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# Changes to the Rent Stabilized Housing Stock in New York City in 2010

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# Changes to the Rent Stabilized Housing Stock in New York City in 2010

## What's New

- ✓ The study finds a minimum net estimated loss of 4,560 rent stabilized units in 2010, 55% fewer than in 2009.
- ✓ Most of the additions to the rent stabilized stock in 2010 were due to two tax incentive programs: the 421-a and 420-c programs.
- ✓ In 2010, High Rent/Vacancy Decontrol made up the largest category of subtractions from the stabilized stock, accounting for 76% of the subtractions.

## Introduction

Rent regulation has been a fixture in New York City's housing market for close to seven decades, although the laws that govern rent regulated housing have been substantially changed and/or modified over time. In addition to legislative changes, the existing laws allow for dynamic changes in the regulatory status of a significant portion of the rent regulated housing stock in any given year. Units enter, exit or change status within the regulatory system.

The figures in this study represent additions and subtractions of dwelling units to and from the rent stabilization system in 2010. These statistics are gathered from various City and State agencies.

This report is an update of previous studies done annually since 2003, when an analysis was done of the changes in New York City's rent stabilized housing stock from 1994 to 2002. The total number of additions and subtractions to the rent stabilized housing stock since 1994 is contained in the appendices of this report. These totals do not represent every unit that has been added or subtracted from the rent stabilized stock since 1994, but rather those that have been recorded or registered by various City and State agencies. They represent a 'floor,' or minimum count, of the actual number of newly regulated and deregulated units in these years.

## Additions to the Rent Regulated Housing Stock

Since newly constructed or substantially rehabilitated units are exempt from rent regulation, increases to the regulated housing stock are frequently a result of owners "voluntarily" placing these new units under rent stabilization in exchange for tax benefits. These owners choose to place units under rent stabilization because of cost/benefit analyses concluding that short-term regulation with tax benefits is more profitable than free market rents without tax benefits. According to the NYS Division of Housing and Community Renewal (DHCR), the median rent of initially registered rent stabilized apartments in 2010 was \$2,295. Events that lead to the addition of stabilized units include:

- Section 421-a Program
- J-51 Program
- Mitchell-Lama buyouts
- Lofts converted to rent stabilized units
- Other Additions
- Rent controlled apartments converting to rent stabilization

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## Section 421-a and J-51 Programs

The New York City Department of Housing Preservation and Development (HPD) administers programs to increase the supply of rental housing. Two of these programs have a significant impact on the inventory of stabilized housing: the Section 421-a Program and the J-51 Program. Under Section 421-a of the Real Property Tax Law, newly constructed dwellings in New York City can elect to receive real estate tax exemptions. For the duration of the benefits, at least, the newly built apartments are subject to rent stabilization. In 2010, an estimated total of 7,596 units were added to the rent stabilized stock through the 421-a program, more than three times the 2,438 units added in 2009. The largest number of units were in Manhattan (3,494), followed by Brooklyn (2,539), the Bronx (1,256), Queens (303), and four units on Staten Island.<sup>1</sup>

The J-51 Program provides real estate tax exemptions and abatements to existing residential buildings which are renovated or rehabilitated. This program also provides these benefits to residential buildings converted from commercial structures. In consideration of receiving these benefits, owners of these buildings agree to place under rent stabilization those apartments which otherwise would not be subject to regulation. The apartments remain stabilized, at a minimum, until the benefits expire. The J-51 program added 80 units to the rent stabilized stock in 2010, more than four times as many units, 18, added in 2009. These newly renovated units were located in two buildings in Brooklyn and one building in Manhattan. (See Appendices 1 and 2)

### Mitchell-Lama Buyouts

Where rents in a building are regulated directly by the Federal, State or City government, these apartments are exempt from rent stabilization and control laws. However, when these government-aided developments are no longer directly administered by a governmental entity, they may become subject to rent stabilization laws. These federally regulated projects include Section 236 financed buildings and project-based Section 8 buildings.

