (10 percent) or Staten Island (6 percent).

More than two-thirds of the larger owner units with three or more bedrooms in the City were concentrated in two boroughs: Queens (41 percent) and Brooklyn (26 percent). The remainder were located mostly in either Staten Island (17 percent) or the Bronx (11 percent).

## **Housing Vacancies and Vacancy Rates**

### **Rental Vacancies and Vacancy Rates**

The number of vacant rental units in the City was 65,000, and the city-wide rental vacancy rate was 3.09 percent, compared to 2.94 percent during the same period between February and June three years earlier. In the three years between 2002 and 2005, there was little alleviation of the acutely inadequate supply of vacant available rental housing units. The 2005 rental vacancy rate is statistically lower than 5.00 percent and, thus, meets the legal definition of a housing emergency in the City, as defined by New York State and City rent-regulation laws, requiring a continuation of both rent control and rent stabilization in the City.

### **Rental Vacancies and Vacancy Rates by Boroughs and Sub-Borough Areas**

In 2005, more than three-fifths of the City's 65,000 vacant rental units were clustered in two boroughs: Manhattan (22,000 units or 34 percent) and Brooklyn (18,000 units or 27 percent). One-third were located mostly in Queens (12,000 units or 19 percent) and the Bronx (10,000 units or 15 percent).

In Manhattan, where more than a third of the City's vacant rental units were highly clustered, the rental vacancy rate was 3.79 percent in 2005, the highest of any borough in the City, as was the case three years earlier. Vacant rental units in the borough were highly concentrated in the area that covers sub-borough areas 5, 6, 7, and 8. The rate for the area was 5.21 percent, 2.12 percentage points higher than the city-wide rate.

The rental vacancy rates in the other boroughs were lower than the city-wide rate of 3.09 percent. In the Bronx, where the rate had been higher than the city-wide rate in the 1990s, the 2005 rate was 2.63 percent, the lowest of any of the boroughs and a 0.66 percentage-point decline from the 2002 rate, as an extreme housing shortage existed across the borough. Moreover, unlike in 1996 and 1999, when the rate was 5.43 percent and 5.04 percent respectively, in 2002 and 2005, the rate in the borough remained substantially below 5.00 percent, the rental vacancy rate standard used to determine whether or not a housing emergency exists for the City as a whole.

The rental vacancy rate in Brooklyn was 2.78 percent in 2005, almost the same as three years earlier in 2002, when it was 2.73 percent. In Queens, where the number of vacant rental units increased by 60 percent to 12,000 units, the rate in 2005 was 2.82 percent, compared to 1.78 percent in 2002. The number of vacant units in Staten Island was too small to report.

### **Rental Vacancies and Vacancy Rates by Rent-Regulation Categories**

In 2005, with 28,000 vacant units or 43 percent of all vacant rental units in the City, the vacancy rate for rent-stabilized units was 2.68 percent, little growth from 2.49 percent three years earlier in 2002.



In the three years since 2002, there was little alleviation of the severe shortage of vacant available rent-stabilized units.

The rental vacancy rate for the category of unregulated rental units in the City was 4.11 percent, which covers 29,000 units or 44 percent of all vacant rental units in 2005. There was little change in the rate from three years earlier, when it was 4.07 percent. However, these vacant free-market rental units were much more available compared to vacant rent-stabilized units, as the vacancy rate for this rental category was well above the city-wide rate of 3.09 percent and was the highest of any rent-regulation category, as was the case three years earlier in 2002.

### **Vacancies and Vacancy Rates by Rent Levels**

In the three years between 2002 and 2005, the number of vacant rental units grew little and, accordingly, the rental vacancy rate increased inappreciably, as discussed earlier. The impact of this small increase in the availability of vacant rental units in the City in the three years was not concentrated at any particular rent level. Instead, it was broadly spread among various rent levels.

In the three years, the number of occupied rental units with contract rents less than \$400 declined by 15,000 units or by 7 percent. However, the number of vacant rental units in the same asking rent level in 2002 and 2005 was too few to estimate the vacancy rate in a statistically reliable manner. This magnifies the fact that the availability of very-low-rent units in the City was further reduced in the three years between 2002 and 2005.

At the same time, the number of occupied rental units with an asking-rent level of \$400 to \$699 declined by 84,000 or by 16 percent in the three years between 2002 and 2005, while the number of vacant rental units in the same rent level increased by 24 percent in the same three-year period. As a result, the rental vacancy rate for units in this rent level was 2.41 percent, compared to 1.63 percent in 2002.

During the same three years, the number of occupied units with rents of \$700 to \$999 declined by 57,000 or by 8 percent, while the number of vacant rental units in this rent level changed little. Consequently, the vacancy rate stayed approximately the same: 2.98 percent in 2002 and 3.05 percent in 2005.

However, from 2002 to 2005, the number of occupied units with rents of \$1,000 to \$1,999 increased markedly by 146,000 or by 34 percent, while the number of vacant rental units in this rent level increased at a lower rate. As a result, the vacancy rate for this level was 3.65 percent in 2005, compared to 3.97 percent in 2002.

The number of occupied units with rents of \$2,000 or more grew by 23,000 or by 23 percent, while the number of vacant units in this highest rent level remained virtually unchanged. As a result, the vacancy rate for this highest rent level declined from 9.61 percent to 7.83 percent between 2002 and 2005, but still remained much higher than 5.00 percent.

In short, there was a pervasive shortage of available vacant units for rents of less than \$2,000 in the City. Particularly, the shortage of those available for less than \$600 was appallingly acute.



## **Vacancies and Vacancy Rates for Rent-Stabilized Units and Rent-Unregulated Units by Rent Levels**

The rental vacancy rate for all rent-stabilized units was 2.68 percent in 2005. Almost three-fifths of vacant rent-stabilized units had asking rents of either \$700-\$899 (22 percent) or \$900-\$1,249 (37 percent) and vacancy rates of 2.22 percent and 3.76 percent respectively. The number of such vacant units renting at less than \$700 was altogether only about 6,000, and the vacancy rate was less than 2.00 percent: 1.88 percent. However, rental vacancies for such units in the lowest three of these rent levels—less than \$400, \$400-\$599, and \$600-\$699—were too few to report individually for each interval. On the other hand, the number of vacant rent-stabilized units with asking rents of \$1,250 or more was 6,000, one in five of all such vacant rent-stabilized units, although the proportion of vacancy to occupancy was still very low, with a vacancy rate of 3.45 percent.

Almost all vacant unregulated rental units had middle or high levels of rent, while more than half had rents of \$1,250 or more: \$700-\$899 (19 percent), \$900-\$1,249 (26 percent), and \$1,250 and over (53 percent). It is important to point out that vacancies among unregulated rental units for low and moderate rent levels—rents of less than \$700 even as a whole—were negligible, while the vacancy rate for units with rents of \$1,250 or higher was 6.41 percent in 2005.

## **Vacancies and Vacancy Rates by Cumulative Rent Intervals**

In 2005, rental vacancies for units with asking rents of less than \$400 were too few to present, given the level of statistical significance. The rate for units with asking rents of less than \$800 was extremely low, less than 2.00 percent, as it was three years earlier in 2002.

The rate moved up above 2.00 percent as asking-rent levels moved up. However, the rate for units with asking rents of less than \$2,000 was still less than 3.00 percent: 2.82 percent. However, it jumped to 7.83 percent for the 10,000 vacant units with asking rents of \$2,000 or more. Consequently, prospective renters in the City found a rental housing market of extreme scarcity, except for those units at the highest rent level.

## **Number of Vacant Rental Units Renting at or below Public Shelter Maximum Allowances**

In 2005, 147,000 occupied and vacant rental units met the definition of quality housing and rented within the same Basic Shelter Allowance that has been in place since 1988, a drop of 9.6 percent from 162,000, the comparable number in 2002. Under the increased allowance for households with any child, in 2005, 211,000 rental units met the criteria. The number of vacant available units renting within the Shelter Allowance was too small to report. This compelling finding indicates that the pervasive shortage of physically decent housing units that very-low-income households can afford was further sustained over the three-year period. Thus, very poor households seeking affordable, decent housing still had very serious difficulty finding it in 2005, as in 2002.

## **Number of Privately Owned Vacant Rental Units (Rent-Stabilized, and Rent-Unregulated Units) Affordable to Median-Income Renter Households**

Applying the concept that the average renter household should not pay more than 30 percent of its income for housing, it is estimated that the number of privately owned vacant rental units (rent-stabilized, and

rent-unregulated) affordable by households with incomes at least equal to the median renter household income in the City stayed at 14,000 units in 2005. In the meantime, the rental vacancy rate for such units was a mere 1.96 percent in 2005, no statistically appreciable increase over the rate of 1.62 percent in 2002. During the three-year period between 2002 and 2005, the shortage of privately owned rental units that even median-income households in the City could afford still remained extremely low.

### **Number of Vacant Rental Units at Fair Market Rents**

HUD's Fair Market Rent schedule varies with apartment size. The schedule used for 2005 was as follows: 0 bedroom - \$893; 1 bedroom - \$966; 2 bedrooms - \$1,075; 3 bedrooms - \$1,322; and 4 bedrooms - \$1,360 (Fair Market Rents, Existing Section 8, effective February 2005). Assuming that a household should not pay more than 30 percent of its income for housing, the minimum income required to afford these housing units in New York City ranged from \$35,720 for units with no bedrooms (studios) to \$54,400 for four-bedroom units.

Applying Fair Market Rents for Existing Section 8, effective February 2005, it is estimated that 1,252,000 physically decent units met the Fair Market Rent limits in 2005. This was 121,000 or 9 percent fewer than the 1,373,000 such units in 2002. Of the number in 2005, 33,000 units were vacant and available for rent; the corresponding vacancy rate was 2.67 percent, slightly more than three years earlier, when it was 2.24 percent. More than half of these vacant units were one-bedroom units (55 percent), while most of the remainder were two-bedroom units (26 percent) or units with three or more bedrooms (11 percent).

Although the number of units, occupied and vacant together, at Fair Market Rents shrank between 2002 and 2005, the availability of vacant units at such rents expanded somewhat.

### **Median Asking Rents for Vacant Available Units by Borough**

As the city-wide vacancy rate increased little in the three-year period between 2002 and 2005, the vacancy rates for most rent levels also stayed approximately the same. Thus, as a result of more or less the same or similar choices among vacant available units for most rent levels, the real median asking rent for a vacant unit stayed virtually the same, \$1,000 in 2005 compared to \$997 in 2002.

Between 2002 and 2005, the median asking rent in Manhattan declined by 23.3 percent to \$1,400 in 2005, but it was still the highest among the five boroughs. The median asking rent in Queens was \$1,000, remaining virtually the same as in 2002, when it was \$997. The median rent in the Bronx increased by 4.8 percent to \$900, while the vacancy rate in the borough declined by 0.66 percentage point to 2.63 percent in 2005. On the other hand, the rent in Brooklyn declined by 4.5 percent to \$900, while the vacancy rate in the borough changed little from 2.73 percent to 2.78 percent in the three years.

