NYU Furman Center

Advancing research and debate on housing, neighborhoods, and urban policy

School of Law
Wagner School of Public Service

Media Contact:
Stephanie Rosoff
stephanie.rosoff@nyu.edu
212-992-8187

FOR IMMEDIATE RELEASE
THURSDAY, MAY 24, 2018

REPORT: Growth in New York City's Housing Stock is Outpaced by Growth in Adult Population and Job Growth

NYU Furman Center report explores changes in the New York City housing stock over time, factors that drive demand for housing, and measures of the responsiveness of housing supply; finds that housing stock is not growing enough to adequately moderate pressures that increasing demand is putting on rents and housing prices.

New York, NY—A new report by the NYU Furman Center examines the characteristics of New York City's housing stock, providing data on how the stock has changed over recent decades and analyzing how increases in the supply of housing compare to indicators of increases in demand. Despite growth in the number of housing units in New York City, the report identifies a number of signs that the growth is not adequately moderating the pressures on rent resulting from a growing adult population, a further shift in the city to adult-only households, and significant job growth.

The analysis was released as part of the NYU Furman Center's annual *State of New York City's Housing and Neighborhoods in 2017*. The report, along with the NYU Furman Center's CoreData.nyc, provides a compendium of data and analysis about the city's housing and neighborhoods.

The report reveals that, although the housing stock grew by about 8% between 2000 and the end of 2016, the adult population grew by almost 11%, and adult-only households made up almost 71% of all the households in the city in 2016. The number of jobs in the city grew by more than 16% during that time period. The growth in both the number of adults and the number of jobs signals increasing demand for housing.

The report finds that there are many indications that new supply in the city is not growing fast enough to adequately moderate the pressures on rent and housing prices created by increasing demand. Household size has increased, and more renter households are living in severely overcrowded units; the city's vacancy rate remains very low; and the share of recently available housing units in the city affordable to low- and moderate-income households has fallen significantly since 2000. The report also highlights a mismatch between incomes and the cost of housing units on the market. Median monthly rents have risen in real dollars by about $300 since 2000, at the same time that the median income of a renter household has only increased by $145 per month.

The report also describes where in the city housing has been built recently. The largest number of new units built since 2000 was in the Chelsea/Clinton/Midtown area of Manhattan, which added more than 28,000 units, double the number of units added in the next neighborhood on the list (Williamsburg/Greenpoint). The report also finds that the neighborhoods with the highest number of units authorized for new construction by building permits issued between 2015 and 2017 are the same neighborhoods where the most new units were built between 2000 and 2016: Brooklyn Heights/Fort Greene, Sunnyside/Woodside, Chelsea/Clinton/Midtown, and Williamsburg/Greenpoint. At the same time, 25 neighborhoods added fewer than 3,000 units to their stock since 2000, and most of those also had few new units authorized by building permits issued recently.

The report also details how the city's housing stock has changed over the years. Studios and one-bedroom units made up the largest share of units in 2016; and more of the new units in each decade since 1980 have been studios and one-bedrooms, with almost 50 percent of units built since 2010 falling in those categories. While New York City is known for its multifamily buildings, there were over a half million single-family homes in the city in 2016, or 16% of the city's stock. Even between 2010 and 2016, almost 9% of the new construction was single-family homes. More than 80% of the new construction was occupied by renters in 2016, and the renters in new buildings had median incomes that were almost one-third higher than the median incomes of all renters.

"Despite considerable growth in the city's housing stock, that growth has been outpaced by the increase in the city's adult population and by job growth. The increasing housing stock has not been able to adequately moderate the pressure on rents caused by increased demand, and the stock as a whole has become less affordable, especially for the 70% of New Yorkers with low or moderate incomes," said Vicki Been, Faculty Director of the NYU Furman Center. "This analysis highlights the need for more housing production in general, especially for more housing that is affordable to low- and moderate-income households."

# # #

Read the report: *Focus on Changes in New York City's Housing Stock (PDF)*

Read the State of New York City's Housing and Neighborhoods in 2017 or view the indicators on CoreData.nyc.

