

How These New Yorkers Scored amazing Ultra-cheap Rentals

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Rachael Stein must have one of the best deals in New York City.

The 24-year-old, who works in children's publishing, pays \$895 for a one-bedroom apartment at the Hub, a Downtown Brooklyn rental tower that opened this year. For an extra \$40 each month, she gets access to an entire floor of amenities, with snazzy perks including a gym, a pool and a game room.

For Stein, who moved to her new place in August, the upgrade is still a shock. "I'm coming from a fourth-floor walkup that was far from the subway," she says. "Now I'm never moving. I joke that my ghost will live here."

After a decade of trying to find an affordable apartment, Shirley Rivera, 43, finally nabbed a Hunter's Point South pad for her family. It comes with a sweet rooftop garden.

A rare success story in the cutthroat world of New York City real estate, Stein lives in what's known as an 80/20 building. Steiner Development was allowed to make the Hub taller in exchange for earmarking 20 percent of its 740 units affordable. That means 150 apartments were reserved for New Yorkers earning less than 60 percent of the area's median income. They range from \$833/month studios to \$1,082/month two-bedrooms, while market-rate Hub pads start



at \$2,217/month and go to \$5,381/month. Like in many buildings of this type, applicants' income parameters depend in the specific unit sought and household size. For the Hub, their annual pay had to fall between \$29,898 and \$54,360.

The Hub is one of a crop of new developments redefining what affordable housing looks like in New York. Instead of dated tenement buildings or lofts whose rent-regulation status predates 1970s-era Mayor Ed Koch, these units come in brand-new buildings with sophisticated trappings. As in Steiner's case, the city has let developers erect denser buildings

than zoning allows — and also offered tax breaks — in exchange for new projects that include affordable rentals. The units are intended for low- to middle-income New Yorkers; rents are contingent on the neighborhood's median income. To nab one of these units, hopefuls must apply through a city-run lottery, which typically lures tens of thousands of applicants who vie for a few dozen available apartments in any given building.

This summer, move-ins began at Williamsburg's mixed-income 325 Kent Ave. Aether Images

As property prices across the five boroughs climb to record peaks, lottery winners like Stein realize how lucky they are. Most of them have spent years combing through NYC Housing Connect, the online portal hosted by the Housing Preservation & Development (HPD) department that lists every lottery in the city.

Bridal consultant Shirley Rivera entered such sweepstakes for a decade before scoring a jackpot: her two-bedroom apartment in Hunter's Point South Living, a 925-unit complex by Related in Long Island City. "I got discouraged," the 43-year-old tells *The Post*, "and started feeling like [the process] was fake." But in 2015, after a grueling 10-month application process, she beat out 92,000 other New Yorkers to score her spread, where she lives with her husband and son, for \$648 a month. With so many units of different sizes to fill, the Hunter's Point South lottery was unusually broad in its economic eligibility. It dictated that applicants had to make between \$18,618 and \$200,000 a year, with winning tenants paying anywhere from \$494/month for a studio (for a low-income resident) up to \$4,346/month for a three-bedroom (for one with a moderate income).

For many New York developers, these projects are not merely a requirement or a suggestion but a point of pride. "The attitude we took [building Hunter's Point South] was to make this the best possible affordable housing we could possibly build," says Frank Monterisi, a senior vice president at Related.

Dunn Development Corp. founder Martin Dunn also believes "deeply affordable projects can be super high quality." He compares the mixed-income model, which he adopts for most of his projects, to "a community that everyone can be a part of." At Dunn's newly opened 410 Manhattan Ave., an all-affordable 50-unit building in Williamsburg, there are units for 22 different income ranges — between \$19,612 to \$72,480 — and 10 different rent tiers.

Dunn received more than 80,000 applications, including one from Jessica Alexander. After a year of entering various lotteries, the stay-at-home mom, 30, scored at 410 Manhattan Ave., paying \$647 a month for a two-bedroom there. For her, one of the biggest perks is being able to afford rent in Williamsburg, where the average apartment costs \$3,094/month. "I've got a doctor's office and a good school for my kids nearby," she says.



