Construction Compensation Insurance Group Reports a 25 Percent Dividend for its Members

Real Estate Group Also Announces a 25 Percent Dividend

TARRYTOWN

New York State Workers Compensation Group 458, the compensation insurance group of The Builders Institute (BI), recently announced a 25 percent dividend for the policy year ending June 29, 2022. The dividend was announced at the group's Annual Meeting on Apr. 25. Levitt-Fuirst Insurance, the manager of Group 458 and the insurance manager of The Builders Institute (BI), made the announcement. The dividend is in addition to a 30 percent advance discount that group members are eligible to receive, spokesmen said.

Group 458 officials said that the group has now had 72 consecutive years of dividends. Group 458 was formed in 1951. A total of 688 construction industry members participate in the program. Contractors, Sub-Contractors, Suppliers and Renovation/ Remodeling companies are eligible to be members of Group 458, group officials added.

Continued on p. 3

Impact

Serving Westchester and the Mid-Hudson Region

News for the Building and Realty Industry

77 Years of Providing Knowledge to the Building Community

BRI

JUNE/JULY 2023 VOL. 22 NO. 2

Increases of 1 Percent and 2 Percent Approved by the Westchester County Rent Guidelines Board

WHITE PLAINS

The Westchester County Rent Guidelines Board on June 29 approved a rent adjustment of one percent for One-Year Lease Renewals and two percent for Two-Year Lease Renewals, starting Oct. 1, 2023 and extending through Sep. 30, 2024. The increases are for leases affected by The Emergency Tenant Protection Act (ETPA).

The adjustments were approved through a final vote of 5-3 during the voting meeting of The Westchester County Rent Guidelines Board. The meeting was at City Hall in White Plains.

Building and realty industry officials said that although the new increases will avoid the rent freeze that property owners had feared and which the boards in Rockland and Nassau counties had approved, the rent adjustments do not keep up with the rising operating costs of rent-stabilized buildings that have dramatically increased due to inflation and a sharp decrease in cash flow attributable to a surge in operating costs over the past year.

"I am extremely disappointed but not surprised by the insufficient rent increases that were approved tonight," said Lisa DeRosa, president of The Building and Realty Institute of Westchester and the Mid-Hudson Region (BRI) and a White Plains property owner. "We presented actual data on the finances and costs for my buildings and factual evidence to show that we desperately need proper rent increases to help us stay afloat. If the Board fails to keep our hardships and financial struggles into consideration year after year, there's just not much we can do but pray that we don't hit a budget-busting catastrophe, major economic shock, or problematic tenant situation which would surely harm our tenants while it wipes our business out."

Building and realty industry officials said that the unemployment rate is currently at 3.4 percent nationally, and 2.9 percent in Westchester County. This is one of the lowest on record – not just pre-pandemic, but ever, they added. Wages and salaries increased by 4.7 percent from March of 2022 to March of 2023. Even in the face of rising inflation, 2023 was a positive year for working families, making it the most affordable year for a modest increase, building and realty industry officials stressed.

While the average increase in wages and salaries, building and realty industry officials added, comes close to offsetting it for working families, past rent increases haven't matched the increased costs of owning and operating buildings. The annual survey statistics accumulated and presented to The Westchester County Rent Guidelines Board by the Research and Analysis Unit at the New York Homes and Community Renewal Agency (HCR) showed that expenses for rent-stabilized properties in Westchester had shot up by 6.5 percent in the previous year, while the average monthly legal rent had only gone up 1.22 percent over the same time - a measly $19 per month increase. The same survey found that fuel costs had gone up 20 percent year-over-year, one of the highest increases on record. Insurance Costs had gone up 13 percent year-over-year, after going up 9 percent last year.

Continued on p. 3

PRESIDENTIAL PERSPECTIVES:

How "Good Cause" Eviction Explains How Albany Keeps Getting Housing Wrong

By Lisa DeRosa, President, Building and Realty Institute of Westchester and the Mid-Hudson Region (BRI)

ARMONK

Lisa DeRosa

As you know, the Building and Realty Institute (BRI) represents a broad spectrum of residential real estate in our region, including both those who build new housing and those who own or manage existing housing, including co-op and condo boards, managing agents, and yes, property owners or landlords. That's a lot of different people and a lot of different perspectives. But no one issue unites our members like the so-called "Good Cause" Eviction bill.

We have spent every legislative session in Albany for the past four years battling back this extreme piece of legislation, including seeing more sensible policies for addressing our housing issue get sacrificed by misguided and unsuccessful attempts to ram "Good Cause" through. In the process, I think we've learned some valuable lessons about why Albany keeps getting housing policy wrong and what we, as BRI members, can do about it.

If you've only been paying slight attention to this ongoing debate, you might think that "Good Cause" Eviction has something to do with making sure there's a solid reason for a tenant to be evicted by a landlord in housing court. This is technically true, but very misleading given the way things work now. In all my years as a property owner, I've never seen a court willing to evict a tenant without a very clear reason and supporting evidence. What's the reason for 9 out of 10 eviction cases? Failure to pay rent. The bill does nothing at all to those cases where a tenant has failed to pay rent – those would go through even if "Good Cause" were law. So, what gives?

The reality is the bill does so much more.

Negatives

First, it is broader than just landlord-tenant issues. By virtue of the nature of housing cooperatives and their proprietary leases for shareholders, they are included in the bill (the sponsors have been notified about this many times, but so far haven't amended the bill), and so is every type of rental housing except for owner-occupied buildings of four units or fewer.

Second, it requires an automatic lease renewal for every tenant unless the tenant can be shown to have done something that would have gotten him or her evicted in the first place.

Continued on p. 5

Analysis:

How the BRI Fared Now that the Legislative Session is Over

ARMONK

What began as the "Year of Housing" ended with little in the way of reforming state laws and creating incentives to encourage the construction of desperately needed new housing, Building and Realty Institute (BRI) officials recently said in an End-of-Legislative Session Analysis.

Gov. Hochul's ambitious, if controversial proposal to create 800,000 new units of housing fell apart during the budget discussion in April and did not meaningfully resurface in June. Ditto for policies like the Housing Access Voucher Program to help tenants facing a financial emergency and risk of homelessness stay in their homes, or Right to Counsel to expedite housing court backlogs by providing attorneys for low-income tenants going through eviction proceedings, the analysis said.

Instead, the analysis added, New Yorkers received the "Year of Overtime" as the state budget was delayed by several weeks. The Legislative Session had been scheduled to end on Jun 8. It went for a few extra days for the Senate. The Assembly had to come back 11 days later to complete its work for the year. But despite the extra time on the clock, efforts at meaningful reforms related to housing once again fell apart for the same reason as they had during the budget debate. Advocates and proponents of the "Good Cause" Eviction bill insisted that any housing policy – even those they had previously proposed

Continued on p. 4

Co-op and Condo Corner

Dear Legislators: We Are Not Renters!

By Jane Curtis, Chair, Cooperative and Condominium Advisory Council (CCAC)

MOUNT VERNON

Jane Curtis

Co-op shareholders are, in all respects, owners and not renters, owning shares in the co-op itself. These resident shareholders jointly operate their property on a non-profit basis, via a duly elected Board of Directors.

Yet, co-ops and their legal advisors spend far too much time dealing with the unintended consequences of misapplied landlord/tenant laws. And co-op advocates like the Cooperative and Condominium Advisory Council (CCAC) spend far too much time fighting for carve-outs to proposed bills and amendments to existing laws governing landlord/tenant relations.

This situation arises because legislators often give little thought to co-ops as they craft multifamily housing legislation, and often don't understand the unique structure and operations of residential cooperatives that distinguish them from rental properties. There are numerous recent examples.

The sweeping provisions of the Housing Stability and Tenant Protection Act (HSTPA), wildly inappropriate for co-ops, were interpreted to apply and

Continued on p. 2

From the Editor's Desk

Hanley's Highlights

by Jeff Hanley

Associate Executive Director, Building and Realty Institute (BRI), *Impact* Editor

Highlighting A Lengthy Series of Reports Affecting The Building, Realty and Construction Industries

ARMONK

A longtime saying in the media refers to small amounts of news as the products of "slow news days." After reading this issue of IMPACT, it is safe to say that our readers will not be reminded of that phrase.

Our current issue, without question, features a lengthy series of reports on key issues affecting the building, realty and construction industries. They include:

- A Page One report on the recent decisions of the Westchester County Rent Guidelines Board for rental properties affected by the Emergency Tenant Protection Act (ETPA), increases of one percent for a One-Year Lease Renewal and two percent for a Two-Year Lease Renewal.
- A Page One analysis of how the Building and Realty Institute (BRI) fared after the end of the recent New York State legislative session.
- A column by BRI President Lisa DeRosa on page one that reviews how the "Good Cause" Eviction Proposal explains how Albany keeps getting housing wrong.
- A report in Co-op and Condo Corner from Jane Curtis, chair of the Cooperative and Condominium Advisory Council (CCAC) of the BRI, citing that the CCAC has a message for New York State legislators – Co-ops are not composed of renters! The article is on page one.
- A report on the Westchester County Board of Legislators recently passing the Access to Counsel Bill.
- An article on page one that reviews the recent dividend announcements of New York State Workers Compensation Groups 458 and 530 (a 25 percent dividend for Group 458 and a 25 percent dividend for Group 530).
- A page two report in Insurance Insights that reviews how property owners are facing big Insurance Premium Increases. Commercial, Multi-Unit Residential and even Single-Family Homes and Condo Units are affected by the increases, the analysis cites. Ken Fuirst and Jason Schiciano, co-presidents of Levitt-Fuirst Insurance, the insurance manager for the BRI, wrote the article.
- A page three analysis in Counsels' Corner that reports on a court invalidating the requirement that Landlords accept Section 8. The report was written by representatives of Finger and Finger, A Professional Corporation. The firm serves as Chief Counsel to the BRI and its component associations.
- An article that reports on the BRI celebrating the sixth anniversary of the first broadcast of "Building Knowledge With The Building and Realty Institute (BRI)," the association's weekly radio show. The program airs live, every Friday, from 11:30 a.m. to 12 noon on WVOX 1460 AM and wvox.com. The show covers topics of interest to the building, realty and construction industries, as well as to the general business sector.

Continued on p. 5

Insurance Insights

By Ken Fuirst and Jason Schiciano

Levitt-Fuirst Insurance

Property Owners: It's Your Turn for Big Insurance Premium Increases

TARRYTOWN

For many years, insurance premiums for property owners – including commercial buildings, apartment building owners, condominiums, cooperative apartments, and homeowners – were relatively stable, commonly incurring increases of less than five percent annually.

Meanwhile, construction contractors, builders, and developers often incurred double-digit annual premium increases.

Well, now "the tables have turned." Beginning last year, and continuing in 2023, many contractors (with no past claims or extreme types operations) have received single-digit renewal premium increases, while property owners of all kinds – commercial, multi-unit residential, and even single-family homes/condo units/apartments – have seen increases of 10 percent or more, sometimes much more.

Unfortunately, we expect renewal increases for property owners to continue throughout the remainder of 2023. If you or your business receives a shocking insurance renewal premium increase, know that you are not alone - the entire New York habitational real estate industry is experiencing this unwelcomed trend. Here is an explanation of the market forces driving these increases.

MARKET FACTORS - the following are contributing to higher insurance rates:

- Rates for reinsurance (insurance purchased by insurance companies to cap losses) have increased 20 to 60 percent (Fitch) because of nationwide catastrophic claims events (hurricanes, floods, wildfires, tornadoes, etc.)
- Poor industry financial performance: the insurance industry paid-out more for claims and claims-related expenses in 2022 than premiums it collected (Triple-I, Milliman, Verisk).
- More restrictive underwriting: carriers are less interested in insuring buildings without central-station fire alarms - old buildings, large joisted masonry and wood-frame buildings, closely clustered buildings, buildings with grills on balconies, and buildings that are considered high-risk exposures. Total renewal increases for these types of buildings could be 25 to 50 percent, or more.
- Fewer carriers: multiple insurance carriers have pulled-out of the New York habitational real estate market, or have little interest in expanding their current book of business.

> **"In short, the factors impacting insurance for property owners is more complex than ever. Better to be aggravated but informed, rather than blissfully unaware until you're shocked into reality."**

BUILDING REPLACEMENT COSTS - Construction material and labor inflation drive increased building and home replacement costs, which results in carriers requiring higher amounts ("Limits") of insurance on buildings and homes, and higher premiums.

UMBRELLA MARKET COLLAPSE - Most Umbrella liability insurance programs for multi-family residential and commercial buildings have withdrawn from New York; only a few remain, and premiums have typically increased 50 to 100 percent over the last two years. Many buildings no longer qualify for these programs (due to age, construction factors, life-safety issues, or losses) and may experience Umbrella premium increases of five to 10 times for lower amounts of Umbrella insurance.

As a result of the above factors, a building's incumbent insurance carrier renewal is often the most competitive option, even with an increase of 10 percent or more. Real estate owners should address all insurance carrier safety and loss-prevention "recommendations" promptly to maintain good standing with the incumbent carrier, and/or alternate carriers that may offer competitive quotes.

Keep in mind, a new carrier will likely do an inspection of your property, and may require repairs, in order to keep the policy in-force. Proper insurance and risk-transfer documentation for contractors servicing or repairing buildings is also becoming more important to carriers insuring multi-family residential and commercial buildings.

In this daunting insurance market:

- Speak to your insurance broker about renewal premium expectations, so that you or your organization can budget accordingly;
- Don't delay necessary building capital improvements and repairs;
- When considering an alternate carrier, be sure to compare types and amounts of coverages, as well as key exclusions. Also, expect that the new carrier will inspect your building, and may require repairs as a condition of continued coverage; and,
- Obtain documentation from contractors that confirms you or your organization is indemnified, and additional insured, and that the contractor liability policies have no unusual exclusions hidden in the policies, which would prevent coverage for the property owner.

In short, the factors impacting insurance for property owners is more complex than ever. Better to be aggravated but informed, rather than blissfully unaware until you're shocked into reality.

***Editor's Note:** Levitt-Fuirst Insurance is the Insurance Manager for The Builders Institute (BI)/Building and Realty Institute (BRI) of Westchester and the Mid-Hudson Region. Ken Fuirst and Jason Schiciano are co-presidents of the company. The firm is based in Tarrytown.*

Co-op and Condo Corner: Dear Legislators: We Are Not Renters!, Continued from p. 1

required an amendment, two years in the making, that exempted co-ops from Part M. Even now, there remain annoying remnants, such as the timing of default actions, and the eight percent limit on late fees that has made it difficult to design time-staggered fees. It also greatly complicates sublets for those co-ops that allow them.

Last year, a bill to restrict landlords from charging legal fees to tenants' accounts was passed and will apply to co-ops even after the sponsor declared during floor debate that this was not the intention of the legislation. The CCAC is currently seeking a clarifying amendment.

A Threat

The highly controversial Good Cause Eviction bill remains a threat to co-ops, despite assurances from the bill's sponsors during last year's public hearing that it is not intended to apply. As no exclusionary language has been added to the bill, co-op maintenance payments would be equated with rent, thus limiting annual increases to three percent. This restriction could leave co-ops with insufficient operating funds, especially in the current inflationary environment. The myriad of other requirements would have as yet unknown consequences as they collide with established co-op procedures.

Although the CCAC successfully lobbied to exempt co-ops from the 2013 Westchester Source of Income law, the 2019 state Source of Income law included co-ops, potentially damaging the ability of admissions committees to properly evaluate the financial capability of applicants, each of whom must be able to carry their share of the costs of maintaining the property. If the source of income is a Section 8 voucher, regulations regarding repairs under this program are in direct conflict with the division of responsibilities set out in the co-op's governing documents.

The current opt-out process of carve-out requests for bills that have been introduced and amendments to correct laws after the fact is labor intensive. Every landlord/tenant bill must be scrutinized and flagged, sponsors contacted and persuaded to assist. The bills that slip through to passage must be corrected before they can cause damage.