LAUNCH EVENT: To mark the launch of the report, the NYU Furman Center will host an event, **By the Numbers: Changes in New York City's Housing Stock,** on Thursday, May 24, 2018, from 4:00-7:30 p.m. EDT at NYU School of Law. The event is open to the public, but advance registration is required. It will also be made available via livestream, which will be broadcast from 4:00-6:00 p.m. EDT.

# # #

ABOUT THE NYU FURMAN CENTER: The NYU Furman Center advances research and debate on housing, neighborhoods, and urban policy. Established in 1995, it is a joint center of the New York University School of Law and the Wagner Graduate School of Public Service. More information can be found at furmancenter.org and @FurmanCenterNYU.

# # #

State of New York City's Housing and Neighborhoods in 2017

The *State of New York City's Housing and Neighborhoods in 2017* provides a compendium of data and analysis about New York City's housing, land use, demographics, and quality of life indicators for each borough and the city's 59 community districts.

Read the key findings >>
Read the full report >>
View indicators on CoreData.nyc >>

# # #

Focus on Changes in New York City's Housing Stock: Key Findings

In 2016, there were about 3,464,000 housing units in New York City.

- 426,540 of those units (more than 12% of all the units in the city) were in public housing or in privately owned buildings receiving a federal subsidy or participating in the state's Mitchell-Lama program.
- Only about eight percent of the housing stock was built since 2000, and only a bit more than one-third (35.6%) was built since 1960. Just over 64% of the stock was built before 1960.

Today, housing units in the city are pretty evenly divided among commonly used categories of building sizes (single-family homes, two- to four-unit buildings, five- to nine-unit buildings, 10- to 49-unit buildings, and buildings of more than 50 units).

- There is significant variation by borough, however—over 60 percent of units in Staten Island, but less than two percent in Manhattan, were in single-family homes.

- In 2016, there were over a half million single-family homes in the city (accounting for about 16% of the city's housing units).
- Close to 1.1 million units (almost one-third of all the units in the city) were in buildings with more than 50 units.

One-bedroom units and studios made up the largest share of units in the city in 2016, followed by two-bedroom units, then units with three or more bedrooms.

- Since 1980, the share of housing units built as studios and one-bedroom units has been increasing, with almost 50 percent of the stock built since 2010 falling in those categories.

The areas of the city that have seen the most new construction since 2000 are the same places where the most building permits were issued between 2015 and 2017.

- The largest number of new units built since 2000 was in the Chelsea/Clinton/Midtown area of Manhattan—double the number of units compared to the next neighborhood on the list (Williamburg/Greenpoint).
- The neighborhoods where the most new units are planned (based on building permits issued between 2015 and 2017) are the same neighborhoods where the most new units were built between 2000 and 2016: Brooklyn Heights/Fort Greene, Sunnyside/Woodside, Chelsea/Clinton/Midtown, and Williamsburg/Greenpoint.

Indicators of housing demand (change in the adult population, the share of households that are adult-only and the size of those households, and the number of jobs in the city) have all increased since 2000.

- In 2016, New York City had 8.2 percent more housing units and 11 percent more adults than it did in 2000.
- The share of households in the city that were made up only of adults grew from 66% in 2000 to 71% in 2016.
- The size of adult-only households has also grown since 2000; to the extent that the adult-only households have higher incomes (perhaps because they have multiple wage earners), they likely are able to spend more on housing and thereby outbid other households for the limited stock.
- In 2016, New York City had 16.5 percent more jobs than in 2000, and the share of workers living in the city has stayed about the same.

Measures of the adequacy of the housing supply in the city suggest that more housing is needed, especially to serve low- and moderate-income households.

- The rental vacancy rate in the city remains very low (3.6% in 2016).
- An additional 15,000 households were severely over-crowded in 2016 compared to 2010.
- Between 2000 and 2016, median rent rose by 31.2 percent (about $300/month in real dollars) while median renter income only increased by 3.6 percent (about $145/month in real dollars).
- The share of units in the city that are affordable to low- and moderate-income households has dropped substantially since 2000. For example, even for households at 80 percent of area

median income ($65,250 for a family of three in 2016), only 40.5 percent of recently available rental units were affordable—a decline of nearly 24 percentage points since 2000.

- Newly built units are increasingly more expensive than older units. In 2000, the median unit built in the prior ten years rented for $50/month more than the median for all other units in the city. In 2016, that gap had widened to $400/month (in constant 2017 dollars).