



NEW YORK CITY COMPTROLLER
BRAD LANDER

Spotlight —

What Difference Does a Generation Make?

Generational Shifts in Demographics and
Economic Outcomes in New York City

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Introduction

Americans often talk in terms of “generations” as we think about our demographics, our economic opportunities and outcomes, our attitudes, and more. The categories we often use—Baby Boomers, Gen X, Millennials, Gen Z—are arbitrary ones, of course, as things are constantly shifting. And for our “by the numbers” purposes, we won’t opine on the attitudes or stereotypes that are often applied to each generation. Still, the framework of generational cohorts can be valuable for analyzing trends that help us understand how our economy and our city are changing over time.

Often, these debates take on a “things are getting better” or “the good-old days are gone” tenor. On one side are optimists, who note that [worker productivity](#) has steadily and significantly risen for decades, and that inflation-adjusted [median incomes](#) are at or near all-time highs. On the other hand, skeptics point to skyrocketing [income](#) and [wealth inequality](#), along with the fact that the cost of families’ [fundamental needs](#)—notably housing, education, and health care—have significantly outpaced general price inflation.

This Spotlight uses survey data to quantify some of the varied economic outcomes that individuals have faced across generations in New York City over the past 60-plus years, and how these trends compare to the country as a whole.

Table 1. Generational Definitions

We define each generation by its range of birth years, as follows:

Generation	Birth Years
Baby Boomers	1946 - 1964
Generation X	1965 - 1980
Millennials	1981 - 1996
Generation Z	1997 - 2012

A few topline stories emerge. First, not only is New York City more racially diverse than the rest of the country, but since 1960 the city has grown more diverse than the country at a faster rate—especially among Asian and Hispanic populations. We also see changing age profiles among racial groups: New York’s Black population has gotten older on average, as has the Hispanic population to a lesser extent, while Asian New Yorkers have seen the highest growth among the middle-aged.

The data provide a mixed picture of changes in socioeconomic outcomes and affordability between generations. Successive generations have achieved significantly higher educational levels by age 25. When controlling for age, median real (i.e., inflation-adjusted) income has also risen with each generation, though arguably not to the same extent as educational attainment.

But when we index individual income growth to growth in rental costs (rather than general price inflation), the trend not only vanishes but partially reverses.

Income disparities have gotten significantly wider with each generation, and to a far greater degree in New York City than nationwide. Racial income disparities have also generally widened over time, though in New York this holds truer for those at the upper end of each racial group's income distribution than for median earners. The overall labor force participation rate has increased with each generation, driven entirely by women; men's labor force participation has shrunk since the 1990s.

When we dive deeper into housing affordability, we find that younger generations pay more in rent, not only in any given year but also when controlling for age. While generational disparities exist nationwide, Millennial and Gen Z New Yorkers in particular pay far more than their Baby Boomer and Gen X counterparts did at the same age. The gap between cohorts is even more pronounced in New York than it is in the rest of the country. Homeownership rates have also declined with each successive generation, although white and Asian people are more likely to be homeowners than Black and Hispanic people in both New York and the U.S. And in New York, access to rent-stabilized housing has significantly declined with each generation, leaving more young people paying at the city's notoriously high market rents.

Methodology

For our demographic analysis and analysis of most economic outcomes, we rely on U.S. Census Bureau data. Prior to 2001, we use [decennial 5% surveys](#)—which contain records of a 5 percent sample of U.S. individuals and housing units—taken in the years 1960, 1970, 1980, 1990, and 2000.¹ From 2001 forward, we use annual American Community Survey (ACS) microdata. Because city identifiers aren't available in the 2001-2004 ACS, we omit those years for New York City-specific analysis.

For more detailed insight into housing access and affordability, we supplement ACS data with New York City's [Housing and Vacancy Survey](#) (HVS) and the Census [American Housing Survey](#) (AHS). The HVS's publicly available data goes as far back as 1991, while the AHS has been administered since 1973. Both surveys are administered every few years, though the exact frequency can vary, and the years do not always overlap.

Note on Dynamic Charts

The [web version](#) of this Spotlight includes multiple dynamic charts, in which different analytical dimensions can be toggled using dropdown menus—specifying, for example, year, geography, race, and sex. For the purposes of this printed version, we include up to two “iterations” of each dynamic chart in visual form. The reader is encouraged to browse the Spotlight's web version to view additional filtered visualizations of the data as discussed below.

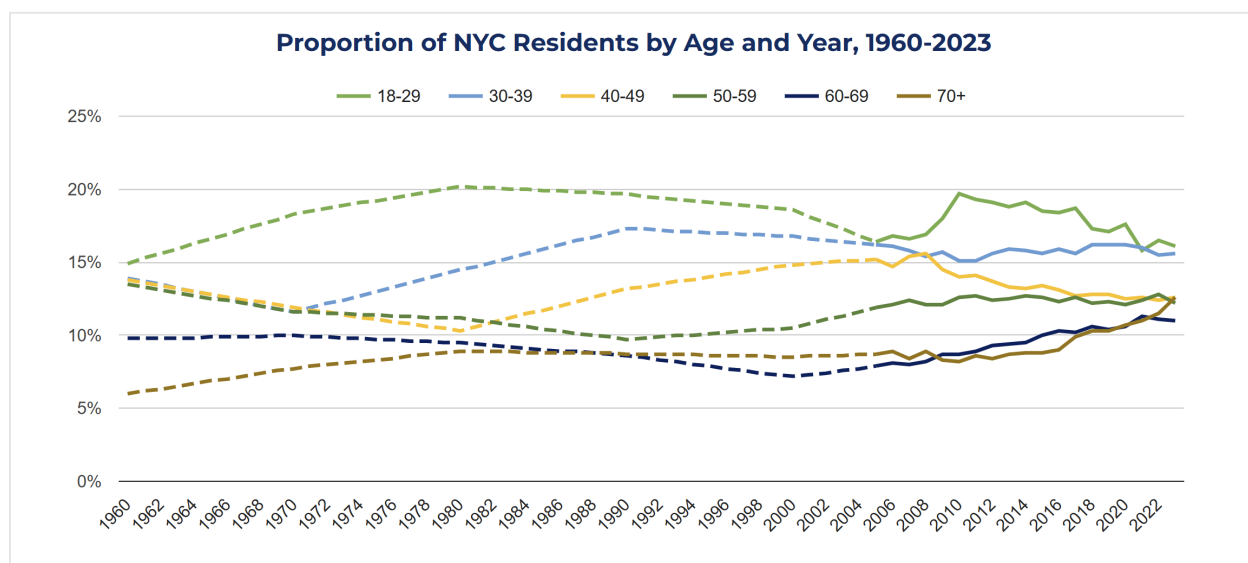
Demographic shifts

The proportion of children in New York City has always been lower than in the rest of the United States, though that gap has steadily narrowed since the 1960s, even as the percentage of children has plummeted across the board. As of 2023, children under 18 made up about 19.8 percent of the city’s residents, compared to 21.7 percent nationwide. In 1960, those figures were 28.2 percent and 36.0 percent, respectively. The general decline in the proportion of children in the United States is [attributable](#) to both longer life expectancy and declining birth rates—though the latter is partially offset by youth-heavy [immigration](#), particularly among Hispanics and Asians.

Chart 1 illustrates how New York City’s age makeup has shifted over time among adults. People in their 20s and 30s make up the largest share of New Yorkers. However, there has been a noticeable decline in the city’s share of adults under 30 since 2010, after briefly spiking between 2005-2010. [Some researchers](#) attribute New York City’s declining young adult population, at least in part, to high and rising housing costs as well as a general decline in foreign and domestic net in-migration, which tend to disproportionately consist of younger people.

On the other hand, the proportion of New Yorkers over age 70 has risen significantly, from 6.0 percent in 1960 to 12.6 percent in 2023—closely tracking a shift from 5.6 percent to 12.0 percent over the same period nationwide (not depicted in the chart). Again, this shift can be explained by longer life expectancies as well as the aging of the Baby Boomer cohort—famously named as such for the higher birth rates of their generation.

Chart 1

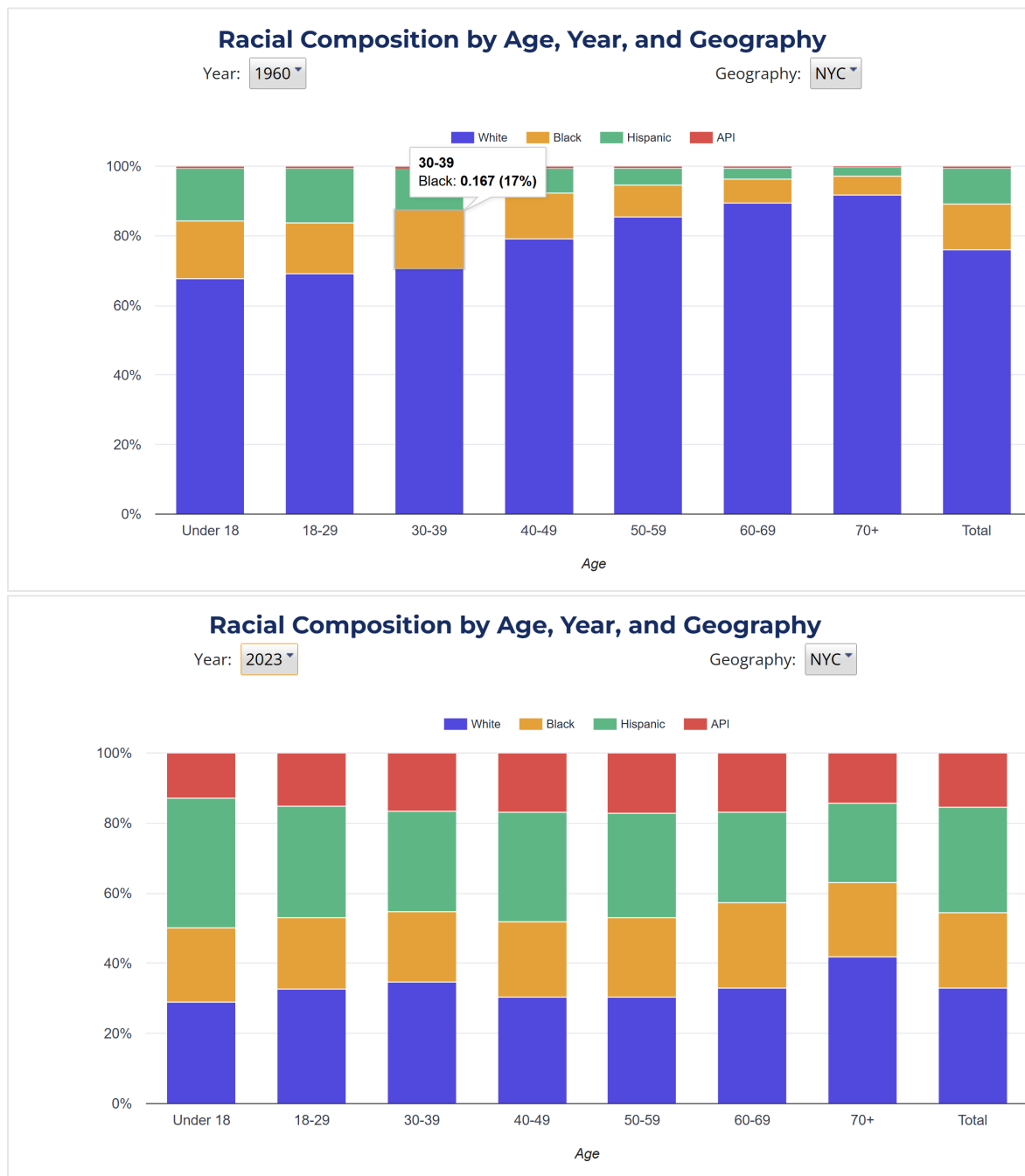


Source: American Community Survey via IPUMS USA (University of Minnesota)

Note: Data prior to 2005 available only for years 1960, 1970, 1980, 1990, 2000. Data for the intervening years are interpolated.