> ***"It's time to act to clarify and codify that no landlord-tenant relationship exists in co-op apartment buildings. Co-op shareholders are not renters – co-ops are not landlords!"***

A Bright Spot

An opt-in approach would be more effective and efficient. Co-op advocacy organizations have been calling for legislation that would, by default, exclude co-ops from landlord/tenant laws. Legislators would then have to consider co-ops separately, which would lead to more thoughtful and appropriate regulation of this unique form of owner occupied and controlled multifamily housing.

Such an approach was introduced in proposed legislation (A7330, Related to the Treatment of Cooperative Housing Entities) on May 17 by New York State Assembly Member Edward Braunstein (D-26th AD). The language of the proposal reads as follows:

"Provides that the term "landlord" when used in the real property law, shall not include or apply to any corporation, entity or organization, hereinafter known as a "cooperative entity" that is or is operating for the purpose of providing housing and/or residences for its shareholders by leasing or subleasing to such shareholders, under proprietary leases or occupancy agreements or subleases of such leases or occupancy agreements of apartments or residences in the buildings or premises owned by such cooperative entities; makes related provisions for the term "tenant".

The proposal is currently in the Assembly's Housing Committee. It is being closely monitored by the CCAC and its allies. So, accordingly, again, it's time to act to clarify and codify that no landlord-tenant relationship exists in co-op apartment buildings. Co-op shareholders are not renters - co-ops are not landlords!

***Editor's Note:** The Cooperative and Condominium Advisory Council (CCAC) represents more than 400 co-ops and condos. Formed in 1979, the organization is a component association of The Building and Realty Institute of Westchester and the Mid-Hudson Region (BRI).*

News for the Building and Realty Industries **Impact**

PUBLISHER: Tim Foley
EXECUTIVE EDITOR: Jeffrey R. Hanley
EDITORIAL ASSISTANTS: Margie Telesco, Erin McGetrick
DESIGN AND PRODUCTION: Roher/Sprague Partners
PHOTOGRAPHIC CONSULTANT: Anika Nahar
CONTRIBUTORS: Carl Finger, Dan Finger, Ken Finger, Dorothy Finger, Ken Fuirst, Jason Schiciano

The Builders Institute/Building and Realty Institute
80 Business Park Drive, Suite 309
Armonk, NY 10504
914.273.0730 www.BuildersInstitute.org

SUBSCRIPTION is $20 per year, included in membership dues.

IMPACT (USPS 259-900) is published bi-monthly by The Builders Institute/Building and Realty Institute. Periodical Postage Paid at White Plains, NY 10610 and at additional mailing offices.

POSTMASTER: Send address changes to IMPACT, 80 Business Park Drive, Suite 309, Armonk, NY 10504.

Report:
Remodeling Market Sentiment Edged Up in the First Quarter of 2023

WASHINGTON, D.C.

The National Association of Home Builders (NAHB) recently released its NAHB/Westlake Royal Remodeling Market Index (RMI) for the first quarter, posting a reading of 70, edging up one point compared to the previous quarter.

The NAHB/Westlake Royal RMI survey asks remodelers to rate five components of the remodeling market as "good," "fair" or "poor." Each question is measured on a scale from 0 to 100, where an index number above 50 indicates that a higher share view conditions as good than poor, NAHB officials said.

The Current Conditions Index is an average of three components: the current market for large remodeling projects, moderately-sized projects and small projects. The Future Indicators Index is an average of two components: the current rate at which leads and inquiries are coming in and the current backlog of remodeling projects. The overall RMI is calculated by averaging the Current Conditions Index and the Future Indicators Index. Any number over 50 indicates that more remodelers view remodeling market conditions as good than poor, the report said.

NAHB officials said that the Current Conditions Index averaged 75, dropping two points compared to the previous quarter. Two of the three components declined as well: the component measuring large remodeling projects ($50,000 or more) fell three points to 71 and the component measuring small remodeling projects (under $20,000) declined by two points to 77. Meanwhile, the component measuring moderately-sized remodeling projects (at least $20,000 but less than $50,000) remained unchanged at 78.

The Future Indicators Index increased two points to 64 compared to the previous quarter. The component measuring the current rate at which leads and inquiries are coming in rose two points to 59 and the component measuring the backlog of remodeling jobs increased two points to 69, the report said.

"Remodelers are generally optimistic about the home improvement market, although some are noting negative effects of material shortages and higher interest rates," said NAHB Remodelers Chair Alan Archuleta, a remodeler from Morristown, N.J. "Customers are still undertaking larger projects, but are mostly paying cash rather than financing them."

"An overall RMI of 70 is consistent with NAHB's projection that the remodeling market will grow in 2023, but at a slower pace than in 2022," said NAHB Chief Economist Robert Dietz. "One potential area of growth, given the aging U.S. population, is aging-in-place remodeling. In fact, 63 percent of remodelers reported in the first quarter doing aging-in-place work, with bathroom projects like grab bars and curb-less showers being particularly common."

For the full RMI tables, visit: www.nahb.org/rmi.

The NAHB/Westlake Royal RMI was redesigned in 2020 to ease respondent burden and improve its ability to interpret and track industry trends. The index has now collected enough data for the series to be seasonally adjusted, so moving forward the results will be compared quarter-to-quarter, NAHB officials said.

Westchester County Legislators Pass the Access to Counsel Bill

WHITE PLAINS

The Westchester County Board of Legislators on May 15 passed an Access to Counsel Bill, offering legal representation to households facing eviction and other covered proceedings whose annual income is at or below 300 percent of the federal poverty-line or 60 percent of the county's Area Median Income (AMI), whichever is higher. The bill was approved by an unanimous vote, board officials said.

Officials from The Westchester County Board of Legislators said that across the country, a number of jurisdictions have enacted Access to Counsel laws, otherwise known as Right to Counsel, ensuring Tenants facing eviction proceedings are provided with an attorney. The law provides for access to legal representation for Tenants facing eviction and/or specified covered proceedings, including challenges to an unlawful rent increase, instances where a Tenant has been illegally locked out by their Landlord, and Tenants seeking the restoration of essential services. The law, officials from The Westchester County Board of Legislators added, is a critical step toward creating a more just and equitable society, particularly for those who have historically been forced to navigate the complexities of housing court without legal representation.

Nancy Barr (D-6th LD), Vice Chair of The Westchester County Board of Legislators, stressed the importance of ensuring fairness and justice for all Tenants, regardless of their income or background.

"For too long, Low-Income Tenants have faced a legal system that is stacked against them, leaving them vulnerable to displace-

Continued on p. 8

Increases of 1 Percent and 2 Percent Approved by the Westchester County Rent Guidelines Board, Continued from p. 1

"If this trend continues, how many of us small landlords will be left in business? The Rent Guidelines Board can't continue to treat us like we're faceless corporations, you know my face and you know my story. Small property owners like us genuinely care – it's the whole reason why we're here in the first place," said Alana Ciuffetelli, chair of the BRI's Apartment Owners Advisory Council (AOAC), during her June 12 testimony to The Westchester County Rent Guidelines Board. "Last year, we had a tenant testify on our behalf to say that she understands why property owners need sufficient increases in order for tenants to continue receiving the same quality of housing. If our tenants can understand this basic concept, I'm confused as to why this Board continuously provides us with meager increases that barely - if at all - help us break even on our costs."

Building and realty industry officials said that, along with rising operating costs, the Housing Stability and Tenant Protection Act (HSTPA) of 2019 also placed major restrictions on other programs for funding building improvements and renovations, making the annual increases from The Westchester County Rent Guidelines Board even more critical. Vacancy Bonuses, formerly used to fund the renovations of apartments in between tenants, were eliminated entirely.

In a recent survey conducted by the BRI, nearly all property owners reported not applying for an Individual Apartment Improvement (IAI) adjustment because the new amounts received from it post-HSTPA would be "not worth the effort." Also in the survey, nearly all property owners reported not applying for a Major Capital Improvement (MCI), with those who indicated that they have a major renovation need saying that they intend to put it off for a more favorable economic climate and hope nothing disastrous happens. According to a study by Hudson Valley Patterns for Progress, the number of MCI applications has dropped by 83 percent in the past five years.

"Unless we get a fair increase moving forward based on the real needs of our buildings and the real costs of keeping housing available, affordable, safe, and dignified, my tenants will suffer along with my buildings," DeRosa said. "I need to be able to properly address any maintenance or repair issues immediately for the safety and comfort of my tenants. If I don't have the necessary funds, fixing these issues will take much longer and many of us will have no other option than to look for a cheaper and alternate solution. This doesn't help my tenants in the long run, nor does it help preserve my building long-term."

The Westchester County Rent Guidelines Board announced on June 29 that it will be scheduling a further public meeting to be held in September to certify the rent guidelines for rent-stabilized leases commencing between Oct. 1, 2023 and Sep. 30, 2024. This formality will not change the percentage rent increases voted upon on June 29, building and realty industry officials said.

Counsels' Corner

Court Invalidates Requirement that Landlords Accept Section 8


Ken Finger


Dorothy M. Finger


Carl Finger


Dan Finger

By Kenneth J. Finger, Esq., Dorothy M. Finger, Esq., Carl L. Finger, Esq., and Daniel S. Finger, Esq.

NEW YORK

New York State Supreme Court Justice Mark G. Masler, on June 27, 2023, held the New York State Human Rights Law requiring Property Owners to accept Section 8 unconstitutional.

The New York State Human Rights Law was amended in 2019. The amendment rendered it an "unlawful discriminatory practice to refuse to rent or lease housing accommodations" based on a person's Source of Income. Source of Income was defined to include public assistance, federal, state or local, and specifically included Section 8 Vouchers. The Section 8 program, by its nature under Federal Law, is a voluntary program. Owners will recall that over 20 years ago the law was specifically changed to eliminate the "take one take all" provision and render the program completely at the will of the property owner. Owners have simply stated that a voluntary program should be voluntary and that making the program more attractive would entice owners to participate.

Nonetheless, municipalities have passed laws and courts have issued decisions requiring Property Owners to participate in the Section 8 program and to accept Section 8 Vouchers. Property Owners have objected due to the quantity of paperwork, required agreements, investigations by Section 8 staff, inspections of the premises by Section 8 staff, including common areas and systems not part of the leased premises, and other objectionable aspects of the program.

Nonetheless for Rent Stabilized and Emergency Tenant Protection Act (ETPA) tenancies, the acceptance of Section 8 Vouchers became all but mandatory. Thereafter counties such as Westchester County enacted laws requiring the acceptance of Section 8 Vouchers and all that they entailed. And finally, in 2019, New York State enacted a law requiring Property Owners to accept Section 8 Vouchers. A Property Owner would then be required to comply with all Section 8 regulations and requirements including physical inspections and inspections of books and records.

As of March 27, 2023, the legality of this requirement has once again risen to the forefront and, at least in this instance, been declared unlawful.

Background

In the case of People of the State of New York v. Commons West, LLC, et al, County of Tompkins, State of New York, Index No. EF2022-0558, the Respondents were Property Owners purportedly subject to the provision of the law holding that their refusal to rent or lease based on Source of Income, including Section 8, would constitute a violation of the Human Rights Law and subject them to the accordant penalties. In order to require the Respondents to accept Section 8, New York State commenced this proceeding seeking an order directing the Respondents to lease apartments to Section 8 recipients and for penalties.

Respondents defended the case brought by New York State and requested that the Court dismiss the case. The basis of the defense was that in requiring the Respondents to accept Section 8 Voucher recipients, the law required Respondents to sign agreements with the Section 8 administrator, a Public Housing Agency. The agreements in turn required the Respondents to subject their physical properties and their books and records to inspection by the Public Housing Agency. Such inspection rights also included computers, equipment, and facilities with such records. The Respondents claimed that such a requirement violated their right under the Fourth Amendment of the United States Constitution to be free from unreasonable searches and seizures.

Petitioner asserted that the Human Rights Laws do not mandate participation in Section 8, it only prohibits owners from denying an applicant an apartment based on Source of Income, such as Section 8. In other words, according to New York State the Respondents could accept the tenant and voucher but not participate in the Section 8 program. Of course, every Property Owner knows this to be a false assertion as Section 8 will not provide the voucher payment if the Owner is not participating in the Section 8 program including executing all documents and permitting all inspections.

The Court held consistent with reality that in order to accept the Section 8 Voucher the Owner is required to participate in the Section 8 program. The Court further held that the legislation amending the Human Rights law effectively requires Property Owners to participate in Section 8.

The Court, having dispensed with the claim by New York State that owners were not required to participate in Section 8 by law, discussed the impact of the argument by Respondents that participation in the program required them to waive their Fourth Amendment rights. The Court referenced prior decisions by the Court of Appeals of the State of New York, which held specifically that laws authorizing the inspection of residential rental properties without the permission of the Owners violated the Fourth Amendment. The Court concluded that the compulsion to participate in the Section 8 program conclusively required and compelled Property Owners to consent to warrantless searches of their property.

A Key Violation

In addition to the warrantless searches of the property, the Court further held that the requirement that compels Owners to consent to searches of their records without a warrant similarly violated the Fourth Amendment. The Court again found New York States arguments unconvincing and determined that the law improperly compelled Owners to waive their rights.

In other words, the Court held that forcing Property Owners to participate in a program which forces Property Owners to waive their constitutionally protected rights to privacy is unconstitutional. The case brought by New York State was therefore dismissed.

It remains to be seen whether other Courts in New York State will follow suit and certainly New York State will appeal the case. However, this is a positive result for Property Owners seeking to avoid the burdensome and unreasonable aspects of the Section 8 program and Property Owners can hope it is a harbinger of things to come.

***Editor's Note:** The authors are attorneys with Finger and Finger, A Professional Corporation. The firm, based in White Plains, is Chief Counsel to The Building and Realty Institute of Westchester and the Mid-Hudson Region (BRI) and its seven component associations.*

Construction Compensation Insurance Group Reports a 25 Percent Dividend for its Members, Continued from p. 1

Group 530 Announces Its Dividend

New York State Workers Compensation Group 530, the compensation insurance group for The Cooperative and Condominium Advisory Council (CCAC), The Apartment Owners Advisory Council (AOAC) and The Advisory Council of Managing Agents (ACMA) of The Building and Realty Institute (BRI), recently announced a 25 percent dividend for the policy year ending June 1, 2022.

Group spokesmen said the dividend is in addition to the Advance Discount of 25 percent that group members are eligible to receive. The announcement was made during the group's Annual Meeting on Apr. 27. A total of 485 cooperatives, condominiums, apartment buildings and office buildings participate in the program, spokesmen said. Group 530 was formed in 1990.

Houlihan Lawrence Commercial Brokers Sale of 12-Acre Development Site in Yorktown Heights

RYE BROOK

Houlihan Lawrence Commercial recently announced brokering the sale of a 12-acre site at 3241 Crompond Road (Route 202) in Yorktown Heights.

The seller was Temple Israel of Northern Westchester, and the buyer was Guiding Eyes For The Blind. The seller was represented by Garry Klein, managing director of Houlihan Lawrence Commercial. The buyer was represented by William Cuddy Jr. and Jacqueline Novotny, both affiliated with CBRE.

The buyer/applicant has proposed to construct a two-story, 30,000-square-foot school and kennel with associated site improvements including site remediation, a wetland crossing, tree removal, stormwater management, parking, landscaping, and lighting, officials said.

"The land parcel was extremely well located on a major throughfare with 700 feet of frontage and great access to the Taconic State Parkway. This property represented one of the last large landholdings along the Route 202 corridor," Klein said.

Houlihan Lawrence Commercial specializes in Investment Opportunities; Office, Industrial and Retail Sales and Leasing; Land Acquisition and Development; and Municipal Approval Consultation. With local expertise in the markets north of New York City, the Commercial Group has a database of buyers and sellers throughout its service area of Westchester, Putnam, Dutchess, Orange and Fairfield County (Conn.) to effectively market commercial properties and opportunities on a national level, company officials said.