Mitchell-Lama developments were constructed under the provisions of Article 2 of the Private Housing Finance Law (PHFL). This program was primarily designed to increase the supply of housing affordable to middle-income households. Approximately 75,000 rental apartments and 50,000 cooperative units were constructed under the program from the 1950's through the 1970's. For these units to be affordable, the State or City provided low interest mortgages and real estate tax abatements, and the owners agreed to limit their return on equity.

While the State and City mortgages are generally for a term of 40 or 50 years, the PHFL allows owners to "buy-out" of the program after 20 years. If an owner of a rental development buys-out of the program and the development was occupied prior to January 1, 1974, the apartments may become subject to rent stabilization.

In 2010, no Mitchell-Lama rental developments became rent stabilized. Since 1994, 9,994 rental units have left the Mitchell-Lama system and become a part of the rent stabilized housing stock. (See Appendices 1 and 2)

### Loft Units

The New York City Loft Board, under Article 7-C of the Multiple Dwelling Law, regulates rents in buildings originally intended as commercial loft space that have been converted to residential housing. When the units are brought up to code standard, they become stabilized. Nine units entered the rent stabilization system in 2010, compared to 36 added in 2009. (See Appendix 1)

### Other Additions to the Stabilized Housing Stock

Additionally, several other events can increase the rent stabilized housing stock: tax incentive programs such as 420-c and 421-g, "deconversion," returned losses, and the sub-division of large units into two or more smaller units. At least 4,211 units were added to the rent stabilized stock from these programs in 2010. (See Appendix 1)

The 420-c program, a tax exemption program for low income housing projects that are developed in

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conjunction with the Low Income Housing Tax Credit program, accounted for the greatest number of additions to the rent stabilized stock. An estimated 4,211 units were added to the rent stabilized stock in 2010 through this program, a 22% decrease from the number added the prior year. Of the total 420-c units that were added, 36% (1,526) were located in Brooklyn; 33% (1,396) were in Manhattan; 26% (1,105) were in the Bronx; and the remaining 4% (184) were in Queens. No 420-c units were added in Staten Island in 2010.<sup>2</sup>

The 421-g tax incentive program is designed for conversion of units in Lower Manhattan from non-residential to residential use. The 421-g program added no rent stabilized units to the housing stock in 2010, the same as in the prior year.<sup>3</sup>

Deconversion occurs when a building converted to cooperative status reverts to rental status because of financial difficulties. Returned losses include abandoned buildings that are returned to habitable status without being substantially rehabilitated, or City-owned *in rem* buildings being returned to private ownership. These latter events do not generally add a significant number of units to the rent stabilized stock and were not quantified in this study.

### Changes in Regulatory Status

Chapter 371 of the Laws of 1971 provided for the decontrol of rent controlled units that were voluntarily vacated on or after July 1, 1971. Since the enactment of Vacancy Decontrol, the number of rent controlled units has fallen from over one million to roughly 40,000.<sup>4</sup> When a rent controlled unit is vacated, it either becomes rent stabilized or leaves the regulatory system. A rent controlled unit becomes rent stabilized when it is contained in a rental building with six or more units and the incoming tenant pays a legal regulated rent less than \$2,000 per month. This process results in a diminution of the controlled stock and an increase in the stabilized stock. Otherwise, the apartment is subject to deregulation and leaves the rent regulatory system entirely.

According to rent registration filings with the NYS Division of Housing and Community Renewal (DHCR), 451 units in 2010 were decontrolled and became rent stabilized. This number is down from 519 units in 2009

and totaled 4% of the additions to the rent stabilization stock.<sup>5</sup> (See Appendix 1)

### Subtractions from the Rent Regulated Housing Stock

Deregulation of rent controlled and stabilized units occurs because of statutory requirements or because of physical changes to the residential dwellings. Events that lead to the removal of stabilized units include the following:

