

The number of pre-foreclosure notices issued to one- to four-unit properties and condominiums in 2015 fell from the previous year.

Pre-foreclosure notices for one- to four-unit properties and condominiums, which lenders must send to delinquent borrowers at least 90 days prior to filing a foreclosure case, dropped by 23 percent between 2014 and 2015 citywide, with all boroughs experiencing significant reductions, as shown in Figure 14. Citywide, pre-foreclosure notices declined over 55 percent since 2011. Along with the indicators on repeat foreclosure filings, this indicates that the number of borrowers entering new bouts of distress has gone down considerably since the Great Recession, although many borrowers who fell into financial difficulties during the recession may remain distressed.

Table 1: Pre-Foreclosure Notices Issued to One- to Four-Unit Properties and Condominiums

	2011	2012	2013	2014	2015	Percent Change 2014-15
Bronx	8,770	8,956	8,456	5,459	4,324	-21%
Brooklyn	21,351	21,768	19,745	12,530	9,185	-27%
Manhattan	1,142	1,154	1,213	733	608	-17%
Queens	29,307	28,721	25,712	16,007	12,563	-22%
Staten Island	10,319	10,274	9,163	6,222	4,983	-20%
New York City	70,889	70,873	64,289	40,951	31,663	-23%

Sources: New York State Department of Financial Services, NYU Furman Center

The State of Renters & Their Homes

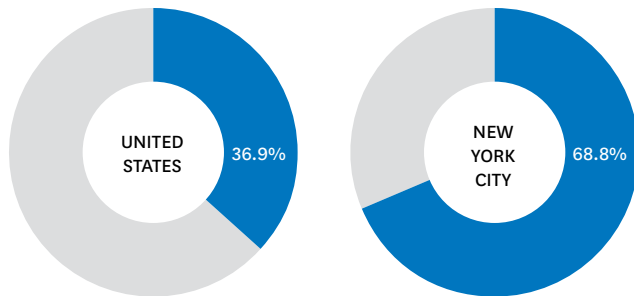
New York City continued to face a shortage of affordable housing. Rents rose all over the city, with particularly large increases in some neighborhoods. Consequently, rental housing was increasingly out of reach for a large swath of residents. New York City residents continued to face heavy rent burdens. In 2014, 55 percent of all renter households were rent burdened, with housing costs equal to at least 30 percent of their income.

RENTER HOUSEHOLDS
FINDING #1

The vast majority of New York City households are renters.

Nearly 70 percent of households in New York City rented their homes in 2014, almost twice the national rate. Of the five boroughs, the Bronx had the highest rental share in 2014 (81.8%) and Staten Island had the lowest share (31.8%). Most households in Brooklyn (71.5%), Manhattan (77.3%), and Queens (56.9%) lived in rental units in 2014.

Figure 1: Renter Share of Households, 2014



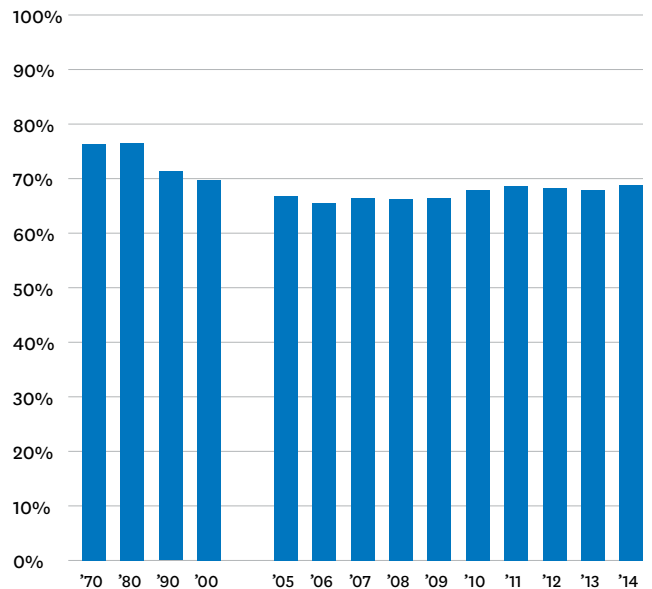
Sources: American Community Survey, NYU Furman Center

RENTER HOUSEHOLDS
FINDING #2

New York City has been a majority renter city since at least the 1970s, though the overall renter share has declined since 1980.