Lulgjuraj Appointed Vice President of Management at Houlihan Parnes Properties

WHITE PLAINS

David Lulgjuraj has been promoted from Asset Manager to Vice President of Management at Houlihan Parnes Properties, company officials recently announced.

Lulgjuraj joined the firm in 2015. He manages a portfolio of retail, residential, cooperative and condominium buildings in Westchester County and New York City, company officials said.

David Lulgjuraj

In addition to negotiating the lease and sale of many commercial and residential properties, company officials said that Lulgjuraj has secured financing for multiple properties, as well as for large scale construction projects. He has implemented protocols that have improved efficiency in management and project managed large scale construction projects, including Local Law 11 work in New York City.

Lulgjuraj is a licensed real estate salesperson and a member of The Hudson Gateway Association of Realtors (HGAR). He currently serves on several cooperative and condominium boards in the tri-state area. He has a Bachelor's Degree in economics from Fordham University, company officials said.

Houlihan-Parnes Properties is a full-service real estate company providing property/asset management, construction management, sales and mortgage brokerage, back-office operations, and real estate consulting, company officials said. The firm specializes in the management of co-ops, condos, residential, retail, and mixed-use properties.

STUDY:
The Lack of Existing Inventory Boosts Builder Confidence to Key Marker

WASHINGTON, D.C.

Limited existing inventory, which has put a renewed emphasis on new construction, resulted in a solid gain for builder confidence across the U.S. in May even as the industry continues to face several challenges, including building material supply chain disruptions and tightening credit conditions for construction loans.

Builder confidence in the market for newly built single-family homes in May rose five points to 50, according to the National Association of Home Builders (NAHB)/Wells Fargo Housing Market Index (HMI) released on May 16th. This marks the fifth straight month that builder confidence has increased and is the first time that sentiment levels have reached the midpoint mark of 50 since July of 2022, according to the index.

"New home construction is taking on an increased role in the marketplace because many home owners with loans well below current mortgage rates are electing to stay put, and this is keeping the supply of existing homes at a very low level," said NAHB Chairman Alicia Huey, a custom home builder and developer from Birmingham, Ala. "While this is fueling cautious optimism among builders, they continue to face ongoing challenges to meet a growing demand for new construction. These include shortages of transformers and other building materials and tightening credit conditions for residential real estate development and construction brought on by the actions of the Federal Reserve to raise interest rates."

"Lack of existing inventory continues to drive buyers to new construction," said NAHB Chief Economist Robert Dietz. "In March, 33 percent of homes listed for sale were new homes in various stages of construction. That share from 2000-2019 was a 12.7 percent average. With limited available housing inventory, new construction will continue to be a significant part of prospective buyers' searches in the quarters ahead."

And with interest rates more than doubling from 2021, the HMI survey shows incentives have played a key role in attracting buyers in this new economic climate and that the use of these sales inducements are gradually slowing across the board:

- The share of builders reducing home prices dropped to 27 percent in May, down from 30 percent in April, 31 percent in February and March, and 36 percent last November.
- The average price reduction remains at six percent, unchanged for the past four months.
- 54 percent offered some type of incentive to bolster sales in May, down from 59 percent in April and 62 percent last December.

Derived from a monthly survey that NAHB has been conducting for more than 35 years, the NAHB/Wells Fargo HMI gauges builder perceptions of current single-family home sales and sales expectations for the next six months as "good," "fair" or "poor." The survey also asks builders to rate the traffic of prospective buyers as "high to very high," "average" or "low to very low." Scores for each component are then used to calculate a seasonally adjusted index where any number over 50 indicates that more builders view conditions as good than poor, NAHB officials said.

All three major HMI indices posted gains in May. The HMI index gauging current sales conditions rose five points to 56, the component charting sales expectations in the next six months increased seven points to 57 and the gauge measuring the traffic of prospective buyers increased two points to 33, NAHB officials added.

The index noted that, while looking at the three-month moving averages for regional HMI scores, the, the Midwest edged up two points to 39, the South increased three points to 52 and the West moved three points higher to 41. The Northeast held steady at 45.

HMI tables can be found at nahb.org/hmi. More information on housing statistics is also available at Housing Economics PLUS (formerly housingeconomics.com), NAHB officials said.

Analysis: How the BRI Fared Now that the Legislative Session is Over, Continued from p. 1

themselves - had to be a vehicle for passing "Good Cause" as well, despite the devastating effect that bill would have on property owners, builders, co-op and condo board members, and nearly every aspect of the residential real estate industry.

Throughout, the analysis stressed, BRI members remained vigilant. Whether it was taking part in the organization's Online Advocacy Campaigns through the "Take Action" section at www.buildersinstitute.org/take-action, participating in the association's BRI Legislative Breakfast in March, or the organization's Lobby Week in May, BRI members acted with appropriate urgency to respond to the key issues of the day, the analysis added.

The analysis stressed that the BRI and the building, realty and construction industries have learned a key fact from the past few years of new laws being passed in Albany that have had a dramatic effect on homebuilders, developers, remodelers, landlords, property owners, co-op and condo board members, and managing agents - it's that the old political adage is as true as ever: "You're either at the table or you're on the menu."

Below are some of the highlights, including some bills that will be sent to the Governor for her signature or veto between now and the end of the year:

A Bright Spot

The analysis said that the BRI will be working with its allies to advocate that Gov. Hochul sign this bill: A. 4428 (Steck) / S. 1728 (Sanders) passed both the Assembly and the Senate. The BRI strongly supports this bill, which would require the elimination of any illegal restrictive covenants prior to the sale of real estate which would specifically perpetuate housing discrimination by forbidding sales on the basis of race, color, religion, sex, sexual orientation, familial status, marital status, disability, national origin, source of income, or ancestry.

Bullets Dodged

A.4454 (Hunter) / S.305 (Salazar) did not pass either chamber. This is the so-called "Good Cause" Eviction bill, which has also been described as the "Lease for Life" or "Universal Rent Control" bill, the analysis said.

The BRI represents a broad spectrum of real estate companies and organizations in the Hudson Valley, each with their own perspectives and priority issues, but this is the bill that unites all of them. The bill would eliminate a property owner's right to serve a non-renewal notice on a resident at the end of a lease term. Instead, the owner who wishes to cease renting to a tenant at the end of the lease is required to "show cause" via the court system and obtain a court order to terminate the lease. In effect, the tenant would now have a guaranteed lease for life. The bill would also set a maximum increase in rent of 3 percent or 1.5 times the rate of inflation each year. This cap on rent increases applies to all residential rental units, regardless of any extenuating circumstances for the landlord or the building (e.g., a need for major repairs), and applies to affordable, market-rate, and luxury buildings alike. By virtue of their proprietary leases, co-ops are included in this bill, and the only exemption is for owner-occupied buildings under four units. This will certainly will be a focus of legislative fights in future sessions, the analysis said.

The analysis added that A.1778A (Lavine) / S.2694A (Kavanagh) and S.5789 (Sanders) / A.2685 (Walker) did not pass out of committee in either chamber. These bills would all heavily regulate the admissions process for housing co-ops, with some bills requiring a reason in writing when an applicant is rejected and others completely overhauling the admissions process to make it uniform for every co-op. None of these bills passed at the state level (though Westchester County still has its own specific law on this topic).

Sources of Concern

The BRI, the analysis said, will be working with its allies to advocate that the Governor either veto these bills or make some technical improvements to make them more palatable and achievable through the Chapter Amendment process:

A.6216 (L. Rosenthal) / S.2980C (Kavanagh) passed each chamber in its final week. This bill has two major pieces, both bad news for property owners of rent-stabilized apartments.

First, the bill would address the practice of "frankensteining" rent-stabilized apartments. Under the current law, when a property owner combines multiple vacant rent-stabilized apartments into one, owners can set a new initial rent on the new apartment. This is one of the only options remaining for rent-stabilized owners to get a rent increase of any sort on a vacant apartment. The New York State Homes and Community Renewal Agency (HCR) had issued regulations capping a potential rent increase at no more than the sum of the rents of previous apartments now combined into one, regardless of any remodeling construction costs or any other factor that went into combining the apartments. Further, HCR's guidance indicated that if a mix of rent-stabilized and market rate apartments was used for the combination, the new apartment would be rent-stabilized. Questions had been raised as to whether HCR had the authority to create this regulation, so this new bill codifies those restrictions into law, according to the analysis.

Second, the bill would expand the definition of fraud for rent-stabilized apartments to apply to any miscalculation or overcharge of rent in any year, not just beginning with the passage of the Housing Stability and Tenant Protection Act (HSTPA) of 2019 that included new language on overcharging. This new definition applies if the landlord received more rent than he or she should have or deregulated the apartment above the pre-HSTPA vacancy threshold even if resulting from error, and "whether or not the owner's conduct would be considered fraud under the common law." Suffice to say, this opens up a bonanza of new "fraud" lawsuits, including potentially in cases where the building has already changed hands, the analysis said.

S. 1725A (Harckham) / A. 4601A (Glick). A nearly identical version of this bill had previously been vetoed by Gov. Cuomo and Gov. Hochul. This bill would represent a major expansion of the streams regulated by the Department of Environmental Conservation (DEC). The bill would substantially expand DEC's regulatory permit jurisdiction by as many as 40,000 additional miles of streams, according to the bill sponsors' estimates. There is no expansion of funding or staffing offered in the bill to accommodate this major increase in responsibilities. Absent an increase in budget, the analysis said that the building and realty industry and the BRI have severe concerns that this large expansion of responsibilities will not only cause currently allowable development to slow to a crawl, but will also lead to inevitable delays in more sensitive development along the heavily regulated Class A, B, and T waterways, according to the analysis.

A.3484A (Gallagher) / S.995B (Hoylman-Sigal) would require all beneficial owners of limited liability companies to be registered with the Department of State, including their names, addresses and other contact information. Due to a change in federal law, this information must now be disclosed already to the U.S. Treasury Department, but the New York Department of State is additionally required by this bill to make this information available for LLCs in a publicly searchable database, making it easier for owners of LLCs to receive everything from solicitations to organized pressure campaigns, the analysis said.

A.2134A (Dinowitz) / S.2294A (Mayer) would require owners and agents of multifamily housing and multiple residences to maintain a list of names and contact information of residents of the building based on the last lease and to provide that list upon request to emergency personnel when the physical safety of those residents requires the first responders to ascertain their whereabouts. Property owners and managing agents have long noted that the names on the lease may not be those currently living in a particular apartment for a variety of reasons, and there's no obligation or guarantee that the tenant has kept the owner updated as to who is living in the apartment. This version of the bill is an improvement over past versions in that only the names and contact information on the lease is required to be provided to emergency providers, but owners and managers remain concerned that sharing incorrect information could make a bad emergency situation worse, according to the analysis.

A. 1662A (Hunter) / S. 5207B (Skoufis) would give municipalities the option to create a pilot emergency repair program to immediately repair hazardous code violations in buildings where the owner has not undertaken such repairs in a reasonable time, the analysis cited. The municipality itself would be undertaking the repairs and then billing the owner for repair costs in situations where code violations have not been addressed for an inordinate period of time. Proponents have billed this as an effective remedy for "absentee landlords" who have let unsafe conditions in their buildings continue through negligence. But property owners have bristled at the notion of the municipalities taking direct action on their properties, as well as concerns about how the program is structured such that property owners who are legitimately trying to address violations in a timely fashion are not negatively affected.

The analysis cited that the New York State Legislature may be out of session, but these are still live issues until the Governor signs or vetoes the bills. There are also dozens of bills — both ones the BRI supports and ones it is concerned about — that will carry over into the next session. As always, the work of advocacy for the BRI continues, the analysis added.

Murphy Receives an Award for his Efforts in Promoting the Building Industry

WHITE PLAINS

Michael Murphy, the director of new project development for Murphy Brothers Contracting, received the "Golden Shovel Award" from Westchester Home Magazine at its 2023 Builders Awards on Mar. 30.

The award was given to Murphy for his efforts in helping to promote the building and remodeling industry throughout Westchester County.

Murphy is the Chair of The Remodelers Advisory Council (RAC) of The Building and Realty Institute of Westchester and the Mid-Hudson Region (BRI). He is also a member of the Board of Trustees of the BRI.

Michael Murphy

Murphy Brothers Contracting is an award-winning general contracting firm known throughout the greater Westchester and Hudson Valley and southern Fairfield (Conn.) region for building custom designed homes and whole home renovations, company officials said. The company is also known for its Light Commercial Division projects - private clubs, equestrian facilities, high-end multi-family and transit-oriented developments, Class A office and light commercial build-outs. Murphy is responsible for new business development, community relations, the company's marketing position and brand strategy and continuing education programs, officials added.

Murphy is the company representative for Murphy Brothers Contracting with the Home Builders and Remodelers Association of Connecticut (HBRA), The Business Council of Westchester (a BCW Ambassador), the Village of Mamaroneck Chamber of Commerce and the Village of Mamaroneck Industrial Area and Business Coalition (IABC), company officials said.

The Remodelers Advisory Council (RAC) of the BRI Continues to Work on the Development of Its Certification Program

ARMONK

Members of the local remodeling industry can soon apply for an exciting new designation initiated by The Building and Realty Institute of Westchester and the Mid-Hudson Region (BRI) as a way to distinguish their businesses from the businesses of their peers, BRI officials recently announced.

The designation, developed by The Remodelers Advisory Council (RAC) of the BRI, is called the BRI Westchester Preferred Remodeler Certification, BRI officials said.

BRI and RAC officials recently said that work on the initiative is continuing. Accordingly, the following summary has been developed:

What can clients expect from a Westchester Preferred Remodeler?

- Certification that the remodeler has a sterling reputation among clients and suppliers alike
- Creates an added sense of security and reliability that the work will be done with superior workmanship
- Showcases a designee's commitment to fairness and integrity
- Ensures peace of mind that the contractors are fully insured and licensed

What are the requirements for a designee?

- Must display a history of superior workmanship
- Must have proper Workers Compensation and Liability Insurance
- Must have a history of conducting business fairly and ethically
- Must be licensed in Westchester County
- Must be a Building and Realty Institute (BRI) member in good standing and have agreed to abide by the Preferred Remodeler Code of Ethics

BRI and RAC officials said that there's no other similar designation available in Westchester County for professional remodelers. As a result, association officials are urging remodelers to distinguish themselves from the competition by being a certified Westchester Preferred Remodeler.

Further information on the designation can be obtained at info@buildersinstitute.org.

COMMENTARY:
Pleasantville Study Answers Most Common Concerns About Building Adequate Housing

By Erin McGetrick, IMPACT Contributor

ARMONK

In response to a barrage of stereotypical suburban concerns about modestly increasing the supply of housing in the downtown area, the Village of Pleasantville took the novel step of conducting a comprehensive analysis of the projected impacts on local services and the school district.

The results of the study showed little to fear in terms of incremental building. The process employed by Pleasantville might also provide a positive model for other communities in meeting all-too-common issues from NIMBY ("Not In My Backyard") activists with reasoned analysis.

A six-month moratorium was put into place in January based on complaints from neighborhood activists about the pace of housing growth in the downtown area next to the Metro North station. In response to some of the issues aired by the public, the Village chose to use the time to charge planning consultants with analyzing how increased development in the downtown Pleasantville area would impact sectors of the community, including traffic, infrastructure, public safety, and the schools. Additionally, the study looked at how potential additional housing could coexist with current regulations and how development potential has changed since pre-2017 zoning.

A preliminary report was introduced to the Pleasantville Village Board in March by BFJ Planning. They found a maximum of 63 housing units would result from future development. They found that in the central business (A-1) zoning district, there are 10 identified sites that could serve as residential areas within the present zoning regulations. The consultants then produced a second version of the report in response to resident concerns in which the estimate for living units doubled to 126 units. However, even doubling the amount of housing, the conclusions remained the same.