Racially, New York City has always been more diverse than the country at large, but over the years this trend has grown more prominent. Chart 2 shows how the racial composition of different age groups has shifted since 1960, both in New York and nationwide.

Chart 2



Source: American Community Survey via IPUMS USA (University of Minnesota)

Note: Please review this Spotlight's [web version](#) to see data for additional years and for the United States.

In 1960, roughly three-quarters of New Yorkers identified as white; by 2023, only about one-third did. Throughout this time, the proportion of the population that is white has remained highest among older New Yorkers, especially those over 70.

Across the U.S., the trend has been similar. Whites dropped from 86 percent to 61 percent of the country's population over the same time period.² Nationwide, the proportion of the population that is white increases even more clearly and consistently when moving up the age ladder. The discrepancy has grown wider over time: from a range of 83 percent of those under age eighteen and 92 percent of those over age seventy in 1960, to 52 percent and 77 percent, respectively, in 2023.

The city's Hispanic population share has grown from 10 percent to 30 percent, with much of this growth occurring prior to the year 2000. Hispanic New Yorkers have remained disproportionately younger (under age 30) relative to other racial groups, but the extent of this phenomenon has lessened, reflecting a broadly [aging](#) U.S. Hispanic population. Hispanic population growth has been more pronounced nationwide than in New York City: growing from 3 percent to 21 percent of the population between 1960 and 2023.

The city's Asian and Pacific Islander (API) population has proportionately grown the most, from under 1 percent of the city in 1960 and only 3 percent in 1980, to 16 percent in 2023. The highest growth has been among the middle-aged, particularly those in their 40s and 50s, indicating an [aging population](#). Nationwide API representation growth has also been notable, though not as prominent—up to about 5 percent of the country's total adult population. Like in New York, the country's API has become slightly more prominent in the middle-age groups.

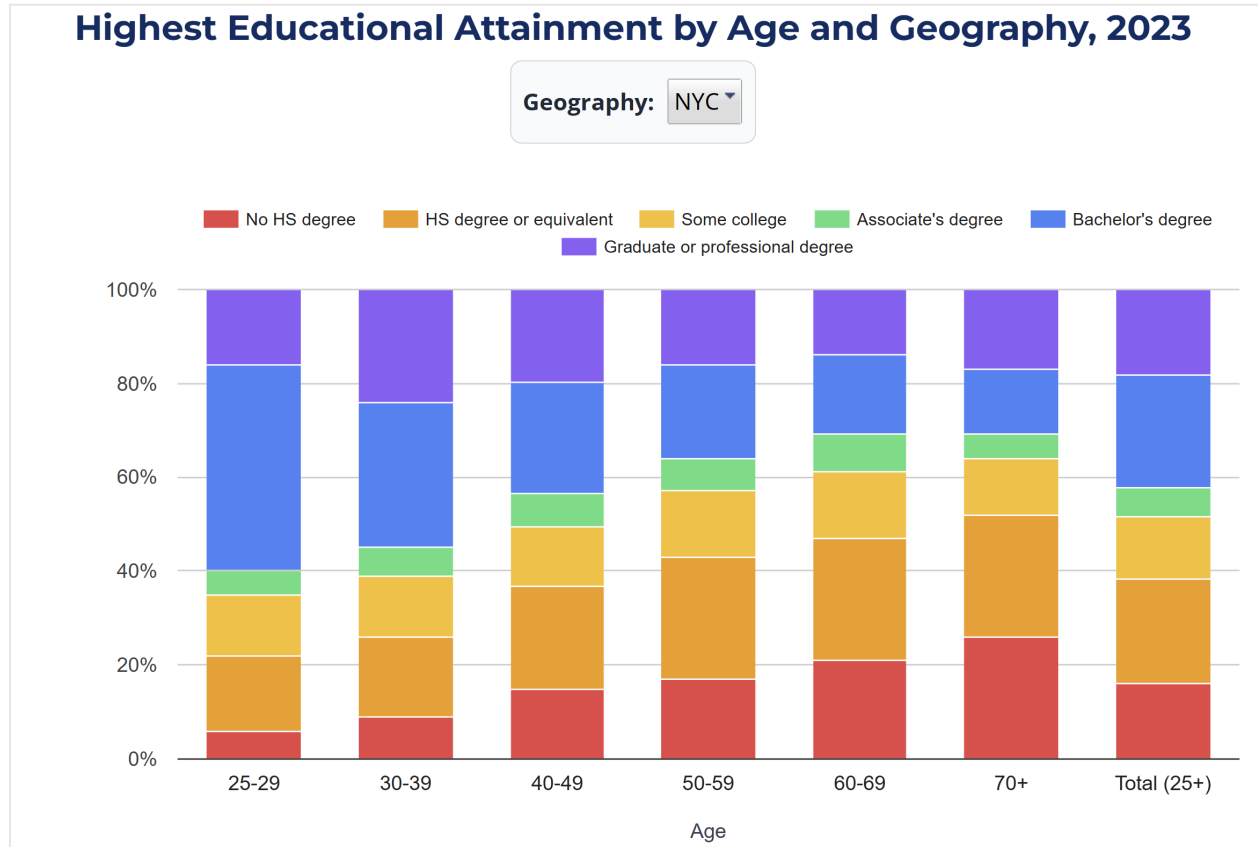
New York City's Black population has grown to a lesser extent than that of Asians and Hispanics. Their proportion has grown from 13 percent of adults in 1960 to a peak of 25 percent in the year 2000, but has since fallen to 21 percent. Through the year 2000, the city's Black population was disproportionately younger, but by 2023 they have become most represented among 50-69-year-olds. The city's aging Black population is tied in large part to the [long-term outmigration](#) of younger Black residents from New York and other major cities—likely springing from economic and social factors such as housing affordability and cost of living, gentrification pressures, and educational opportunities.

On the other hand, the Black population across the United States has remained disproportionately younger, reflecting [lower expected lifespans](#) among Black Americans compared to other racial groups—itsself a product of well-documented, structural [social determinants of health](#).

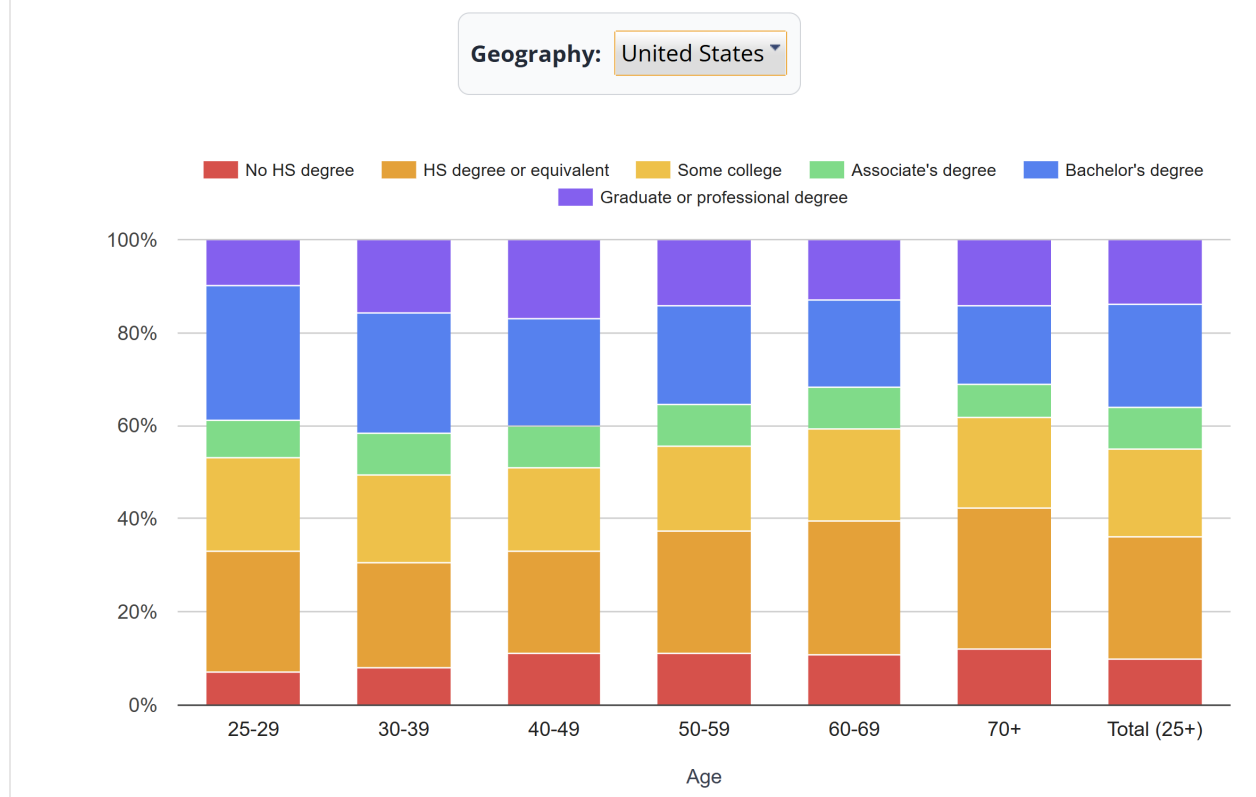
Socioeconomic outcomes

Successive generations in New York City have seen higher and higher educational attainment, even more so than in the rest of the United States. Chart 3 depicts the highest educational attainment by age in 2023 in both the city and nationwide.

Chart 3



Highest Educational Attainment by Age and Geography, 2023



Source: American Community Survey via IPUMS USA (University of Minnesota)

Note: To see the chart above in dynamic form, please review this Spotlight's [web version](#).

A full 60 percent of New Yorkers between ages 25-29 have completed a bachelor's degree or above, compared to only 31 percent of those age 60 and above. Nationwide, the comparable figures are 39 percent for those aged 25-29, 42 percent for those in their 30s (higher than for ages 25-29, unlike in New York City), and 31 percent of those 60 and above.

The steadily growing educational attainment of New Yorkers and Americans broadly is indicative of a broader [high-skill transition](#) in urban labor markets, particularly oriented around professional services. To make a stable living, young people are increasingly expected to seek and complete a college education.