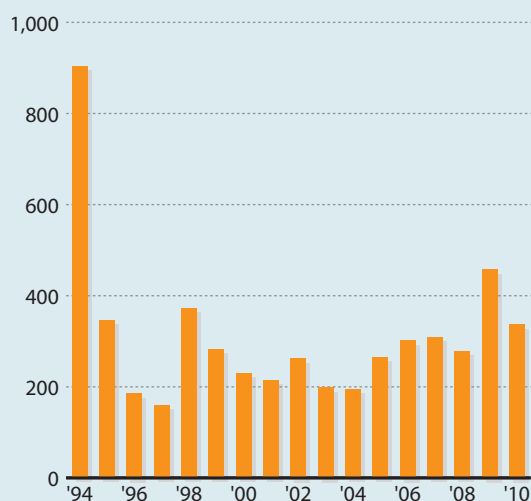
- High Rent/High Income Decontrol
- High Rent/Vacancy Decontrol
- Cooperative/Condominium Conversions
- Expiration of 421-a Benefits
- Expiration of J-51 Benefits
- Substantial Rehabilitation
- Conversion to Commercial or Professional Status
- Other Losses to the Housing Stock – Demolitions, Condemnations, Mergers, etc.

### High Rent/High Income Decontrol

The Rent Regulation Reform Act (RRRA) of 1993 permitted the deregulation of occupied apartments renting for \$2,000 or more in which the tenants in occupancy had a combined household income in excess of \$250,000 in each of the immediately two preceding years. The 1997 RRRA reduced the income threshold to \$175,000. Deregulation would occur upon application by the owner and upon the expiration of the rent stabilized lease. This income-based Decontrol process, which is administered by DHCR, relies upon data furnished to the NYS Department of Taxation and Finance as part of the verification process. Please note that both the rent level and household income criteria have to be met for Decontrol to take place. If households earning at least \$175,000 paid less than \$2,000 per month, rent regulation would remain in effect. Also note that the owner must apply to DHCR in order to Decontrol the unit. If the owner did not submit a Decontrol application, the occupying tenant would remain regulated regardless of rent level and household income. Because DHCR has to approve the orders of

## High Rent/High Income Decontrol, 1994-2010

### Number of Units Deregulated due to High Rent/Income Decreases in 2010



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

deregulation, an exact accounting exists of units leaving regulation as a result of High Rent/High Income Decontrol.

Based on DHCR processing records, High Rent/High Income Decontrol destabilized a total of 336 apartments in 2010, a 26% decrease from 2009.<sup>6</sup> Of these units, 76% were located in Manhattan.

Since 1994, 5,294 units have been deregulated due to High Rent/High Income Decontrol, of which 80% have been located in Manhattan. (See graph on this page and Appendix 3)

### High Rent/Vacancy Decontrol

In the 1993 RRRRA, the New York State legislature reinstated High Rent/Vacancy Decontrol.<sup>7</sup> This initial statute has since been changed several times. First, the 1993 RRRRA deregulated vacant apartments and occupied regulated apartments that subsequently were vacated and rented for \$2,000 or more per month

between July 7 and October 1, 1993. Second, the New York City Council allowed for the deregulation of apartments upon vacancy on or after April 1, 1994 if these units rented for \$2,000 or more. Thus, the original dates in the RRRRA of 1993 establishing the parameters for Decontrol were no longer applicable. DHCR interpreted the \$2,000 rent threshold as follows: if upon vacancy, the owner undertook individual apartment improvements that increased the legal regulated rent to \$2,000 or more, and the incoming tenant agreed to pay \$2,000 or more, the unit would be deregulated.

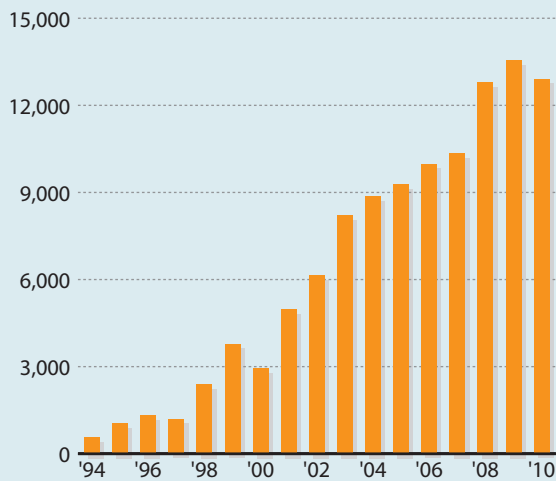
In a third stage, in early 1997, the City Council amended the Rent Stabilization Law to only allow for vacancy deregulation of the apartment if the vacating tenant's legal regulated rent was \$2,000 or more. Finally, in June of 1997, with the passage of the RRRRA, the state overrode the new City regulation. The determining factor was no longer the outgoing tenant's legal regulated rent but the incoming tenant's calculated legal regulated rent. Owners, upon a vacancy, could now apply a combination of allowable increases to reach the \$2,000 deregulation level: standard vacancy increases, special vacancy increases and individual apartment improvement increases. This calculated rent for a hypothetical incoming tenant was the determining factor, not the rent the incoming tenant actually paid. In fact, after a stabilized unit is deregulated by this calculation, the actual deregulated rent the new tenant pays can be less than \$2,000 per month.