Historically, a majority of New York City households have rented their homes. During the lead-up to the Great Recession, the share of households that rented declined until it hit a low of 65.6 percent of households in 2006. In the subsequent years, the renter share of households increased by more than three percentage points, though it remained below the levels seen in 2000.

Figure 2: Renter Share of Households, New York City



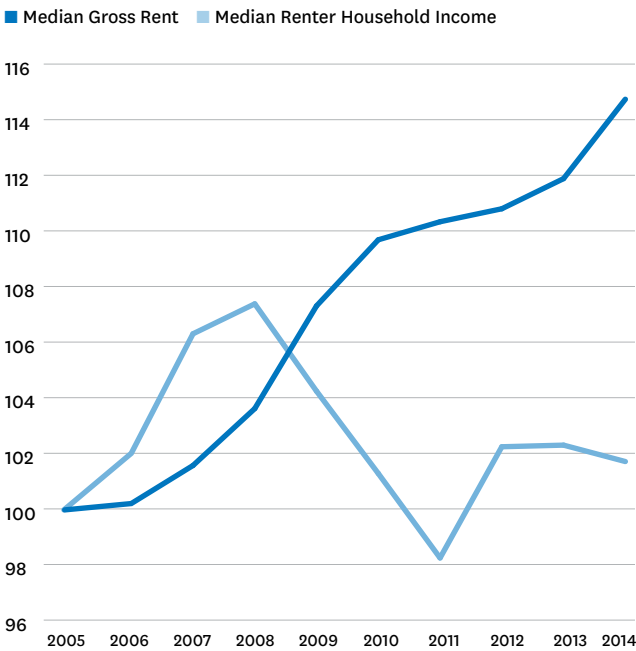
Sources: US Census (1970-2000), American Community Survey (2005-2014), NYU Furman Center

RENT LEVELS
FINDING #3

Rents remained high and have risen every year since at least 2005.

Rent levels have risen faster than incomes in recent years. Figure 3 compares the change in median gross rent and median renter household income, indexed to 2005 values. Between 2005 and 2014, median gross rent increased by a total of 14.7 percent citywide, while the typical renter household’s income increased by just 1.7 percent. Between 2013 and 2014, the median gross rent rose by 2.6 percent, while the median income for New York City renters declined.

Figure 3: Index of Real Median Gross Rent and Real Median Renter Household Income (Index=100 in 2005), New York City



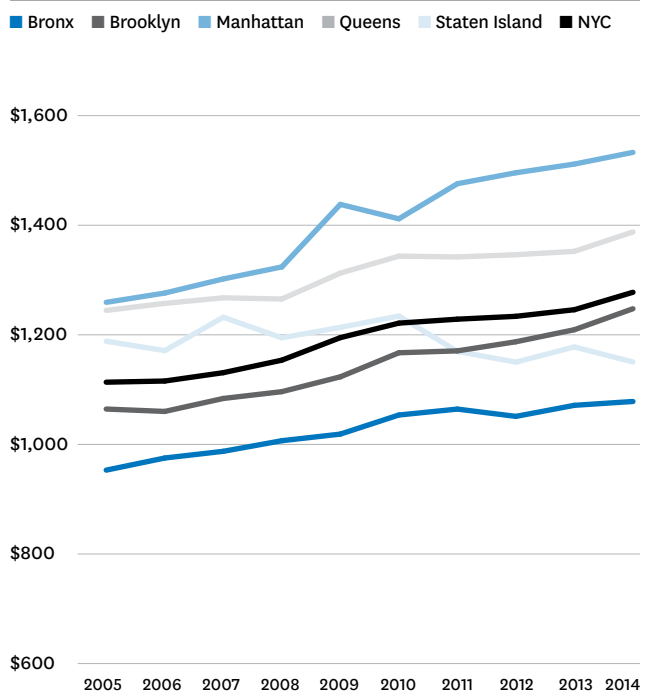
Sources: American Community Survey, NYU Furman Center

RENT LEVELS
FINDING #4

All boroughs, except for Staten Island, saw increases in median gross rent between 2005 and 2014.

Citywide, the median gross rent rose steadily between 2005 and 2014. Of the five boroughs, only Staten Island residents did not see an increase in median gross rent during this period. Comparing median gross rent in 2005 and 2014, Manhattan saw the largest increase (21.7%), followed by Brooklyn (17.2%), the Bronx (13.1%), and Queens (11.5%). The median gross rent in Staten Island decreased by 3.2 percent between 2005 and 2014.