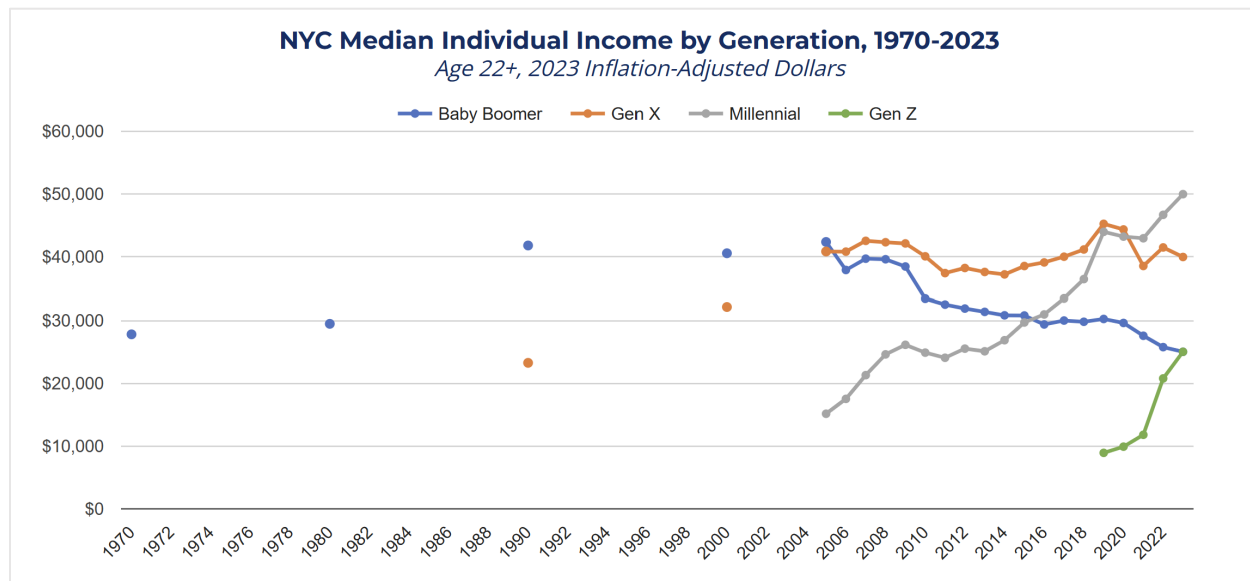
Whether the increasing educational attainment of younger generations translates into meaningfully better economic outcomes is a more complex question. Chart 4A tracks the median inflation-adjusted income of each generation over time, while Chart 4B compares the median income of generations at the same age.³ This analytical methodology helps us control for life-cycle effects—such as the fact that people of all generations tend to see their incomes increase with age—in order to better isolate generational cohort effects—or stated more plainly, the “changing times.”

It is also important to note that Charts 4A and 4B include *all* adults, including those who are unemployed and those who do not participate in the labor force. Baby Boomers' declining median income in recent years thus primarily reflects their shift into retirement age. The impact

of retirement on median income among aging Baby Boomers is also visible in Charts 4B, 5A, and 5B.

Compared with Gen X'ers and Baby Boomers, New York Millennials saw their incomes grow at a more rapid pace as they aged, to the point where in 2023 the median income of Millennials (age 27-42 that year) exceeded that of the older—but still mostly prime-working-age—Generation X (age 43-58).

Chart 4A

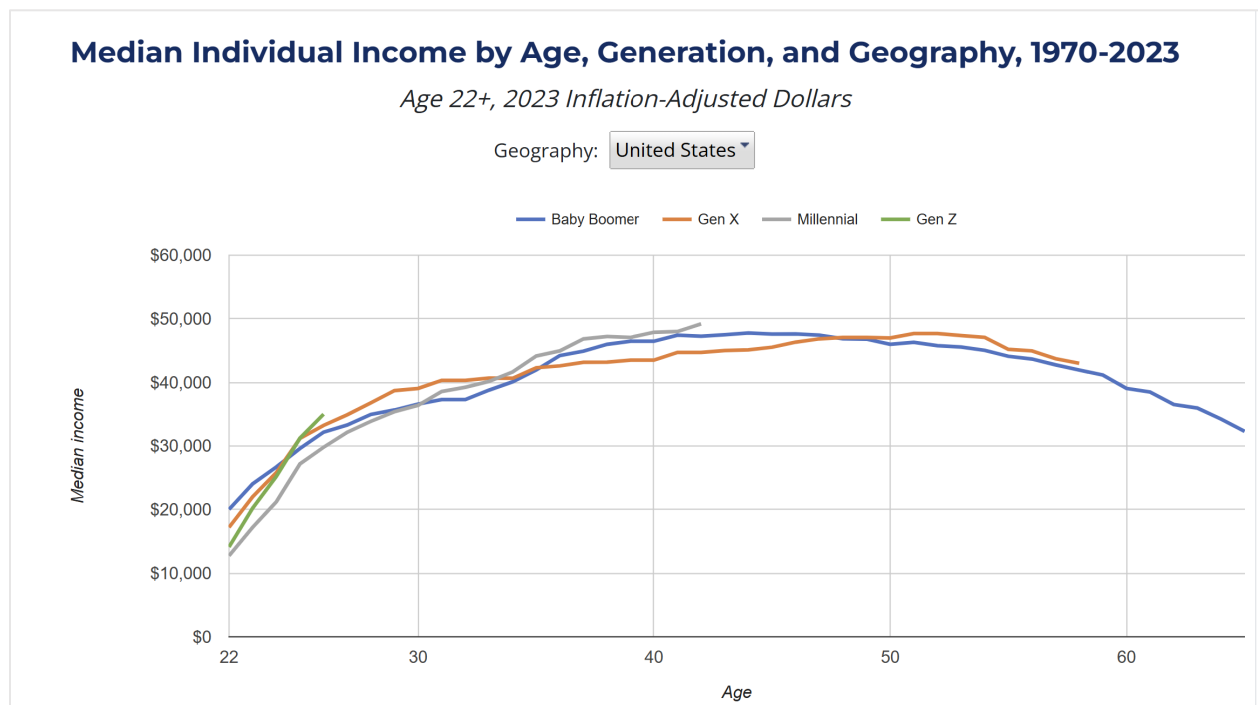
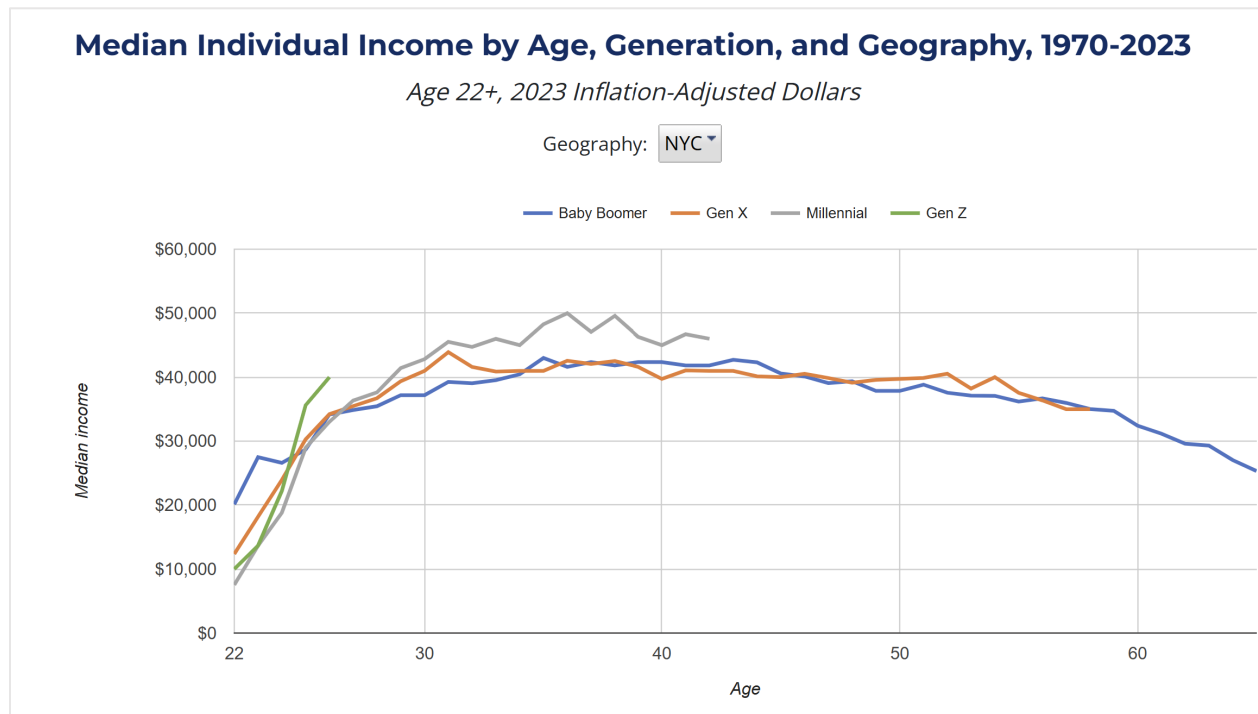


Source: American Community Survey via IPUMS USA (University of Minnesota)

Note: Data prior to 2005 available only for years 1960, 1970, 1980, 1990, 2000.

Controlling for age in Chart 4B, we see that New York Millennials had a slightly lower income through most of their 20s than did Gen X and Baby Boomers, a result of the fact that many came of working age during the Great Recession and the subsequent slow economic recovery. Beyond the age of 30, however, New York Millennials' median incomes have surged above those of older generations. Moreover, at least at ages 25 and 26, Generation Z median real (i.e., inflation-adjusted) income is outpacing even Millennials'.

Chart 4B



Source: American Community Survey via IPUMS USA (University of Minnesota)

Note: To see the chart above in dynamic form, please review this Spotlight's [web version](#).

Nationwide trends in median income across generations are mostly similar. As in New York, Millennials across the country saw a lower median income than any other generation through their early- and mid-20s. But unlike in New York, where Millennial real median income surpassed

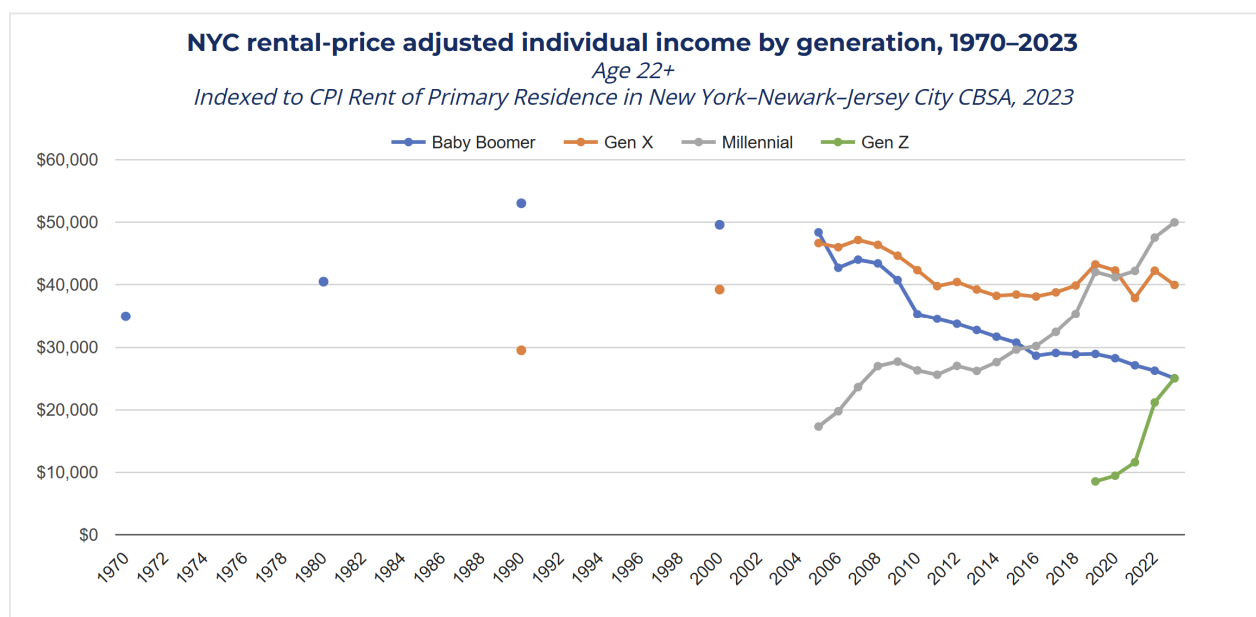
that of Gen X and Baby Boomers by age 27 and grew noticeably higher thereafter, it took until age 34 for Millennials to do the same nationwide, and their subsequent departure from older generations has not been as stark.