According to DHCR rent registration records, 12,911 units were deregulated in 2010 under the High Rent/Vacancy Decontrol provisions of the RRRRA, down 5% from the number deregulated in 2009. From the period of 1994-2010, 110,295 units were registered with the DHCR as being deregulated due to High Rent/Vacancy Decontrol, 75% of which have been located in Manhattan.<sup>8</sup>

Since 2001, the first year owners were asked, but not required, to file High Rent/Vacancy Decontrol registrations, the rate at which they have changed over the prior year has varied.<sup>9</sup> From 2001 to 2002, High Rent/Vacancy Decontrol registrations increased by 23%, and from 2002 to 2003, they increased by 34%. However, since 2004, the rate of increase has been between 4% and 8% each year, with the exception of

## High Rent/Vacancy Decontrol, 1994-2010

### Decrease in 2010 in Number of Units Deregulated due to High Rent/Vacancy



Note: Registration of deregulated units with DHCR is voluntary and not required. These totals represent a 'floor' or minimum count of the actual number of deregulated units in these years. (see Endnote 8).

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

2008, when the number of units registering as deregulated due to High Rent/Vacancy Decontrol increased 24% over the prior year, and this year, when the number declined 5% from the prior year. (See graph on this page and Appendices 4-6.)

### Co-operative & Condominium Conversions

When rent regulated housing is converted to ownership status, there is a small immediate decrease in the rental stock, but over time there is a significantly larger decrease. Apartments are immediately removed from rent regulation if the tenant chooses to purchase their unit after a rent stabilized building is converted to cooperatives or condominiums. These units are no longer rentals.

For tenants who remain in their apartment and do not purchase their unit, the rent regulatory status

depends on the type of conversion plan. In eviction conversion plans, non-purchasing tenants may continue in residence until the expiration of their lease. In non-eviction plans (which are the overwhelming majority of approved plans) the regulated tenants have the right to remain in occupancy until they voluntarily leave their apartments. When a tenant leaves a regulated unit, the apartment in many cases becomes deregulated, regardless if the incoming tenant purchases or rents.

In 2010, 1,130 units located in co-ops or condos left the stabilized housing stock, 2% fewer than left the system in 2009. By borough, the largest proportion of units leaving rent stabilization and becoming co-op/condo was in Queens, with 494 units; followed by Manhattan, with 328; Brooklyn, with 214; the Bronx, with 80; and Staten Island, with 14 units. An estimated total of 44,100 co-op or condo units have left the stabilized stock since 1994. (See Appendices 5 and 6.)

### Expiration of Section 421-a and J-51 Benefits

As discussed earlier in this report, buildings receiving Section 421-a and J-51 benefits remain stabilized, at least until the benefits expire. Therefore, these units enter the stabilized system for a prescribed time period and then exit the system.

In 2010, expiration of 421-a benefits resulted in a total of 657 units removed from the rent stabilization system, 39% fewer units than the number removed in 2009. Similarly, the expiration of J-51 benefits resulted in a total of 143 units removed, half the number removed the prior year, when 286 units were removed from rent stabilization. (See endnote 8) Since 1994, 19,415 421-a units have left the rent stabilization system and 14,307 J-51 units are no longer rent regulated. (See Appendices 5 and 6)

### Substantial Rehabilitation

The Emergency Tenant Protection Act (ETPA) of 1974 exempts apartments from rent regulation in buildings that have been substantially rehabilitated on or after January 1, 1974. DHCR processes applications by owners seeking exemption from rent regulation based on the substantial rehabilitation of their properties.