Figure 4: Inflation-Adjusted Median Gross Rent (2015\$) by Borough



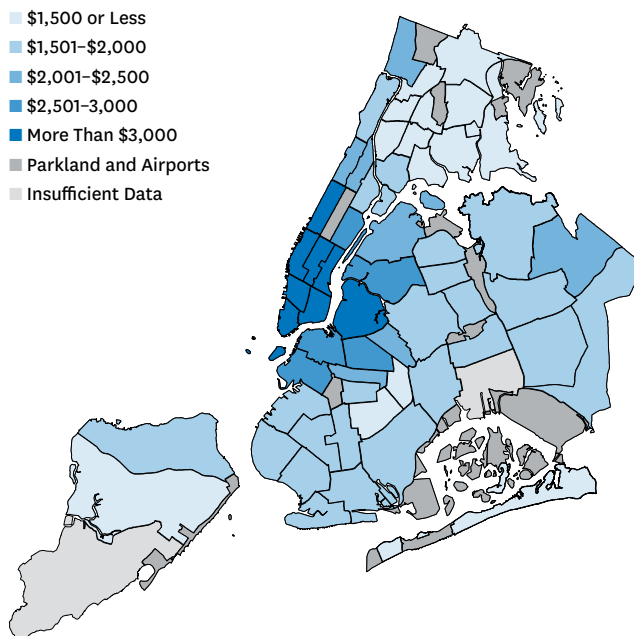
Sources: American Community Survey, NYU Furman Center

RENT LEVELS
FINDING #5

Asking rents varied widely across neighborhoods.

Rent reported by all residents may not reflect the experience of those currently searching for housing on the private market; median gross rent includes tenants who have lived in rent-stabilized units for many years, for example. The asking rent is the rent for units being advertised for lease. Using data from StreetEasy, which lists available rental units in New York City, the citywide median asking rent in 2014 was \$2,800. Asking rent varied by neighborhood; in Manhattan south and west of Central Park, median asking rent was more than \$3,000. In outer Brooklyn and Queens, median asking rent was generally between \$1,500 and \$2,000.

Figure 5: Median Asking Rent by Community District, 2014



Sources: StreetEasy, NYU Furman Center

Note: Two community districts, South Ozone Park/Howard Beach (QN 10), and Tottenville/Great Kills (SI 03), were excluded from this analysis because there were fewer than 30 rental listings in 2014.

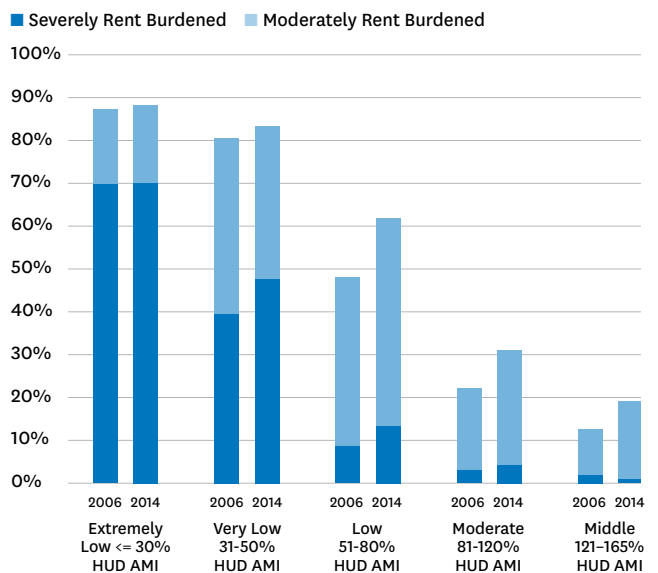
RENT BURDEN
FINDING #6

New York City renters continued to spend a high share of income on rent.

A household spending 30 percent or more of its pre-tax income on rent and utilities is considered *rent burdened*. Using this threshold, in order to afford a unit renting at the 2014 median gross rent of \$1,277 per month, a household needed to earn an annual income of at least \$51,080. Yet, the median household income for New York City in 2014 was \$41,210—almost a full \$10,000 less. A household looking to move into a rental unit needed to earn even more—\$112,000—to afford the median asking rent for listings on StreetEasy: \$2,800.