Traffic was analyzed by observing how the developments from the 2017 rezoning impacted road congestion, and the effects were minor. The possibility of travelling on foot and bicycle were considered due to the sites' proximity to the downtown area. The conclusion is that the recent developments would not dramatically impact traffic and Pleasantville residents.

The planning consultants estimate that up to 18 students will emerge from the possible 126 future units. But Pleasantville Union Free School District enrollment has declined increasingly since the 2013-2014 school year and projections through the 2027-2028 school year suggest a continued downward trend. Therefore, the addition of 18 schoolchildren would not create a negative impact on the school district's ability to educate and serve the community.

In terms of emergency services, the study found the village's Police Department would be able to handle the potential increase in police calls, especially considering there have been significant increases in calls from year-to-year that they have managed. Similar response capacity was found in relation to calls to the Pleasantville Fire District, since the estimate was for an additional seven calls for the future units and 11 calls for the already approved developments.

The study references the model created by the National Association of Home Builders (NAHB) to demonstrate the economic benefits that could arise from the developments, including the creation of 478 local jobs and \$34.73 million in local income from the combined construction of 297 market-rate rental apartments in a typical metro area.

The six-month moratorium is scheduled to conclude on July 30, and the Pleasantville Village Board of Trustees ought to have sufficient data and analysis to conclude that their recent efforts at rezoning and building additional housing are on the right track.

Two-Year Pilot Program Confirms the Need for Mental Health Resources in Construction, Study Says

WASHINGTON, D.C.

A pilot program focused on mental health issues in the residential construction industry recently confirmed the need for a more deliberate and permanent effort to reduce the stigma of discussing mental health within the construction industry, a report from the National Association of Home Builders (NAHB) recently said.

Leaders in the construction industry are encouraged to share or solicit personal stories of challenges with mental health issues as storytelling was shown to be an effective tool in beginning the dialogue, the report said.

Officials said NAHB received a grant from the Job-Site Safety Institute (JSI) in 2021 to develop a comprehensive approach to raising awareness of and providing resources for mental health issues in construction. NAHB used the grant to partner with the North Carolina Home Builders Association (NCHBA), and with the assistance of Dr. Sally Spencer-Thomas, a noted clinical psychologist, mental health advocate and researcher, to create a Blueprint for Worker Well-Being Pilot Program, a model resource program for Home Builders Associations (HBAs) in the NAHB Federation. Dr. Spencer-Thomas holds a deep commitment to not only help prevent suicide, but also encourage people to sustain a passion for living, officials added.

"We are thrilled to be partnering with NAHB and NCHBA on such an important topic not just in our industry, but

Continued on p. 10

Presidential Perspectives: How "Good Cause" Eviction Explains How Albany Keeps Getting Housing Wrong, Continued from p. 1

Essentially, even a subletter, or an individual renting a co-op unit until a new shareholder can be found for it, or a family temporarily renting a single-family house would now have a "lease for life."

Finally, it establishes a limit to how much the rent can increase for every property in New York. If a rent increase is "unconscionable" by exceeding 3 percent or 1.5 times the rate of inflation, the tenant doesn't have to pay it and can't be evicted for failing to pay it.

What does this do for evictions? Arguably very little. But that's the genius of the name. Everyone has a sense that evictions may be necessary but are never desirable. That's true for property owners, too. As one of my fellow Apartment Owners Advisory Council (AOAC) members put it at one of our spring meetings, "If I'm going to housing court, I've already lost. At that point, it's just a question of how much." So rather than call it what it is - a fundamental re-shaping and re-alignment of what an owner can do with his or her own property - the bill gets called "Good Cause" Eviction.

Of course, there's a contingent of true-believers and Democratic Socialists who are up front that, yes, the goal is to flip power dynamics on their head and massively overhaul property rights. But they're still a small minority even in the Democratic caucus. What's everyone else's excuse?

There's an old adage that hard cases make bad law. The COVID-19 pandemic has led to some unusual circumstances and "hard cases" that aren't representative of how the real estate market has been working. There's plenty of bad press every time there's an eye-popping rent increase in Manhattan and Brooklyn of 40 percent or more, and some tenants are afraid they'll be next. The fear is real, but the data is scant that this is a typical experience for renters, particularly outside of Manhattan and Brooklyn. The reality is that I lose money on turnovers. If a tenant leaves because I raised the rent or for any other reason, that apartment will be off the market for weeks or months for repairs or until I can find a new tenant. I want my good and reliable tenants to stay. These spikes in luxury rents are news because they are atypical - and often out of the price range of most renters to begin with.

Similarly, legislators have talked themselves into the need for new "tenant protections" (which for some reason only can mean "Good Cause") on the news that evictions are up. But evictions are actually down compared to pre-pandemic numbers, both in Westchester and across the state. That's directly from the publicly reported numbers of the New York Unified Court System itself. It is certainly true that during the pandemic, policies like the eviction moratorium and the eviction protections in the Emergency Rental Assistance Program (ERAP) were enacted to keep evictions as close to zero as possible for tenants affected by the pandemic. Anything above "as low as possible during COVID" can be spun as a surge, but the long-term trend is clear and far from an emergency.

These are the hard cases that can lead to bad laws. They help explain this year's momentum around this extreme and controversial bill. It wasn't enough to pass - too many Assembly Members and Senators still have a modicum of common sense - but it amazingly was enough to destroy other policies to build badly needed housing or add reforms that would actually help tenants most in need, like the Housing Access Voucher Program or Access to Counsel policies which have broad support from both property owners and tenants.

Lessons

So, what have we learned about how to stop bills like this?

Members of the BRI have fought like hell on this bill and have not given up even when the momentum turned against it. We provided data and arguments. We found allies to fight with us. We talked to everyone, even when the Assembly Member or Senator was up front that they supported the bill, and then we talked to them again.

At the end of the day, our real experience as professionals, as people familiar with the building, ownership, and management of multifamily housing will only be weighed when we show up and make sure it gets weighed. Like it or not, it also meant getting involved in electoral politics, through our Political Action Committee (PAC) and through other means. Decisions are made by those who show up, in Albany as in elsewhere.

When it comes to bad housing policy, the antidote is you. Thanks for everything you do.

Highlighting A Lengthy Series of Reports Affecting The Building, Realty and Construction Industries, Continued from p. 2

- A report on how members of the local remodeling industry can soon apply for a new designation initiated by the BRI as a way for local remodeling companies to distinguish their businesses from the businesses of their peers. The designation, developed by The Remodelers Advisory Council (RAC) of the BRI, is called the BRI Westchester Preferred Remodeler Certification.
- A commentary on a Pleasantville study that answers most of the common concerns about the building of adequate housing. The commentary explains how, in response to a barrage of stereotypical suburban concerns about modestly increasing the supply of housing in its downtown area, the Village of Pleasantville took the novel step of conducting a comprehensive analysis of the projected impacts of the housing on local services and the school district. The analysis stresses that the results of the study showed little to fear in terms of incremental building. The commentary added that the process employed by Pleasantville might also provide a positive model for other communities in meeting all-too-common issues from NIMBY ("Not In My Backyard") activists with reasoned analysis. Erin McGetrick, an IMPACT contributor, authored the report.

And, there are additional reports in this issue on key topics affecting the building, realty and construction sectors. Here's a wish that everyone enjoys the remainder of the summer, as well as this issue.

Building and Realty Industry Members Saddened by the Death of CCAC/BRI Member Kathleen Jensen-Graham

ARMONK

Building and Realty Institute (BRI) members were recently saddened to learn of the death of Kathleen Jensen-Graham, a member of the BRI's Cooperative and Condominium Advisory Council (CCAC), association officials recently announced.

According to Internet reports, Jensen-Graham passed away on May 1. She was 77 years old.

Jensen-Graham was a Vice Chair of the CCAC. She was also a member of the organization's Board of Directors. She served on that board since 2014. In addition to those roles, Jensen-Graham was a member of the Board of Trustees of the BRI. Jensen-Graham also served on CCAC and BRI committees, including the BRI's Labor Negotiating Committee. That committee helps to negotiate the labor agreement between the BRI and Local 32-BJ Service Employees International Union (SEIU).

Jeff Hanley, BRI and Kathleen Jensen-Graham

"As Treasurer of Hilltop Terrace (a New Rochelle co-op), Kathleen embodied the best of what co-ops have to offer, managing shareholders' money to keep operating expenses as low as possible," said Jane Curtis, chair of the CCAC. "She was particularly concerned about 'her seniors,' carefully monitoring STAR benefits and timing necessary maintenance increases or assessments to make them manageable for those on fixed incomes."

Curtis added that Jensen-Graham, in her role as a CCAC officer and board member, "was a fierce and tireless advocate for co-ops, always on the front lines of our legislative initiatives, and quick to identify emerging issues."

"She gave generously of her time and extensive knowledge, advising other co-ops on financial matters and offering wise counsel and friendship to her fellow CCAC board members. She is deeply missed," Curtis added.

According to Internet reports, Jensen-Graham was known for her wit and wisdom, as well as for her warmth and kindness toward others. She boasted innumerable friendships, some beyond six decades, and her love of children and animals was unmistakable. She is survived by her brother John (Joyce), her half-sister Elaine, and her niece, Anna (Frank).

Developer Richard Ravitch Dies At 89

NEW YORK

Richard Ravitch, a well-known member of the building, realty and construction industries in the New York metropolitan region, died on June 25, according to media reports. He was 89.

Richard Ravitch

Ravitch led the New York City development firm, HRH Construction, and played a role in a number of key political moments in New York City and New York State history, media reports cited. He died of an undisclosed cause in the hospital, his wife confirmed to the media.

Media reports said that individuals in the development and political world responded to Ravitch's death with what was termed as "an outpouring of condolences." New York Gov. Kathy Hochul cited Ravitch as "a titan of New York's civic world," several media reports said.

Ravitch, media reports cited, left a mark across multiple industries despite never winning elected office. Born in July of 1933, Ravitch grew up to inherit HRH Construction with his cousins, a family company that media reports said "made an indelible impact on New York City." Ravitch served as Chairperson and Chief Executive Officer at HRH Construction from 1960 to 1977.

Media reports cited that Ravitch took over the New York State Urban Development Corporation in 1975 and eventually created the Project Finance Agency, an entity designed to raise money for development through bonds. Later in the decade, he took over as Chair of the Metropolitan Transit Authority (MTA), helping to build the Metro-North Railroad and helping to salvage the subway system. Ravitch served as Chairman of the Board of the New York Metropolitan Transit Authority (MTA) from Nov. 16, 1979 to Oct. 31, 1983. After finishing third in the race for New York City mayor in 1989, Ravitch in 2009 became Lieutenant Governor of New York State under Gov. David Paterson (from 2009 to 2011) following Gov. Eliot Spitzer's resignation.

Ravitch served as a Partner at Ravitch Rice and Company, LLC. He was also the Chief Executive Officer at the Bowery Savings Bank. He also served as Chairman of Waterside Management Company. He was also the Chairman of the Charter Revision Commission of New York City. In addition, he served as Chairman of the New York State Urban Development Corporation. Ravitch also served as Co-Chairman of the State Budget Crisis Task Force and as a Director of Parsons Brinckerhoff Inc., as well as Build America Mutual Assurance Company. Ravitch was also a Director of Alphatec Holdings Inc.

Ravitch was a Director of the American Stock Exchange. He served as Co-Chairman of the Millennial Housing Commission from 2000 to 2002. He was a speaker at the General Membership Meetings of The Building and Realty Institute of Westchester and the Mid-Hudson Region (BRI) from the 1990's through 2014, association officials said.

GUEST COMMENTARY:

Bracing for the Resetting of Commercial Mortgage Rates

By Robert Withers, President, M1 Capital Corp.

NEW YORK

Captain to Crew: Prepare for Impact!

When commercial mortgage rates reset on your property, it can have a significant impact on that property's ongoing performance. It's never too early to prepare for the adjustment and plan proactive countermeasures. Commercial mortgage rates are often fixed for a period, typically five to 10 years, after which they reset to a new rate based on prevailing market conditions. Needless to say, the reset can potentially result in a substantial increase in the monthly mortgage payment. This is yet another reason why it's important to receive sound advice from an experienced team that has the depth of knowledge necessary to help you make sound decisions.

Impact on Cash Flow

A commercial mortgage rate reset affects your holdings in several ways. First and foremost, the increased mortgage payment can clearly put a strain on the cash flow of the property. If the property is generating enough income to cover the new payment it may be able to weather the storm. However, if the property is not generating sufficient income, the increased payment may push it into negative cash flow territory, making it difficult to cover other expenses such as maintenance, taxes and insurance.

Property Value

Another potential effect of resetting commercial mortgage rates is a decrease in property value. If the property is not generating enough income to cover the new mortgage payment, the property may be forced to sell. The consequences could be a lower sales price, as potential buyers will take into account the increased mortgage payment when making an offer.

Impact on Lenders

The impact of resetting commercial mortgage rates can also be felt by the lenders who hold the mortgages. If a property is forced into default due to the inability to cover the new mortgage payment, the lender may be forced to foreclose on the property. This can create a loss for the lender, as the property might be sold for less than the outstanding mortgage balance. Lenders with less than $250 billion in assets (think SVB) play an outsize role in the economy, accounting for 80 percent of commercial real estate lending and 45 percent of consumer lending. Small and midsize banks are expected to slow lending drastically in an effort to strengthen their balance sheets after the crisis. The pullback is likely to result in a quarter- to a half-percentage-point drag on G.D.P.

Protection Strategies

There are several strategies that property owners and lenders can employ to soften the impact of resetting commercial mortgage rates. One approach is to refinance the mortgage before the reset date. This allows the property owner to lock in a new rate, ideally lower than the reset rate, before the reset occurs. This is effective, but refinancing may not be an option if the property is not generating enough income, or if the owner has a poor credit history.

Another strategy is to renegotiate the current mortgage terms with the lender. This could include extending the loan term, reducing the interest rate, or both. This approach is more likely to succeed if the property owner has a good relationship with the lender and is able to demonstrate a track record of generating income from the property.

A third strategy is to sell the property before the reset date. This can be a viable option if the property has appreciated in value and can be sold for a profit. The downside of this approach is that selling a property can be a time-consuming process, and there is no guarantee that the property will sell for the desired price - or how quickly.

Bottom Line: Be Proactive

The resetting of a commercial mortgage rate is an unfortunate reality that has a significant impact on the ability of a property to remain performing. Property owners and lenders must be proactive in mitigating the impact by employing strategies such as refinancing, renegotiating mortgage terms or selling the property. By taking a proactive approach, owners and lenders can minimize the impact of resetting commercial mortgage rates and ensure the continued success of these properties.

***Editor's Note:** Robert Withers, president of M1 Capital Corp., is a Commercial Real Estate finance specialist with 30-years of providing creative solutions for commercial real estate industry clients. He has successfully helped clients navigate previous financial crises and is a tireless advocate for his clients' lending needs. More info at mortgage1.com/.*

Klein Named Director of Houlihan Lawrence's Commercial Division

RYE BROOK

Houlihan Lawrence recently announced the appointment of Garry Klein as Director of the company's Commercial Division.

Klein previously served as Regional Manager and Associate Broker, responsible for recruiting, training and managing the Westchester division of the company. He represented owners, buyers and tenant clients in the evaluation, sales, purchase and leasing of commercial property in the region.

Klein, who joined Houlihan Lawrence in 2012, has more than 35 years of experience in diversified aspects of commercial and residential real estate, including sales and marketing, appraisal and valuation, market research, acquisitions, development, and financing. He is responsible for more than $600 million in closed real estate transactions (sales and leasing) to date. He has been among the top producing brokers for the company for the past 10 years and a Co-Star Power Broker for the past two years, company officials added.

