

FOUNDATION PERMIT REPORT: MULTI-FAMILY DEVELOPMENT

NEGLIGIBLE INCREASE IN FOUNDATION PERMITS IN MARCH, INITIAL FILINGS REMAIN PERSISTENTLY LOW

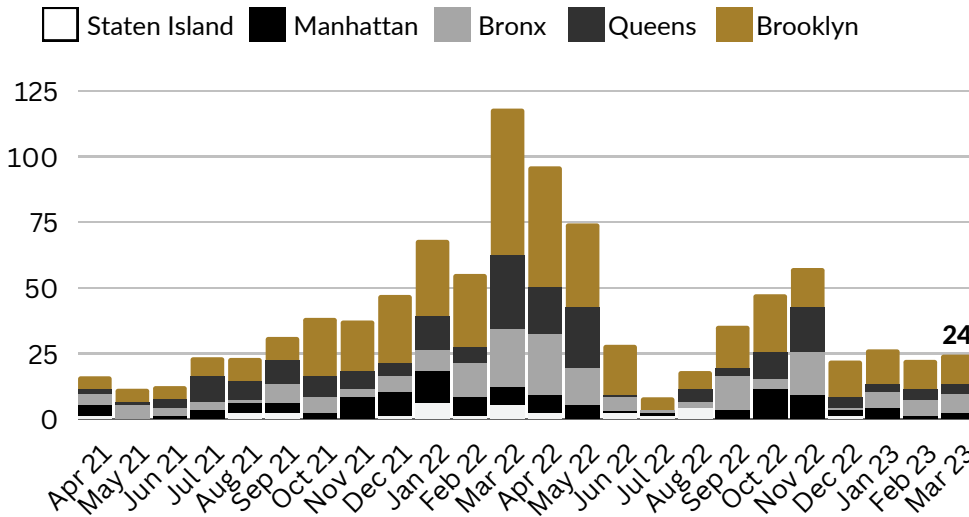
As part of its efforts to better understand the state of housing markets, REBNY issues a Multi-Family Foundation Plan Application Report. This report reviews monthly foundation applications submitted to the NYC Department of Buildings (DOB) and includes data from March 2023.

Tracking foundation projects supplements REBNY's existing quarterly Construction Pipeline Report, which examines new multi-family building job application filings submitted to DOB. Since this report tracks foundation filings rather than new building filings, it provides an additional perspective on the overall state of housing development activity in New York City. New building filings generally precede foundation filings by a period of at least several months, or possibly longer if the project is not able to proceed to the construction phase. Therefore, by tracking the foundation filings it is possible to get a more detailed sense of how many projects are nearing construction or may be struggling to do so.

Anemic Foundation Applications Carry into March 2023

The first quarter of 2023 has continued the trend of persistently low foundation activity that began in the second half of 2022 following the expiration of the 421a tax abatement program. In March there were 24 new filings with a total of 792 proposed dwelling units compared to 22 filings in February with 432 proposed dwelling units. In January, there were only 26 filings with 576 proposed dwelling units. As previous reports note, 2022 was a divided year for foundation filings. In the first six months of the year there were 440 filings for 31,750 units. After the expiration of 421a in June, only 440 filings, accounting for 12,005 units followed.

Initial Filings - All Buildings 4 units or More



Filings rose to 24 in March, an uptick from February

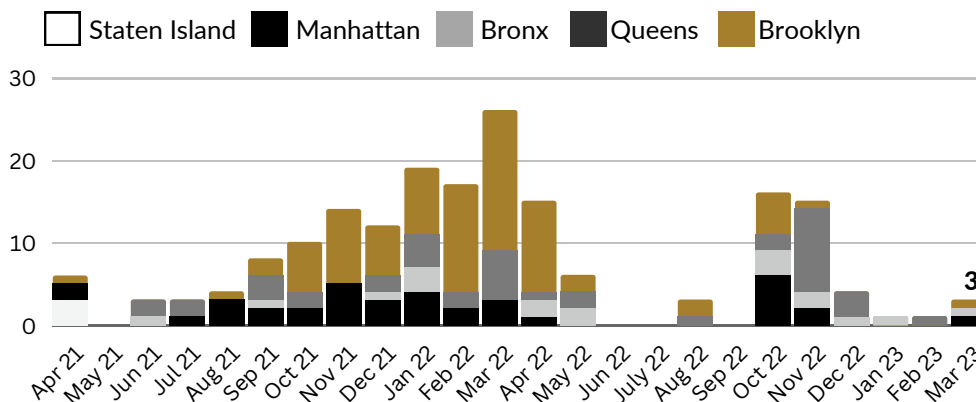
440 filings in the first half of 2022, and only 186 filings in the second half of 2022 - a 58% decline

Large Building Filing Rises to Four Properties

In March, three buildings with more than 100 residential dwelling units filed an initial foundation application with the Department of Buildings. These projects accounted for 364 proposed units, nearly half of the proposed units this month. This was the fourth month in a row with fewer than five large building filings. These three projects include one mixed income project that requires and will receive City subsidy to be built and two likely condominium projects. Of note, the condominium project at 110 East 16th Street was the first project with more than 100 units in Manhattan with an initial foundation filing since 2022.

The dearth of large-building filings is significant. 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 66% of the proposed dwelling units in 2022.

Initial Filings - All Buildings 100 units or More



Filings rose to three in March, but still far short of monthly average of eight since April 2021

84 filings in the first half of 2022, only 37 in the second half of 2022 - a 56% decline

Geography of Multi-Family Filings

Brooklyn accounts for 34.4% (22 buildings) of the 64 large multi-family filings in the last 12 months (since April 2022) and 45.7% of the 186 filings since April 2021. In comparison, Manhattan accounts for 19.9% (with 37 buildings) filings since April of 2021, but only 15.6% in the last 12 months.

Percentage of Filings by Borough*

Percentage All Multi-family Buildings

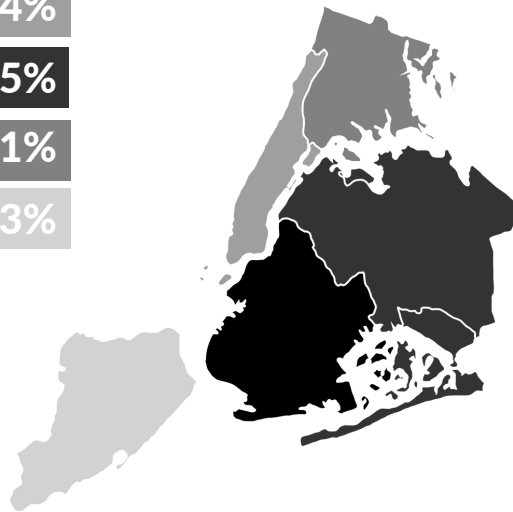
Brooklyn 46%

Manhattan 11.4%

Queens 20.5%

Bronx 19.1%

Staten Island 3%



Percentage of Buildings 100 Units or More

Brooklyn 45.7%

Manhattan 19.9%

Queens 23.1%

Bronx 9.7%

Staten Island 3.6%

*Based on filings since April 2021.

This report is part of an ongoing effort to illustrate the state of housing production in New York City. For more reports and analysis on these topics, go to the REBNY website [here](#).

All numbers based on permits filed via DOBNOW. Foundation Filings started to appear consistently in DOBNOW in March of 2021. Filings must be for permits with job type (new building) ; work type (foundation) and proposed dwelling units of at least 4 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.