Not all renter households were equally likely to be rent burdened. Nearly 90 percent of extremely low-income renters, with household incomes no more than 30 percent of the area median income (AMI), were rent burdened in 2014. Seventy percent of extremely low-income households were severely rent burdened, with gross rent totaling at least 50 percent of household income. Low-income renters, or those with incomes between 51 percent and 80 percent of AMI, saw the largest increase in rent burdens: by 2014, most low-income renter households were rent burdened (62%)—an increase of nearly 14 percentage points since 2006.

Figure 6: Rent-Burdened Share by Income, New York City



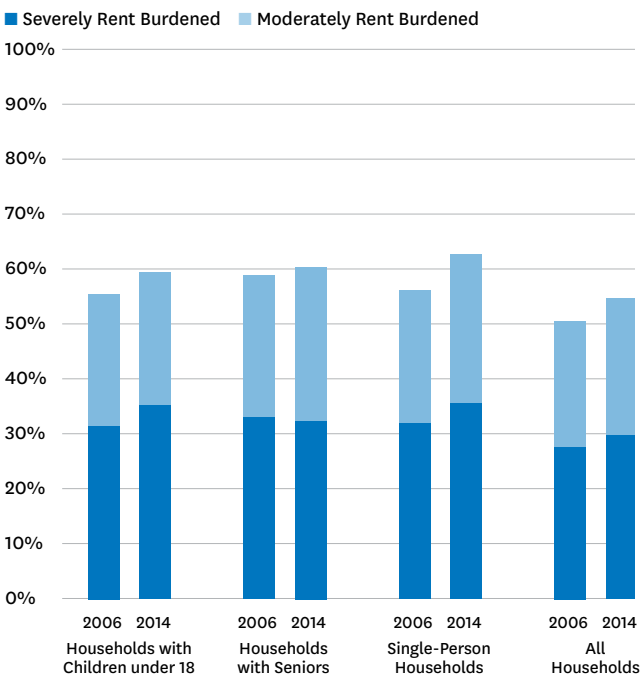
Sources: American Community Survey, US Department of Housing and Urban Development Section 8/HOME Program Income Guidelines, NYU Furman Center

**RENT BURDEN
FINDING #7**

Households with children under 18, seniors, and people living alone were more likely to be rent burdened and severely rent burdened than renter households as a whole.

Between 2006 and 2014, the share of single-person households that were rent burdened increased by seven percentage points—an increase nearly twice as large as that for renter households overall. Households with children under 18 years old and single-person households saw rising rent burdens during this period; in both groups, the share of severely rent burdened households in 2014 exceeded one third.

Figure 7: Rent-Burdened Share by Household Type, New York City



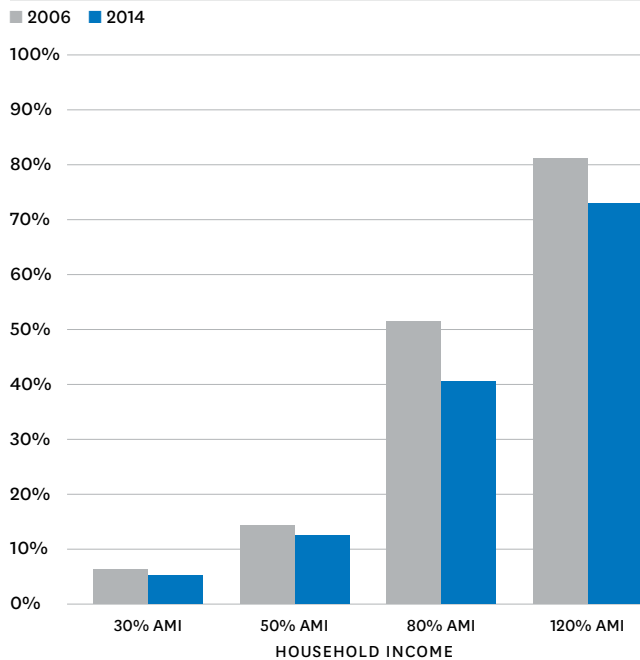
Sources: American Community Survey, NYU Furman Center

**RENT BURDEN
FINDING #8**

Very few recently available rental units were affordable to low- and moderate-income households.

Households living in *recently available* units (occupied units whose tenants moved in less than 12 months before their survey date) paid higher gross rent on average than households who had lived in their homes for more than a year. Figure 8 shows the share of appropriately sized, recently available units that households at different income levels could afford. In 2014, only five percent of these units were affordable to households earning 30 percent of AMI; households earning 50 percent of AMI could afford 12 percent of recently available units. For households earning 80 percent of AMI, 40 percent of recently available units were affordable, down 12 percentage points from 2006.