Company officials said that Klein brings to his new leadership position an in-depth knowledge of real estate brokerage, municipal approvals processes and zoning regulations, knowledge of construction and adaptive re-use processes, project and end-loan financing, and property management. Klein currently serves on the Board of Directors of the Yonkers Downtown Business Improvement District and is a member of the Commercial Investment Division (CID) of the Hudson Gateway Association of Realtors (HGAR). He is also a member of the Building and Realty Institute of Westchester and the Mid-Hudson Region (BRI).

Garry Klein

Klein holds a Master's degree in City and Regional Planning from the Pratt Institute School of Architecture with a concentration in Real Estate and Finance. He earned a Bachelor's degree in Environmental Design and Planning from the SUNY Buffalo School of Architecture and Planning. He has been a licensed real estate broker in New York and Connecticut since 1987 and was also was licensed as a Real Estate Appraiser in New York, company officials said.

Company officials added that Klein serves on the Board of Directors for the UJA Business and Professional Division and volunteers as an adaptive ski instructor for disabled children. He is a resident of Stamford (Conn.).

"As the leading real estate brokerage north of New York City, our division has the ability to leverage the Houlihan Lawrence name in our region, backed by Berkshire Hathaway's HomeServices of America and its connections throughout the country. I look forward to growing our commercial team into new markets that we have recently entered in Connecticut and the Hudson Valley," Klein said.

Company officials said that Houlihan Lawrence is the leading real estate brokerage serving New York City's northern suburbs. Founded in Bronxville in 1888, the company is deeply committed to technological innovation and the finest client service. The company has 32 offices and 1,450-plus agents serving Westchester, Putnam, Dutchess, Columbia, Ulster and Orange counties in New York and Fairfield, New Haven and Middlesex Counties in Connecticut.

Low Existing Home Inventory Is Fueling Buyer Interest in New Homes, Study Says

WASHINGTON, D.C.

More Americans are turning to new home construction as existing inventory across the U.S. remains low and mortgage rates begin to stabilize, according to a report from The National Association of Home Builders (NAHB).

Sales of newly built, single-family homes increased in April, reaching the highest level since March of 2022, the report said. The study was released on June 1.

"Buyers are purchasing new homes so they can start investing in homeownership now instead of waiting for an existing home to come on the market," said NAHB Chairman Alicia Huey, a custom home builder and developer from Birmingham, Ala. "Builders want to meet buyer demand. However, high construction costs and labor shortages remain persistent challenges for the residential construction industry."

The report said that limited existing inventory has placed a renewed emphasis on new construction. In addition, new home construction is taking on an increased role in the marketplace because many home owners with loans well below current mortgage rates are electing to stay put. Current interest rates have more than doubled from 2021. As a result, the supply of existing homes is incredibly low.

With limited available housing inventory, new construction will continue to be a significant part of prospective buyers' searches in the quarters ahead, the report added.

The study said that this housing environment is fueling cautious optimism among builders. However, they continue to face challenges in meeting the demand for new construction. Residential construction obstacles include shortages of distribution transformers, other building materials and tightening credit conditions for residential real estate development and construction brought on by the actions of the Federal Reserve to raise interest rates.

NAHB officials said that on June 7 builders from across the country met with lawmakers on Capitol Hill in Washington, D.C., to discuss solutions for ramping up distribution transformer production and investing in skilled trades training programs nationwide. Transformer delays and limited growth of the skilled labor workforce aggravate the nation's housing affordability crisis. In an NAHB analysis of home buyer perception in the first quarter of the year, the inability to find an affordable home remains the most common reason buyers looking for three months or more are unable to make a purchase, NAHB officials added.

NAHB: More Than 700 Residential Construction Workers Discuss Housing Issues in Capitol Hill Visits

WASHINGTON, D.C.

More than 700 builders, remodelers and associates engaged in all facets of residential construction marched on Capitol Hill on June 7 to call on Congress to take steps to ease the nation's housing affordability crisis and make housing and homeownership a national priority.

Officials from the National Association of Home Builders (NAHB) recently announced the initiative.

"From coast to coast, members of the housing community came to Washington for the National Association of Home Builders (NAHB) 2023 Legislative Conference to deliver a simple message to lawmakers - 'As housing goes, so goes the economy,'" said NAHB Chair Alicia Huey, a custom home builder and developer from Birmingham, Ala.

With a nationwide shortage of 1.5 million housing units, Huey noted that "building more homes is the only way to tame inflation, satisfy unmet demand, achieve a healthy supply-demand balance in the for-sale and rental markets, and ease the nation's housing affordability crisis."

NAHB officials said that, in more than 250 individual meetings with their representatives and senators, housing advocates urged lawmakers to act on the following three issues to help keep housing affordable and spur the production of attainable housing:

- **Transformers.** A shortage of distribution transformers is delaying housing projects across the nation and the cost of transformers has soared by more than 70 percent over the past three years. NAHB is urging Congress to: 1) Utilize the Defense Production Act to boost output at existing facilities to address the growing supply chain crisis for distribution transformers, and 2) Oppose efforts by the Department of Energy to increase the energy conservation standards for the production of distribution transformers because it will severely exacerbate the current supply shortage.
- **Energy Codes.** NAHB is urging the Senate to introduce and advance legislation which includes the provision in House-passed bill H.R. 1 that would repeal $1 billion in grants provided to state and local governments to adopt updated energy codes that are more costly and restrictive. Forcing the adoption of more stringent energy codes to qualify for these grants will exacerbate the current housing affordability crisis and limit energy choices for consumers.
- **Workforce Development Funding.** There is a shortage of more than 400,000 workers in the construction industry, and this is resulting in housing construction delays and higher home building costs. NAHB is urging Congress to reauthorize the Workplace Innovation and Opportunity Act to help meet the residential construction industry's severe workforce needs and to fully fund the Job Corps program, which is a vital source of skilled labor for the industry.

Rep. Bruce Westerman (R-Ark.), chairman of the Committee on Natural Resources and the only forester in Congress, spoke to NAHB members before they met with their lawmakers and said that America needs to get its forests healthy and boost domestic production.

"We should be doing everything we can to build more mills out west," said Westerman. "We are the world's largest importer of wood."

Westerman added: "Housing is super critical to our economy. It is fundamental to the health of our society."

Industry Study:

Single-Family Starts Posted A Solid Gain in May

WASHINGTON, D.C.

Limited existing inventory combined with solid demand and improving supply chains helped push single-family starts across the U.S. to an 11-month high in May, according to a report from The National Association of Home Builders (NAHB).

The report said that overall housing starts in May increased 21.7 percent to a seasonally adjusted annual rate of 1.63 million units, according to a study from the U.S. Department of Housing and Urban Development (HUD) and the U.S. Census Bureau. The NAHB report, which was released on June 20, is based on the study.

NAHB officials said that the May reading of 1.63 million starts is the number of housing units builders would begin if development kept this pace for the next 12 months. Within this overall number, single-family starts increased 18.5 percent to a 997,000 seasonally adjusted annual rate. However, NAHB officials added, this remains 6.6 percent lower than a year ago. The multifamily sector, which includes apartment buildings and condos, increased 27.1 percent to an annualized 634,000 pace.

"Mirroring rising builder sentiment, single-family permits and starts increased in May as builders boosted production to meet unmet demand," said Alicia Huey, chair of NAHB and a custom home builder and developer from Birmingham, Ala. "Despite elevated interest rates that make the cost of housing more expensive, the lack of existing home inventory in most markets is leading to increased demand for new construction."

"The May housing starts data and our latest builder confidence survey both point to a bottom forming for single-family residential construction earlier this year," said NAHB Chief Economist Robert Dietz. "There have been some improvements to the supply-chain, although challenges persist for items like electrical transformers and lot availability. However, due to weakness at the start of the year, single-family housing starts are still down 24 percent on a year-to-date basis."

And, NAHB officials said, while single-family starts are down 24 percent year-to-date, single-family completions are down just 1.2 percent as projects started at the end of last year finish. Of note, the May housing data shows that the number of single-family homes under construction is down 16 percent compared to a year ago at 695,000, while the number of apartments under construction is up 17 percent to 994,000 - the highest level since September of 1974.

Dietz also noted that the May housing data signals a positive development on the inflation front.

"Additional housing supply is good news for inflation data, because more inventory will help reduce shelter inflation, which is now a leading source of growth for the Consumer Price Index (CPI)," he said.

On a regional and year-to-date basis, combined single-family and multifamily starts are 11.0 percent lower in the Northeast, 15.0 percent lower in the Midwest, 12.3 percent lower in the South and 24.7 percent lower in the West, the NAHB report said.

Overall permits increased 5.2 percent to a 1.49 million unit annualized rate in May. Single-family permits increased 4.8 percent to an 897,000 unit rate, but are down 25.5 percent year-to-date. Multifamily permits increased 5.9 percent to an annualized 594,000 pace, the NAHB report added.

Looking at regional permit data on a year-to-date basis, the NAHB report said that permits are 21.1 percent lower in the Northeast, 24.7 percent lower in the Midwest, 16.5 percent lower in the South and 24.1 percent lower in the West.

Industry Report:

Builder Confidence Moves into Positive Territory in June

WASHINGTON, D.C.

Solid demand, a lack of existing inventory and improving supply chain efficiency has helped to shift builder confidence across the U.S. into positive territory for the first time in 11 months.

Builder confidence in the market for newly built single-family homes in June rose five points to 55, according to the National Association of Home Builders (NAHB)/Wells Fargo Housing Market Index (HMI) released on Jun 19. The latest data marks the sixth straight month that builder confidence has increased and is the first time that sentiment levels have surpassed the midpoint of 50 since July of 2022, the index said.

"Builders are feeling cautiously optimistic about market conditions given low levels of existing home inventory and ongoing gradual improvements for supply chains," said NAHB Chairman Alicia Huey, a custom home builder and developer from Birmingham, Ala. "However, access for builder and developer loans has become more difficult to obtain over the last year, which will ultimately result in lower lot supplies as the industry tries to expand off cycle lows."

"A bottom is forming for single-family home building as builder sentiment continues to gradually rise from the beginning of the year," said NAHB Chief Economist Robert Dietz. "This month marks the first time in a year that both the current and future sales components of the HMI have exceeded 60, as some buyers adjust to a new normal in terms of interest rates. The Federal Reserve nearing the end of its tightening cycle is also good news for future market conditions in terms of mortgage rates and the cost of financing for builder and developer loans."

Dietz further noted the Fed and Washington policymakers must factor into consideration how the state of home building is critical for the inflation outlook and the future of monetary policy.

"Shelter cost growth is now the leading source of inflation, and such costs can only be tamed by building more affordable, attainable housing - for-sale, for-rent, multifamily and single-family," he said. "By addressing supply chain issues, the skilled labor shortage, and reducing or eliminating inefficient regulatory policies such as exclusionary zoning, policymakers can play an important and much-needed role in the fight against inflation."

And, the index said, in another sign of gradual optimism for the state of demand for single-family homes, the June HMI survey shows that overall, builders are gradually pulling back on sales incentives:

- 25 percent of builders reduced home prices to bolster sales in June. The share was 27 percent in May and 30 percent in April. It has declined steadily since peaking at 36 percent in November of 2022.
- The average price reduction was seven percent in June, below the eight percent rate in December of 2022.
- 56 percent of builders offered incentives to buyers in June, slightly more than in May (54 percent), but fewer than in December of 2022 (62 percent).

Derived from a monthly survey that NAHB has been conducting for more than 35 years, the NAHB/Wells Fargo HMI gauges builder perceptions of current single-family home sales and sales expectations for the next six months as "good," "fair" or "poor." The survey also asks builders to rate the traffic of prospective buyers as "high to very high," "average" or "low to very low." Scores for each component are then used to calculate a seasonally adjusted index where any number over 50 indicates that more builders view conditions as good than poor, NAHB officials said.

All three major HMI indices posted gains in June. The HMI index gauging current sales conditions rose five points to 61, the component charting sales expectations in the next six months increased six points to 62 and the gauge measuring traffic of prospective buyers increased four points to 37, the index said.

The index cited that, when looking at the three-month moving averages for regional HMI scores, the Northeast edged up two points to 47, the Midwest increased four points to 43, the South moved three points higher to 55 and the West posted a five-point gain to 46.

NAHB Releases Salary, Bonus and Benefit Data for 39 Jobs Across the Home Building Industry

WASHINGTON, D.C.

Throughout the economy and across all sectors, millions of people have quit their jobs looking for better work-life balance, benefits, location or pay — a phenomenon now commonly referred to as the Great Resignation. These challenges have rendered recruitment and retention of human capital a pressing objective for most businesses, one that will help determine their success in the years ahead.

The National Association of Home Builders (NAHB) recently released new industry averages on compensation and benefits for employees of single-family home building companies with the recent release of the Single-Family Builder Compensation Study, 2022 Edition. The study, published by BuilderBooks, the publishing arm of NAHB, includes data collected on compensation and benefits for 39 common positions at single-family home building companies, NAHB officials said.

Results from this survey provide single-family builders with current information that can be used to benchmark their employees' level of compensation and benefits. The data was analyzed by region of the country, dollar volume, number of starts and number of employees on payroll, NAHB officials added.

The findings, NAHB officials said, are presented from two different perspectives: Across all 39 positions, giving a broad view of the full-time positions that currently exist at single-family building companies, as well as a comparison of average total compensation and benefits across positions; and also as a detailed view of each position's average compensation and benefits.

"This publication is an invaluable tool for any home builder," said NAHB Chairman Alicia Huey, a custom home builder and developer from Birmingham, Ala. "Not only does it give builders a sneak peek into the average compensation and benefits at similarly sized businesses across the country, but it also serves as a benchmark and recruiting tool for hiring."

The Single-Family Builder Compensation Study, 2022 Edition is available for purchase in two formats - print ($149.95 Retail/$79.95 NAHB Member, ISBN 978-086718-800-04) and eBook ($89.99 Retail/$55.99 for NAHB Member, ISBN 978-086718-801-1), at BuilderBooks.com.

Lack of Resales Provides Boost to New Home Sales in April, Industry Report Says

WASHINGTON, D.C.

Stabilizing mortgage rates and a lack of resale inventory provided a boost for new home sales in April across the U.S., even as builders continue to wrestle with rising costs stemming from shortages of transformers and other building materials and a persistent lack of construction workers.

Sales of newly built, single-family homes in April increased 4.1 percent to a 683,000 seasonally adjusted annual rate from a downwardly revised reading in March, according to newly released data by the U.S. Department of Housing and Urban Development (HUD) and the U.S. Census Bureau. The data was analyzed in a study by the National Association of Home Builders (NAHB). The activity, the study added, is at its highest level since March of 2022. The NAHB report was released on May 23.

"A lack of existing inventory supported sales of newly-built, single-family homes in April," said Alicia Huey, chair of NAHB and a custom home builder and developer from Birmingham, Ala. "Even more encouraging, we are seeing sales growth in the more affordable price ranges of $200,000 to $400,000."

"April saw an increase in new home sales as buyers sought new construction even as builders struggle to keep up with demand because of a shortage of distribution transformers and skilled construction workers," said NAHB Chief Economist Robert Dietz. "Sales for 2023 thus far are still down 9.7 percent on a year-to-date basis due to elevated interest rates, and sales may weaken in the months ahead given the recent rise in interest rates."

A new home sale occurs when a sales contract is signed or a deposit is accepted. The home can be in any stage of construction: not yet started, under construction or completed. In addition to adjusting for seasonal effects, the April reading of 683,000 units is the number of homes that would sell if this pace continued for the next 12 months, the study said.

New single-family home inventory increased 0.2 percent in April and remained elevated at a 7.6 months' supply at the current building pace. A measure near a 6 months' supply is considered balanced. However, the lack of resale, existing home inventory means that overall inventory for the single-family market remains tight, the study added.