Kristen Pedersen, a 38-year-old who works in education, snagged her apartment at the all-affordable new development 535 Carlton Ave. in Prospect Heights. The cheapest apartments there go for \$532/month to those with lower incomes. Zandy Mangold

Affordable housing is also constructed as part of an incentive program for developers building so-called “mega-projects,” like Brooklyn’s Pacific Park or the Lower East Side’s Essex Crossing. Kristen Pedersen, a 38-year-old who works in education, considered leaving New York until she won the lottery for 535 Carlton Ave., an affordable 303-unit rental within Pacific Park. She moved into her \$2,170/month, one-bedroom pad this fall, when it was ready. “This building would have never been on my radar,” she says. The income bands for this building were broad: Someone making as little as \$20,126/year could secure a studio for \$532/month, while someone making as much as \$173,415/year would pay \$3,695/month for a three-bedroom.

Such developments include more units, and in turn attract particularly high numbers of applicants. More than 87,000 New Yorkers threw their hats in the ring for 104 units at 325 Kent Ave., a rental with 522 total apartments that is the first building to open as part of Two Trees’ Domino sugar factory redevelopment along the Williamsburg waterfront. Income requirements for candidates ranged between \$21,772 and \$54,360, with rents between \$596 and \$979.

Move-ins began this summer.

Of Via 57 West’s 709 rentals, 178 have been set aside for low- and middle-income tenants. Those New Yorkers who beat the odds go through an intensive process, complete with paperwork and in-person interviews to verify their financial backgrounds. In a second lottery, at new Midtown development Via 57 West, 64,000 applications poured in for 36 moderate-income units. Rents for a studio will start as low as \$1,448, while a market-rate studio there starts around \$3,000. A building spokesman, however, guesses that more than 90 percent of those applicants won’t even qualify. “Either their income is too high, or too low, or they have some other disqualification,” he says.

So — presuming finances stack up with what a particular lottery requires — is there a way improve your chances at these daunting crapshoots? Robin Warshay secured a co-op in Lower Manhattan in 1991 for less than \$8,000 through the Mitchell-Lama program, also run through HPD. She now helps clients navigate the lottery system, charging roughly \$200 for two years of guidance, and sells a \$9.99 affordable housing manual on her Web site.

Warshay, 72, recommends that hopefuls open an account on the NYC Housing Connect portal and “apply for every

lottery you qualify for,” she says. “A client who wants to live in Williamsburg needs to also consider Queens and Staten Island.”

If your income level checks out for a certain building and you make it to the second round, you’ll hand over tons of personal paperwork to prove your income and expenses, from bank statements to telephone bills. “It’s like applying for a mortgage,” says Pedersen, who got help arranging all her documents from her company’s human resources department. Keep your documents in a dedicated folder, Warshay recommends, and file everything on time. “If you miss a deadline, there’s someone to take your place,” Warshay says.

Be prepared for an unpredictable timeline — winners of housing lotteries say there’s no way to know how long any given application process will take, and, if you make it all the way through, a move-in date can be handed down at any time.

Above all, successful applicants say, don’t get discouraged. “It’s not fake, but it is hard,” says Ava Javier, a 30-year-old office manager who applied for affordable units on and off for nine years and became convinced the lotteries were a sham. After finding no luck applying online, she began mailing and faxing paper applications.

Ultimately, Javier nabbed a top-floor studio within Greenpoint Landing, a complex under construction in Brooklyn by L&M Development Partners, for \$788 a month.

Out of 5,000 total apartments planned for the project, 1,000 will be affordable.

Ready to get started? Lotteries are currently open for several buildings across the city, including 225 Cherry St. on the Lower East Side and 221 W. 29th St. in Chelsea, both under construction. Applying may be hard, tenants add, but it’s worth it.

“The process is tedious and strict ... I almost lost it,” says Rivera of her Long Island City find. “But getting this apartment has changed my life.”