Figure 8: Recently Available Rental Units Affordable to Appropriately-Sized Households, New York City



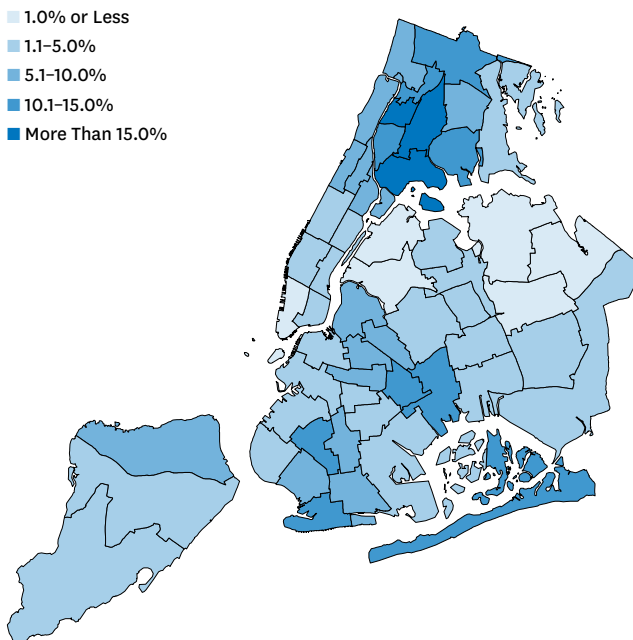
Sources: American Community Survey, US Department of Housing and Urban Development Section 8/HOME Program Income Guidelines, NYU Furman Center

RENT BURDEN
FINDING #9

New York City residents using housing choice vouchers were concentrated in lower-cost neighborhoods.

The neighborhoods with the highest housing choice voucher shares had some of the lowest asking rents in the city. The maximum standard payment for a two-bedroom unit in New York City in FY2015 was \$1,481. The top three neighborhoods with the highest voucher holder shares were in the Bronx; 20.2 percent of housing units used housing choice vouchers in University Heights/Fordham/Morris Heights/Mount Hope (BX 05), followed by 19.1 percent in Morrisania/Belmont (BX 03 and BX 06), and 15.1 percent in Mott Haven/Hunts Point (BX 01 and BX 02).

Figure 9: Housing Choice Vouchers (Percent of Occupied, Privately Owned Rental Units) by Sub-Borough Area, 2014



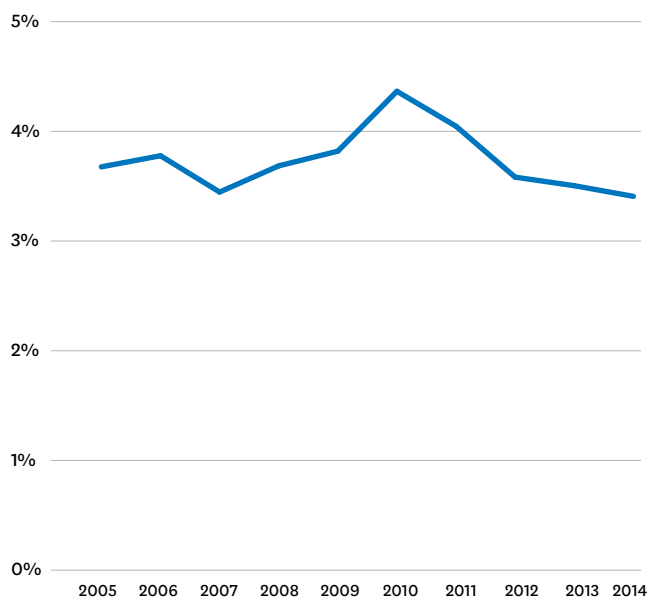
Sources: Picture of Subsidized Households (2014), American Community Survey (2014), New York City Housing Authority, NYU Furman Center

MARKET AND HOUSING STOCK CONDITIONS
FINDING #10

New York City continued to face a shortage of rental housing units.

The rental vacancy rate in New York City fell slightly between 2013 and 2014, reaching 3.4 percent in 2014—tied with 2007 as the lowest rate since at least 2005.