The study said that the median new home sale price fell in April to $420,800 and was down eight percent compared to a year ago. The report showed growth in the lower price ranges, with 9,000 sales in the $200,000-$299,999 price range in April of 2023, compared to just 4,000 sales a year prior. The $300,000-$399,999 price bracket grew by 14,000 sales in that same time frame.

Regionally, the study added, on a year-to-date basis new home sales fell in all regions, down 19.2 percent in the Northeast, 9.8 percent in the Midwest, 0.7 percent in the South and 27.5 percent in the West.

"Building Knowledge with The Building & Realty Institute (BRI)" Marks the Six-Year Anniversary of its Inaugural Broadcast

NEW ROCHELLE

Six years of broadcasting!

That was the milestone that "Building Knowledge with The Building and Realty Institute (BRI)" – the BRI's radio show on WVOX 1460 AM and wvox.com – recently reached. The program, on June 2, marked the sixth anniversary of its first broadcast. The show covers topics of interest to the building, realty and construction industries, as well as to the general business sector. The program is hosted by Jeff Hanley, associate executive director of the BRI. It airs live, every Friday, from 11:30 a.m. to 12 noon.

Jeff Hanley, BRI

"I very much remember the excitement that all of us at the BRI felt on June 2, 2017, when our first show went on the air, and I still feel the same excitement, six years later," Hanley said. "We are very, very happy to be on WVOX 1460 AM and wvox. com and to be covering issues of importance to the building, realty and construction sectors. And we remain very grateful to WVOX 1460 AM for the opportunity. The BRI is very happy to be on such a great station."

Added Tim Foley, chief executive officer of the BRI: "We feel the program has done a solid job of addressing important issues to the building, realty and construction industries. We are also happy to cover topics of importance to our region's general business community. Jeff Hanley has done a tremendous job of hosting the show. It continues to be well-received by our members and by listeners in our region."

The BRI is a building, realty and construction industry membership organization. The association, based in Armonk, has more than 1,800 members in 14 counties of New York state. Those members are involved in virtually every area of the building, realty and construction sectors, officials said.

Comments About "Building Knowledge With The Building and Realty Institute (BRI)"

"Happy Birthday on the anniversary of your radio program, Jeff. I'm sure today's session will live up to the excellent history of your shows." - Nicholas Stolatis, Vice President, EPN Real Estate Services and Treasurer, Institute of Real Estate Management (IREM), Greater New York Chapter, before the June 2nd, 2023 segment of "Building Knowledge With The Building and Realty Institute (BRI)."

"Jeff, as always, it was a pleasure to be on with you today and even better being in person!" – Michael Fazio, Executive Vice President, New York State Builders Association (NYSBA), after his appearance on the June 2nd, 2023 segment of "Building Knowledge With The Building and Realty Institute (BRI)."

"Jeff, 'Building Knowledge' is an important series and the shows are wonderfully done. And we are so happy to have the program on our station. It is one of our best." – Judy Fremont, President, Stations Division, WVOX 1460 AM and wvox.com, April 20th, 2023.

"Thank you, Jeff. I had a wonderful time. It was fun!" – Steven Wrabel, Esq., McCullough Goldberger and Staudt, after the April 21st, 2023 episode of "Building Knowledge With The Building and Realty Institute (BRI)."

"Jeff, you continue to produce great shows. You are such a natural. You are a true professional." - Jack Carducci, Senior Engineer and Program Host, WVOX 1460 AM and wvox.com, April 14th, 2023.

"Thanks Jeff. It is always a pleasure to be on the show with you. You always have great questions prepared!" - Michael Dardano, the Principal of The Buzz Potential, after the March 24th, 2023 episode of "Building Knowledge With The Building and Realty Institute (BRI)."

"It's all you, Jeff. You make it happen. You are the best!" - Michael Rosenberg, President, M&R Windows, after his appearance on the March 3rd, 2023 segment of "Building Knowledge With The Building and Realty Institute (BRI)."

"This is a very good show, and it is a pleasure to be on it!" – Carey Hollander, Business Development Manager, A.G. Williams Painting Company, after the February 24th, 2023 episode of "Building Knowledge With The Building and Realty Institute (BRI)."

"Thanks for having me on the show. It was my pleasure!" - Nolan Gray, the author of "Arbitrary Lines - How Zoning Broke The American City and How To Fix It," after the January 27th, 2023 segment of "Building Knowledge With The Building and Realty Institute (BRI)."

"A great show today, guys. You covered some very important topics. And Jeff "Home Run" Hanley, you are the best!" – Jim Killoran, President, The Fuller Center for Housing of Greater New York City, during the January 27th, 2023 segment of "Building Knowledge." The program, which featured Author Nolan Gray, reviewed Gray's book, "Arbitrary Lines - How Zoning Broke The American City and How To Fix It."

"Jeff, I love being on the show. We make a great team. I am looking forward to being back on." – Daniel Finger, Esq., Finger and Finger, A Professional

Continued on p. 10

IDA Votes Final Approval of Incentives for $11.5 Million Mixed-Use, Transit-Oriented Development in the Ludlow Section of Yonkers

YONKERS

The Yonkers Industrial Development Agency (YIDA) voted at its Apr. 26 monthly meeting final approval of financial incentives for 70 Pier Street, a $11.5 million mixed-use transit-oriented development in the Ludlow section of Yonkers, officials recently announced.

Located adjacent to the Metro-North Ludlow train station, the four-story development will feature 36 apartments over a ground floor that would include retail space, as well as the building's lobby and amenities for residents. There would be indoor parking for 35 cars. The developer is Ginsburg Development Companies (GDC). The project is receiving a $150,000 mortgage recording tax exemption and a sales use tax exemption of $426,000, officials added.

Officials said the 70 Pier St. site was formerly home to an office and garage used by the Yonkers Parking Authority that GDC purchased in June of 2017. As part of the projects, GDC would also undertake the revitalization of the existing public space known as Abe Cohen Plaza. The newly revitalized plaza would include new paving, landscaping, sidewalks, benches, lighting, an entrance arch, a new flagpole, a sculpture and a new clock tower.

70 Pier Street is the first of three multi-family buildings proposed by GDC for the city's Ludlow section. It is the first step toward the transformation of the Ludlow neighborhood into a vibrant, mixed-use transit-oriented community, officials said.

Westchester County Legislators Pass the Access to Counsel Bill, Continued from p. 3

ment and homelessness," Barr said. "Homelessness leads to other problems, such as joblessness, disruptions in children's education, and stigma. Programs that provide legal counsel to Low-Income Tenants have proven to be very successful in keeping people in their homes."

Officials from The Westchester County Board of Legislators said that the Access to Counsel Bill establishes an Office of Housing Counsel. Once a director is hired, the office will have six months to establish a plan to provide eligible Tenants with legal assistance at no cost. With access to legal support, Tenants will be better equipped to navigate the complex housing court process and defend their rights, officials from The Westchester Count Board of Legislators added.

The Building and Realty Institute of Westchester and the Mid-Hudson Region (BRI), a building and realty industry membership organization representing many components of the housing sector, including Property Owners and Managers who are involved in housing court cases, supported the proposal.

"As a general principle, we strongly believe in both due process and equal representation under the law," said Phil Weiden, the BRI's Government Affairs Director, while testifying before The Westchester County Board of Legislators on the legislation. "Regardless of whether a Tenant is appearing before Housing Court because of non-payment or one of the many possible scenarios that require a holdover eviction, we believe the opportunity for counsel and representation for all sides in a dispute is one of the bedrocks of a well-functioning judicial system, including and especially where one side cannot on their own afford legal representation."

Weiden added: "The vast majority of Property Owners in our association are not corporate conglomerates. Many are small Landlords, many are working in the family business, and nearly all have close ties to their community, and therefore they approach their business and the interactions with their Tenants in good faith. A supermajority of evictions they file are for non-payment of rent. Neither they nor our association regard that as a desirable option, or even a particularly good one. It is, unfortunately, all too often the only option.

The BRI has long advocated for alternatives that would keep Tenants who are experiencing a financial hardship in their homes and out of housing court. We worked with the Office of Temporary Disability Assistance to promote and then resolve blockages with the Emergency Rental Assistance Program, or ERAP."

Weiden said that the BRI is a strong supporter of the proposal from Sen. Brian Kavanagh (D-27 SD) for a Housing Access Voucher Program to assist Tenants at imminent risk of homelessness. He added that the association has also long supported a fully funded and expanded Section 8 program at the federal level.

"A better functioning Housing Court pales in comparison to these policy solutions to keep Landlords and Tenants whole and out of Housing Court in the first place, but unfortunately, they do not appear to be imminent," he said.

Weiden added that the BRI has one cautionary note and one suggestion for the legislation.

"The biggest cautionary note is about the funding that will be required for the Office of Housing Counsel," he said. "Unlike New York City, we have fewer cases spread out over a much more varied and idiosyncratic collection of city, town, and village courts, which could put the program under a budget strain in the best of times. We would expect the need for an Office of Housing Counsel will be greatest during future downturns and recessions, which are precisely the times when the county budget itself contracts. We are hearing from Landlords who own property in both Westchester and New York City that inadequate funding of that Right to Counsel program is leading to a backlog and to those quagmire-like conditions that frustrate both Landlords and Tenants. A promised right of counsel that can't be delivered on and delays speedy justice because of future lack of funding is not much of an improvement over no right at all, and we urge you to proactively think through how to avoid that happening here."

NAHB STUDY:

New Home Buyers Increasingly Claim Energy-Efficient Tax Credits

WASHINGTON, D.C

In recognition of New Homes Month in April, National Association of Home Builders (NAHB) officials stressed that it is important to highlight that taxpayers are taking advantage of new home energy-efficiency related tax credits.

A recent Internal Revenue Service data analysis by NAHB indicates that more than 800,000 taxpayers claimed a new home-related energy-efficiency tax incentive, association officials said. The data analysis was released on Apr. 3.

"Builders have found that buyers are seeking out new homes with durable designs and sustainable features that make their home cost-effective to operate," said NAHB Chair Alicia Huey, a custom home builder and developer from Birmingham, Ala. "Whether it's efficient lighting options or appliances, many home builders are voluntarily incorporating green features into newly-built homes to meet consumer demand."

In 2005, Congress established several energy-efficiency tax incentives related to housing that benefit new-home buyers and remodeling home owners. The policies include section 25D of the internal revenue code which is a tax credit for the installation of power production property in new and existing homes. From 2019 to 2020, claims associated with solar electric power grew by 86,000 taxpayers and $2.1 billion, NAHB officials said.

NAHB officials added that they found that the most claimed qualifying activity for the 25D credit in 2020 was the installation of solar electric property. More than 600,000 taxpayers claimed the credit for almost $12.6 billion in qualifying installation costs. The second most common installation in 2020 was for solar water heating, which was claimed by 114,000 home owners and totaled almost $627 million in installation costs.

NAHB also surveyed home builders about the features they will most likely include in new homes they build this year. Five of the top 15 features focused on energy efficiency: low-E windows, efficient lighting, ENERGY STAR-rated appliances and windows and programmable thermostats. NAHB found that for repeat home buyers, ENERGY STAR windows, appliances and energy-efficient lighting were listed in the top 10 most wanted features in a new home, association officials said.

NAHB officials said that home buyers can access home buying and home building information and resources at nahb.org/consumers.

Peapack-Gladstone Bank Hires Mutarelli As Senior Managing Director, Commercial Private Banker

Vincent J. Mutarelli

BEDMINSTER, N.J.

Peapack-Gladstone Financial Corporation and Peapack-Gladstone Bank recently announced the appointment of Vincent J. Mutarelli as Senior Managing Director, Commercial Private Banker at Peapack-Gladstone Bank.

Mutarelli will be responsible for growing a portfolio of commercial clients and servicing businesses in the tri-state area. He will reinforce and expand Peapack-Gladstone Bank's footprint in the commercial arena while ensuring achievement of clients' long-term financial goals, officials said.

Mutarelli brings with him 20 years of experience in delivering superior service in commercial lending, sales and financial services. Previously, he served as Senior Vice President, Business Banking Director, at Capital One Bank in White Plains, where he expanded business relationships and growth through various business avenues. Prior to that, as Senior Vice President, Senior Business Concierge at North Fork Bank in New York City, he led a team in the tri-state area that was responsible for building deposits through new client relationships. Mutarelli's prior experience also included roles as Senior Vice President, Senior Branch Director at Canon Business Solutions, Inc. throughout various locations in the tri-state area, and Vice President, Sales Representative at Metropolitan Calculator Systems, Inc., a subsidiary of Canon USA in New York City, officials added.

Officials said that Mutarelli received a Bachelor of Science Degree in Economics with a minor in Business Management from Rutgers, The State University of New Jersey. He is currently the Chairman of the Board of The Building and Realty Institute of Westchester and the Mid-Hudson Region (BRI) and an affiliate member of The Westchester County Bar Association.

Peapack-Gladstone Financial Corporation is a New Jersey bank holding company with total assets of $6.5 billion and assets under management and/or administration of $10.4 billion as of Mar. 31, 2023. Founded in 1921, Peapack-Gladstone Bank is a commercial bank that provides innovative wealth management, investment banking, and commercial and retail solutions to businesses and consumers, officials said.

Peapack Private, the bank's wealth management division, offers comprehensive financial, tax, fiduciary and investment advice and solutions to individuals, families, privately held businesses, family offices and not-for-profit organizations, which help them to establish, maintain and expand their legacy, officials added.

NAHB Debuts Its New Index for Multifamily Activity

WASHINGTON, D.C.

The National Association of Home Builders (NAHB) redesigned its Multifamily Market Survey (MMS) in the first quarter of 2023 to make it easier to interpret and be more similar to the NAHB/Wells Fargo Housing Market Index (HMI) for single-family housing, association officials recently announced.

NAHB officials said the MMS produces two separate indices. The Multifamily Production Index (MPI) had a reading of 50 for the first quarter, while the Multifamily Occupancy Index (MOI) reading was 82. The latest MMS, which reports on the feelings of building and realty industry members across the U.S., was released on May 18.

The MPI measures builder and developer sentiment about current production conditions in the apartment and condo market on a scale of 0 to 100. The index and all its components are scaled so that a number above 50 indicates that more respondents report conditions are good than report conditions are poor, NAHB officials said.

The new MPI, NAHB officials said, is a weighted average of four key market segments: three in the built-for-rent market (garden/low-rise, mid/high-rise and subsidized) and the built-for-sale (or condominium) market. The survey asks multifamily builders to rate the current conditions as "good," "fair, or "poor" for multifamily starts in markets where they are active. For the first quarter, the component measuring garden/low-rise units had a reading of 57, the component measuring mid/high-rise units had a reading of 41, the component measuring subsidized units had a reading of 51 and the component measuring built-for-sale units had a reading of 42.

The MOI measures the multifamily housing industry's perception of occupancies in existing apartments on a scale of 0 to 100. The index and all its components are scaled so that a number above 50 indicates more respondents report that occupancy is good than report it is poor, NAHB officials added.

NAHB officials said the new MOI is a weighted average of three built-for-rent market segments (garden/low-rise, mid/high-rise and subsidized). The survey asks multifamily builders to rate the current conditions for occupancy of existing rental apartments in markets where they are active as "good," "fair" or "poor." For the first quarter, the component measuring garden/low-rise units had a reading of 84, the component measuring mid/high-rise units had a reading of 74 and the component measuring subsidized units had a reading of 87.

Because the previous version of the MMS series can no longer be used to compare with this quarter's results, the redesigned tool asked builders and developers to compare current market conditions in their areas to three months earlier, using a "better," "about the same" or "worse" scale. Sixty-seven percent of respondents said the market is "about the same" as it was three months earlier, NAHB officials said.