Another notable difference between New York City and the United States seen in Chart 4B is the fact that, beginning in middle age, Baby Boomers and Gen X New Yorkers have seen lower real median incomes than their nationwide counterparts.

When we isolate the income data to *full-time employed workers* only (not pictured in the chart), this discrepancy no longer holds. Rather, the median real income of Baby Boomer and Gen X full-time workers in New York remains largely similar to their nationwide counterparts at age 40 and beyond. The discrepancy must therefore stem from lower full-time labor force participation rates among older-generation New Yorkers compared to the country average. Chart 8, further below, which explores labor force participation rates across gender and generations in more detail, supports this explanation.

However, this story of successively higher incomes by generation becomes more nuanced when we compare income growth to rising rental costs. In Charts 5A and 5B, we index incomes to average rent in New York City and the United States using the Bureau of Labor Statistics' CPI Rent of Primary Residence for each respective geography.⁴

Chart 5A



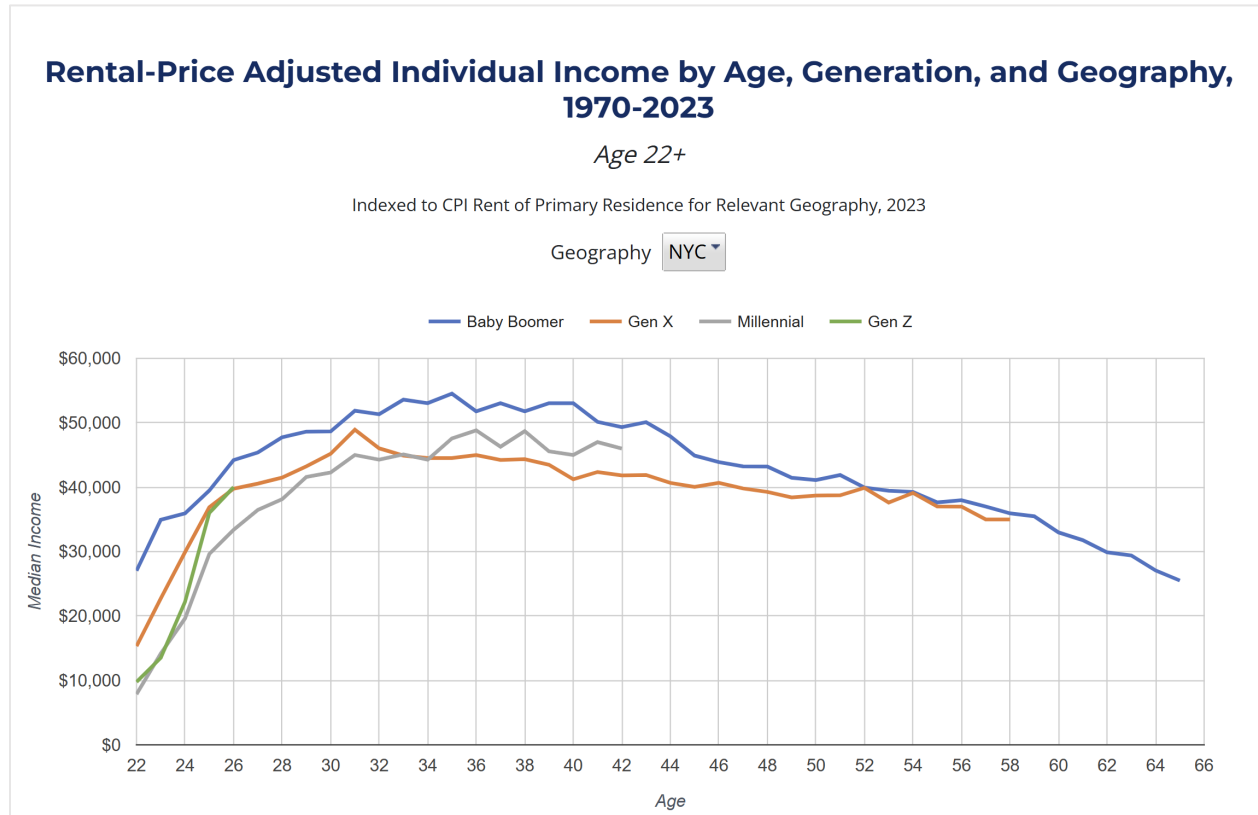
Source: American Community Survey via IPUMS USA (University of Minnesota)

Note: Data prior to 2005 available only for years 1960, 1970, 1980, 1990, 2000.

One of the most common economic complaints among younger generations is how much less accessible housing has become with each passing year—an idea which the data support. Indeed, when comparing income to rental prices, we see the trends of Chart 4B partially reverse in Chart

5B, such that Baby Boomers saw the highest real incomes in New York at any given age. Nationwide the same holds true.

Chart 5B

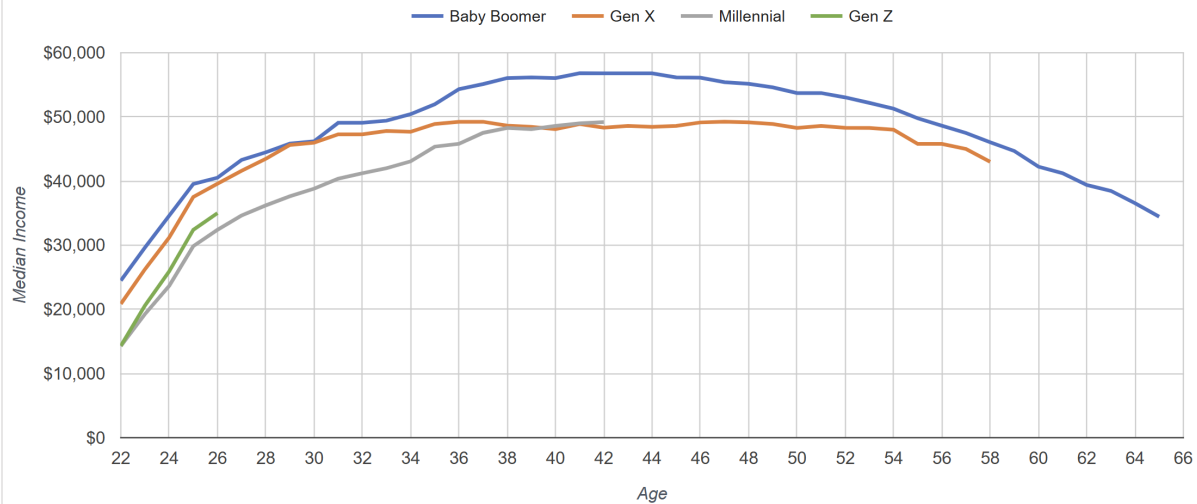


Rental-Price Adjusted Individual Income by Age, Generation, and Geography, 1970-2023

Age 22+

Indexed to CPI Rent of Primary Residence for Relevant Geography, 2023

Geography



Source: American Community Survey via IPUMS USA (University of Minnesota)

Note: To see the chart above in dynamic form, please review this Spotlight's [web version](#).

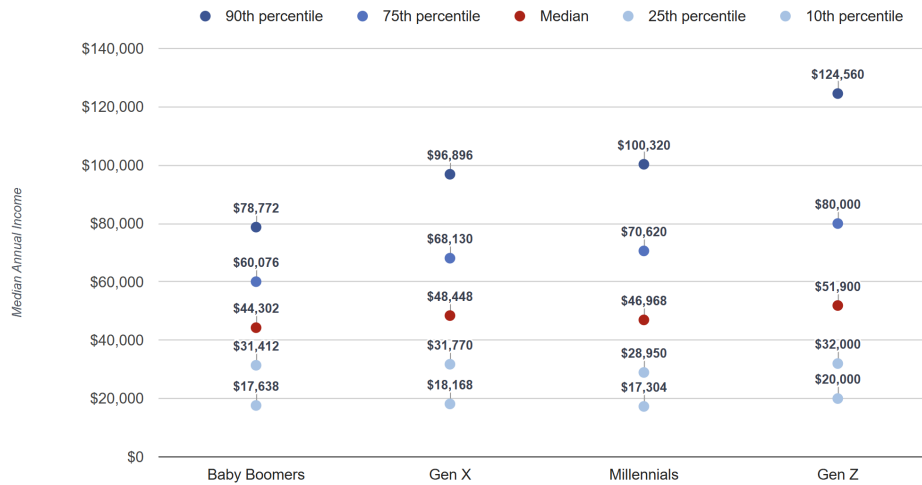
When we look at the income distribution across generations, rather than looking at median income alone, the results show a widening gap between high- and low-earners with each successive generation. Chart 6 maps the income distribution between the 10th and 90th percentile of full-time employees at ages 24 through 26 (the only age range for which we currently have data on all four generations in question while being more or less within prime working age).

Chart 6

Income Distribution at Ages 24-26 by Generation and Geography, 1970-2023

Full-Time Employed Workers, 2023 Inflation-Adjusted Dollars

Geography:



Income Distribution at Ages 24-26 by Generation and Geography, 1970-2023

Full-Time Employed Workers, 2023 Inflation-Adjusted Dollars

Geography:



Source: American Community Survey via IPUMS USA (University of Minnesota)

Note: To see the chart above in dynamic form, please review this Spotlight's [web version](#).

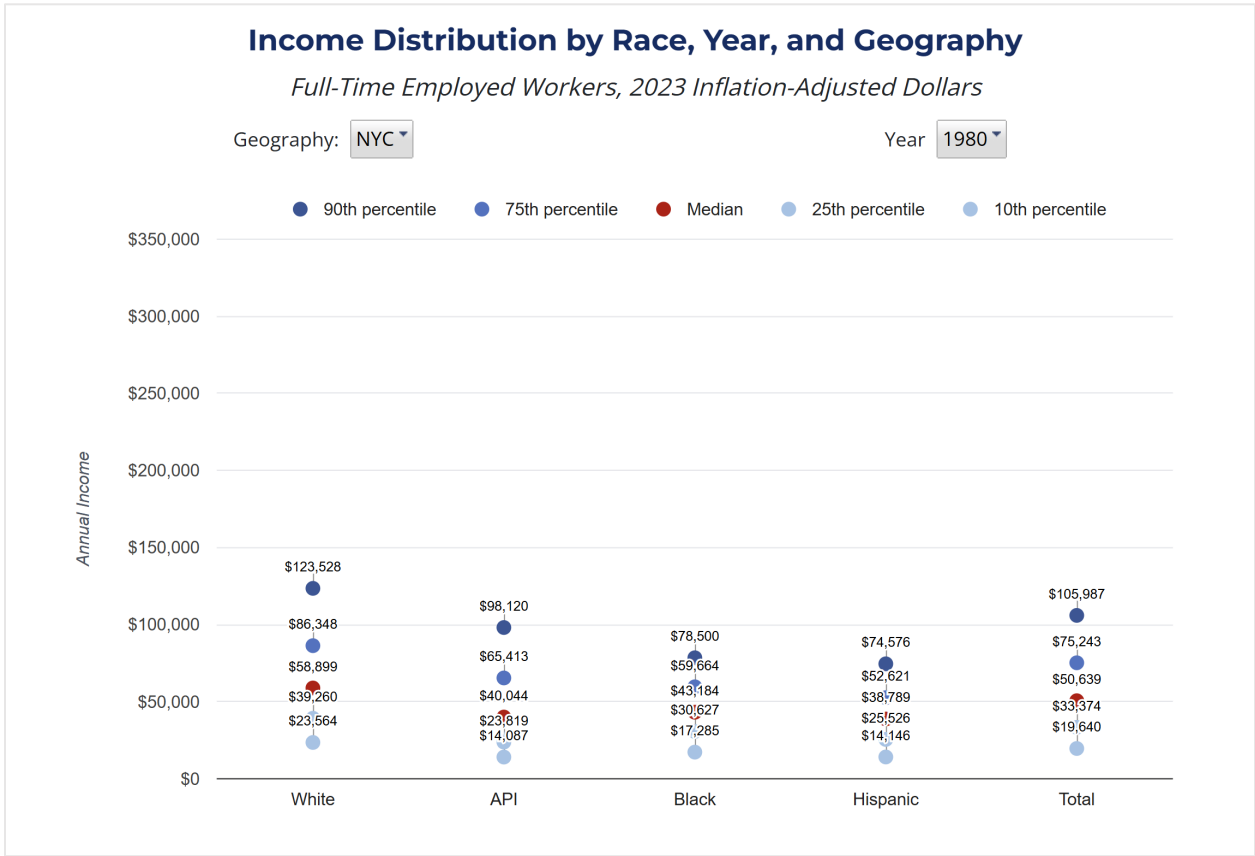
Both in New York and nationwide, the median income of full-time employed Millennials in their mid-20s was lower than those of Gen X and Gen Z, again reflecting post-2008 economic sluggishness. However, New York Millennials in the 75th and 90th percentiles were better off than their Gen X counterparts, reflecting a long, secular trend in growing income inequality driven by greater wage growth for high-earners than low-earners.

