

FOUNDATION PERMIT REPORT: MULTI-FAMILY DEVELOPMENT

NEW BUILDING FILINGS CONTINUE TO FALL FAR SHORT OF NEEDED HOUSING

As part of its efforts to better understand the state of the multi-family development pipeline, REBNY issues a Multi-Family Foundation Plan Application Report. This report reviews monthly foundation applications submitted to the NYC Department of Buildings (DOB) and includes data from March 2024.

This report supplements REBNY’s quarterly Construction Pipeline Report – it tracks multi-family foundation filings (defined as properties with four proposed dwelling units or more) rather than total new building filings, providing additional detail on New York City’s housing development outlook.

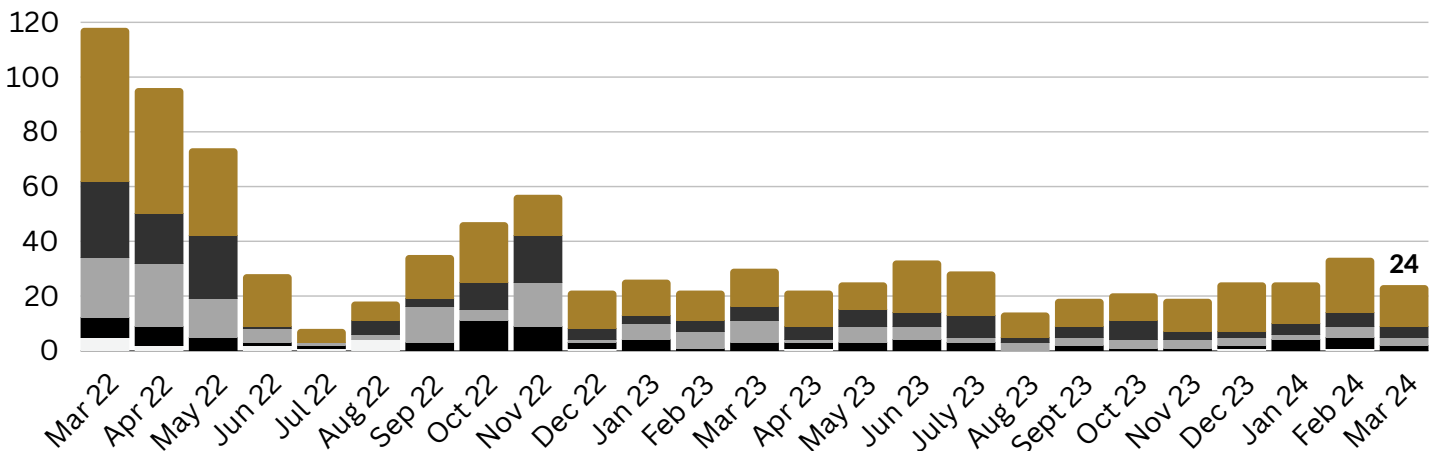
March Numbers Continue with the Sluggish Pace from the Past Two Years

Foundation application filings dropped in March to 24 compared to 34 in February. These 24 projects contain 985 proposed dwelling units. So far in 2024, 83 projects containing 2,753 proposed units have sought foundation plan approval. In 2023, there were 285 multi-family foundation plan applications containing 9,909 proposed dwelling units compared to 615 plan applications containing 45,593 proposed units in 2022.

March continued the trend of persistently low numbers that began in June 2022 following the expiration of 421a. In the past 12 months, there was an average of 24 initial foundation filings per month.