Owners must replace at least 75% of building-wide and apartment systems (i.e., plumbing, heating, electrical wiring, windows, floors, kitchens, bathrooms, etc.). In general, buildings that have been substantially rehabilitated and vacated tend to have been stabilized properties. Therefore, when these buildings are substantially rehabilitated, the apartments are no longer subject to regulation and are considered new construction. This counts as a subtraction from the regulated stock. Notably, these properties do not receive J-51 tax incentives for rehabilitation.

In 2010, 274 units were removed from stabilization through substantial rehabilitation, 38% fewer than the 441 units lost in the prior year. A total of 7,574 units have been removed from the rent stabilization system through substantial rehabilitation since 1994. (See Appendix 5)

### Conversion to Commercial or Professional Status

Space converted from residential use to commercial or professional use are no longer subject to rent regulation. In 2010, 32 units were converted to nonresidential use, down from 62 in 2009. For the period 1994-2010, 2,128 residential units have been converted to nonresidential use. (See Appendix 5)

### Other Losses to the Housing Stock

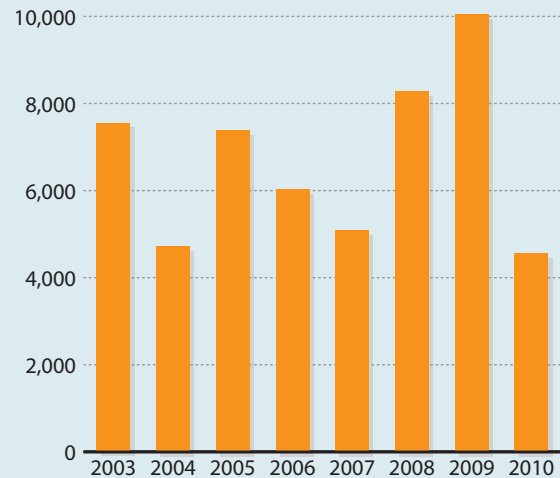
Owners may register units as permanently exempt when smaller units are merged into larger ones, or when the building is condemned, demolished or boarded-up/burnt-out. DHCR annual registration data shows that 1,424 units were removed from the stabilized housing stock in 2010 due to these reasons, down 9% from the prior year. (See Appendix 5)

### Summary

At least 16,907 housing units left rent stabilization in 2010, the second largest number of units subtracted in a single year since this report was first prepared in 2003, and only exceeded in 2009. In addition, approximately 12,347 units initially entered the stabilization system in 2010.

### Net Loss in Rent Stabilized Units, 2003-2010

#### Decrease in Net Loss of Number of Units under Rent Stabilization in 2010



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

The built-in fluidity of the system resulted in a minimum net loss of an estimated 4,560 units to the rent stabilized housing stock in 2010, 55% fewer than in 2009, when rent stabilization saw a minimum net estimated loss of 10,052 units.<sup>10</sup> (See graph on this page and Summary Table on page 10.)

The vast majority of additions to the stabilized stock in 2010 were the result of tax incentive programs. The creation of 421-a units equaled 62% of the additions and 420-c units resulted in 34%. By borough, Manhattan saw the most additions (4,911); followed by Brooklyn (4,133); the Bronx (2,361); Queens (487); and Staten Island (4).<sup>11</sup> (See Appendix 2)

Meanwhile, High Rent/Vacancy Decontrol was the largest source of measured subtractions from the rent stabilized housing stock in 2010, accounting for 76% of the total number of subtractions. By borough, 57% of all units leaving rent stabilization in 2010 were located in Manhattan, a total of 9,644 units. Second largest was Queens, representing 21% (3,590 units) removed;



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followed by Brooklyn, 17% (2,838 units); the Bronx, 4% (739 units); and Staten Island, representing just 1% (96 units) of the total number of units removed from rent stabilization in 2010. (See Appendix 6) □

11. The borough additions do not include formerly rent controlled units, since borough level data was not provided to the Rent Guidelines Board.

