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<http://www.globest.com/sites/johnjordan/2016/05/10/epic-surge-in-residential-building-permits-in-nyc/?channel=markets§ion=new-york&slreturn=20160410093306>

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‘Epic’ Surge In Residential Building Permits In NYC

NEW YORK CITY—Brooklyn was the city’s hottest borough for the fourth consecutive year, garnering a 46% market share for permitted residential units in 2015. In 2014, Kings County sported a 37% market share.



Anderson: "You don't reach an amount of permits that large without a number of factors working in the city's favor."

BY [JOHN JORDAN](#)

NEW YORK CITY—New York Building Congress president **Richard Anderson** describes last year’s nearly 180% increase in residential building permits as “nothing short of epic.”

The NYBC reports that the **New York City Department of Buildings** authorized the construction of 56,528 residential units in 1,998 buildings in 2015, which was significantly higher than the 20,329 units in 1,513 buildings permitted in 2014.

The figures based on a New York Building Congress analysis of **U.S. Census** data, point to a sixth straight year that residential building permits have increased in New York City.

The 2015 building permit total also easily surpassed this century's previous high-water mark of 33,911 units, which was achieved at the height of the last building boom in 2008, the Building Congress states. The number of permits issued in 2015 was more than three times the 2013 total (18,095 permits) and approximately 10 times the [post-recession low](#) of 6,057 units in 2009.

“The number of residential permits issued in New York City last year was nothing short of epic, and you don't reach an amount that large without a number of factors working in the city's favor,” Anderson says. One key factor was the pending expiration of the 421-a program, which created an urgency to get permits approved in late spring last year. He adds that the increase was also fueled by “New York City's remarkable popularity among residents, businesses, and investors.”

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In fact, Brooklyn was approved for more residential permits than Queens and Manhattan put together and nearly five times the combined total of the Bronx and Staten Island. Four of the five boroughs saw significant increases in residential building permits. Only Staten Island posted a decrease in permits last year. In Brooklyn, 26,026 residential permits were issued last year, up from 7,551 in 2014. In Queens, residential permits rose from 4,900 in 2014 to 12,667 last year. Manhattan permits increased from 5,281 in 2014 to 12,612, and the Bronx saw permits soar from 1,885 to 4,682 during that period. Permits for residential units in Staten Island fell from 712 permits in 2014 to 541 in 2015.

The average estimated hard cost of construction per unit reached \$124,300 citywide in 2015, an increase of nearly 25% from 2014. The cost per unit in Staten Island reached \$185,800, while the other four boroughs ranged from \$121,900 in the Bronx to \$125,200 in Queens.

Anderson expects that with a healthy residential pipeline, the sector should fuel significant construction activity in the coming months. However, he adds, “It remains to be seen what impacts the expiration of the 421-a program and Mayor de Blasio's affordable housing initiatives will have on the market, not to mention whether a pause will occur as all of this new housing supply gets absorbed.”