Initial Filings - All Buildings Four Units or More

Staten Island
 Manhattan
 Bronx
 Queens
 Brooklyn



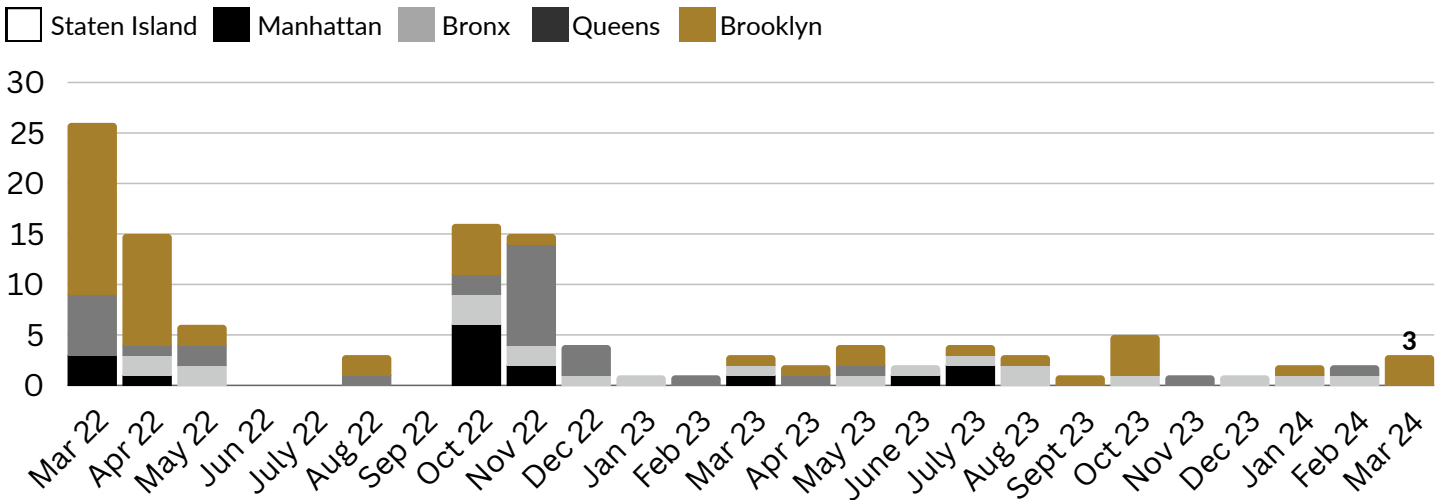
⬇️⬇️⬇️ Filings dropped to 24 in March, a 29% decrease from February
 ↘️ 291 filings in last 12 months and 458 filings in previous 12-month period- a 37% decline

Large Building Filings Increase to Three

During March, an initial foundation application was filed for only three buildings with more than 100 residential dwelling units. One of these projects is a 21-story tower development at 1 Division Avenue in Williamsburg, which will likely consist of 218 condominiums. Another project is a 14-story mixed-use development at 275 Chestnut Street in Cypress Hills in Brooklyn which will yield 327 overall units and 85 of those will be income-restricted as part of an HPD affordability program. The third project is a 47-story mixed-use skyscraper at 205 Montague Street in Brooklyn Heights which will likely consist of 136 condominiums. These three projects accounted for 681 proposed units, or 69% of the 985 proposed units during this period.

The lack of large-building filings remains worrisome. Buildings with 100 units or more represent a small percentage of the number of filings but are key to the production of total housing units, given that large buildings accounted for 55% of the proposed dwelling units in 2023.

Initial Filings - All Buildings 100 Units or More



Filings rise to three in March, 50% below the monthly average of six since April 2021