### **Median Asking Rents for Vacant Available Units by Rent-Regulation Categories**

Except for unregulated units in rental buildings, real median asking rents for units in all other rental categories either decreased or changed little between 2002 and 2005. The real median asking-rent increase for unregulated units in rental buildings was 6.6 percent, or from \$1,219 to \$1,300. However, the real asking rent for vacant unregulated units in cooperative and condominium buildings decreased by 9.8 percent, from \$1,219 to \$1,100.

The real median asking rent for vacant rent-stabilized units in pre-1947 buildings decreased by 4.5 percent, or from \$942 to \$900, while the real rent for such units in post-1947 buildings remained basically unchanged.

### **Rental Vacancy Rates by Unit Size**

In the City, there is an increasingly lower proportion of vacancy relative to occupancy as the number of bedrooms increases. The city-wide rental vacancy rate for studios, units without a bedroom, was 4.46 percent in 2005, 1.37 percentage points higher than the City's overall rate of 3.09 percent. However, the rate declines as the size of the unit increases: 3.55 percent for one-bedroom units, 2.56 percent for two-bedroom units, and 2.42 percent for three-or-more-bedroom units. As the availability of larger rental units in the City was scarce, the choices among large vacant rental units were also very limited. In fact, in the City, vacant available larger units were very scarce, fewer than 8,000, or 12 percent of the all 65,000 vacant rental units in 2005.

The pattern of an inverse relationship between the level of the vacancy rate and the size of the rental unit holds true for rent-stabilized units. The rate for rent-stabilized studios was 4.10 percent, 1.42 percentage points higher than the rate of 2.68 percent for all rent-stabilized units. After that, the rate declines sharply: 2.78 percent for one-bedroom units and 2.15 percent for two-bedroom units; the number of vacant units with three or more bedrooms in this rental category was too few to estimate a statistically reliable vacancy rate.

### **Length of Vacancies**

In 2005, 41,000, or almost two-thirds, of the 65,000 vacant rental units in the City had been available on the market only for a short term (less than three months), while the remaining 22,000 vacant rental units had been available for a long term (three months or more).

More than three-fifths of the 41,000 short-term vacant rental units were concentrated in two boroughs, where a similar proportion of all vacant rental units in the City was located: Manhattan (33 percent) and Brooklyn (28 percent). Most of the remainder were in either Queens (21 percent) or the Bronx (14 percent). Of the 22,000 long-term vacant rental units, more than three-fifths were also located in either Manhattan (36 percent) or Brooklyn (27 percent). Most of the remainder were in either the Bronx (18 percent) or Queens (14 percent). The Bronx had a somewhat higher incidence of long-term vacancies, while Queens had a relatively lower proportion of long-term vacancies, compared to the City as a whole.

Of the 41,000 vacant rental units that were available for a short term, almost nine in ten were either rent-stabilized (45 percent) or rent-unregulated (44 percent). On the other hand, of the 22,000 vacant rental units that were available for a long term, close to half were rent-unregulated (46 percent), while two-fifths were rent-stabilized (41 percent).

Of vacant rent-stabilized units, two-thirds had been available on the market for a short term. Of such units in post-1947 buildings, three-quarters were short-term vacants. At the same time, of vacant unregulated rental units, close to two-thirds were available on the market for a short term. The 2005 proportional pattern of length of vacancies for rent-stabilized units and unregulated units was parallel with that in 2002.

## Turnover

In this report, “turnover” is understood as constituting a completed transaction in the existing inventory during the period of time between the two HVS years—that is, a “**move out**” and a “**move in**” during the three years between 2002 and 2005. To meet the conditions of this relationship, a “move out” must be from a unit that remained in the inventory for the three-year period and a “move in” must be to a unit that existed in the inventory in 2002. Adopting this analytical definition of turnover, for this report, if the household occupying the unit in 2005 was not the same as the household that occupied it in 2002 according to the 2002 and 2005 HVSs, the unit is classified as having turned over at least once during the three years.

Applying the above definitions of “move in” and “move out,” about a third (32 percent) of the rental units that were occupied in both 2002 and 2005 turned over at least once during the three-year period. Among rental categories, the proportion was highest for unregulated rental units in rental buildings: 44 percent of such units turned over at least once between 2002 and 2005. The proportion of turned-over unregulated rental units in cooperative and condominium buildings was 41 percent. For rent-stabilized units it was 31 percent. On the other hand, the proportion of Public Housing units turning over between 2002 and 2005 was very low, at 16 percent, illustrating the very small proportion of housing units for very-low-income households that became vacant and available during the period.

The lowest proportion of rental units that turned over at least once between 2002 and 2005 was for units renting between \$400 and \$599, at 19 percent. The next lowest proportion was in the very lowest rent level (less than \$400), where 20 percent turned over. After that, the proportion moved up steadily, as the level of rent increased: from 26 percent for the \$600-\$699 level, to 32 percent at \$700-\$899, 38 percent for the \$900-\$1,249 level, and 43 percent at \$1,250-\$1,499. The highest proportions turning over between the two survey years were 58 percent in the \$1,500-\$1,999 rent level and 57 percent for units renting for \$2,000 and over.

## Vacancies in the Owner Housing Market

Between 2002 and 2005, the number of owner housing units in New York City increased by 35,000 units. The proportion of owner housing units in 2005 was 31.6 percent, a 3.9-percentage-point increase over the proportion in 1993. Thus, the owner housing segment of the City’s housing market has continued to make an increasing contribution to the provision of housing for New Yorkers.

As the growth of the housing inventory in general—and of owner units in particular—was sustained during the three-year period between 2002 and 2005, the number of vacant available owner units increased by 41 percent to 21,000, while the number of occupied owner units increased by 3 percent to 1,010,000 units. Consequently, the owner vacancy rate increased from 1.52 percent to 2.08 percent.

Of the 44,000 newly constructed units between 2002 and 2005, almost two-fifths were owner units, while less than a third of the total existing housing units were owner units in 2005.

As the city-wide owner vacancy rate increased from 1.52 percent in 2002 to 2.08 percent in 2005, the change in the owner vacancy rate in each of the five boroughs varied. In Brooklyn, the rate increased from 1.57 percent to 2.30 percent. In Manhattan, the change in the rate was less: from 2.68 percent to 3.17 percent. In Queens, where the number of vacant owner units increased noticeably in the three years, the rate increased by 1.08 percentage points to 2.04 percent in 2005.

In Staten Island, where three-fifths of all housing units were owner units, the utilization of the owner housing market was extremely high. As a result, the number of vacant owner units in 2005 was too small to allow for a statistically meaningful estimation of the vacancy rate. The number of vacant owner units in the Bronx was also too small to estimate a statistically reliable vacancy rate.

### **Vacancies and Vacancy Rates by Types of Owner Units**

In 2005, when there were 21,000 vacant owner units in the City and the owner vacancy rate was 2.08 percent, close to half of all vacant owner units were conventional one- or two-family units. The level of utilization of conventional owner housing units was extremely high. As a result, the vacancy rate for such owner units was 1.59 percent. On the other hand, close to two-fifths of vacant owner units in the City were private cooperative units (37.4 percent), with a vacancy rate of 3.04 percent.

### **Vacancy Duration by Types of Owner Units**

The demand for owner housing units has increased in recent years, as the increased ownership rate in the City shows, from 32.7 percent in 2002 to 33.3 percent in 2005. Compared to 2002, the length of time that vacant owner units were available for sale in 2005 was considerably shorter. In 2005, 52 percent of vacant owner units were available on the market for a short term of less than three months, while 48 percent were available for a long term of three months or more. In 2002, the comparable proportions were 42 percent and 58 percent respectively.

The vacancy duration of conventional units was similar to the overall duration for all owner units. Half of the vacant conventional owner units were available for a short term. On the other hand, 53 percent of the vacant private cooperative units were available for a short term.

### **Vacant Units Unavailable for Rent or Sale**

Since 1975, the number of vacant unavailable units has always been either just a little lower or considerably higher than the number of vacant available rental units, while the rental vacancy rate has never been at or above 5.00 percent during the same period.

In the City, the number of vacant units unavailable for rent or sale, for a variety of reasons, increased by 10,000 or by 7.8 percent, in the three years between 2002 and 2005.

Of all unavailable vacant units, the number that were unavailable because they were occupied only for occasional, seasonal, or recreational purposes, rather than as a permanent residence, was 37,000 or 28 percent in 2005, compared to 43,000 or 34 percent in 2002. During the three-year period, the number of unavailable units in this category dropped by 13 percent. Of units in this category, 25,000 or two-thirds were located in Manhattan, and 17,000 or 68 percent of those were in cooperative or condominium buildings.

On the other hand, during the same three-year period, the number of vacant units unavailable because they were either undergoing or awaiting renovation increased by 8,000 or by 20 percent to 48,000 in 2005. The 2008 HVS will most likely report that almost all of these units will have become housing units that are either occupied or vacant and available for sale or rent. In fact, four-fifths of the units that were



unavailable because they were either undergoing or awaiting renovation in 2002 became units that were occupied or vacant and available for rent or sale in 2005.

Three-quarters of the vacant units unavailable for various reasons in 2002 returned to the active housing stock in 2005 as either occupied units or vacant units that were available for rent or sale. The remaining quarter were still vacant and unavailable for rent or sale three years later on 2005. More than nine in ten of the vacant units unavailable because they were rented or sold but not yet occupied in 2002 (92 percent) were determined to be occupied or vacant-for-rent-or-sale in 2005, while two-thirds of those that were unavailable because they were being held for occasional, seasonal, or recreational use in 2002 (66 percent) became occupied or vacant-for-rent-or-sale three years later.

### **Unavailable Vacant Units by Borough**

Of the 137,000 unavailable vacant units in the City in 2005, two-thirds were concentrated in either Manhattan (50,000 units or 36 percent) or Brooklyn (43,000 units or 32 percent). In Brooklyn, the number of unavailable vacant units increased by 15,000 or by 50 percent in the three-year period. The remaining unavailable vacant units were located mostly in either Queens (21,000 units or 16 percent) or the Bronx (16,000 units or 12 percent).

In the Bronx and Brooklyn, half of the unavailable vacant units were unavailable because they were undergoing or awaiting renovation, while the proportion of unavailable units for such reasons in the City as a whole was 35 percent. Most of the units that were unavailable in the Bronx and Brooklyn in 2005 because they were undergoing or awaiting renovation will have become occupied units or units available for sale or rent in 2008.

### **Condition of Unavailable Vacant Units**

Compared to all occupied and vacant available housing units, the physical and neighborhood conditions of vacant units unavailable for rent or sale was noticeably inferior. Of unavailable vacant units in 2005, 14 percent were in buildings with one or more building defects, compared to just 7 percent of all occupied and vacant available units. Similarly, 11 percent of vacant unavailable units were located on streets with boarded-up buildings, compared to just 6 percent of all occupied and vacant available units.

### **Unavailable Vacant Units by Rent-Regulatory Status**

Of the 137,000 unavailable vacant units in 2005, 60,000 (or 43 percent) had been rental units, 30,000 (or 22 percent) had been owner units, and 28,000 (or 20 percent) had also been not-available vacant units in 2002. The remaining 21,000 (or 15 percent) were units that were not linked to 2002 units, either because they were non-interviews in 2002 or were newly constructed, gut-rehabilitated, or otherwise added to the sample between 2002 and 2005.