## Endnotes

1. The 421-a program expired at the end of 2010. However, there is at least one bill pending in the NYS Legislature that would reinstate the program.
2. The 420-c tax incentive program provides a complete exemption from real estate taxes for the term of the regulatory agreement (up to 30 years). Eligible projects are owned or controlled by a not-for-profit Housing Development Fund Company, subject to an HPD regulatory agreement which requires use as low-income housing and are financed in part with a loan from the City or State in conjunction with federal low-income housing tax credits.
3. The 421-g tax incentive program provides 14-year tax exemption and abatement benefits for the conversion of commercial buildings to multiple dwellings in the Lower Manhattan Abatement Zone, generally defined as the area south of the centerline of Murray, Frankfort and Dover Streets, excluding Battery Park City and the piers. All rental units in the project become subject to rent stabilization for the duration of the benefits. In 2010, no units created were deemed rent stabilized; 414 were high rent decontrolled units; and 19 were condo units created under this tax incentive program.
4. The 2008 Housing and Vacancy Survey reported a total of 39,901 rent controlled units in New York City.
5. In previous years the units leaving rent control and entering rent stabilization were reported citywide and by borough. Borough level data was not provided to the Rent Guidelines Board this year.
6. The final count for petitions for High Rent/High Income Decontrol may be slightly reduced as they are subject to appeal or in some cases, to review by a court of competent jurisdiction.
7. Decontrol of certain high rent apartments was instituted in New York City twice before, in 1964 and in 1968.
8. An October 2009 court decision, Roberts v Tishman Speyer Props., L.P., found that about 4,000 apartments in the Stuyvesant Town and Peter Cooper Village complexes in Manhattan were improperly Decontrolled because the buildings were receiving J-51 tax benefits. This ruling may affect other apartments deregulated elsewhere in the city. Since the full impact of this ruling hasn't been determined, the reregulation of these units is not included in this year's report. See "Court Deals Blow to Owners of Apartment Complex," by Charles V. Bagli, *The New York Times*, October 22, 2009.
9. In March 2000, New York City enacted Local Law No. 2000/012, which amended the administrative code of the City of New York in relation to extending the rent stabilization laws with certain amendments to such laws and the rent control law. However, NYC cannot supersede State law on these matters. Therefore, it is not binding, in particular with regard to filing a High Rent/Vacancy Decontrol form.
10. Almost the entire number of the estimated net loss of units to the rent stabilized housing stock will remain as housing units in New York City. These units would convert from rent stabilization to either forms of ownership or to non-regulated rental units unless they are demolished.

## Summary Table of Additions and Subtractions to the Rent Stabilized Housing Stock in 2010

<b>Program</b>	<b>Number of Units</b>
<b>ADDITIONS</b>	
421-a	+ 7,596
J-51 conversions	+ 80
Mitchell-Lama buyouts	+ 0
Loft conversions	+ 9
Other Additions	+ 4,211
<b>CHANGES</b>	
Rent control to rent stabilization	+ 451
<b>Subtotal Additions &amp; Changes</b>	<b>+ 12,347</b>
<b>SUBTRACTIONS</b>	
Co-op and Condo subtractions	- 1,130
High Rent/Vacancy Decontrol	- 12,911
High Rent/High Income Decontrol	- 336
421-a Expiration	- 657
J-51 Expiration	- 143
Substantial Rehabilitation	- 274
Commercial/Professional conversion	- 32
Other Subtractions	- 1,424
<b>Subtotal Subtractions</b>	<b>- 16,907</b>
<b>NET TOTAL</b>	
<b>Net Estimated Loss</b>	<b>- 4,560</b>