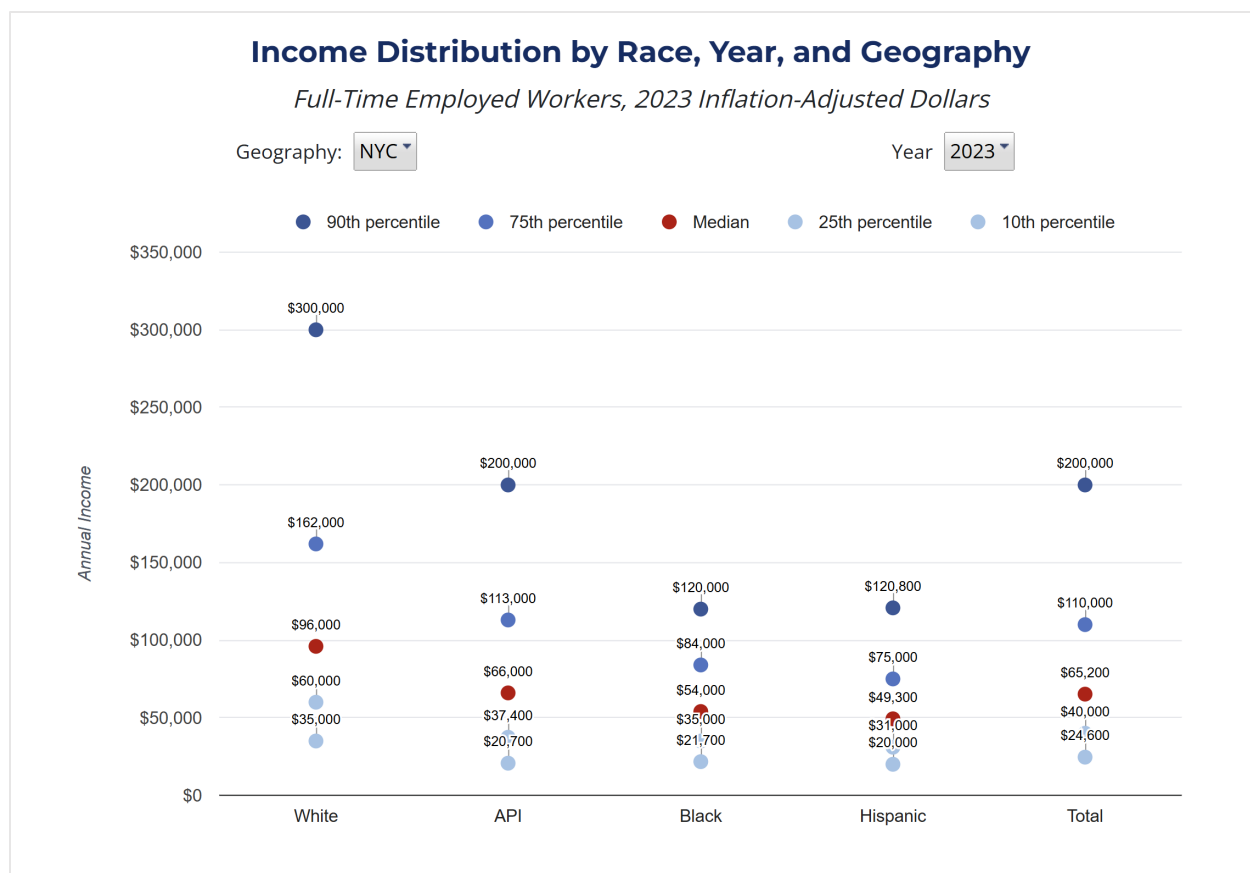
Income distributions have steadily widened with each successive generation. For New York City Baby Boomers, at age 24 through 26 the 90th percentile full-time employed income was 4.5 times larger than the 10th percentile. For Gen Z'ers, that ratio grew to 6.2x.

This trend was more prominent in New York than in the U.S. as a whole. Nationwide, median incomes and even the 75th and 90th percentile incomes grew much more modestly between generations—supporting the idea that the [bifurcation](#) of the U.S. labor market has been especially prominent in major American cities, which have come to attract high-skill, high-income workers alongside a service class of lower-skill, lower-wage workers with limited opportunities for career advancement.

In Chart 7, we map how the income distribution has changed by race over time. For full-time employed white New Yorkers, the 90:10 income ratio more than doubled from 4.2x in 1980 to 8.6x in 2023. The API 90:10 income gap has grown even wider, to 9.6x. Meanwhile, the same ratio for Black and Hispanic New Yorkers has grown more modestly: from 4.5x to 5.5x for both groups. The United States as a whole has seen a similar trend, though to a much lesser degree. The nationwide 90:10 income ratio among white full-time employees, for example, grew from 6.0x in 1980 to just 6.2x in 2023.

Chart 7





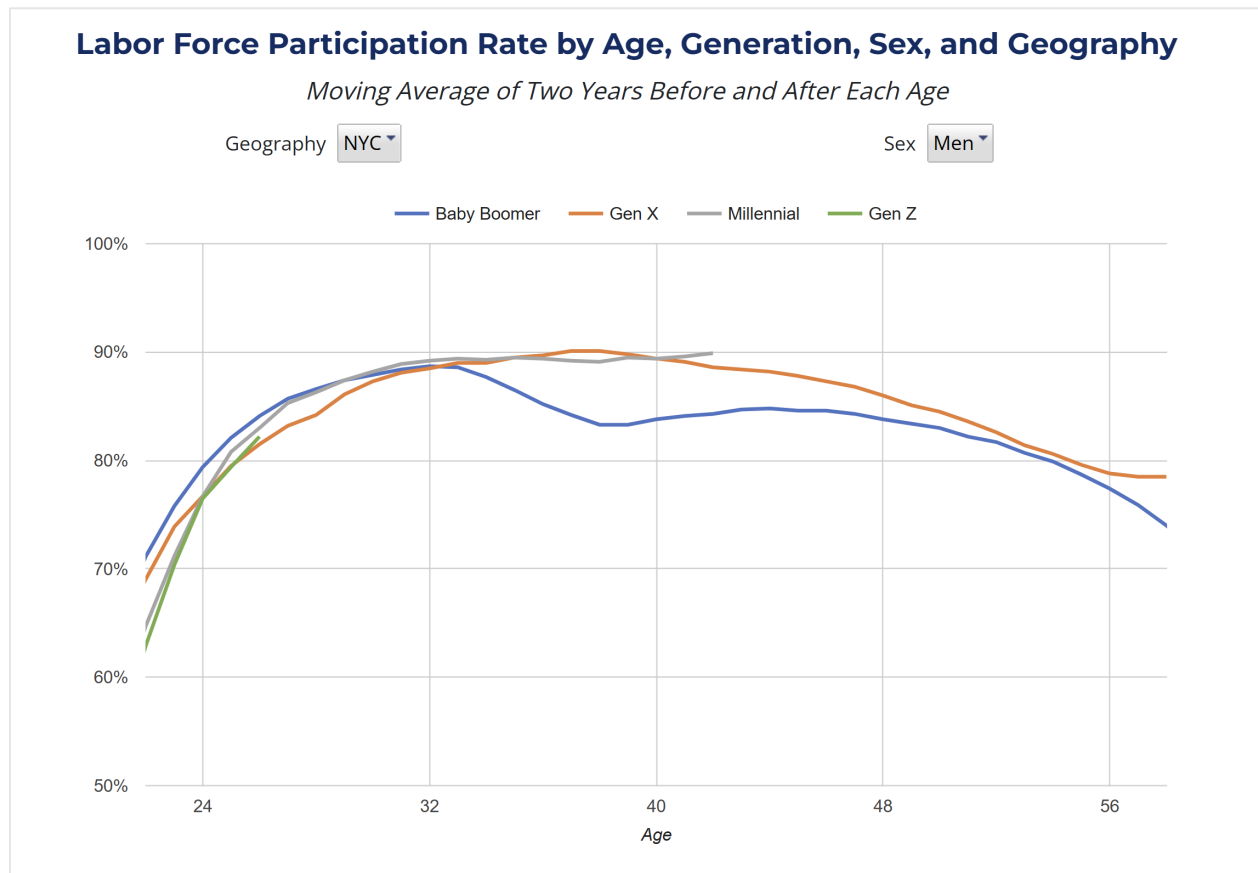
Source: American Community Survey via IPUMS USA (University of Minnesota)

Note: Please review this Spotlight's [web version](#) to see data for additional years and for the United States.

Perhaps the most pronounced difference between racial income distributions in New York City versus the rest of the country is among the Asian and Pacific Islander (API) population. Nationwide, API incomes have surpassed white incomes at the median and above since at least 2010, while in New York the API income distribution has remained firmly lower than that of whites. [Researchers](#) note that countrywide, API incomes surpass white incomes at even the 95th percentile, and likely at higher percentile values too, but that whites are still by far the most represented among ultra-high net worth individuals, executive leadership, and intergenerational top wealth holders.