Of the 60,000 unavailable vacant units that were rental units in 2002, more than four-fifths were either rent-stabilized units (25,000 units or 42 percent) or unregulated rental units (26,000 units or 43 percent). Of the 30,000 unavailable vacant units that were owner units in 2002, a little more than half were conventional one- or two-family housing units (51 percent), while the remainder were private cooperative or condominium units.



## Variations in Rent Expenditure

### Patterns of and Variations in Rent Expenditures

In New York City the median monthly contract rent, which excludes tenant payments for utilities and fuel, was \$850, while the median monthly gross rent, which includes utility and fuel payments, was \$920 in 2005.

From 2002 to 2005, the median contract rent increased by 20.4 percent, from \$706 to \$850. This was an 8.7-percent increase after inflation. The real contract rent did not change in the previous three years between 1999 and 2002. The contract rent increased by an average annual rate of 6.4 percent between 2002 and 2005. After inflation, the real contract rent increased by 2.8 percent annually.

In the three years between 2002 and 2005, the median gross rent increased by 16.8 percent, from \$788 to \$920. However, the inflation-adjusted increase in the gross rent was 5.4 percent. In the previous three years between 1999 and 2002, the real gross rent increased by 3.3 percent. Annually, the gross rent increased by 5.3 percent and the real gross rent increased by 1.8 percent between 2002 and 2005.

### Median Contract Rent of Subsidized Units and Unsubsidized Units

In 2005, the median contract rent of units occupied by rent-subsidized households was \$770. This was \$80 or 9.4 percent lower than the median rent of \$850 for all rental units and the median rent for unsubsidized units.

Of the \$770 median rent for units occupied by subsidized households, only \$237 or 31 percent was paid by the households out of pocket. Of the median rent of \$770 these subsidized households paid, \$533, or 69 percent of the rent, was paid by the government rent subsidy the households received. The subsidy, the difference between their median rent and out-of-pocket rent, was \$533, 2.2 times the households' out-of-pocket rent. Most rent-subsidized households could not have afforded the units they occupied without the rent subsidies they received.

### Contract Rent Distribution by Subsidized Units and Unsubsidized Units

Compared with the rent distribution of all rental units and unsubsidized units, an overwhelmingly larger proportion of subsidized units was very-low-rent units. In 2005, 16 percent of all rental units and 15 percent of unsubsidized rental units rented for a contract rent between \$1 and \$499 a month. However, 27 percent of subsidized units rented for an equivalent rent level.

The rents of 28 percent of all rental units and 29 percent of unsubsidized rental units were between \$500 and \$799. The comparable proportion of subsidized rental units in the same rent level was slightly smaller, 26 percent.

The disparate proportions between all rental units and subsidized rental units diminished to the point of near obliteration at the next two rent levels. About a fifth each of all rental units (21 percent), unsubsidized rental units (21 percent), and subsidized units (22 percent) had a rent level between \$800 and \$999. The proportions of units in all rental categories with contract rents between \$1,000 and \$1,499 were the same, 22 percent.

In the top rent level, \$1,500 and over, the proportions of all rental units and unsubsidized rental units were the same, 13 percent. However, the corresponding proportion of subsidized rental units in this rent level was unparalleledly low, a mere 4 percent.

Between 2002 and 2005, the proportion of low-rent units decreased as the proportion of high-rent units increased by approximately commensurate rates for all rental units, for subsidized units, and for unsubsidized units. During the three-year period, the proportion of all rental units with real contract rents between \$500 and \$799 decreased by 7 percentage points, while the proportions of subsidized units and unsubsidized units in the same rent interval each decreased by 6 percentage points. In the same three years, the proportion of rental units with contract rents of \$800-\$999 remained basically the same for all three categories of all rental units, subsidized units, and unsubsidized units.

However, the proportion of all rental units and unsubsidized units with real rents of \$1,000 or more each increased by 8 percentage points, while the proportion of subsidized units in the same rent interval increased by 7 percentage points. This change was a continuation of a long-term trend that was accentuated in the recent three years between 2002 and 2005. During the years between 1991 and 2005, all occupied rental units with a real contract rent of \$1,000 or more increased by 13 percentage points.

### **Contract Rent Distribution by Move-In Period**

A substantially higher proportion of households that moved into their current residence in 2000 through 2005 paid higher rents than households that moved into their current residence before 2000. Of long-term residents, 42 percent paid contract rents higher than \$800 and 22 percent paid contract rents of more than \$1,000. On the other hand, 72 percent of recent-movers who moved into their current residence between 2000 and 2005 paid contract rents of \$800 or more, and 76 of those who moved in between 2002 and 2005 paid such high rents. Of recent-movers between 2002 and 2005, 53 percent paid contract rents of \$1,000 or more.

### **Median Contract Rent by Rent-Regulation Categories**

*In rem* and Public Housing units were unquestionably much more affordable for the poor than units in other rental categories in the City. The median contract rent of *in rem* and Public Housing was \$303 and \$342 respectively, the lowest of any of the rental categories and only 36 percent and 40 percent respectively of the median rent of \$850 for all rental units in the City in 2005. The contract rent of rent-controlled units was also very low, \$551 or only 65 percent of the overall median rent.

The rents of “other” regulated (non-Mitchell Lama) units and Mitchell-Lama units were \$482 and \$750 respectively, \$368 and \$100 lower than the city-wide rent.

The median contract rent of unregulated units was \$1,000 in 2005. The rent of such units in private cooperative and condominium buildings was \$1,100, which was \$250 or 29 percent higher than the city-wide median rent and the highest of all rent-regulation categories, while the rent of such units in rental buildings was \$1,000, which was \$150 or 18 percent higher than the city-wide median rent.

The median contract rent of rent-stabilized units was \$844, barely lower than the city-wide median rent. However, the rent for post-1947 rent-stabilized units was much higher than that of pre-1947 rent-stabilized units: \$899 compared to \$810.

The lower median rents of units in the following five rental categories—*in rem*, Public Housing, “other” regulated (non-Mitchell Lama), rent-controlled, and Mitchell-Lama—contributed to lowering the city-wide median rent by playing the role of equalizing the higher rents of rent-stabilized units, particularly post-1947 rent-stabilized units and unregulated units. Units in the five rent-regulated systems mentioned above provide a housing bargain in the City, which has long been suffering an affordable housing shortage.

### **Median Contract Rent of Recent-Movers**

According to the 2005 HVS, 37 percent of the City’s tenants were recent-movers—that is, they moved into their units between 2002 and 2005. Their median contract rent was \$1,000, \$250 or 33 percent more than the rent paid by tenants who moved into their current units before 2002.

Moreover, the proportion of recent-movers grew steadily as the level of rent went up. Specifically, between 2002 and 2005, the proportions of recent-movers who moved into units with contract rents of less than \$400 and between \$400 and \$599 were 20 percent and 17 percent respectively. However, the proportion progressively moved up unambiguously as the rent level increased: 21 percent, to 32 percent, to 46 percent, to 63 percent for units with rents of \$600-\$699, \$700-\$899, \$900-\$1,249, and \$1,250 or more respectively.

In rent-stabilized units, 34 percent of tenants were recent-movers who moved into their current units between 2002 and 2005. The median rent these recent-movers paid in 2005 was \$967, \$202 or 26 percent higher than the \$765 rent of long-term tenants who moved into their current units before 2002. The variance between rents of recent-movers and long-term tenants was somewhat larger for tenants in pre-1947 rent-stabilized units than it was for those in post-1947 rent-stabilized units: \$200 versus \$170.

The variance in rents was larger for tenants in unregulated units in cooperative and condominium buildings: \$1,300 versus \$900. The rent of recent-movers was \$400 or 44 percent higher than that of long-term tenants in such units.

### **Changes in Median Contract Rents and Median Household Incomes**

After adjusting for inflation, in the three years between 2002 and 2005, the real median contract rent of all rental units grew by 8.7 percent, while the real median renter household income declined by 5.7 percent between 2001 and 2004. During the same period, the real rent of rent-controlled units remained basically the same, \$554 to \$551, while real household income in these units also changed little.

Between 2002 and 2005, the real rent of rent-stabilized units rose by 8.2 percent, while real household income in these units dropped by 8.6 percent between 2001 and 2004. The real rent increase for pre-1947 rent-stabilized units was 4.4 percent, while real income declined for households in such units by 5.7 percent. At the same time, the real rent of post-1947 rent-stabilized units increased by 6.8, while the real income of households in such units dropped by 11.7 percent.

Between 2002 and 2005, the real median contract rent of unregulated rental units in rental buildings rose by 6.2 percent, from \$942 to \$1,000, while the real median income of households in these units inched down between 2001 and 2004. At the same time, the real rent of such units in cooperative and condominium buildings increased by 4.5 percent, while the real income of households in these units decreased by 8.6 percent.

The real median contract rent of Public Housing units also rose between 2002 and 2005, by 6.5 percent. The real income of Public Housing households increased by 5.8 percent between 2001 and 2004. On the other hand, during the same three-year period, the real rent of *in rem* units fell substantially, while the real income of *in rem* households inched down slightly.

### **Contract Rent Distribution by Regulatory Status**

Of all renter units in the City, 16 percent rented for a contract rent between \$1 and \$499 a month, while 28 percent rented for a rent of \$500 to \$799. In addition, 21 percent had rents of \$800 to \$999, while another 22 percent had rents of \$1,000 to \$1,499. The rents of the remaining 13 percent were \$1,500 or more: 7 percent rented for \$1,500 to \$1,999, and 6 percent rented for \$2,000 or more. Compared to this city-wide distribution of rent, an unparalleledly larger proportion of rent-controlled units were very-low- and low-rent units. Of all rent-controlled units in the City, more than three-fifths rented for less than \$800; 44 percent rented for less than \$500.

Of all rent-stabilized units, three-fifths rented for \$500 to \$999: 35 percent for \$500 to \$799 and 26 percent for \$800 to \$999. Three-tenths rented for \$1,000 or more; 23 percent for \$1,000 to \$1,499 and 9 percent for \$1,500 or more. At the same time, 9 percent of rent-stabilized units rented for less than \$500. Of post-1947 rent-stabilized units, more units rented for higher rents and fewer units rented for lower rents, compared to the pattern for all rent-stabilized units and that for pre-1947 rent-stabilized units.

Compared to the city-wide distribution of all rental units and the distribution in other rental categories, a substantially larger proportion of unregulated rental units rented for higher rents. More than half of all unregulated rental units rented for a contract rent of \$1,000 or more: 31 percent for \$1,000 to \$1,499; 9 percent for \$1,500 to \$1,999; and 15 percent for \$2,000 or more. In other words, more than one in seven of unregulated rental units in the City rented for \$2,000 or more.

*In rem* and Public Housing units were the least expensive. Of *in rem* units, 76 percent rented for a contract rent between \$1 and \$399. At the same time, almost all Public Housing units rented for between \$1 and \$799, while 76 percent rented for less than \$500.