Figure 10: Rental Vacancy Rate, New York City



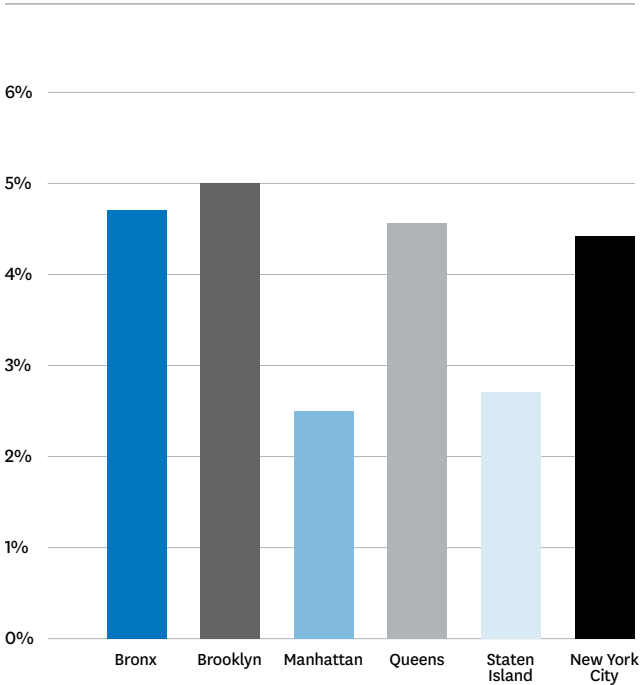
Sources: American Community Survey, NYU Furman Center

Note: The figures presented here are from the American Community Survey and are presented to illustrate annual changes in the rental vacancy rate. Please see this indicator's entry in the Indicator Definitions and Rankings chapter for a discussion of the difference between this rate and the official rate derived from the New York City Housing and Vacancy Survey used by the city.

In 2014, Brooklyn had the highest share of renter households that were severely crowded.

Faced with increasing rents and fewer available units, households may turn to doubling up. A renter household is considered to be severely overcrowded if there are more than 1.5 people per room in the unit. Citywide, 4.4 percent of renter households were severely crowded in 2014, but there was considerable variation across boroughs. In Brooklyn, five percent of households were severely crowded, followed by the Bronx (4.7%) and Queens (4.6%). Severe crowding rates in Manhattan (2.5%) and Staten Island (2.8%) were significantly lower.

Figure 11: Severe Crowding Rate, 2014

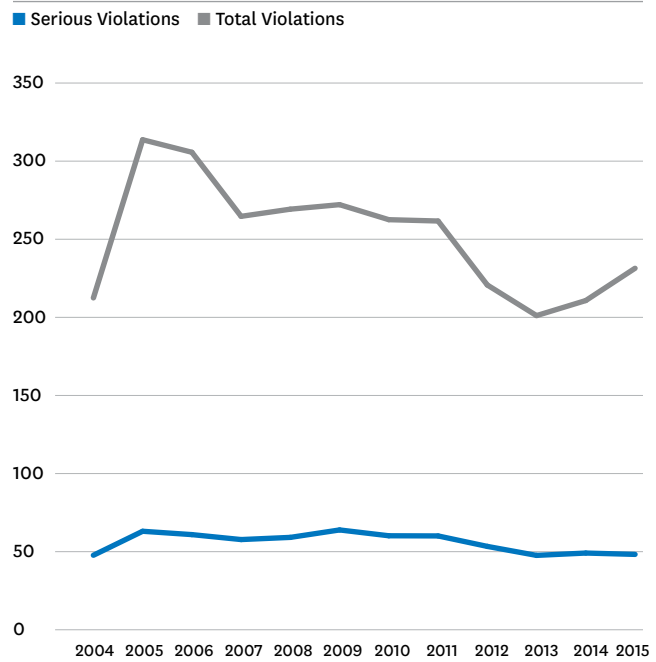


Sources: American Community Survey, NYU Furman Center

The housing code violation rate increased between 2013 and 2015.

In 2015, the city issued about 231.4 housing code violations per 1,000 units. This was an increase of about 15 percent from 2013, the year the city issued the lowest number of violations since its 311 hotline became fully operational in 2004. While the number of total housing code violations issued increased, serious violations experienced a slight decline of 1.6 percent from 2014 to 2015.

Figure 12: New Housing Code Violations (per 1,000 Privately-Owned Rental Units), New York City



Source: New York City Department of Housing and Preservation and Development, New York City Housing Authority, NYU Furman Center