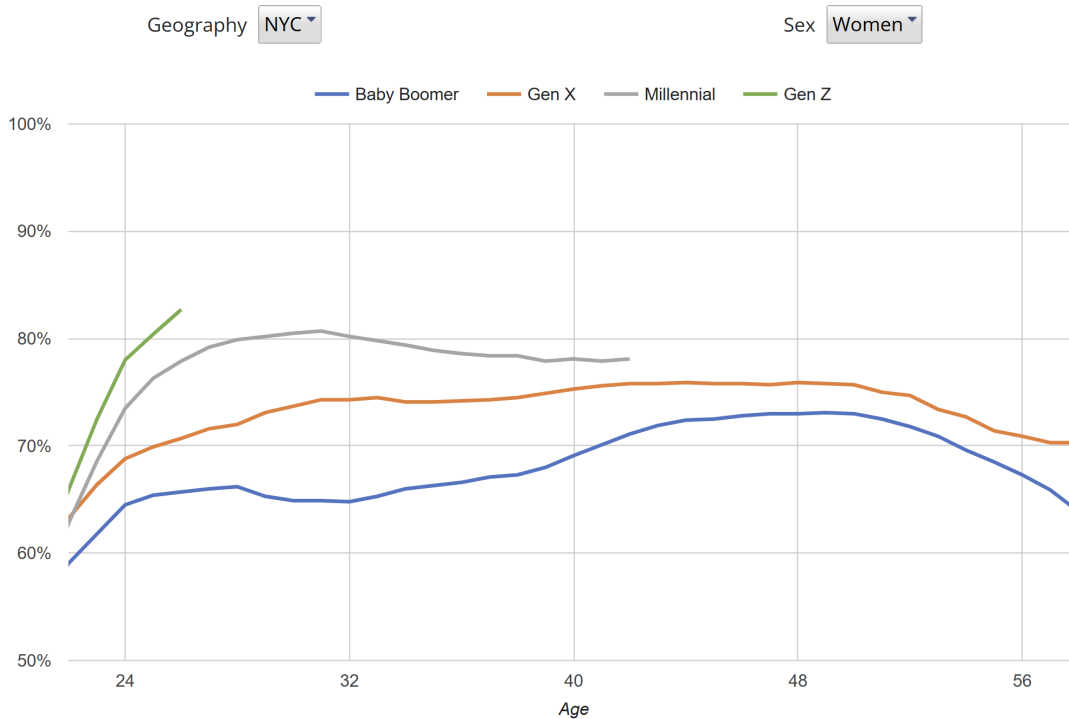
Chart 8 examines how labor force participation has changed with each generation, by gender and by geography. The divergence is clear: while women's labor force participation rate has grown significantly with each successive generation, men's labor force participation has stalled. At age 26, the share of New York women employed or seeking employment grew from 66 percent for Baby Boomers to 83 percent for Gen Z. Nationwide, the figure has grown from 69 percent to 82 percent.

Chart 8



Labor Force Participation Rate by Age, Generation, Sex, and Geography

Moving Average of Two Years Before and After Each Age



Source: American Community Survey via IPUMS USA (University of Minnesota)

Note: Please review this Spotlight's [web version](#) to see data for the United States.

On the other hand, men nationwide have seen mostly declining labor force participation with each successive generation, at least until their mid-30s where the figures appear to converge. In New York City the picture is muddier, but what stands out most is the sharp decline in Baby Boomers' labor force participation rate between the ages of 30 and 40, and which is sustained at older ages. The *steepness* of the decline is in large part a result of the lower sampling frequency of Baby Boomers in early adulthood compared to other generations.⁵ But the overall magnitude of the decline between age 30 and 40 is an unbiased estimate and reflects the growing frequency of working-age men dropping out of the labor force, especially since the 1990s. Researchers have attributed much of this change to declining economic and social conditions in many northern and midwestern U.S. cities during this time, including [drug addiction](#) and the [loss of middle-income employment opportunities](#).

Housing

In this section, we dive deeper into issues of housing affordability in New York and nationwide using additional surveys. National housing data is collected by the Department of Housing and Urban Development and the Census Bureau via the American Housing Survey (AHS), which includes New York City, but NYC Housing Preservation and Development also conducts its own survey, the NYC Housing and Vacancy Survey (HVS). The two differ in some ways, but the variables relevant to this report are similar enough to allow fair comparison.⁶

Rents

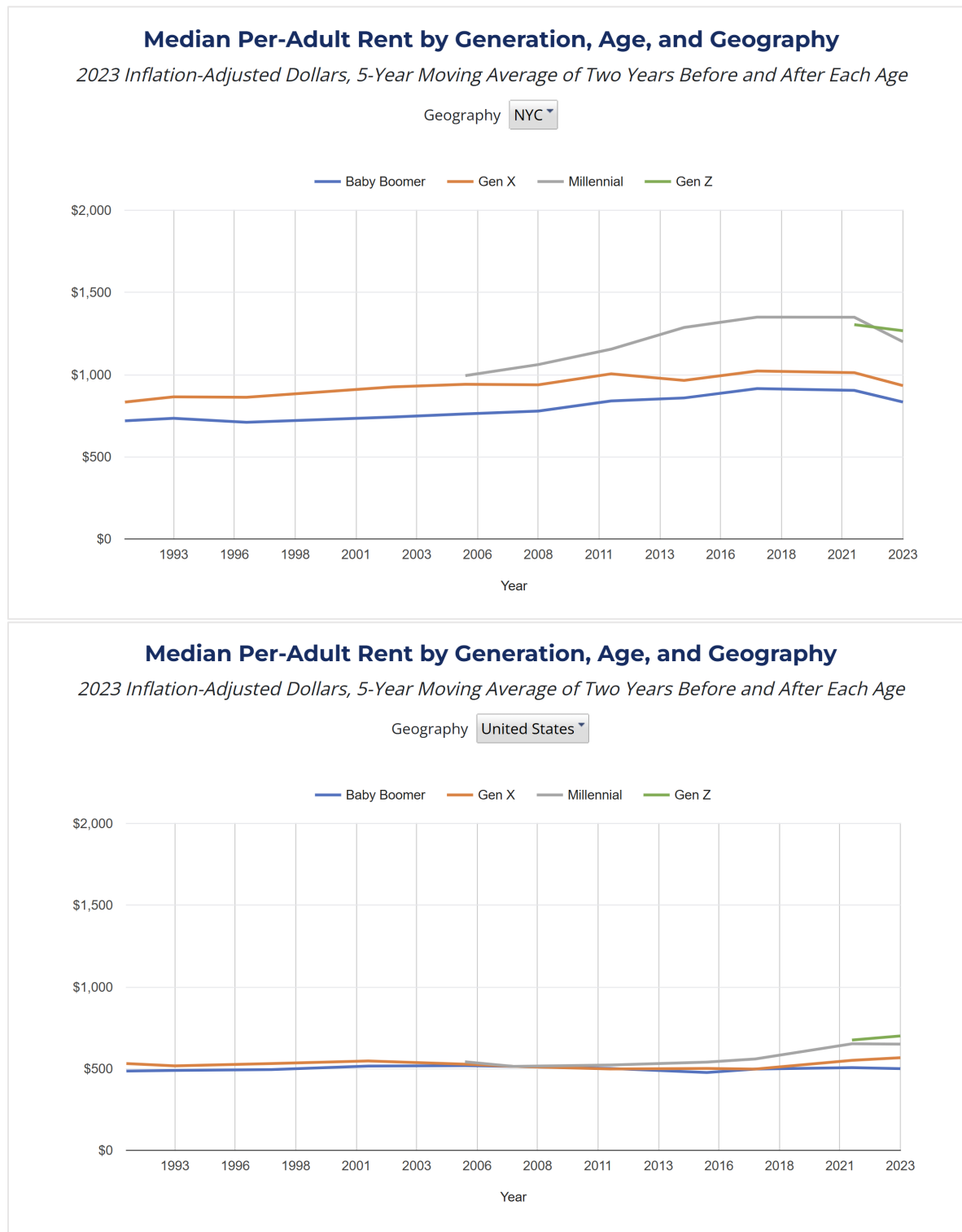
Rent can be measured in several ways: in addition to base monthly rent, utilities and other fees (e.g. security deposits, parking, or pet fees) may or may not be included. For the purposes of this report, we define “rent” as the mean per-month cost of housing for a household which does not own their home, not including separate utilities (e.g. separate electric bill). The value is the same whether the tenant pays it or someone else pays it on their behalf (e.g. if they have a housing subsidy or a family member is providing rental assistance). This is commonly called “contract rent.” Rent can be paid on any unit that is *not* owned by a surveyed head of household.

For our analysis, we normalize rent by the number of adults in the unit. For instance, if a unit is occupied by two parents and three minor children and total rent is \$3,000, the per-adult rent is \$1,500. If the parents lived with two minor children and one adult child, the per-adult rent is \$1,000.⁷

In addition, the HVS and the AHS do not retroactively adjust survey data for inflation, so our analysis indexes rental values to 2023 dollars for all previous survey years using BLS’ Consumer Price Index.

Chart 9 depicts each generation’s median cost of rent over time. Gen Z and Millennial renters have consistently paid much higher rent than Gen X and Baby Boomers, even though they are younger. Gen X’ers and Baby Boomers have seen slight growth in median rent over time, with Gen X’s rent consistently higher than that of Baby Boomers. The oldest Millennials started renting around 2005 at slightly higher prices than older generations, and the difference continued to widen until a decline during the pandemic. Gen Z’ers appear to be following a similar trajectory to Millennials: both generations pay significantly more in median rent than their older counterparts.

Chart 9



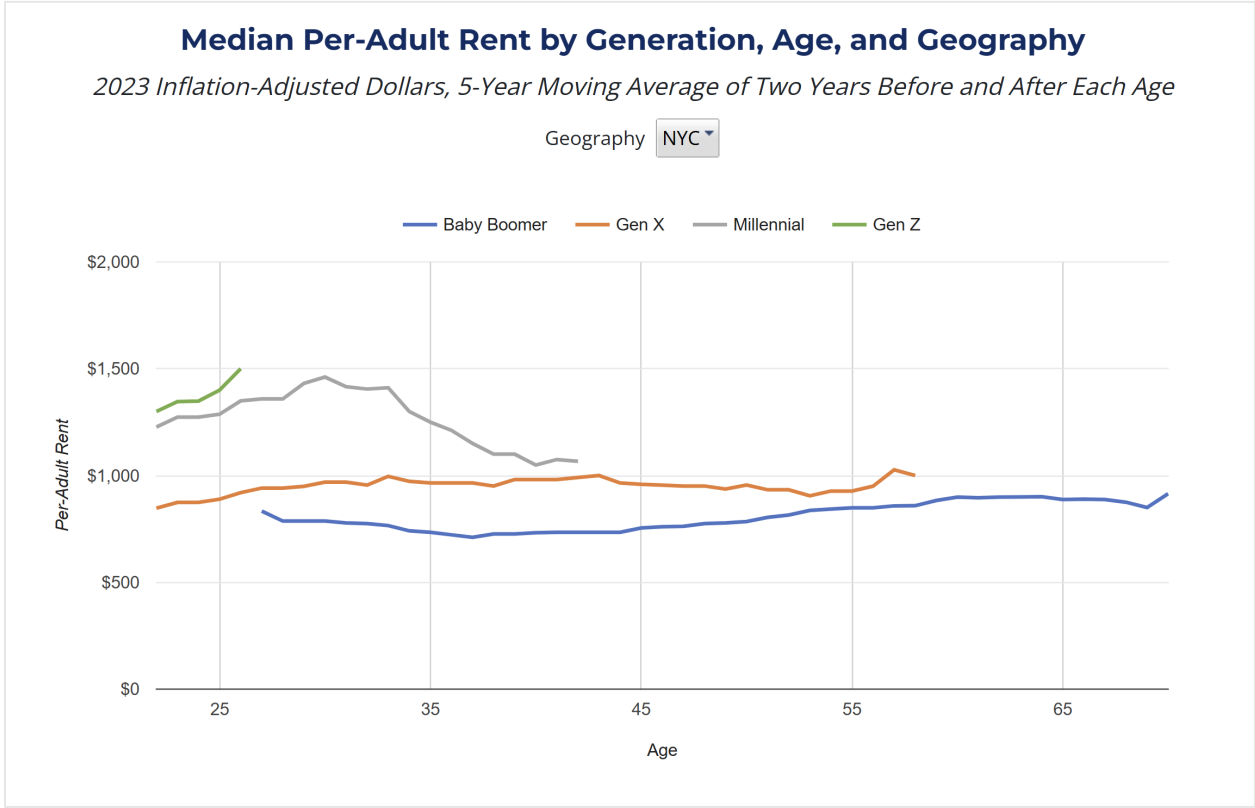
Source: New York City Housing Vacancy Survey, U.S. Census American Housing Survey