### **Differences in Median Contract Rent by Unit Size**

As in most housing markets in this country, it is expected that, in the City, rent will increase as the size of the unit increases. This relationship was consistently steady and positive for all sizes of units in the City, except in Manhattan.

In Manhattan, the median contract rent for one-bedroom units was \$1,100, not significantly higher than the rent of \$1,050 for studios. The rents for two-bedroom and three-or-more-bedroom units were \$935 and \$800 respectively. Major reasons for this illogical pattern are as follows: in Manhattan, most large renter units were in the heavily rent-subsidized very-low rent categories of Public Housing, *in rem*, “other” rent-regulated, and rent-controlled, while relatively larger proportions of small units, studios and one-bedroom units, were in the categories of post-1947 rent-stabilized or unregulated rental units in rental buildings or in cooperative and condominium buildings, many of which were built in later years and the rents of which were relatively very high. Specifically, the median contract rent for unregulated rental units in Manhattan was \$2,200, 2.2 times the borough-wide median rent, and about 7 times the rent for Public

Housing (\$325) or *in rem* (\$303) units in the borough. The median rent for post-1947 rent-stabilized units was \$1,082, more than three times the rent for Public Housing or *in rem* units in Manhattan.

On the other hand, three-quarters of Public Housing units were either two-bedroom units (50 percent) or three-bedroom units (25 percent), while fewer than one in ten rent-stabilized units had three or more bedrooms. Particularly, of post-1947 rent-stabilized units in Manhattan, only 8 percent were three-bedroom units.

Moreover, studios are located in expensive areas, while large units are located in relatively less expensive areas. Specifically, while 86 percent of studios are located in the expensive lower midtown area, only 38 percent of three-bedroom units are located in this area of Manhattan; 63 percent of three-bedroom units are located in the less expensive areas of upper Manhattan.

### **Median Contract Rents for Unregulated Rental Units**

Of the 2,028,000 occupied rental units in the City in 2005, 669,000 or 33 percent were unregulated rental units. Of all occupied unregulated rental units, 625,000 or 93 percent were in rental buildings, while 44,000 or 7 percent were in cooperative or condominium buildings. In 2005, the median contract rent for unregulated units in cooperative or condominium buildings was \$1,100, the highest of any rental category in the City.

Furthermore, the rents for unregulated rental units as a whole and for separate sub-categories of this rental category—units in rental buildings and units in cooperative or condominium buildings—in Manhattan were the highest of rents in all the boroughs. The rent for all unregulated units in the borough as a whole was \$2,200, or 2.2 times the rent for such units in the City as a whole. The rent for such units in cooperative or condominium buildings in Manhattan was \$2,050, or 1.9 times the rent for all such units in the City, and the highest for such units in any of the other boroughs.

### **Contract Rent Distribution and Changes for Unregulated Units**

More unregulated rental units in the City were in the middle and upper rent ranges in 2005. More than three-quarters of unregulated rental units rented for \$800 or more: 21 percent rented for \$800-\$999, and 55 percent rented for \$1,000 or more, including 15 percent that rented for \$2,000 or more. The rent distribution of unregulated rental units in rental buildings was very similar to that of all unregulated rental units. However, of unregulated units in cooperative and condominium buildings, more units had high rents. The rents of 61 percent of such units were \$1,000 or more, and 22 percent of these rented for \$2,000 or more.

From 2002 to 2005, the proportion of unregulated units renting for less than \$1,000 declined from 59 percent to 45 percent. Commensurately, the proportion of such units renting for \$1,000 or more increased considerably from 41 percent to 55 percent.

The proportion of unregulated units renting for \$2,000 or more increased from 12 percent to 15 percent over the period. In 2005, the 100,000 unregulated units renting for \$2,000 or more were a remarkable increase of 26,000, or 35 percent, from the 74,000 such units in 2002. Of all unregulated rental units renting for \$2,000 or more in 2005, 90.5 percent were in rental buildings, while only 9.5 percent were in cooperative or condominium buildings. In 2002, the proportions of such units in rental buildings and in cooperative or condominium buildings were about the same.



In the three years, the proportion of units in rental buildings renting for \$2,000 or more increased by 4 percentage points, after adjusting for inflation.

### **Rents of Units in Cooperative and Condominium Buildings**

The number of rental units in cooperative and condominium buildings in New York City changes as the demand for and supply of rental or owner units in the City change, since the tenure of unregulated rental units in such buildings can change as owners of buildings and/or units want. The number of all occupied rental units in cooperative and condominium buildings was 109,000 in 2005. The share of rent-regulated units in such buildings was 60 percent or 65,000 units in 2005.

In 2005, the rent of unregulated units in cooperative and condominium buildings was substantially higher than that of rent-regulated units in such buildings. In 2005, the median contract rent of unregulated rental units in such buildings was \$1,100, which was \$244 or 29 percent higher than the rent of rent-regulated units in such buildings. The difference was exceptionally large in Manhattan. The rent of unregulated rental units in such buildings in the borough was \$2,050—that is, \$968 or 89 percent higher than the rent of rent-regulated units in such buildings.

### **Median Gross Rent/Income Ratio by HUD Area Median Income Level**

There is a clear-cut gradient effect as income level rises, with the gross rent/income ratio progressively moving down. The median gross rent/income ratio was 63.3 percent for very poor households whose incomes were at or below 50 percent of the Area Median Income (AMI) in 2004, the Median Income of the New York, New York, Primary Metropolitan Statistical Area (PMSA) adjusted for household size by the U.S. Department of Housing and Urban Development. Then, the ratio declined to 46.6 percent for low-income households, whose incomes were at or below 80 percent of the AMI; to 24.8 percent for moderate-income households, whose incomes were between 81 percent and 100 percent of the AMI; to only 17.2 percent for households with incomes greater than the AMI. The basic finding here is that it is low household incomes which contribute predominately to the high rent/income ratio.

### **Median Gross Rent/Income Ratio by Household Income Level**

The solid gradient effect in the relationship between incomes and rent/income ratios was confirmed in the detailed distribution of rent/income ratios by household income level. The median rent/income ratio for households with incomes between \$10,000 and \$14,999 in 2004 was 73.8 percent. Then, the ratio slid progressively without interruption as household incomes increased. The ratio dropped briskly to 41.4 percent for households with incomes between \$20,000 and \$29,999 and to 32.2 percent for households with incomes between \$30,000 and \$39,999. The ratio continued to go down as household income rose: to 21.2 percent for households with incomes between \$50,000 and \$69,999, to 14.4 percent for households with incomes between \$100,000 and \$124,999, to a mere 9.7 percent for households with incomes of \$200,000 or more.

Low-income households—certainly the 935,000 households, or 46 percent of all renter households in the City, with incomes below \$30,000—had an onerous rent burden, paying well over 41 percent of their income for rent. Of renter households in rent-stabilized units and unregulated units, the rent/income ratio for those with incomes below \$30,000 was even higher: 44 percent and greater.



However, as incomes moved up the income scale, the rent burden was substantially alleviated. The basic issue here, thus, is whether it is high rents or low incomes that contribute to the troublesome affordability situation in the City, as measured by the rent/income ratio. In New York City, where rents kept climbing vigorously while household incomes fell in the three years between 2002 and 2005, the sources of the high rent/income ratio certainly appear to partake of both. However, for low-income households, it is definitely their lower incomes that determine their appallingly serious rent burdens.

### **Median Gross Rent/Income Ratio by Subsidized Households and Unsubsidized Households**

The overall median gross rent/income ratio for rent-subsidized households was an onerously high 57.9 percent in 2005. That is, the overall gross rent of the apartment of a household receiving Section 8, SCRIE, or some other type of federal, State, or City subsidy altogether—including both the household's out-of-pocket rent and the rent subsidy—was 57.9 percent of the household's income. On the other hand, the out-of-pocket rent/income ratio—that is, the portion of the household's income that was actually spent for the rent of the subsidized unit—was only 28.8 percent of the household's monthly income.

This means that, if rent-subsidized households had had to pay the total rent asked by the landlord out of their own pockets for the units these households occupied, without any rent subsidy, the amount of their rent would have been 57.9 percent of their income, although the rent they actually paid was only 28.8 percent. The difference between the rents landlords received, as a proportion of these households' incomes, and the portion of the rent these households actually paid out of pocket, as a proportion of their income, was extremely large: 29.1 percentage points (57.9 percent – 28.8 percent).

Applying the standard 30.0 percent of household income for rent, which is the rent/income ratio HUD uses for determining affordability in the Consolidated Plan and the Section 8 program, the affordability gap here for rent-subsidized households was 27.9 percentage points (57.9 percent – 30.0 percent). (The affordability gap defined here is the difference between the gross rent/income ratio of rent-subsidized households and the standard 30.0 percent rent/income ratio affordability measurement.) Thus, many of these subsidized households could not have afforded the apartments they occupied without the subsidy they received.

The affordability burden of rent-subsidized households was noticeably alleviated between 2002 and 2005, going from 60.8 percent to 57.9 percent, although their burden was still unbearably high.

The median contract rent for households that received HUD Section 8 subsidies was \$860, the highest of the four household subsidy types. Of this amount, these households paid only 23.5 percent or \$202 out of pocket. (Contract rent, rather than gross rent, is used here, since the paragraph covers rent data, not rent/income ratio data.) The difference between the rent the landlord received and the portion of that rent these households actually paid was \$658 (\$860 - \$202) on average, which was the amount of the Section 8 subsidy, whether it was a Section 8 certificate or voucher. This was 3.3 times these households' out-of-pocket rent (\$658/\$202).

The median gross rent/income ratio for rent-unsubsidized households that did not receive any of the four subsidies covered in the 2005 HVS and that had to pay the total amount of their rent out of their own pocket was 29.1 percent, barely higher than the out-of-pocket rent/income ratio of 28.8 percent for rent-subsidized households. However, these rent/income ratios are quite different in meaning from each other. Rent-unsubsidized households, 1,367,000 households, were able to afford the apartments they occupied by spending less than the affordability standard of 30 percent of their incomes for rent, without any rent

subsidies. It is most unlikely that the 236,000 rent-subsidized households, or 14.7 percent of all renter households in the City in 2005, could have afforded the apartments they occupied without the subsidies they received, since their total housing costs—that is, the gross rent the landlord received as a combination of these households' out-of-pocket rent and the rent subsidy—were 57.9 percent of their income.

### **Affordability for Different Rent-Regulation Categories**

Gross rent requires a very high share of income for tenants in rent-controlled units. The median gross rent/income ratio for households in rent-controlled units, most of which were elderly households with very low and fixed incomes, was high: 33.5 percent, the highest of any rent-regulation category and 2.3 percentage points higher than the ratio of 31.2 percent for all renter households in 2005. Such a high rent burden was the result of rent-controlled tenants' very low incomes. The median income of households in rent-controlled units was \$22,176, a mere 69 percent of the overall median household income for the City in 2004.

The rent/income ratio for households in rent-stabilized units was 31.9 percent, slightly higher than the city-wide ratio of 31.2 percent. However, the ratio for households in post-1947 rent-stabilized units was 30.5 percent, lower than the city-wide ratio, while the ratio for households in pre-1947 rent-stabilized units was 32.2 percent, higher than the city-wide ratio.