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

# Appendix

## 1. Additions to the Stabilized Housing Stock, 1994-2010

Year	421-a	J-51	Mitchell-Lama Buyouts		Lofts	421-g	420-c	Formerly Controlled	Total
			State	City					
1994	-	114	0	0	-	-	-	-	114
1995	-	88	306	0	-	-	-	-	394
1996	-	8	0	0	-	-	-	-	8
1997	-	38	323	0	-	-	-	-	361
1998	-	135	574	1,263	64	-	-	-	2,036
1999	-	33	286	0	71	-	-	-	390
2000	-	224	0	0	96	-	-	-	320
2001	-	494	0	0	56	-	-	-	550
2002	-	260	0	232	16	-	-	-	508
1994-2002	20,240	1,394	1,489	1,495	303	865	5,500	31,159	62,445
2003	1,929	171	0	279	20	41	1,781	916	5,137
2004	4,941	142	0	229	129	188	1,973	706	8,308
2005	3,380	25	251	481	66	79	1,664	721	6,667
2006	2,264	130	285	2,755	81	5	1,798	634	7,952
2007	2,838	135	2,227	290	35	441	2,558	592	9,116
2008	1,856	55	0	101	35	865	4,767	887	8,566
2009	2,438	18	112	0	36	0	5,413	519	8,536
2010	7,596	80	0	0	9	0	4,211	451	12,347
<b>Total</b>	<b>47,482</b>	<b>2,150</b>	<b>4,364</b>	<b>5,630</b>	<b>714</b>	<b>2,484</b>	<b>29,665</b>	<b>36,585</b>	<b>129,074</b>

421-a Notes: Between 1994-2002, a count of 26,987 421-a units includes co-op and condo units that were created under the 421-a program. Analysis of the RPAD database shows that on average from 1994 to 2002, 25% of 421-a units were owner units and 75% were rental units. Therefore an estimated 20,240 units were added to the rent stabilized stock. Since 2003, 421-a data is obtained from DHCR, which provides 12 months worth of data from April 1 to March 31 of the following year, as shown above.

J-51 Notes: The numbers represent units that were not rent stabilized prior to entering the J-51 Program. Most units participating in the J-51 Program were rent stabilized prior to their J-51 status and therefore are not considered additions to the rent stabilized stock.

Loft Notes: Loft conversion counts are not available from 1994 to 1997.

421-g, 420-c and Rent Controlled Notes: Counts for each year between 1994 and 2002 are not available; only an aggregate is available.

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

## 2. Additions to the Stabilized Housing Stock by Borough, 2010

	<u>Bronx</u>	<u>Brooklyn</u>	<u>Manhattan</u>	<u>Queens</u>	<u>S.I.</u>	<u>Total</u>
421-a	1,256	2,539	3,494	303	4	7,596
421-g	0	0	0	0	0	0
420-c	1,105	1,526	1,396	184	0	4,211
J-51	0	64	16	0	0	80
Mitchell-Lama Buyouts (City & State)	0	0	0	0	0	0
Lofts	0	4	5	0	0	9
Formerly Rent Controlled	-	-	-	-	-	451
<b>Total Additions*</b>	<b>2,361</b>	<b>4,133</b>	<b>4,911</b>	<b>487</b>	<b>4</b>	<b>12,347</b>

\*Note: The totals for each borough do not include formerly rent controlled units since borough level data was not provided to the Rent Guidelines Board.

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

## 3. Subtractions from the Stabilized Housing Stock Due to High Rent/High Income Decontrol by Borough, 1994-2010

<u>Year</u>	<u>Bronx</u>	<u>Brooklyn</u>	<u>Manhattan</u>	<u>Queens</u>	<u>S.I.</u>	<u>Total</u>
1994	0	0	904	0	0	904
1995	0	0	346	0	0	346
1996	1	0	180	4	0	185
1997	1	0	157	2	0	160
1998	3	0	366	3	0	372
1999	2	1	279	1	0	283
2000	2	1	227	0	0	230
2001	3	0	209	2	0	214
2002	1	1	258	2	0	262
2003	2	13	177	6	0	198
2004	0	13	173	8	0	194
2005	4	30	220	11	0	265
2006	8	28	244	21	0	301
2007	9	45	241	14	0	309
2008	10	50	198	20	0	278
2009	16	57	364	20	0	457
2010	9	44	256	27	0	336
<b>Total</b>	<b>71</b>	<b>283</b>	<b>4,799</b>	<b>141</b>	<b>0</b>	<b>5,294</b>