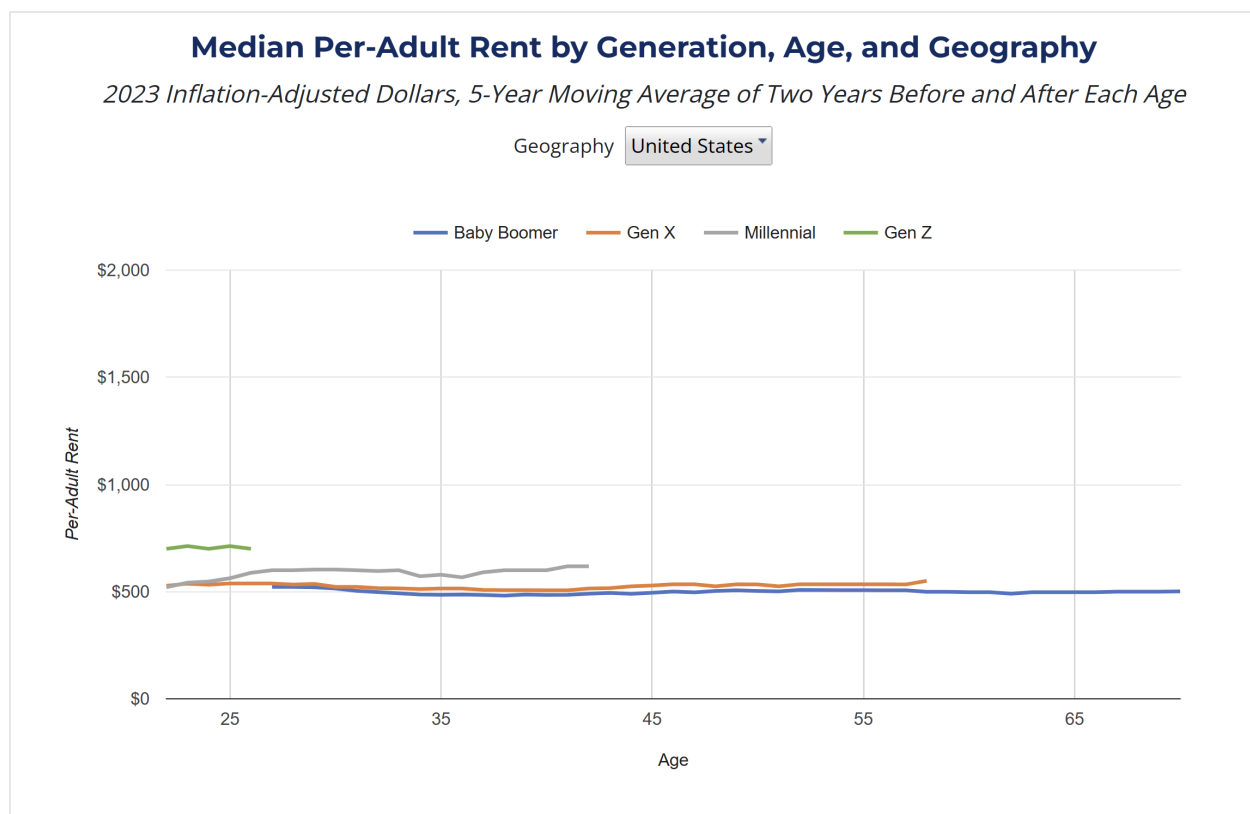
Note: To see the chart above in dynamic form, please review this Spotlight's [web version](#).

One issue that is more relevant to New York City than the rest of the country is rent stabilization and rent control. As we show later in this section, rent stabilization remains fairly common in older units rented by all generations, and a small percentage of Baby Boomers still live in rent-controlled apartments. Charts 9 and 10 include all rental units in New York, regardless of rent stabilization or rent control status.

Chart 10 illustrates how rents have evolved for each generation when controlling for age. The results confirm that each generation consistently pays more than the generations that preceded it. The charts uses the 5-year moving average for each age; for example, the rent value for Gen Z at age 24 is the average of ages 22 through 26.

Chart 10





Source: New York City Housing Vacancy Survey, U.S. Census American Housing Survey
 Note: To see the chart above in dynamic form, please review this Spotlight's [web version](#).

Although the trend for each generation's young people to pay more in rent than the generation before them at the same age holds for both New York and the United States, the difference is starker in New York. In the U.S., Baby Boomers have consistently paid the lowest rent at every age, Gen X'ers have paid slightly more, and both Millennials and Gen Z'ers have paid more. However, in NYC, rents have increased more between each generation, with an especially large jump between Gen X'ers and Millennials. NYC Millennial rents have also declined after their mid 30s and are beginning to converge with Gen X, which is not a national trend.

It is also important to keep in mind that the makeup of renters in each generation changes with age; as we will discuss below, many people, particularly Baby Boomers in the U.S., transition at some point from renting to owning. City rents follow similar patterns to national rents, with the exception of New York Millennials in their 30s, who saw a rise in rents followed by a steep drop. The oldest Gen Z'ers are only 26, so it is too early to tell whether they might fall into a similar pattern.

The high median rents faced by younger generations can partially be explained by income dynamics. As shown in Chart 4B, Millennial and Gen Z real incomes have trended above those of Baby Boomers and Gen X'ers at the same ages, at least after their early 20s. In addition, as Chart 8 illustrates, the labor force participation rate has increased with each generation, specifically driven by women. As a result, adults from younger generations are more likely to live in a household with two income-earners than their older generation counterparts at the same age.

The long-term growth in household incomes likely contributes to greater willingness and ability to pay more for housing.

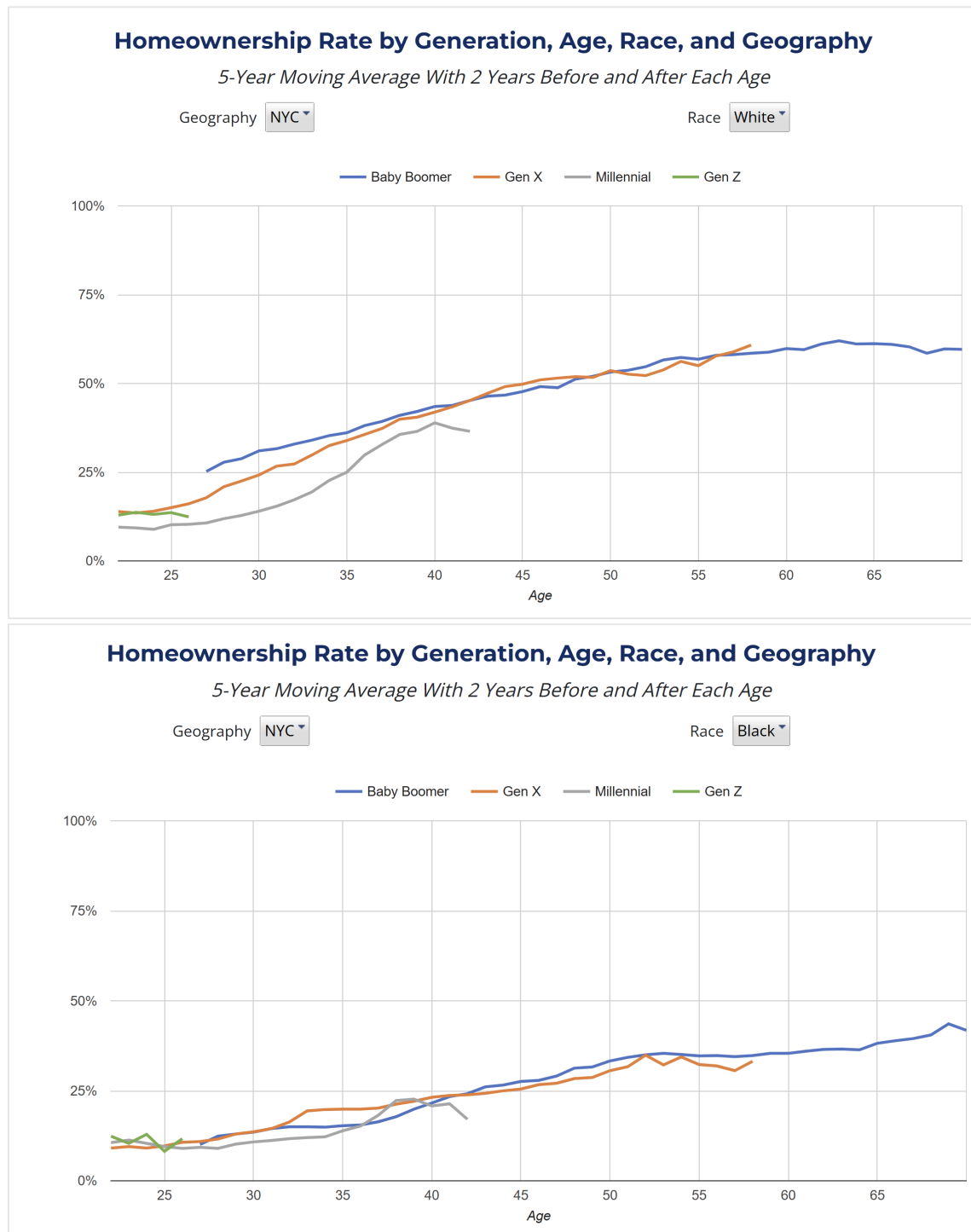
However, growth in real income is unlikely to fully explain these generational rent differences. A [2024 study](#) by Zillow and StreetEasy found that across the U.S., rents have grown 1.5 times faster than wages since 2019, and in New York City, rents in 2023 grew 7.4 times faster than wages. Gen Z'ers began renting in [the current housing shortage](#), which has driven rents up. But rising rents in NYC are not a new problem: a [2019 analysis](#) of StreetEasy data found that city rents dropped during the 2008 recession, but climbed continuously through the 2010s across all boroughs. The report attributes some of the increases to new development: neighborhoods like Long Island City in Queens and Mott Haven in the Bronx saw lots of real estate development throughout the decade, which increased the quantity of expensive housing with easy commutes, likely appealing to younger renters with high incomes.

Rent burden varies widely by income, especially in New York. As shown in [HVS' 2023 report](#), the median New York City renter spent just under 30 percent of their gross income on rent in 2023, but the median renter earning below 70k spent nearly 55 percent of their gross income on rent. The rent burden has increased sharply over time, with the median gross rent-to-income-ratio below 40 percent for people making less than 70k in 1987 (2023 inflation-adjusted dollars).

Homeownership

Homeownership rates are significantly lower across the board in New York City than in the U.S. overall. In 2023, only 36 percent of New York heads of household owned their unit (including apartments and condos), compared to 66 percent of all American householders. Still, in both geographies, homeownership rates generally increase with age. The series in Chart 11 show homeownership rates in New York City for the four generations by age, broken down by race.

Chart 11



Source: New York City Housing Vacancy Survey, U.S. Census American Housing Survey.

Note: The AHS reports homeownership by unit, not by respondent, so we consider a respondent to be a homeowner if anyone in their household owns the unit. Therefore Chart 11 represents an upper bound for homeownership rates.

Note: Please review this Spotlight's [web version](#) to see data for the United States and for Hispanic and API individuals.