The rent/income ratios for unregulated rental units as a whole and for such units in rental buildings were 31.9 percent and 32.1 percent respectively, higher than the city-wide ratio of 31.2 percent. But the ratio for unregulated rental units in cooperative and condominium buildings was only 29.0 percent, the lowest of any rent-regulation category. Here again, the reason for the considerably lower rent/income ratio of unregulated units in cooperative and condominium buildings is the substantially higher income of households in such rental units. In specific, the income of households in such units was \$8,000 or 19 percent higher than the income of households in unregulated units in rental buildings, while the contract rent of such units was \$1,100, \$100 or 10 percent higher than the rent of unregulated units in rental buildings in 2005.

The rent burden for subsidized households was unbearable for those in pre-1947 rent-stabilized units. The total rent, as the sum of out-of-pocket rent plus rent subsidy, for rent-subsidized households in pre-1947 rent-stabilized units was 72.4 percent of their income in 2005, while the proportion of the total rent paid out of their own pockets was only 30.7 percent. The resulting difference between their overall rent/income ratio and their out-of-pocket rent/income ratio was 41.7 percentage points (72.4 percent – 30.7 percent), and the affordability gap between their overall rent/income ratio and the standard rent/income ratio of 30.0 percent was 42.4 percentage points. As a result, without subsidies, most of these households could not have afforded to rent the units they occupied.

The situation of such an onerously high overall rent/income ratio, a lower out-of-pocket rent/income ratio, and a huge affordability gap was repeated for subsidized households in post-1947 rent-stabilized units and in unregulated rental units in rental buildings. From these findings, it can be inferred that the affordability gap was so huge that these households were in housing poverty and, without subsidies, could not have afforded their apartments—even if they had made sacrifices on other necessities, such as clothing, their children's education, and medical needs—and could, thus, have been at great risk of homelessness.

On the other hand, with a rent/income ratio of 29.1 percent, the rent burden unsubsidized households bore was generally low enough for them to be able to afford the units they occupied without any subsidies, except for single elderly households and single households with minor children. Still, 48 percent of

unsubsidized households paid 30 percent or more of their income for housing costs, and 24 percent had a rent burden of 50 percent or more.

### **Affordability for Different Racial and Ethnic Groups**

In 2005, the gross rent/income ratio for non-Puerto Rican Hispanic households was 34.6 percent, 3.4 percentage points higher than the rent/income ratio of 31.2 percent for all renter households and 2.9 percentage points higher than it was for them in 2002. The reason for the high rent/income ratio for non-Puerto Rican Hispanic households was not their high rent level, but rather their low income level. Even though their median gross rent was \$893 in 2005, which was 97 percent of the city-wide rent, their median household income was only \$29,000 in 2004, the second-lowest household income of any racial and ethnic group and only 91 percent of the median household income of all renter households.

The ratio for Asian households was 33.2 percent, 2.0 percentage points higher than the rate for all renters in 2005 and 1.9 percentage points higher than it was for the group in 2002. On the other hand, the ratio for Puerto Rican households was 31.7 percent, slightly higher than the overall ratio and a noticeable increase from three years earlier, when it was 30.1 percent.

The ratio for black households was 29.6 percent in 2005, 1.6 percentage points lower than the overall ratio and up 1.7 percentage points from their ratio in 2002.

The ratio for white households was 30.3 percent, barely lower than the city-wide ratio and a considerable 3.7 percentage-point increase from the group's ratio in 2002.

### **Affordability of Rental Housing by Household Type**

Single elderly households paid the highest proportion of their income for rent of any household group: an onerously high 49.1 percent in 2005, 17.9 percentage points higher than the average renter household in the City. The affordability gap for these single elderly households was very high, 19.1 percentage points.

The rent burden for single households with minor children was also extremely high: their median gross rent/income ratio of 44.8 percent was 13.6 percentage points higher than the median rent/income ratio for the City in 2005. The affordability gap for these households was 14.8 percentage points.

The rent/income ratios for elderly households and single adult households were 33.5 percent and 33.0 percent respectively, 2.3 percentage points and 1.8 percentage points respectively higher than the city-wide ratio in 2005.

Compared to their incomes, the gross rent that various rent-subsidized household groups had to pay as a combination of their out-of-pocket rent and their rent subsidy was extremely high in 2005. Particularly, the median gross rent/income ratio for subsidized single households with minor children was troublingly high: 88.6 percent. This means that, if these households had had to pay their total rent without any rent subsidy, they would have had to spend almost all of their household income for rent, with very little left for other necessities, such as food, clothes, and medicine. But because these households received some kind of rent subsidy, the proportion of rent they actually paid out of pocket was only 27.4 percent of their income. The affordability gap was 58.6 percentage points. This means that these households were definitely in housing poverty; and, without the subsidy they received, they would have been too poor to

afford the rent for the units they occupied and at the utmost risk of homelessness or doubling up with other households.

The total median gross rent/income ratio for rent-subsidized single-adult households was also unbearably high: 75.4 percent of their household income in 2005. But the proportion of their income that went out of pocket toward rent was 31.0 percent. The affordability gap for this household type was 45.4 percentage points. Again, most of these single-adult households could not have afforded the apartment in which they lived without the rent subsidy they received.

The rent/income ratio for subsidized single elderly households was 57.1 percent, while their out-of-pocket rent/income ratio was 34.1 percent and their affordability gap was 27.1 percentage points.

It is not high median gross rents that create the troublingly high median gross rent/income ratios for subsidized households. Rather, it is because of the extremely low incomes of subsidized households that their gross rent/income ratios are so commensurately high. The median income of all subsidized households was only \$12,176 in 2004, a mere 38 percent of the median household income of all renter households. Subsidized single households with minor children, single elderly households, and single adult households—the household types with higher affordability gaps—were appallingly poor. Their median incomes were startlingly low, \$10,000, \$8,232, and \$9,000 respectively, all about or less than 31 percent of the median income of all renter households.

Unsubsidized single elderly households and single adult households with minor children paid disproportionately high proportions of their income for rent: 44.3 percent and 37.6 percent respectively. Again, the dominant cause of this high rent/income ratio for these two unsubsidized household types was their extremely low income, not their high rent. The median incomes of these two household types were \$12,000 and \$22,000 respectively, only 38 percent and 69 percent respectively of the median income of all renter households in 2004. Most of these unsubsidized single adult households with minor children and single elderly households could benefit from some kind of rent subsidy in order to lower their seriously high rent burdens.

### **Affordability by Location**

Gross rent required a larger share of household income in the Bronx, where the rent/income ratio was 34.5 percent. In 2005, rental units in Manhattan and Staten Island, with gross rent/income ratios of 29.1 percent and 28.8 percent respectively, were more affordable than units in the other four boroughs. Median gross rent/income ratios in Brooklyn and Queens were 31.3 percent, and 31.7 percent respectively. However, the median rent/income ratio for each borough disguises the uniquely different rent burdens households in the boroughs bear.

In Manhattan and Staten Island, 51.7 percent and 47.9 percent respectively of renter households paid less than 30.0 percent of their income for rent. In Brooklyn, Queens, and the Bronx, 47.2 percent, 46.4 percent, and 42.0 percent respectively of renter households paid that proportion of their income for rent.

In every borough, ratios ranging between 22.5 percent and 25.1 percent of renter households paid between 30.0 percent and 49.9 percent of their income for rent. Meanwhile, in the Bronx, 35.4 percent of renter households paid 50.0 percent or more of their income for rent, while 29.2 percent of renters as a whole in the City had rent/income ratios that high.

The dominant component of high rent/income ratios in the Bronx was lower household income compared to rent in the borough. The median renter income in the Bronx was \$23,000 in 2004, only 72 percent of the median income of all renters in the City in 2004, while the median gross rent for the borough was \$813, 88 percent of the median gross rent for the City as a whole in 2005.

In five sub-borough areas in the City, the median rent/income ratios were over 40 percent in 2005: 41.1 percent for Morrisania/East Tremont; 45.9 percent for Highbridge/South Concourse; and 43.5 percent for Kingsbridge Heights/Mosholu in the Bronx. In these three sub-borough areas, more than 40 percent of renter households paid more than 50.0 percent of their income for rent. In addition, in Borough Park in Brooklyn and in Jackson Heights in Queens, the median rent/income ratios were 40.3 percent and 41.1 percent respectively. In these two sub-borough areas, 42.1 percent and 35.8 percent respectively of renter households paid more than 50 percent of their income for rent in 2005.

## **Housing and Neighborhood Conditions**

### **Occupied Units in Dilapidated Buildings**

In 2005, building conditions remained among the best since the HVS started covering them. Of all occupied units (renter and owner units together), a mere 0.5 percent were in dilapidated buildings in 2005, the same as in 2002. The dilapidation rate for renter-occupied units was 0.7 percent in 2005, while it was 0.6 percent in 2002. The dilapidation rate remained at an all time low for the forty-year period since 1965. The rental dilapidation rate was 4.3 percent in 1965, 5.7 percent in 1975, 3.4 percent in 1984, and 1.0 percent in 1999.

Two-thirds of the dilapidated occupied units in the City were concentrated in the two older boroughs: Brooklyn (41 percent) and Manhattan (26 percent).

In general, the dilapidation rate is closely related to a building's structural type and age. In 2005, more than nine in ten of renter-occupied units in dilapidated buildings were in multiple dwellings. More than two-fifths of dilapidated rental units were in New Law tenements, where the dilapidation rate was 1.1 percent.

### **Renter-Occupied Units in Buildings with Structural Defects**

Structural condition in the City, measured by the proportion of renter-occupied units in buildings with any of the thirteen building defects covered in the HVS, has steadily improved in the fourteen years since 1991, when, for the first time, data on structural condition were collected: from 14.0 percent at that time, to 10.9 percent in 1999, 10.0 percent in 2002, and 9.1 percent in 2005.

Between 2002 and 2005, structural condition improved in all boroughs except Manhattan, where the proportion of renter-occupied units in buildings with one or more observable building defects was 9.5 percent, while it was 8.2 percent three years earlier. In the Bronx the proportion of renter-occupied units in buildings with such defects decreased by 2.0 percentage points to 11.3 percent and in Queens, by 2.9 percentage points to 4.6 percent. In 2005, the structural condition of buildings in Queens was the best, while it was the worst in the Bronx.



## **Renter-Occupied Units in Buildings with Structural Defects by Rent-Regulation Status**

In 2005, of pre-1947 rent-stabilized units, 14.9 percent were in buildings with one or more building defects, while only 3.7 percent of such units in buildings built in or after 1947 were in buildings with such structural conditions. The proportion of rent-controlled units in structurally defective buildings was 10.7 percent, higher than the city-wide proportion of 9.1 percent and a marked increase by 2.3 percentage points between 2002 and 2005.

The structural condition of Public Housing in the City was excellent. In 2005, only 3.2 percent of Public Housing units were in a building with one or more building defects.