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

#### 4. Subtractions from the Stabilized Housing Stock Due to High Rent/Vacancy Decontrol by Borough, 1994-2010

Year	Bronx	Brooklyn	Manhattan	Queens	S.I.	Total
1994	3	9	544	9	0	565
1995	1	111	927	8	0	1,047
1996	10	106	1,203	6	0	1,325
1997	6	77	1,121	0	0	1,204
1998	7	116	2,247	14	0	2,384
1999	11	151	3,586	37	0	3,785
2000	7	279	2,586	62	0	2,934
2001	53	294	4,490	145	0	4,982
2002	64	391	5,431	251	7	6,144
2003	83	640	7,048	416	17	8,204
2004	101	758	7,271	697	29	8,856
2005	184	852	7,303	904	29	9,272
2006	217	1,408	7,187	1,106	65	9,983
2007	375	1,409	7,114	1,380	64	10,342
2008	447	1,884	8,600	1,787	82	12,800
2009	537	2,013	8,718	2,195	94	13,557
2010	581	2,154	7,807	2,290	79	12,911
<b>Total</b>	<b>2,687</b>	<b>12,652</b>	<b>83,183</b>	<b>11,307</b>	<b>466</b>	<b>110,295</b>

Note: Registration of deregulated units with DHCR is voluntary and not required. These totals represent a 'floor' or minimum count of the actual number of deregulated units in these years.

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

#### 5. Subtractions from the Stabilized Housing Stock, 1994-2010

Year	High Rent/ High Income	High Rent/ Vacancy	Co-op/Condo	421-a	J-51	Substantial	Commercial/ Professional	Other	Total
	Decontrol	Decontrol	Conversion	Expiration	Expiration	Rehab	Conversion		
1994	904	565	5,584	2,005	1,345	332	139	1,904	12,778
1995	346	1,047	4,784	990	1,440	334	113	1,670	10,724
1996	185	1,325	4,733	693	1,393	601	117	1,341	10,388
1997	160	1,204	3,723	1,483	1,340	368	109	1,365	9,752
1998	372	2,384	3,940	2,150	1,412	713	78	1,916	12,965
1999	283	3,785	2,822	3,514	1,227	760	110	1,335	13,836
2000	230	2,934	3,147	3,030	884	476	729	1,372	12,802
2001	214	4,982	2,153	770	1,066	399	88	1,083	10,755
2002	262	6,144	1,774	653	1,081	508	45	954	11,421
2003	198	8,204	1,474	651	854	340	59	912	12,692
2004	194	8,856	1,564	493	609	268	79	954	13,017
2005	265	9,272	1,692	451	545	692	111	1,017	14,045
2006	301	9,983	1,567	263	236	350	135	1,139	13,974
2007	309	10,342	1,455	161	270	297	66	1,304	14,204
2008	278	12,800	1,405	376	176	421	56	1,321	16,833
2009	457	13,557	1,153	1,075	286	441	62	1,557	18,588
2010	336	12,911	1,130	657	143	274	32	1,424	16,907
<b>Total</b>	<b>5,294</b>	<b>110,295</b>	<b>44,100</b>	<b>19,415</b>	<b>14,307</b>	<b>7,574</b>	<b>2,128</b>	<b>22,568</b>	<b>225,681</b>

Co-op/Condo Note: Subtractions from the stabilized stock in co-ops and condos are due to two factors: (1) stabilized tenants vacating rental units in previously converted buildings and (2) new conversions of stabilized rental units to ownership.

High Rent/Vacancy Decontrol Note: See Appendix 4 note.

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

## 6. Subtractions from the Stabilized Housing Stock by Borough, 2010

	<u>Bronx</u>	<u>Brooklyn</u>	<u>Manhattan</u>	<u>Queens</u>	<u>S.I.</u>	<u>Total</u>
High Rent/High Income Decontrol	9	44	256	27	0	336
High Rent/Vacancy Decontrol	581	2,154	7,807	2,290	79	12,911
Co-op/Condo Conversion	80	214	328	494	14	1,130
421-a Expirations	3	139	450	64	1	657
J-51 Expirations	0	42	99	2	0	143
Substantial Rehabilitation	0	91	174	9	0	274
Commercial/Professional Conversion	4	12	8	7	1	32
Other	62	142	522	697	1	1,424
<b>Total Subtractions</b>	<b>739</b>	<b>2,838</b>	<b>9,644</b>	<b>3,590</b>	<b>96</b>	<b>16,907</b>

High Rent/Vacancy Decontrol Note: See Appendix 4 note.

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