"Garden/low-rise units had the strongest production index of all four sectors covered in the survey, while subsidized units had the strongest occupancy index," said Lance Swank, president and co-owner of Sterling Group, Inc. in Mishawaka, Ind., and chairman of NAHB's Multifamily Council. "However, higher interest rates and increased construction costs are negatively impacting projects in certain parts of the country."

"NAHB's current forecast has multifamily starts declining by more than 10 percent per year in 2023 and 2024," said NAHB Chief Economist Robert Dietz. "Commentary from multifamily builders indicates that it has become more difficult to obtain loans for multifamily development as a result of tightening financial conditions due to the actions of the Federal Reserve, which reduce future apartment construction."

Additional information on the MMS can be found at nahb.org/mms. More information on the NAHB Multifamily program is at NAHB Multifamily.

Westchester County IDA Votes Final and Preliminary Approvals of Incentives for Multifamily Projects in Downtown White Plains

WHITE PLAINS

The Westchester County Industrial Development Agency (IDA) voted at its May 24th monthly meeting final and preliminary approvals of financial incentives for two residential developments in White Plains, Armory Plaza and Modera White Plains, officials recently announced.

The two projects represent a total private investment of $121.5 million and will create a total of 241 rental units and 74 construction jobs, officials added.

Westchester County Executive George Latimer said: "We are thrilled to showcase these exceptional residential developments that exemplify our commitment to affordable and senior housing for the residents of Westchester. Through innovative renovations and adaptive reuse, we have found creative solutions to address the pressing need for accessible housing. The County's IDA has granted final and preliminary approval of financial incentives for these crucial projects, marking a significant milestone in our efforts to uplift our community."

"In addition to investing $121.5 million in Westchester County's economy, the developers of Armory Plaza and Modera White Plains are creating new construction jobs and much-needed affordable housing," said IDA Chair Joan McDonald.

The IDA voted final approval of financial incentives for a $32.3 million renovation of Armory Plaza. Project developer The Related Companies is seeking to redevelop the 52-unit senior apartment complex which is at 35 South Broadway. Built in 1909, the four-story castle-like property is 100 percent affordable and benefits from a project-based Section 8 Housing Assistance Payment contract, which provides a rental subsidy for the senior residents of the building. The property last received renovations in 2008, utilizing Low-Income Housing Tax Credit and tax-exempt bonds issued by the White Plains Housing Authority. It is estimated that the project will create 18 construction jobs with work scheduled to begin in June and completion within 12 to 18 months. The renovation work will cost approximately

$150,000 per apartment. The developer is receiving a sales tax exemption of $295,000 and a mortgage recording tax exemption of $150,000, officials said.

The IDA also voted preliminary approval of financial incentives for Modera White Plains, an $89.2 million adaptive reuse of a vacant light manufacturing facility into a 163,000-square-foot, 189-unit multifamily rental building in White Plains. The building, which is at 39 Westmoreland Avenue, will feature a mix of 66 studios, 68 one-bedroom units, 50 two-bedroom units and 5 three-bedroom units. Twelve percent of the units will be provided at or below 80 percent of the area median income. Amenities will include a large gym, recreational garden, business center, pet spa, grilling stations, lounge and roof deck. There will also be a pocket park for community use, officials added.

Officials said that the project developer, Mill Creek Residential Trust, is requesting a sales tax exemption of $3,344,912, a mortgage recording tax exemption of $595,775 and a PILOT valued at $5,096,255. The project is estimated to create 56 construction jobs.

GDC and Rockland Officials Celebrate the Grand Opening of Admirals Cove

HAVERSTRAW, N.Y.

Ginsburg Development Companies (GDC) joined with Village, Town and Rockland County officials on June 15 for the Grand Opening of GDC's latest luxury development along the Hudson River – Admirals Cove in Haverstraw, company officials recently announced.

Set on a peninsula with water on three sides and a private marina, Admirals Cove features 245 luxury apartments in four boutique-scaled buildings each with its own elegant lobby, fitness center and two community club lounges. The buildings, which feature waterfront-inspired architecture and interiors designed with a coastal vibe, are set along a spectacular waterfront promenade with monumental sculptures and spectacular views of the Hudson River to the east and High Tor Mountain to the west, company officials added.

Company officials said the studio, 1-, 2-, and 3-bedroom apartments at Admirals Cove boast euro-style kitchen cabinetry with white lacquer upper cabinets, quartz countertops, whirlpool stainless steel appliances, and an island breakfast bar in many units. Each apartment has wide plank LVT flooring in all living rooms and bedrooms with porcelain tiles in bathrooms; white shade window treatments in all rooms; large walk-in closets and in-unit washer and dryers. The designer bathrooms feature a contemporary vanity, a large mirror, medicine cabinets and an adjustable showerhead. Premium apartments feature balconies with river views. The apartments range from 495 square feet to 1,280 square feet with monthly rents ranging from $2,195 to $5,295.

Lifestyle amenities, company officials added, include a seasonal swimming pool, cabana, sundeck, fire pit, BBQ and children's playground. There is also a kayak launch, Zen garden, sandy beach, a coming waterfront restaurant, and a commuter ferry to Metro-North Railroad across the Hudson in Ossining. The community has both outdoor and garage parking with available EV charging stations. As in all GDC Rental communities, Admirals Cove is pet friendly and smoke-free.

"Today is an exciting moment more than 20 years in the making as GDC opens the final phase of its redevelopment of the Haverstraw waterfront. Admirals Cove joins the adjacent Harbor Square development to enhance further this special place that we have created on the Hudson River at its widest point. It is magical, with no place on the river quite like it. And although this marks the successful completion of GDC's residential development, we will continue to move forward with the construction of a spectacular waterfront restaurant and the extension of the waterfront park and sculpture trail, which will one day connect to the downtown, which has always been the shared vision of GDC and the Village," said GDC Principal Martin Ginsburg.

"As Rockland County Executive and specifically as a Village of Haverstraw resident I am thrilled for the Grand Opening of Ginsburg Development Companies latest development," said Rockland County Executive Ed Day. "GDC has worked for years with the County, Town, and Village, school district and local labor to bring this vision for the Hudson River waterfront to life. It is truly exciting to see this new residential community open at the same time the Village is redeveloping so much of their downtown."

"The Grand Opening of Admirals Cove is yet another extraordinary GDC development for our Town, offering beautifully designed apartments with a spectacular waterfront promenade and exceptional amenities. We're

Continued on p. 12

Officials Celebrate the Dedication of Martin Ginsburg Park

YONKERS

Ginsburg Development Companies (GDC) joined with Yonkers Mayor Mike Spano and city officials on Apr. 21 to celebrate the dedication of the Martin Ginsburg Park in the Greystone neighborhood that links Warburton Avenue to the Old Croton Aqueduct State Trail, GDC officials recently announced.

Officials said that the new park, which is named after GDC Founder and Principal, Martin Ginsburg, features a stairway and paths that wind through the park that is beautifully landscaped with benches, gardens and shrubs. It is across the street from GDC's River Tides at Greystone luxury rental development. The $1 million cost of the project was shared equally by GDC and the City of Yonkers with GDC having done the design and a portion of the construction work.

The new park, officials said, is named after Martin Ginsburg in recognition of his significant contributions toward the creation of one of the preeminent apartment living neighborhoods in Westchester County. His first project in the Greystone neighborhood was The Esplande in 1969, followed by Riverhill Tower, Riverhill Condo, Riveredge Apartments, and, most recently, Rivers Tides at Greystone, 1177@Greystone and Stratus on Hudson.

A ceremony unveiling the new sign to Martin Ginsburg Park was attended by city officials at the entrance to the park off Warburton Avenue. Among those joining Mayor Spano and Martin and Irene Ginsburg were Yonkers officials Steve Sansone, commissioner, Department of Parks and Recreation; Council President Lakisha Collins-Bellamy; Council Majority Leader Tasha Diaz; Council Minority Leader Mike Breen; Council Member Shanae Williams and Deputy Mayor Anthony Landi, event officials said.

"Working with GDC, Yonkers is repurposing underutilized land, reimaging our public, green spaces and reconnecting communities," said Spano. "Thank you to Martin Ginsburg for his continued vision and partnership in enhancing public amenities and improving the quality of life for Yonkers."

An Example

"Developing this beautiful new public park with Mayor Spano is an example of a successful public-private partnership. It's a win/win for the city and the residents of the Greystone neighborhood who now have direct access to the Old Croton Aqueduct State Trail," said Martin Ginsburg. "Creating public greenspace is vitally important for enhancing the quality of life in our communities. At Ginsburg Development Companies, we have a proud tradition of designing attractive public spaces at many of our developments."

GDC's Harbor Square development on the Hudson River in Ossining features a public park with monumental sculptures. Across the Hudson in Haverstraw, GDC has created an extensive waterfront promenade with sculpture trails for several of its luxury rental developments including the recently completed Admirals Cove, company officials said.

For The Lofts at Saw Mill River rental in Hastings-on-Hudson, GDC dedicated to the village 1.8 acres of open space for a beautiful park that includes a pedestrian bridge to the South County Trailway which runs by the property, company officials added.

And in downtown White Plains, company officials said, GDC's City Square development near the Metro-North train station features a City Square private park deck with a dramatic fountain, plentiful seating, a putting green, a BBQ Pavilion and a 2,000-step, 4-level walking path with landscaping and sculptures. For GDC's Fort Hill Apartments at The Abbey Inn in Peekskill, GDC donated 52 acres to expand the historic Fort Hill Park which features a variety of existing and new hiking trails.

GDC officials said that Martin Ginsburg is, first and foremost, an architect. As a result of his attention to design, site planning and detail, GDC's developments in New York and Connecticut have won numerous design and community planning awards.

In Rockland County, company officials said, GDC's Harbors-at Haverstraw waterfront community has become a model for redevelopment along the shores of the Hudson River. Parkside, Riverside and The Waterfront at Harbors are Rockland County's leading luxury rental properties.

GDC officials added that, continuing a focus on the Hudson River, the company has six luxury rentals now marketing in Westchester's river communities: River Tides, 1177 and Stratus in the Greystone neighborhood of Yonkers, The Lofts in Hastings-on-Hudson, Harbor Square in Ossining and Fort Hill Apartments in Peekskill. 1 Martine at City Square and The Metro at City Square in downtown White Plains and The Landing in Mohegan Lake completes the current GDC Westchester rental portfolio. In 2020 and 2021 the readers of Westchester Magazine voted GDC as Westchester's Best Luxury Apartment Developer and River Tides as the Best Rental Building.

GDC's luxury rental development pipeline includes Admiral's Cove, the final phase of the Harbors at Haverstraw development, Ludlow Point at the Ludlow Metro-North Station in Yonkers, and a proposed mixed-use development across from the Peekskill Metro-North Station, fronting the city's waterfront park, company officials said.

Two-Year Pilot Program Confirms the Need for Mental Health Resources in Construction, Study Says, Continued from p. 5

across society," said JSI Chairman Erik Anderson. "Many in our field don't want to admit that we have difficult challenges in our lives and feel we don't need to talk to someone to help us. We hope this program will break down those stereotypes so that not only can employees be safe on jobsites, but also have their lives on the right track when they go home to their families."

The pilot program saw the creation of materials focused on raising awareness of mental health issues and helpful resources construction workers, supervisors and business owners could access to identify and treat problems and facilitate a healthy return to work for those impacted. Resources are available on both the NAHB and NCHBA websites, officials said.

A final report on the program prepared by Dr. Spencer-Thomas identified a need to expand the availability of resources to all home builder associations in the NAHB federation. Confidential surveys and screening tools confirmed that there are high levels of distress among American construction workers and that the topic of mental health carries a strong bias that is difficult to overcome.

"We know there is a problem in the home building industry when talking about mental health challenges," said NAHB Chairman Alicia Huey, a custom home builder and developer from Birmingham, Ala. "We have a long way to go, but NAHB is looking to lead a shift in our culture that will allow workers who are struggling to find the help they need without fear of ruining their livelihoods."

Data from the pilot program showed that personal storytelling was far more engaging than other types of content. A storytelling video series was launched featuring two members of NCHBA, including past president Gary Hill, and its current president, Brandon Bryant, officials said.

"I told a deeply personal story about mental health struggles not only to encourage others to do the same," noted Bryant, "but also, I wanted anyone watching to understand they are not alone and this can happen to anyone, and that help is always available. All you have to do is ask."

"Building Knowledge with The Building & Realty Institute (BRI)"Marks the Six-Year Anniversary, Continued from p. 8

Corporation, after the December 2nd, 2022 segment of "Building Knowledge With The Building and Realty Institute (BRI)." The show provided the final installment of a three-part series on Co-op and Condo Protocols.

"Jeff, you do a great, great job with your shows. The (building and construction) industry appreciates it!" – John Cooney, Jr., Executive Director, The Construction Industry Council of Westchester and the Hudson Valley (CIC), November 15th, 2022.

Builder Confidence Edges Higher In July Despite Rising Rate Concerns, Industry Report Says

WASHINGTON, D.C.

Low existing inventory that is keeping demand solid for new homes helped to push builder confidence across the U.S. up in July even as the industry continues to grapple with rising mortgage rates, elevated construction costs and limited lot availability.

Builder confidence in the market for newly built single-family homes in July posted a one-point gain to 56, according to the National Association of Home Builders (NAHB)/Wells Fargo Housing Market Index (HMI) released on July 18. It is the seventh straight month that builder confidence has increased and marks the highest level since June of last year, the index said.

"The lack of resale inventory means prospective home buyers who have not been priced out of the market continue to seek out new construction in greater numbers," said NAHB Chairman Alicia Huey, a custom home builder and developer from Birmingham, Ala. "At the same time, builders are troubled over rising mortgage rates approaching seven percent and continue to grapple with supply-side challenges, including ongoing scarcity of electrical transformer equipment and growing concerns about lot availability."

"Although builders continue to remain cautiously optimistic about market conditions, the quarter-point rise in mortgage rates over the past month is a stark reminder of the stop and start process the market will experience as the Federal Reserve nears the end of the ongoing tightening cycle," said NAHB Chief Economist Robert Dietz.

Given that shelter inflation accounts for roughly 40 percent of the Consumer Price Index, Dietz added the best way to ease this largest source of inflationary pressure is to build additional for-rent and for-sale housing.

"There's been some commentary linking gains for housing construction with increased concerns for additional inflation, but this has the economics backwards," he said. "More housing supply is good news for future shelter inflation readings in the market. Furthermore, higher interest rates increase the cost of financing for building homes and developing lots."

The July HMI survey also revealed that despite elevated interest rates, builders' use of sales incentives has declined, as the market has firmed and resale inventory options remain limited. Only 22 percent of builders report cutting prices in July. This is down from 25 percent in June and 27 percent in May, the index said.

Derived from a monthly survey that NAHB has been conducting for more than 35 years, the NAHB/Wells Fargo HMI gauges builder perceptions of current single-family home sales and sales expectations for the next six months as "good," "fair" or "poor." The survey also asks builders to rate the traffic of prospective buyers as "high to very high," "average" or "low to very low." Scores for each component are then used to calculate a seasonally adjusted index where any number over 50 indicates that more builders view conditions as good than poor, NAHB officials said.

The HMI index gauging current sales conditions in July rose one point to 62, the component charting sales expectations in the next six months fell two points to 60, and the gauge measuring the traffic of prospective buyers increased three points to 40, the highest reading since June of last year. However, the decline for the future sales expectation reading is a reminder that housing affordability continues to be challenged by elevated interest rates, NAHB officials added.

Looking at the three-month moving averages for regional HMI scores, the Northeast increased five points to 52, the Midwest edged up two points to 45, the South increased three points to 58 and the West posted a five-point gain to 51, the index said.

HMI tables can be found at nahb.org/hmi. More information on housing statistics is also available at Housing Economics PLUS (formerly housingeconomics.com), NAHB officials said.

NAHB Publication Offers an Inside Look Into the Financial Records of Remodelers

WASHINGTON, D.C.