## **Structural Condition of Owner-Occupied Units**

Compared to the structural condition of buildings containing renter-occupied units, the condition of buildings containing owner-occupied units was incomparably better. In 2005, the number and proportion of owner-occupied units that were situated in dilapidated buildings were too small to present, while the dilapidation rate for renter-occupied units was 0.7 percent. In 2005, 3.7 percent of owner-occupied units were in buildings with one or more defects. The comparable proportion of renter units in such buildings was 9.1 percent.

## **Maintenance Deficiencies in Occupied Units**

In 2005, housing maintenance conditions still remained very good. The proportion of all occupied units with five or more of the seven maintenance deficiencies measured by the HVS was 3.4 percent, while it was 2.8 percent in 2002. The proportion of renter-occupied units with such deficiencies was 4.9 percent. Maintenance conditions in the City have improved considerably since 1996, when that proportion of renter-occupied units was 6.1 percent.

The proportion of renter-occupied units with no maintenance deficiencies in the City was 43.9 percent in 2005. The proportion was 46.3 percent in 2002.

In 2005, maintenance conditions in Queens and Staten Island were much better than conditions in the other boroughs: the proportions of all occupied units with no deficiencies in Queens and Staten Island were 64.9 percent and 65.1 percent respectively. In the three years between 2002 and 2005, the proportion of all occupied units in the Bronx with no deficiencies climbed 1.5 percentage points to 41.1 percent. However, between 2002 and 2005, the proportion declined in the remaining three boroughs: by 2.7 percentage points to 49.2 percent in Brooklyn; by 4.9 percentage points to 45.2 percent in Manhattan; and by 5.9 percentage points to 65.1 percent in Staten Island.

## **Maintenance Conditions by Rent Regulation Categories**

Measured by units with no maintenance deficiencies, the maintenance condition of unregulated rental units was the best of all categories in 2005. Of unregulated units as a whole, 57.5 percent had no maintenance deficiencies.

The maintenance condition of post-1947 rent-stabilized units was also good: 46.2 percent were free of maintenance deficiencies. On the other hand, the maintenance conditions of pre-1947 rent-stabilized units



and Public Housing units were relatively poor in 2005: 32.7 percent of pre-1947 rent-stabilized units and 37.8 percent of Public Housing units had no maintenance deficiencies.

### **Maintenance Deficiencies in Owner-Occupied Units**

Maintenance conditions of owner units were substantially better than those of rental units. In 2005, 68.7 percent of owner units, compared to 43.9 percent of renter units, had no maintenance deficiencies. Of owner units, conventional owner units had the best maintenance condition: 71.5 percent were maintenance-deficiency free, followed by condominium units, of which 68.9 percent had no deficiencies.

### **Estimates of Physically Poor Occupied Units**

The definition of a physically poor housing unit used by the City for many years is “a housing unit that is in a dilapidated building, lacks a complete kitchen and/or bath for exclusive use, has four or more maintenance deficiencies, or is in a building with three or more types of building defects.” Applying this definition, the 2005 HVS reports that the number of all physically poor occupied housing units in the City was 240,000 units, or 7.9 percent of the total number of 3,038,000 occupied units, in 2005. Of these physically poor occupied units, 224,000, or 93 percent, were renter-occupied units.

The proportion of physically poor renter-occupied units declined from 17 percent in 1991 to 14 percent in 1996 and 11 percent in 2005. The proportion of such units also declined markedly in each of the five boroughs between 1991 and 2005.

The proportion of physically poor renter-occupied units in the Bronx dropped by 5 percentage points in the fourteen years, from 22 percent in 1991 to 17 percent in 2005. However, in 2005, the Bronx still had the highest incidence of physically poor housing of any borough. The number of physically poor renter-occupied units in the borough was still 63,000, or 28 percent of the 224,000 such units in the City, while only 18 percent of all renter-occupied units in the City were located in the borough.

In Manhattan and Brooklyn, where the numbers of physically poor renter-occupied units were 61,000 and 70,000 respectively in 2005, the proportions of physically poor units were cut by 8.0 and 6.8 percentage points respectively, from 18.9 percent to 10.9 percent and from 18.1 percent to 11.3 percent between 1991 and 2005.

In terms of housing condition, Queens was the best in the City in 2005: the proportion of physically poor renter-occupied units in the borough was reduced from 8 percent in 1991 to 6 percent, the lowest of all five boroughs. In 2005, of all 224,000 physically poor renter-occupied units in the City, 25,000, or 11 percent, were located in Queens, while 21 percent of all renter-occupied units in the City were located in the borough.

### **Characteristics of Households in Physically Poor Renter Units**

Seven in ten of the households occupying physically poor rental units in 2005 were either black, Puerto Rican, or non-Puerto Rican Hispanic. The proportion of each of these three racial and ethnic household groups, and particularly of blacks, in physically poor renter units was markedly higher than each group’s proportional share of the overall number of renter households. Of households living in such units, blacks

accounted for 32 percent, while 24 percent of all renter households were black. Non-Puerto Rican Hispanics' share of households in such units was 23 percent, while their corresponding share of all renter households was 17 percent.

Compared to their share of all renter households, proportionately more households with children lived in physically poor renter units. In 2005, of households in such renter units, 13 percent were single adults with minor children, while this household type's share of all renter households in the City was only 9 percent; 27 percent of households in such renter units were adults with minor children, while this household type's share of all renter households was 23 percent.

Of renter households in physically poor units in the City in 2005, 53 percent paid more than 30 percent of their income for gross rent, while 51 percent of all renter households paid that much. At the same time, 33 percent of renter households occupying physically poor units paid more than 50 percent of their income for rent, while 29 percent of all renter households in the City paid that much.

### **Neighborhood Conditions of Occupied Units**

The 2005 HVS reports that neighborhood quality in the City was the best in the 27-year period since 1978, when the HVS started covering it. The proportion of renter households near boarded-up buildings (buildings with broken or boarded-up windows) was 25.4 percent in 1978. It was a mere 5.6 percent in 2005, a 2.3-percentage-point improvement from 2002.

Between 2002 and 2005, neighborhood quality improved substantially in Brooklyn and in Manhattan. The proportion of renter units on streets with boarded-up buildings in the two boroughs declined by 4.5 percentage points and 3.0 percentage points to 9.2 percent and 6.8 percent respectively. Neighborhood condition also improved noticeably in Queens, where the proportion of renter-occupied units on streets with boarded-up buildings declined by 1.1 percentage points to 2.6 percent. Neighborhood condition in the Bronx was very good, as the proportion of renter units on streets with boarded-up buildings remained at 4.7 percent in 2005, as in 2002.

In all of the boroughs except Queens, which was always in good condition, the tremendous improvement in neighborhood physical condition for renter units achieved in the 1990s continued in the first half of the 2000s. The greatest improvement was in the Bronx, overall by 11.5 percentage points in fourteen years, from 16.2 percent in 1991 to 4.7 percent in 2005.

During the eight years between 1991 and 1999, neighborhood physical condition for renter units also improved remarkably in Manhattan by 9.3 percentage points, from 20.6 percent to 11.3 percent. The substantial eight-year neighborhood improvement achieved in Manhattan continued in the following six years through 2005 by another 4.5 percentage points, from 11.3 percent to 6.8 percent.

In Brooklyn, neighborhood physical condition for renter units also improved greatly by 5.3 percentage points between 1991 and 1999. Then, that eight-year improvement in the borough continued in the following six years through 2005 by another 3.5 percentage points to 9.2 percent. In the fourteen years between 1991 and 2005, an exceptionally impressive improvement in neighborhood condition was made in Staten Island, where the proportion of renter-occupied units on streets with boarded-up buildings declined remarkably from 17.1 percent to a negligibly low level.

Of all five boroughs in the City, Queens was the best in terms of neighborhood physical condition. The proportion of renter-occupied units on streets with boarded-up buildings was the lowest in Queens: 4.7 percent in 1991 and just 2.6 percent in 2005.

### **Residents' Ratings of Neighborhood Physical Condition**

New Yorkers' opinions about the physical condition of neighborhood residential structures in 2005 were the best in the 27-year period since 1978, when the HVS first began to measure residents' rating of the quality of their neighborhoods. According to the 2005 HVS, the proportion of all households, renter and owner households together, who rated the quality of their neighborhood residential structures as "good" or "excellent" was 77.5 percent, a 1.9 percentage-point improvement from 2002. Renter households' rating of the equivalent level of such high quality was 71.3 percent in 2005, a 2.3-percentage-point improvement from 2002 and the best since 1978. Renter households' rating of such quality has improved remarkably since 1978, when it was 56.2 percent.

Between 2002 and 2005, the levels of tenants' ratings of the physical condition of their neighborhoods increased substantially in the Bronx, Brooklyn, and Manhattan. Of renter households in the Bronx, 59.8 percent rated their neighborhood condition as either "good" or "excellent," an 8.0-percentage-point improvement from 2002, when it was 51.8 percent. The level of tenants' high rating of the condition of their neighborhoods also improved in Brooklyn and Manhattan in the three years between 2002 and 2005: by 1.7 percentage points to 69.0 percent and by 2.6 percentage points to 75.8 percent respectively.

### **Housing and Neighborhood Conditions of Immigrant Households**

The 2005 HVS reports that maintenance conditions for immigrant households were slightly better than those for non-immigrant households, while building conditions for immigrant households were slightly worse than those for non-immigrant households, both for renter and all occupied households.

At the same time, the level of immigrant households' rating of their neighborhood's physical condition as "good" or "excellent" was slightly lower than that of non-immigrant households.

### **Neighborhood Conditions of Owner-Occupied Housing**

The physical condition of owner households' neighborhoods was markedly better than was the case for renters. In 2005, of all owners, the proportion living on a street with a boarded-up building was only 4.3 percent, compared to 6.3 percent for renters.

At the same time, owner ratings of the physical condition of residential structures in their neighborhoods as either "good" or "excellent" were much higher than those of renters: 90.0 percent of owners rated the condition of their neighborhood as "good" (53.6 percent) or "excellent" (36.4 percent), compared to 71.3 percent of renters. The 2005 rate for owners who rated the physical condition of their neighborhood as "excellent" was also higher than the 2002 rate by 2.0 percentage points.

## **Contributions of City-Sponsored Rehabilitation and New Construction Programs to Physical Housing and Neighborhood Conditions**

Along with continuous improvements in the quality of life and significant economic growth in recent years, the City's housing efforts through the New Housing Marketplace Plan have contributed substantially not only to meeting the increased demand for housing, but also to improving the conditions of existing affordable housing and neighborhoods.

The City rehabilitated or newly constructed a total of 25,366 units through various City-funded housing programs between July 1, 2002, and June 30, 2005, the three-year period between the 2002 HVS and the 2005 HVS. Of these units, 14,977 were moderately rehabilitated and 10,389 were gut-rehabilitated or newly constructed. In addition, the City made another tremendous contribution to maintaining good housing conditions and further improving neighborhood conditions by approving J-51 tax abatements in the amount of \$440,482,000 for improving the physical conditions of buildings containing 251,336 housing units in the City. In addition, the 25,043 units newly constructed with the benefit of the 421A and 421B programs also undoubtedly contributed to further improved conditions in their neighborhoods.

Moreover, the City supported and/or worked with quasi-public agencies (such as the New York City Housing Development Corporation, which creates new housing with financial support from the City and private financial institutions) and non-profit and private groups in their efforts to preserve and create affordable new housing.