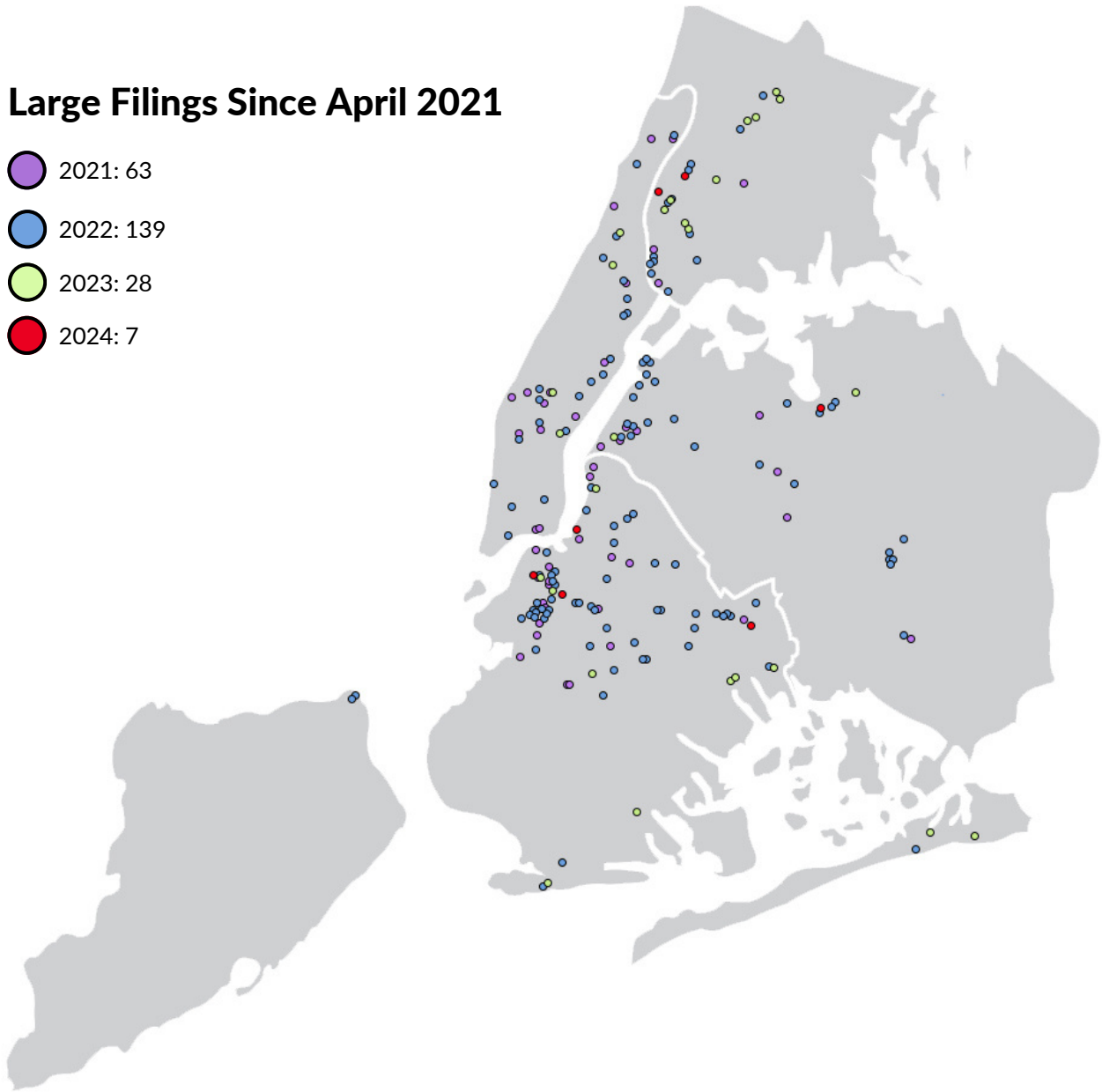
30 large filings in last 12 months, 65 in prior 12-month period - a 54% decline



Shifting Geography of Large Building Filings

The Bronx accounts for 30% (nine buildings) of the 30 large multi-family filings in the last 12 months, but only 13% of the 224 filings since April 2021. In comparison, Manhattan accounted for 20% (with 44 buildings) of the filings since April of 2021, and only 10% in the last 12 months.

Large Filings Since April 2021



All numbers based on permits filed via DOB NOW. Foundation Filings started to appear consistently in DOB NOW in April of 2021. Filings must be for permits with job type (new building); work type (foundation) and proposed dwelling units of at least four units. Filings have been de-duped to ensure that comparison includes only the very first filing (based on pre-filing date) meeting parameters above. Totals do not include subsequent amendments to the initial foundation filing.

REBNY uses open-source permit data from NYC Open Data to analyze foundation permit filings in a given time period. Changes to how work types are coded or changes to filing dates, while infrequent, can cause minor differences to permit totals reported in prior months. As such, REBNY's Foundation Permit Reports may exhibit data discrepancies between each report.