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CO-OP/CONDO BUYERS

New York City

What Was That Loud Noise? The Next Building Boom.



May 12, 2017 – City has approved 6,000 new residential units so far this year – most in a decade.

We take you back now to the good old days just before the last New York City real estate bubble burst. In the first quarter of 2017, the [Real Deal reports](#), the city’s **Department of Buildings (DOB)** approved construction of more than 6,000 residential units – the most in any first quarter since 2007, shortly before the city’s real estate market tanked.

The sudden surge in new construction permits follows a lull in 2016, and it’s attributed in part to the April revival of the [421-a tax abatement](#) for developers who promise to include a specified percentage of affordable units in their new buildings. The tax break is now called “**Affordable New York**” but is known in some circles as “**Welfare for Developers.**”

“For those anxious that the boom times in the residential construction sector might have ended in 2015, the data from the first three months of 2017 should elicit a huge sigh of relief,” says **Carlo Scissura**, president of the [New York Building Congress](#).

The loudest boom will be heard in Brooklyn, where more than a third of the new permits – 2,097, to be exact – were issued. That was followed by Manhattan with 1,486 units, Queens with 1,434 and the Bronx with 1,124. Staten Island logged 202 units.