### **Crowded Households**

In 2005, the percentage of renter households in the City that were crowded (more than one person per room) was 0.9 percentage points lower than the rate in 2002, when it was 11.1 percent. The percentage of renter households that were severely crowded (more than one-and-a-half persons per room) was 3.7 percent in 2005, compared to 3.9 percent in 2002.

The rate of crowding for all households is always considerably lower than it is for renter households because the rate for owner households is substantially lower than the rate for renter households. For all households in 2005, 7.9 percent were crowded and 2.7 percent were severely crowded.

In 2005, 13.8 percent of renter-occupied units in Queens were crowded, 0.5 of a percentage point lower than in 2002. However, the borough's 2005 rate was the highest of any borough in the City and 3.6 percentage points higher than the city-wide rate of 10.2 percent. The rate in the Bronx was 12.5 percent, while the 2002 rate was 13.0 percent.

In Brooklyn in 2005 10.0 percent of renter households were crowded, virtually the same as the city-wide rate. In Staten Island, 10.8 percent of renter households were crowded. However, the borough's 2005 rate was a 3.2-percentage-point increase from the rate three years earlier.

Only 6.1 percent of renter households in Manhattan were crowded, the same as in 2002. This was 4.1 percentage points lower than the city-wide rate and the lowest of any of the boroughs.

## Sources of High Crowding Rates

Crowding is, in general, a phenomenon of large households: the greater the number of large households, the greater the number of crowded households. In the City as a whole, 8.4 percent of renter households were households with five or more persons. Of these large households, 67.0 percent were crowded. Looking at this phenomenon from a different perspective, 54.9 percent of crowded renter households in the City were households with five or more persons.

The percentage of crowded households by household size confirms crowding as a phenomenon of large households. For renter households in 2005, only 4.1 percent of two-person households were crowded; the rate for three-person households was 5.3 percent. However, the rate for four-person households was an unparalleled high 22.7 percent, far more than twice the city-wide rate. The rate rocketed as household size increased further, soaring to 52.8 percent for five-person households and 83.2 percent for six-person households. The rate for households with seven or more persons was an unbelievably high 94.5 percent. In other words, basically all such large households are crowded. Thus, the source of the high crowding situation is definitely the large household.

A disproportionately larger proportion of immigrant renter households were crowded: 18.6 percent, almost two times the proportion of all renter households. Again, this is attributable to the larger mean household size of 3.12 for immigrant renter households, compared to the mean household size of 2.56 for all renter households.

From this, it becomes apparent that the source of such a high level of crowding in Queens was the relatively high proportion of large households in the borough. In 2005, 10.3 percent of renter households in the borough were households with five or more persons, compared to the city-wide proportion of 8.4 percent. Of these large renter households in Queens, 67.5 percent were crowded. Of all crowded renter households in the borough, 50.7 percent were such big households. In addition, the proportion of renter households with three to four persons in the borough was also relatively high, 33.6 percent, compared to the city-wide proportion of 27.5 percent. Of these households with three to four persons in Queens, 15.6 percent were crowded; and 38.0 percent of the crowded renter households in the borough were households with three to four persons.

In general, a much higher proportion of immigrant households are larger households of five or more persons, which are much more likely to be crowded. In the City, 63 percent of crowded renter households are immigrant households, and immigrant renter households are more than twice as likely to be crowded as non-immigrant households (18.6 percent vs. 6.9 percent). Queens has a higher proportion of immigrant households and a higher proportion of crowded immigrant households than the rest of the City.

The source of the high percentage of crowded units in the Bronx appears also to be the high proportion of large households in the borough. Of renter households there, 10.3 percent, the same as in Queens, housed five or more persons. Over two-thirds (67.3 percent) of these large households were crowded, and 55.5 percent of crowded households in the borough were such large households.

On the other hand, the lower crowding rate in Manhattan appears to be the result of its extremely high proportion, 49.5 percent, of one-person households and its disproportionately low proportion of big households: a mere 3.8 percent of all renter households in the borough in 2005.

### **Crowding by Rent-Regulation Status**

The percentage of all rent-stabilized units that were crowded was 12.3 percent, 2.1 percentage points higher than the city-wide rate. The higher rate for rent-stabilized units was a phenomenon of the category's pre-1947 units, where the rate was 13.4 percent, compared to 9.5 percent for the category's post-1947 units in 2005.

Crowding did not exist in rent-controlled units. In Public Housing units only 5.6 percent were crowded. The rate in other-regulated units—which includes Mitchell-Lama rentals and Article 4, HUD, and Loft Board rent-regulated units—was also very low: 7.1 percent. The percentage of crowded unregulated units was 9.2 percent, 1.0 percentage point lower than the city-wide rate in 2005.

### **Crowding by Race and Ethnicity**

In 2005, in terms of race and ethnicity, crowding was a phenomenon of non-Puerto Rican Hispanic and Asian renter households. For non-Puerto Rican Hispanic and Asian renters—many of them recent immigrant households—an extraordinarily high 19.6 percent of households were crowded. Again, the source of this high percentage of crowded units appears to be large household size. The mean household sizes of non-Puerto Rican Hispanic renters and Asian renters were 3.31 and 2.98 respectively, considerably larger than the city-wide average of 2.54.

Only 4.9 percent of white renter households were crowded, less than half the city-wide rate of 10.2 percent. The rate for black renter households was 9.4 percent, lower than the city-wide rate. Meanwhile, the rate for Puerto Rican renter households was 7.9 percent, the second lowest after whites.

### **Crowding by Household Type**

The percentage of crowded adult renter households with minor children was 32.3 percent, more than three times higher than the city-wide average of 10.2 percent. That is to say, almost one in every three households of this type was crowded. The source of this extremely high rate was the household type's extraordinarily large mean household size of 4.60, compared to 2.54 for renter households overall.





# Overview of the 2005 Housing and Vacancy Survey (HVS) and the *Housing New York City, 2005 Report*

## Statutory Basis of the Survey

Continuation of rent control and rent stabilization in New York City presupposes the existence of a housing emergency in the City. The responsibility for determining such a housing emergency was first placed by the Local Emergency Housing Rent Control Act of 1962.<sup>1</sup> The subsequent Rent Stabilization Law of 1969,<sup>2</sup> and the Emergency Tenant Protection Act of 1974<sup>3</sup> also made the City responsible for determining that a housing emergency exists as a condition for the continuation of rent stabilization.

The State and City rent-regulation laws require that the City Council determine whether a housing emergency continues to exist in the City, based on an analysis of data collected in a comprehensive housing market survey on the rental vacancy rate, the supply of housing accommodations, the condition of such accommodations, and the need for continuing the regulation and control of residential rents and evictions in the City. To fulfill this responsibility, the City has regularly retained the U.S. Census Bureau to carry out this survey of the City's housing market.

The survey, known as the New York City Housing and Vacancy Survey (HVS), has been carried out on thirteen separate occasions over the 40-year period from 1965 to 2005 and has formed the basis of the subsequent reports on the City's housing situation, with two exceptions: the 1964 report was based on a survey that differed from the HVS in both content and procedures and relied on special tabulations from the 1960 decennial census; also, the 1973 report was based on special tabulations from the 1970 decennial census.<sup>4</sup>

## Content, Design and Sample Size of the 2005 HVS

The 2005 HVS, as a comprehensive housing market survey, was designed, as were all previous HVSs, to collect information on the major elements of the demand for and supply of housing units, interventions of government, and the dynamic interactions of these three forces in the City's housing market. For the 2005 HVS, the demand elements cover the number and characteristics of persons and households in occupied units, while the supply elements include the number and condition of the housing inventory and

---

1 Section 1(3) of the Local Emergency Housing Rent Control Act, Section 8603 of the Unconsolidated Laws.

2 Section 26-501 of the Administrative Code of the City of New York.

3 Section 3 of the Emergency Tenant Protection Act, Section 8623 of the Unconsolidated Laws.

4 The 1975 HVS was conducted four years after the 1971 special tabulation of 1970 census data; the 1991 HVS was taken four years after the 1987 HVS; and the 1993 HVS was taken two years after the 1991 HVS. All other HVSs were conducted at three-year intervals.

neighborhoods. The elements of government intervention include rent-regulation categories; housing units owned, developed, and/or managed through major types of government programs; and rent subsidies.<sup>5</sup> The interactions of all major forces in the rental market include, among other things, affordability, as measured by the rent/income ratio.

The HVS is a sample survey of occupied and vacant housing units. For the 2005 HVS, 18,516 housing units throughout the City were selected as a representative sample of housing in the five boroughs of the City. Because of the critical importance of the reliability of the HVS data, particularly as regards the rental vacancy rate as a principal determinant of the continuation of rent control and rent stabilization for more than a million rental units in the City, the 2005 HVS and most previous HVSs were designed so that the standard error of estimate, the measure of sampling variance, would not exceed 0.25 percent if the rental vacancy rate in the City were 3 percent. In addition, to assure a high level of accuracy for the rental vacancy rate, all vacant units were re-interviewed and, if an error was found in the vacancy status, a correction was made in the final classification of the vacancy status.

Since the HVS is a sample survey, each of the estimated figures in the survey has its own specific degree of reliability. As has been the case for all previous HVSs, the 2005 HVS data are available for the City and each of the five boroughs and, since 1991, for each of the 55 sub-borough areas as well.

The 2005 HVS sample consisted of housing unit addresses selected from three different sampling frames:

- Housing units included in Census 2000 selected from the Census 2000 address file.
- Housing units built since Census 2000 selected from New York City Certificates of Occupancy (C of Os) issued between January 2000 and October 2004. Housing unit addresses that were both in the Census and on the C of O list were unduplicated and dropped from the latter.
- Housing units in structures owned by New York City as a result of real estate tax delinquency or failure to pay other charges or fees (known as *in rem* units). These units were oversampled to insure a large enough sample for analysis of this sub-universe. Since all units on the *in rem* list were also in the Census or on the C of O list, the weighting of these units was adjusted to reflect the additional chance of selection.

## Uses of the HVS Data

As a comprehensive housing market survey of one of the largest and most complex housing markets in metropolitan cities in the world, the HVS is the source of a massive amount of data on population, households, housing units, and neighborhoods in New York City. Proper use of the data requires an adequate understanding of the content of the 2005 HVS and the methods and techniques used for collecting and organizing the data. For this reason, this report presents detailed information on the survey design and estimation procedures, as well as the survey's accuracy statement, in Appendix D, the Census Bureau's Comparison of Population Estimates in the 2002 and 2005 HVSs in Appendix E, and the complete questionnaire for the survey in Appendix F of this report.

---

<sup>5</sup> For detailed information on the content of the survey, see Appendix F, "New York City Housing and Vacancy Survey Questionnaire, 2005."

Of course, the most significant use of the HVS data is to justify the extension of rent control and stabilization in the City. However, the HVS data have also been used extensively by all sides, both public and private, on housing and housing-related issues in developing, analyzing, assessing, and evaluating policies, programs, and projects. In addition, the HVS data have been used for legislative analyses and legal cases. The HVS data have also often been used by public and private agencies and individuals to prepare applications for funds. Furthermore, the HVS data have always been widely used in housing studies at many universities and research institutes.