Remodelers now have a unique opportunity to see how their business stacks up against the competition with a new publication from the National Association of Home Builders (NAHB), association officials recently announced.

NAHB's publishing arm, BuilderBooks, recently released the 2023 edition of the Remodelers' Cost of Doing Business Study, a national study of remodelers' business practices and financial performance.

The study provides remodelers with the opportunity to evaluate their financial performance compared with the industry as a whole and with remodelers of similar type and size. The new resource gives remodelers an inside look at other remodelers' financial books by providing data about profitability, cost of sales and expenses, NAHB officials said.

The Remodelers' Cost of Doing Business Study contains a wealth of data and analysis, NAHB officials said, to help remodelers boost profitability, increase efficiency, set realistic budget targets and improve upon their business practices. Several categories are analyzed in the survey, making it easy for remodelers to compare their performances against the data.

"This updated resource offers a great chance for remodelers to learn from their colleagues in the industry," said NAHB Chairman Alicia Huey, a custom home builder and developer from Birmingham, Ala. "The new edition includes a wealth of data on operating costs, profits, sales and much more, giving remodelers an opportunity to benchmark their own business against similar companies."

Readers can see, NAHB officials said, how they measure up against industry-wide averages in areas including:

- Gross margin and net profit
- Cost of goods sold
- Operating Expenses
- Financial Ratios

NAHB officials said The Remodelers' Cost of Doing Business Study, 2023 Edition is available in both print and eBook formats at BuilderBooks.com.

Realty Survey: Americans Prefer Walkable Communities

WASHINGTON, D.C.

The National Association of Realtors (NAR) released a new survey on June 27 that reveals that Americans living in walkable communities report a higher quality of life.

The 2023 Community and Transportation Preferences Survey is a national poll taken every three years to gauge people's partialities regarding their home's location or potential location as well as community attributes they find desirable, NAR officials said.

"With COVID in our rearview mirror, this study shows that a substantial demand for walkability persists for Americans of all ages," said NAR President Kenny Parcell. "NAR has conducted community preference surveys for over 20 years, providing Realtors and their communities with valuable information on shifting American lifestyles and migration trends. To help local communities and Realtor associations improve the places they live, NAR generates this survey and makes the results available to all."

NAR officials listed the following as among the noteworthy findings of the survey:

- If deciding today where to live:
  - A total of 79 percent said being within an easy walk of other places and things, such as shops and parks, is very/somewhat important. A total of 78 percent of those indicated that they would be willing to pay more to live in a walkable community.
  - A total of 85 percent said sidewalks and places to walk are very/somewhat important.
  - A total of 65 percent said having public transport nearby is very/somewhat important.
- A total of 56 percent said they would prefer a house with a small yard and having the ability to walk to places vs. 44 percent who would prefer a large yard and would need to drive to most places.
- A total of 53 percent would prefer an attached dwelling (own or rent a townhouse/condo/apartment) and be able to walk to shops, restaurants, and a short commute to work vs. 47 percent who would prefer a single-family home (own or rent) and have to drive to shops, restaurants and a longer commute.

NAR's biannual Community and Transportation Preferences Survey polls residents in America's 50 largest metropolitan areas. The complete results can be found at: www.nar.realtor/reports/nar-community-and-transportation-preference-surveys, association officials said.

NAR is America's largest trade association, representing more than 1.5 million members involved in all aspects of the residential and commercial real estate industries, association officials added.

The Yonkers IDA Votes Final Approval of Incentives for Four Multifamily Residential Developments Representing $291M in Private Investment

YONKERS

The Yonkers Industrial Development Agency (YIDA) voted at its May 25 monthly meeting final approval of financial incentives for four multifamily residential developments - Bridgewater North, Miroza Tower, 345 McLean Avenue and 83-95 Vineyard. The four projects represent a total of $291 million in private investment and will create a total of 612 new residential units and 660 construction jobs, officials said.

Bridgewater North is the first phase of Ginsburg Development Companies' Ludlow development project to take place on the 150 Downing Street property. The $96.5 million project will feature 208 rental apartments on seven floors above two levels of parking. Ten percent of the units will be affordable. The building's amenities will include 24/7 Concierge Services, a Fitness Center, Club Room, and Roof Deck. It is expected to create 250 construction jobs. On-site improvements include the restoration of O'Boyle Park, located just north of the project site; the extension of Bridge Street from Knowles Street to Downing Street; and the creation of a new Bridge Street Park and Promenade that will connect the train station area to O'Boyle Park, officials said.

Officials said that Miroza Tower, which is being developed by a subsidiary of Azorim Construction Co. Ltd., will be a 27-story, mixed-use building at 44 Hudson Street. The $126 million project will comprise a 267-unit, mainly residential tower designed uniquely to become an architectural landmark for downtown Yonkers. The tower will include a party room, library, conference room, gym, two resident lounges, rooftop garden, and a children's playroom. The project will also include 1,699 square feet of retail space on the first floor and a 222-space parking garage. There will be the requisite number of affordable rental units made available. The project is expected to create 175 jobs.

345 McLean Avenue is a $56.8 million, 12-story residential building that will feature 105 studio, one- and two-bedroom apartments for seniors 62 years of age and older whose income is at or below 60 percent of Westchester County's Area Median Income (AMI). Residents of the building will have access to a community room equipped with computers, a library, recreational space, property manager's office, Supportive Housing office, laundry room and bike storage. Project developer Verus Development is requesting a 30-year property tax abatement. The project is expected to create 125 construction jobs.

Plans for 83-95 Vineyard Avenue, officials added, call for transforming a vacant and overgrown site into an $11.7 million, 4-story residential building with 32 rental units and on-site parking for 47 cars on a new parking deck at the rear of the building. The apartments will include 24 one-bedroom units and eight two-bedroom units. The ground floor of the building will have a mechanical space, laundry area and bike room. The project is expected to create 110 construction jobs.

GDC and Rockland Officials Celebrate the Grand Opening of Admirals Cove, Continued from p. 9

delighted to see Martin Ginsburg's vision for our Hudson River waterfront become a reality," said Haverstraw Town Supervisor Howard T. Phillips, Jr.

"The Village is pleased to see the Admirals Cove complex opening for rentals. It has been several years in the making, and we are excited to add new residents and vibrancy to our waterfront. This new beautifully designed and landscaped project, with the planned new ferry terminal building, an expansive new waterfront restaurant and reimagined marina, will make Admirals Cove a guaranteed destination location for years to come," said Haverstraw Village Mayor Michael Kohut.

New CEO Takes the Helm at The National Association of Home Builders (NAHB)

WASHINGTON, D.C.

The National Association of Home Builders (NAHB) recently announced that it has named James W. Tobin III as the association's new President and Chief Executive Officer (CEO).

Tobin, executive vice president and chief lobbyist at NAHB, succeeded Chief Executive Officer Jerry Howard, who is leaving NAHB after more than 30 years. Tobin assumed the new post effective June 1, association officials said.

Following an extensive search process, association officials added, the NAHB Board of Directors on May 3 ratified the selection of the Chief Executive Officer (CEO) Search Committee to appoint Tobin to lead the 140,000-member association.

"Today is a big day for the future of our association. After a comprehensive search process and transition plan, we feel very confident that we have selected the best person to represent NAHB and serve as a key voice of the housing industry," said NAHB Chairman Alicia Huey, a custom home builder and developer from Birmingham, Ala. "Jim brings more than 20 years of experience in the housing industry to the post. His proven track record of success in leading NAHB's federal legislative advocacy makes him uniquely qualified to lead our association in the years ahead."

Tobin joined NAHB in 1998. In his role as Executive Vice President, Government Affairs and Chief Lobbyist, he directed the federal, state and local lobbying, as well as political activities for NAHB. He also guided the activities of the association's political action committee, BUILD-PAC, and its grassroots network. Before becoming NAHB's Chief Lobbyist, Tobin was NAHB's Vice President for Federal Relations. Prior to NAHB, he was the Senior Legislative Assistant to former U.S. Representative Frank Riggs (Calif.) and former U.S. Representative Gary Franks (Conn.), association officials said.

"I'm honored to have been selected as Chief Executive Officer of this outstanding organization," said Tobin. "The work that our members do is incredibly important and has a huge impact in every community across this country. I look forward to representing our staff and members in advocating for the future of the housing industry."

Tobin will be based at NAHB's headquarters in Washington, D.C., where he will lead NAHB's more than 200 staff members. The Chief Executive Officer is also part of NAHB's National Leadership Team, which also includes the Senior Officers of the Board, who are elected annually by the Leadership Council, NAHB officials said.

Housing Affordability Posts Solid Gains but is Still Much Lower from a Year Ago, Industry Report Says

WASHINGTON, D.C.

Solid nominal wage gains (unadjusted for inflation) combined with lower mortgage rates and home prices helped to boost housing affordability across the U.S. at the start of 2023, but ongoing building material supply chain issues and expected wage growth cooling signal ongoing concerns for affordability conditions in the year ahead.

According to the National Association of Home Builders (NAHB)/Wells Fargo Housing Opportunity Index (HOI), 45.6 percent of new and existing homes sold between the beginning of January and end of March were affordable to families earning the U.S. median income of $96,300. This is up from 38.1 percent posted in the fourth quarter of last year, which was the lowest level since NAHB began tracking affordability on a consistent basis in 2012. However, the first quarter 2023 HOI reading remains significantly lower than the first quarter 2022 score of 56.9 percent, a reminder of ongoing housing affordability challenges, NAHB officials said.

"An uptick in housing affordability in the first quarter of 2023 corresponds to a rise in builder sentiment over the same period as well as an increase in single-family permits," said NAHB Chairman Alicia Huey, a custom home builder from Birmingham, Ala. "And while buyer conditions improved at the beginning of the year, builders continue to wrestle with a host of affordability challenges. These include a shortage of distribution transformers and concrete that are delaying housing projects and raising construction costs, a lack of skilled workers and tightening credit conditions."

"Elevated interest rates and higher home prices coming out of the pandemic have left housing affordability conditions considerably lower on a year-over-year basis," said NAHB Chief Economist Robert Dietz. "While affordability posted a gain in the first quarter, it is still well below the breakeven point of 50. The lack of housing units is the primary cause of the nation's housing affordability challenges, and the best way to reduce housing costs and fight inflation is to put into place policies that will allow builders to construct more attainable housing."

The HOI shows that the national median home price fell to $365,000 in the first quarter, down from $370,000 in the final quarter of last year. Meanwhile, average mortgage rates were 6.46 percent in the first quarter, down from a series high of 6.80 percent in the fourth quarter. The U.S. median family income rose 7 percent from 2022 to 2023, from $90,000 to $96,300, NAHB officials said.

The Most and Least Affordable Markets in the First Quarter

Lansing-East Lansing, Mich., was the nation's most affordable major housing market, defined as a metro with a population of at least 500,000. There, 87.5 percent of all new and existing homes sold in the first quarter were affordable to families earning the area's median income of $97,800, according to NAHB officials.

Top five affordable major housing markets:

1. Lansing-East Lansing, Mich.
2. Scranton-Wilkes-Barre, Pa.
3. Rochester, N.Y.
4. Toledo, Ohio
5. Pittsburgh, Pa.

Meanwhile, Cumberland, Md.-W.Va., was rated the nation's most affordable small market, with 93.5 percent of homes sold in the first quarter being affordable to families earning the median income of $89,900, NAHB officials said.

Top five affordable small housing markets:

1. Cumberland, Md-W.Va.
2. Elmira, N.Y.
3. Kokomo, Ind.
4. Springfield, Ohio
5. Wheeling, W.Va.-Ohio

For the 10th straight quarter, Los Angeles-Long Beach-Glendale, Calif., remained the nation's least affordable major housing market. There, just 4.1 percent of the homes sold during the first quarter were affordable to families earning the area's median income of $97,500, according to NAHB officials.

Top five least affordable major housing markets - all located in California:

1. Los Angeles-Long Beach-Glendale
2. Anaheim-Santa Ana-Irvine
3. San Diego-Chula Vista-Carlsbad
4. San Francisco-San Mateo-Redwood City
5. San Jose-Sunnyvale-Santa Clara

The top five least affordable small housing markets were also in the Golden State. At the very bottom of the affordability chart was Napa, Calif., where 6.6 percent of all new and existing homes sold in the first quarter were affordable to families earning the area's median income of $129,600, NAHB officials said.

Top five least affordable small housing markets—all located in California:

1. Napa
2. Salinas
3. San Luis Obispo-Paso Robles
4. Santa Maria-Santa Barbara
5. Merced

More information can be obtained at nahb.org/hoi (tables, historic data and details), NAHB officials added.

Officials: Stella Fully Leased 15 Months After Its Debut

NEW ROCHELLE

In a milestone for one of New Rochelle's most successful new luxury rental communities, Stella is fully leased 15 months after its debut, officials recently announced.

Located at 10 Le Count Place in the heart of downtown New Rochelle, the award-winning, 28-story, mixed-use residential tower features 380 elegantly designed studios, one-, and two--bedroom apartments, officials said.

Stella, which is a development of WBP Development LLC, and LMXD, an affiliate of L+M Development Partners, recently won the Westchester Home 2023 Builders Award as Westchester's Best Luxury Multifamily Development, officials added.

Officials said that Stella is also winning raves from residents who are attracted to the spaciously designed apartments, best-in-class amenities, convenient access to the nearby Metro North-Amtrak station and breathtaking views of Long island Sound and Manhattan.

"I turn the door handle walk through my door, and I am home. This apartment is all I ever wanted and more," said Stella resident Lawrence Gold.

Easy access to the Metro-North station plus the amenities were factors for Kerry and William Holmes, who moved from New York City to a one-bedroom apartment on the 22nd floor of Stella last July.

"Stella offers immense value for the price point and we couldn't refuse! We truly feel like we got everything we wanted in our new home," said Kerry Holmes.

Officials said that whether it's the amenities, easy access to the train, the friendly staff or the spectacular water views, these are all reasons why Himaja Nekkalapudi chose to move to Stella. But most of all, they added, it is the pet friendly environment.

"Stella is the only building I found that allowed dogs on the larger side! I was looking for an apartment for almost two months before deciding on Stella," she said.

Luxury amenities, officials said, are a significant attraction at Stella. With the start of summer, residents will soon be enjoying the roof-top outdoor pool, chef demonstration kitchen and rooftop bar lounge. There is also concierge service, a 3,000-square- foot state-of-the-art fitness center, resident lounges with bars, co-working spaces, a children's play room, a game room with a pool table, indoor parking and bike storage. For dog owners, Stella features a pet spa with an outdoor play area. In a feature unique for this market, Stella's lobby is home to the first Joe Coffee café in Westchester.

Officials said that Stella is drawing young professionals, many of whom work in finance and health care. Geographically, about a third of its residents are from New Rochelle and the nearby communities of Mamaroneck, Rye, Pelham and Larchmont. More than half of the residents are from New York City. Many are seeking New York City quality apartments and amenities but at a more affordable price point. As for work, more than half of Stella residents work in Brooklyn, Bronx, Manhattan and Queens. The easy access to Metro-North is an important benefit that takes the hassle out of a daily commute to work, officials added.

"We are extremely proud to have had the opportunity to lease the homes at Stella in record time," said Jackie Urgo, president of The Marketing Directors, the exclusive leasing and marketing agent for Stella. "It is an incredible community with an unmatched lifestyle offering in New Rochelle, minutes from the Metro North train, and within close proximity to Manhattan and all the conveniences of Westchester County."

"We are delighted to be a part of the incredible urban transformation under way in downtown New Rochelle. Stella offers a winning combination of excellent design, extraordinary amenities and convenient access to Metro-North," said James Wendling, chief operating officer of WBP Development.

"The leasing success of Stella is a testament to the award-wining team we assembled for this exciting development. The result is a beautiful building that is setting a new standard of excellence in multifamily living in New Rochelle and Westchester County," said Katherine Kelman, managing director of LXMD.