

FOUNDATION PERMIT REPORT: MULTI-FAMILY DEVELOPMENT

FOUNDATION PLAN BUILDING FILINGS REMAIN WELL BELOW 2022 LEVELS AND FAR SHORT OF LEVELS REQUIRED TO ADDRESS HOUSING SHORTAGE

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

Tracking foundation projects supplements REBNY's 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.

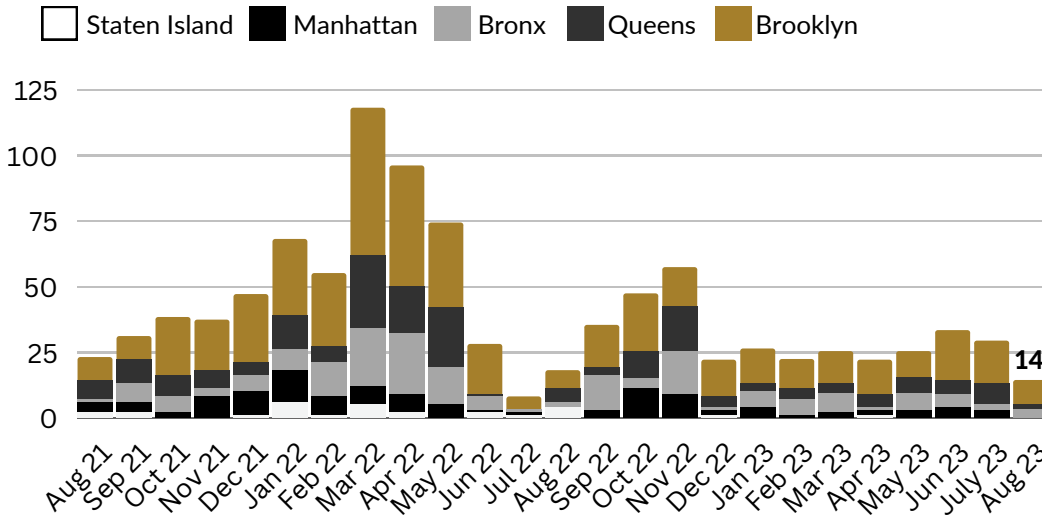
New Multi-Family Foundation Filings in Last Three Months Remain Subpar

REBNY's last foundation filings report, issued in May, showed 25 total foundation filings in May and 76 filings for the three months between March and May. Foundation filings for the last three months (June through August) were essentially unchanged – also totaling 76.

Filings rose slightly in June and July, with 33 and 29 new filings, respectively, but then plummeted to 14 in August. This was the lowest monthly total since July of last year. Furthermore, the average of 25 in the first eight months of this year remains well below the monthly average of 58 foundation filings in the first eight months of 2022.

As previous reports noted, 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 186 filings, accounting for 12,005 units followed. So far, 2023 appears to be on track to fall even farther behind. During the first six months of 2023 there were only 157 filings with 4,847 units.

Initial Filings - All Buildings 4 Units or More



↓ ↓ ↓ Filings rose to 33 and 29 in June and July, but are notably down in August

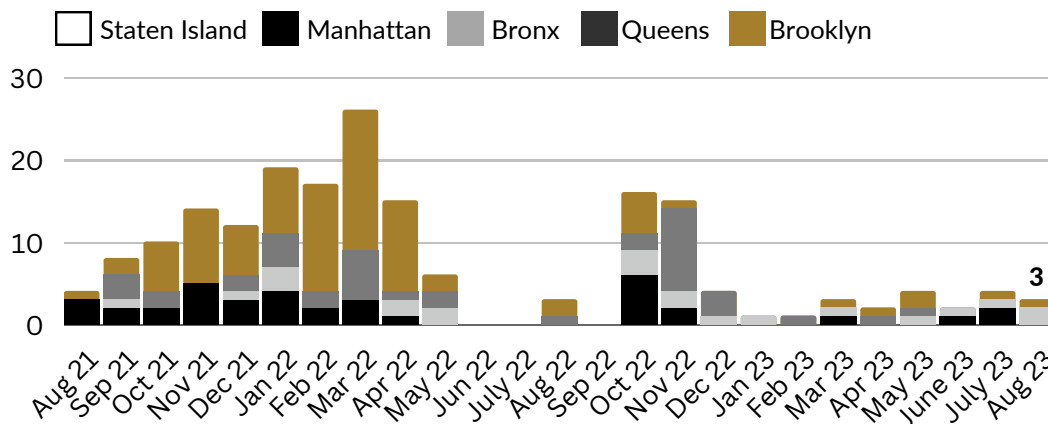
↘ 34,710 proposed units in the first 8 months of 2022, and only 6,542 proposed units in the first 8 months of 2023 - an 81% decline

Large Building Filings Stagnate

During June, July, and August, there were four or less buildings each month with more than 100 residential dwelling units filing an initial foundation application. These projects accounted for 1,360 proposed units, or more than 57% of the proposed units during this period. November of last year was the last month with more than four large building filings. The list of large building filings over the summer includes a 157-unit rental with affordable units at 729 2nd Avenue and a 200-unit condo at 567 3rd Avenue in Manhattan.

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 this summer dropped 57% below the monthly average of 7 since April 2021

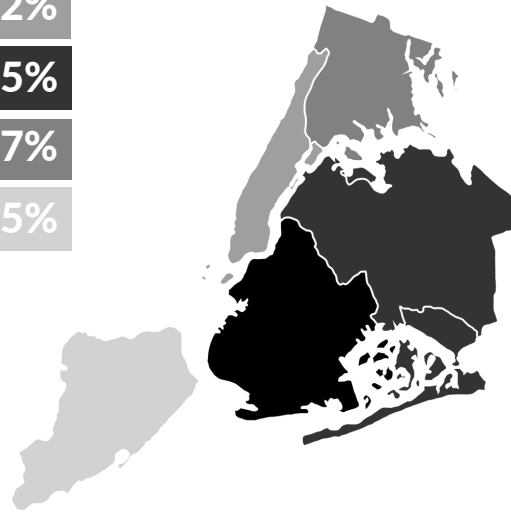
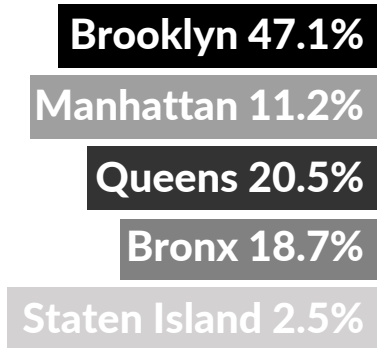
↘ 96 filings in the first eight months of 2022, only 20 in the first 8 months of 2023 - a 74% decline

Geography of Multi-Family Filings

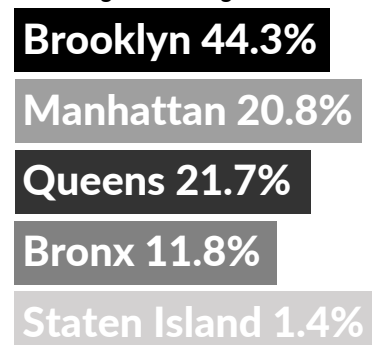
Brooklyn accounts for 35% (seven buildings) of the 20 large multi-family filings in the last eight months and 44% of the 212 filings since April 2021. In comparison, Manhattan accounts for 21% (with 44 buildings) filings since April of 2021, but only 15% in the last eight months.

Percentage of Filings by Borough*

Percentage All Multi-family Buildings



Percentage of Buildings 100 Units or More



*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 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.