## **Relationship of the 2005 HVS Data to Previous HVS Data**

A precise understanding of the similarities and differences in the meaning and organization of the data among the HVSs in different survey years is an important prerequisite for the proper presentation and interpretation of the HVS data.

The samples for the 2002 and 1999 HVSs were drawn from two different sample frames. The 2002 HVS sample was initially drawn from Census 2000 address records and updated. For Census 2000, the City of New York provided the Census Bureau with more than 370,000 housing unit addresses that were added during the 1990 decade or missed in the 1990 census.<sup>6</sup> The 1999 HVS sample was selected from the 1990 census address records, with updating for newly constructed units and converted units that received Certificates of Occupancy.

The weighting for the 2002 HVS sample used estimates based on Census 2000 and, thus, reflected the 370,000 units provided by the City to the Census Bureau. On the other hand, the weighting for the 1999 HVS used estimates based on the 1990 census; thus, any of the 370,000 addresses that were missed in the 1990 census or were not on Certificates of Occupancy issued between 1990 and 1999 were not reflected in the 1999 HVS. As a result of the different samples and weights used for these two HVSs, the difference between the number of persons and housing units the 2002 HVS counts and those that the 1999 HVS counts is substantially more than the increase in the numbers of persons and housing units that were expected to have occurred in the three years between the two HVSs.

Therefore, it is difficult to compare data from the 2002 HVS with data from the 1999 and previous HVSs. The Census Bureau recommends that users of the HVS data not compare absolute numbers of persons (population), households, and housing units from the 2002 HVS with those from the 1999 and previous HVSs. Instead, comparisons should be made based on percents, medians, and means in a scientifically disciplined manner. In this report, analyses of historical trends that cover data from the HVSs in the 1990s and the 2000s in a comparative manner will be discussed mostly based on percents, medians, and/or means only.

The 2002 HVS sample was updated for the 2005 HVS, as explained earlier. Thus, the 2005 HVS data are generally comparable with the 2002 HVS data. However, any comparison of population data by race and ethnicity from the 2005 HVS with equivalent data from the 2002 HVS should be done using percents, means, and medians, rather than absolute numbers. The number of whites, blacks, Puerto Ricans and Asians from the 2005 HVS cannot be compared in a reliable manner with such data from the 2002 HVS for the following reasons:

---

6 Joseph Salvo, Wendy Smith, Drew Minter, and A. Peter Lobo, New York City Department of City Planning, LUCA98 Case Study, New York, NY.

1. The Census Bureau adjusted the 2005 HVS population estimates to match the 2005 Population Estimates for New York City. The 2005 Population Estimates for the City are not part of the HVS.

This adjustment had different effects on different races and ethnicities, since the 2005 New York City Population Estimates are classified by three racial categories: whites, blacks, and all other races; while the 2005 HVS population data are classified by six racial and ethnic categories: white, black, Puerto Rican, non-Puerto Rican Hispanic, Asian, and other.

2. The Census Bureau accepted the City's challenges to the New York City Population Estimates for 2003, 2004, and 2005 and revised the City's Population Estimates for these years.

Each time the Census Bureau revised the Population Estimates, it also revised earlier yearly Population Estimates back to Census 2000. For example, if the Census Bureau revised the 2005 Population Estimates, it also revised the 2004, 2003, 2002, 2001, and 2000 Population Estimates.

The 2005 HVS population estimates, which were matched to the 2005 Population Estimates for the City, reflected all the revised Population Estimates through 2005.

On the other hand, the Census Bureau did not revise the 2002 HVS population data, which had already been used for the last five years.

The incomparability of the 2005 HVS data on race and ethnicity with such data from the 2002 HVS is further explained in the "Residential Population and Households" chapter.<sup>7</sup>

## **Presentation and Interpretation of HVS Data in the 2005 Report**

Almost all the findings of this report are based on data from the HVS, which is a sample survey; they are, thus, subject to sampling and non-sampling errors. For this reason, it is generally appropriate to qualify such findings by noting that they are "estimates" of the true values of the variables, which are unknown. For example, we should refer to the rental vacancy rate as the "estimated rental vacancy rate" and to median household income as "estimated median household income." However, it would not be practical to do so in this report, since tens of thousands of figures from the 2005 and previous HVSs are covered here, and repeated use of the word "estimate" for these many figures would make this data-intensive report unreasonably cumbersome.

Ideally, since the HVS is a sample survey, the reader of this report should be provided with the standard errors of estimated values, as measures of statistical reliability. This has, for the most part, not been done in this or previous reports, since such a practice would have more than doubled the already extremely large number of statistics presented and would, thus, have made the report more difficult for readers to use and understand. It would also have reduced the scope of the report's use in everyday policy-making and analysis work. Consequently, standard errors have been provided only for critically important findings. For example, because of its statutory importance, the standard error and confidence interval of the 2005 net rental vacancy rate are presented, as they have been in previous reports.

---

<sup>7</sup> For full information, see Appendix E, "Comparison of Population Estimates in the 2002 and 2005 New York City Housing and Vacancy Surveys."

In regard to other data, as has been done in the last several reports, the practice of limiting the use of numbers and percentages that are very small has again been adopted in this report. Figures, such as the number of housing units or households, that are less than 4,000 are not reported in the tables; and numbers between 4,000 and 4,999 are qualified by warning the reader to interpret them with caution. Dollar figures, such as rents and incomes, based on a small number of cases are treated following the same guidelines. Similarly, percentages in which the numerator is less than 3,000 are not reported; and percentages in which the numerator is between 3,000 and 3,999 are qualified by warning the reader to interpret them with caution.

Moreover, no analyses or discussions based on small numbers have been made anywhere in this report. In fact, almost all analyses and discussions in the text are based on estimates that are statistically significant at the 90-percent confidence interval, which the Census Bureau has usually been using to measure statistical significance for issues covered in their publications.

## **Content and Organization of the Report**

There are six substantive chapters in this report, covering the two major housing demand components (population and households, and incomes), three major housing supply components (inventory, vacancies, rents), and one condition component (housing and neighborhood conditions) of New York City's housing market. These six chapters cover all major issues legally mandated by the rent-regulation laws: the rental vacancy rate, the supply of housing accommodations, the condition of such accommodations, and the need for continuing the regulation and control of residential rents and evictions in the City. In addition, there are six appendices, covering the 2005 HVS data for sub-borough areas; technical specifications; the questionnaire, which covers the content of the 2005 HVS; and limitations of the 2005 HVS data.

Chapter 2, "Residential Population and Households," provides, first, the number and characteristics of the population in 2005 and a review of the historical population trends in the City and, second, a discussion of the number and composition of households and changes in them over time. Both population and households are covered by location, tenure, rent-regulation status, and type of ownership. The situation of doubled-up households is discussed. Extensive discussions of the following policy-important issues are also covered in this chapter: first, immigrant households and their housing situations; second, doubled-up households, including sub-family and secondary individual households, and various housing situations and housing-important characteristics of these doubled-up households; and, third, the number and characteristics of households with previously homeless individuals.

In Chapter 3, "Household Incomes," all major issues relevant to determining the capability of households to pay housing costs are discussed. The chapter covers changes in and patterns of household income by tenure, location, rent-regulation status or ownership categories, race and ethnicity, and other variables. As a part of the income distribution analysis, the chapter presents and discusses income distribution by the U.S. Department of Housing and Urban Development's Section 8 program income limits. Then, the chapter discusses households with incomes below various income levels that are policy-important in assessing changes in the magnitude of housing needs and affordability situations. In this context, the chapter also analyzes changes in the number of households receiving Public Assistance. The chapter also analyzes employment issues—such as the labor-force participation rate, unemployment, and occupational and industrial patterns—which determine household earnings. Finally, the chapter identifies areas of high concentrations of poor households and analyzes their housing needs and affordability situations.



Chapter 4, “The Housing Supply,” covers, first, the number and composition of housing units in terms of tenure, occupancy, location, building characteristics, building size, and unit size. It then analyzes the growth of the inventory and discusses in detail the components of inventory change: additions (new construction, returning losses, and other additions) and gross losses. Next, the chapter presents and analyzes the marginal variations of the housing inventory in recent patterns and trends important to housing requirements in the City. The rental housing inventory is analyzed by rent-regulation status. Also, data on the rental housing inventory and changes in rental housing in cooperatives and condominiums are analyzed. In addition, the owner housing inventory, including the ownership rate, is discussed. Finally, the chapter discusses housing units that are accessible to physically disabled persons.

Chapter 5, “Housing Vacancies and Vacancy Rates,” analyzes issues required by law and by policy-makers for making appropriate policy decisions on rent-regulation and related housing issues. The chapter first explains the statutory role of the rental vacancy rate in rent control and stabilization in New York City. Then, it discusses concepts and definitions of vacant rental units and occupied units, as well as the equation for estimating the rental vacancy rate. In the second part of the chapter, overall rental vacancies and vacancy rates for the City as a whole are presented and discussed. Data on the following characteristics of vacant available units are analyzed separately for renter and owner units: location, rent-regulation status, owner categories, rent or price levels, affordability, building and unit characteristics, housing and neighborhood conditions, and lengths of vacancy and turnover. In the final part of the chapter, the number and characteristics of vacant units unavailable for rent or sale, including reasons for unavailability and the previous status of these units, are presented and discussed.

Chapter 6, “Variations in Rent Expenditure,” covers most issues relating to rent as a housing cost that tenants pay for the housing units they occupy. The chapter first presents and discusses changes in and patterns of rent levels; then, the following issues are discussed: the nature and extent of rent subsidies for subsidized households, rents and housing condition, rents in the unregulated rental market, and rents in cooperative and condominium buildings. Also in this chapter, rents of recent-movers are discussed. In addition, the chapter discusses the housing needs of very-low-rent areas. Very-low-rent units are concentrated in several geographically identifiable areas in the City. The chapter reveals these areas’ unique neighborhood effects and consequent housing requirements. The final section of the chapter analyzes in depth the affordability (the rent/income ratio) of rental housing.

In Chapter 7, “Housing and Neighborhood Conditions,” data on major housing and neighborhood conditions in 2005 and changes since 1991 are covered. At the beginning of the chapter, the structural condition of buildings where residential units are situated is discussed. The second part of the chapter analyzes a set of data on maintenance and equipment deficiencies. The third part of the chapter deals with neighborhood conditions, while the fourth part presents and analyzes data on the aggregate number and characteristics of physically poor rental units and the characteristics of households residing in them. The report identifies areas with very high concentrations of poorly maintained units and areas with physically distressed neighborhoods. The chapter portrays these geographical areas, shows the problems of neighborhood effects from the concentration of poor-quality housing, and reveals the areas’ housing needs. At the end of the analysis of physical housing conditions, the impact of City-sponsored new construction, rehabilitation, and other efforts to improve housing condition in the City is reviewed. The final part of the chapter discusses the crowding situation in the City.

The report opens with a report summary. In each substantive chapter, more graphs and maps than in previous reports have been presented to help readers visualize or geographically identify important findings of major issues covered in the report.