In both New York and the United States, Baby Boomers have reached the highest levels of homeownership, with Gen X following a similar better trajectory. Millennials generally saw lower homeownership rates in their 20s and have yet to catch up with the rates achieved by Gen X and Baby Boomers in their 30s. [Millennial homeownership rates](#) fell sharply during the 2008 financial crisis and took several years to recover, even as their employment and income recovered to pre-Recession rates. The data we have so far for Gen Z suggests their homeownership rates are similar to Millennials' in their 20s.

By race, white and API people are more likely to own their units than their Black and Hispanic counterparts at any age, both in New York and nationwide. API and Hispanic Gen X'ers in New York have higher rates of homeownership than Baby Boomers of the same race at most ages, but Black and white New York Gen X'ers have tracked closer to their Baby Boomer counterparts.

The lower homeownership rates among younger generations mean that many people, nationwide but especially in New York City, remain renters later into life. This has a doubly negative effect on younger generations: on one hand, buying a home is increasingly out of reach, while at the same time renting is growing more difficult as average rent increases faster than incomes, surely exacerbated by the fact that younger generations are putting off becoming homeowners for longer.

Rent control and stabilization

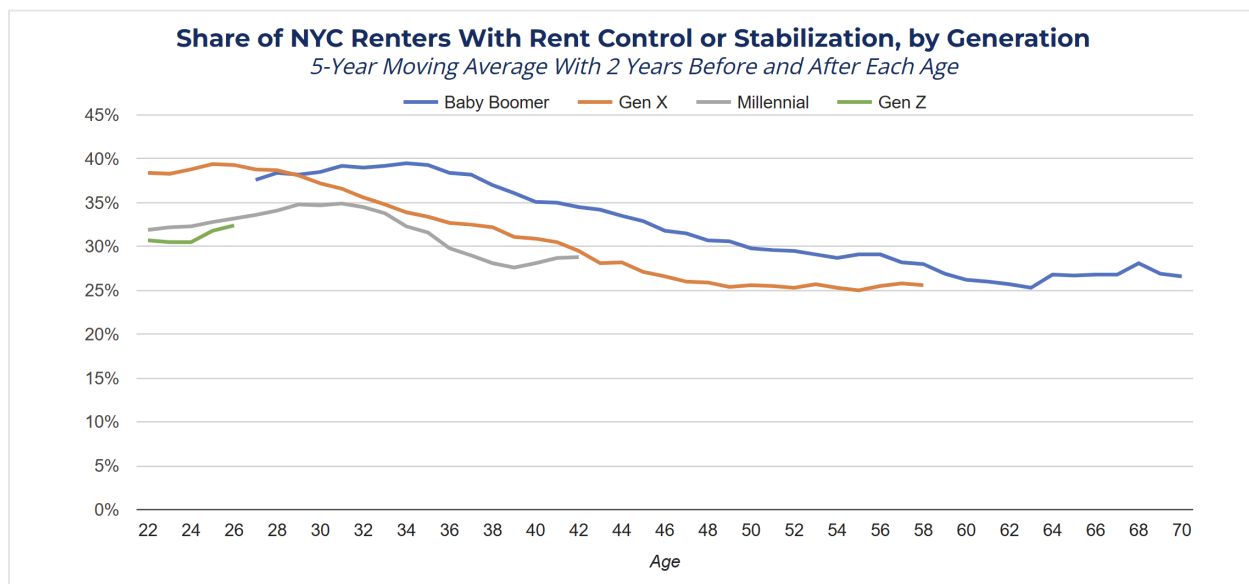
As mentioned above, many units in New York City are subject to some form of price control. In 2023, 26 percent of all occupied units were rent-stabilized, 0.6 percent were rent-controlled, and 4 percent were regulated in some other form, whether for owners or renters. [This translates to](#) around 24,000 rent-controlled apartments and 961,000 rent-stabilized ones across the city.

Rent control generally applies to tenants who had continuous occupancy before July 1st, 1971 in a building built before February 1st, 1947. Tenants with continuous occupancy in these units who started their occupancy after June 30th, 1971 are typically subject to rent stabilization instead. People who don't meet the occupancy requirements themselves are able to take over a rent-controlled apartment if they lived in it with a family member prior to their passing or departure from the unit. Because of the occupancy requirement and the relatively narrow circumstances for lease takeovers, rent-controlled apartments are overwhelmingly occupied by older New Yorkers: the median age of rent-controlled apartment householders in the 2023 HVS was 70. Rent-controlled apartments are subject to [limits](#) on rent increases, and total rent for a unit cannot surpass the maximum base rent determined by the state. Rent-controlled tenants are also entitled to lease renewals, and eviction is more strictly regulated than in market rent apartments.

Rent stabilization is much more common than rent control. Typically, rent-stabilized units are in buildings built before 1974 that consist of at least 6 units. There are no occupancy or transfer requirements, so younger people are better represented as renters in these units, with a median age of 46 in 2023. Like rent-controlled units, rent-stabilized units are subject to rent limits set by the Rent Guidelines Board, tenants have the right to renew their leases, and evictions are limited.

Chart 12 shows the rate at which renters of each generation have occupied rent-stabilized or rent-controlled apartments at different ages. Rent-controlled apartment represented two percent of renters in 1991 and fewer since, so this is essentially a measure of rent stabilization rates.

Chart 12



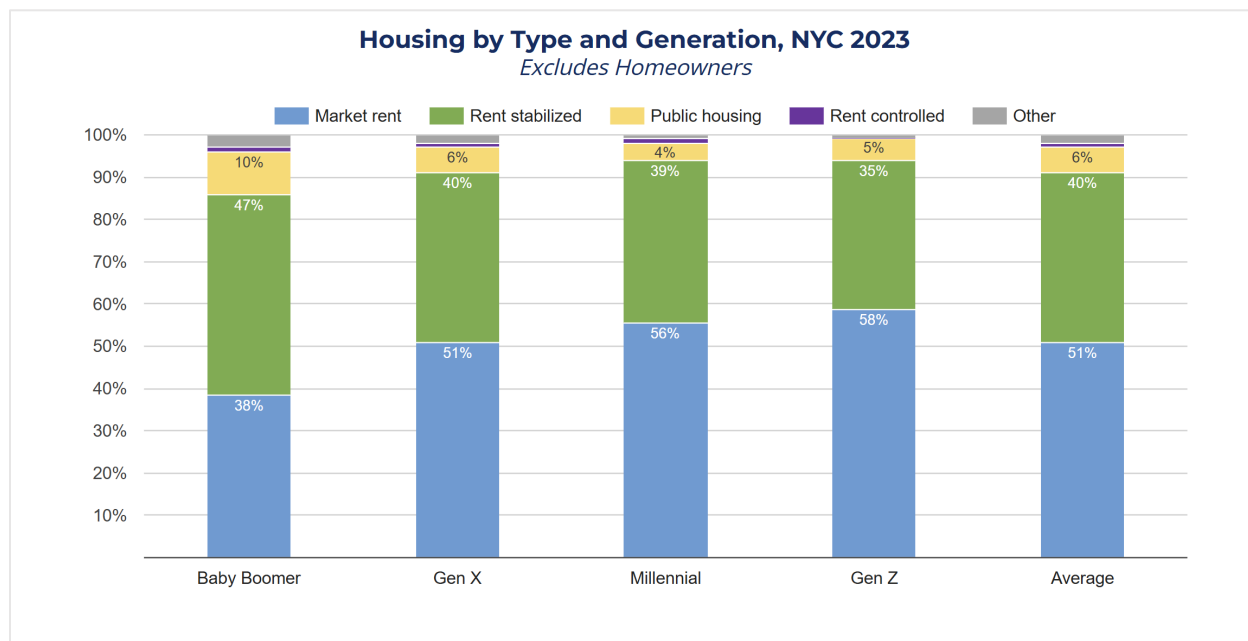
Source: New York City Housing Vacancy Survey

Rent stabilization rates have decreased over the lifetimes of both Baby Boomers and Gen X. This is partly due to a decline in the share of available rent-stabilized apartments: rent-stabilized apartments represented 36 percent of all units in 1991, but only 28 percent by 2023. Millennials and Gen Z'ers occupy rent-stabilized apartments at significantly lower rates than Baby Boomers and Gen X'ers, a trend discussed in greater detail below. Again, there seems to be a clear divide between Millennial and Gen Z renters versus their Baby Boomer and Gen X counterparts.

Housing type

Chart 13 sheds more light on the current (as of 2023) composition of rental types for each generation of New Yorkers. The chart excludes those who own their homes or apartments (owners comprise 38 percent of Baby Boomers, 32 percent of Gen X, 18 percent of Millennials, and 11 percent of Gen Z).

Chart 13



Source: New York City Housing Vacancy Survey

As expected given the decline in rent-stabilized units among younger generations, Millennials and Gen Z are more likely than Gen X and Baby Boomers to rent at market rates. Baby Boomers are the only generation in which less than half of its New York City renters pay market rent.

This difference may be partially attributable to length of tenure in apartments. The lower rents guaranteed by rent stabilization discourage people from leaving these units; our office [found](#) that the number of vacant stabilized units fell nearly 40 percent since 2021, significantly reducing the possibility of a new Gen Z renter finding a stabilized unit.

Prior to 2019, rent-stabilized apartments could be deregulated under certain circumstances, but newer regulations (specifically the [Housing Stability and Tenant Protection Act of 2019](#)) have since reduced that likelihood. Because rent stabilization is most common in buildings built before 1974, most newly constructed buildings rent at market rates, reducing the available share of stabilized units, while older stabilized buildings are more likely to be torn down.

Public housing (subsidized housing owned and managed by the New York City Housing Authority that is only available to people with low incomes) is much less expensive than other types of housing: in 2023, the average per-bedroom rent for public housing was only \$422, compared to \$1,251 for rent-stabilized units and \$1,548 for units rented at market rate. Public housing is also disproportionately occupied by people of color: only 5 percent of householders in public housing in 2023 were white. Baby Boomers are also significantly more likely to live in public housing than younger generations, which may be driven in part by retirees or people with disabilities who do not earn a full-time salary.

The distribution of housing types also varies by borough, as discussed in our office's [January 2024 Spotlight on New York's rental housing market](#). For instance, Manhattan and the Bronx have

similarly low homeownership rates and high shares of public housing, while Staten Island is the only borough where a majority of households own their units.

Conclusion

When considering the divergent economic outcomes of New Yorkers across generations, different information offers different stories. Educational attainment is dramatically higher among younger age groups. Median inflation-adjusted incomes have also increased with each new generation. Some of this may directly result from their greater educational attainment, but in New York City the trend might also reflect that those with lower educational attainment, and thus lower earnings potential, are increasingly shut out of New York City due to housing costs and affordability issues. Indeed, median incomes relative to rental prices have not seen the same growth as median incomes relative to general price inflation.

Income inequality has also grown more severe with each successive generation. In particular, white and API income growth has far outpaced that of Blacks and Hispanics. And while labor force participation has grown with each generation among women, it has declined among men, reflecting troublesome economic and social trends.

When looking deeper into housing affordability, rent stabilization and rent control have helped New Yorkers historically, but these units are becoming less attainable for young people. Higher incomes among Gen Z and Millennials have not kept pace with rising rents. This is true nationwide, but the difference is especially evident in New York. Widening income inequality within generations is also a growing issue for Millennials and Gen Z'ers: while the highest earners in each generation are able to afford higher costs of living, lower income young people are being left behind, resulting in increased domestic outmigration from the city, especially among nonwhite individuals.

A 2025 MarketWatch [analysis](#) of government and business data found that New York is the least affordable city in the United States. Living in New York City has always been expensive, but the data in this Spotlight reveal how in many ways, the city has become progressively more unaffordable for each generation. The cost of living problem has been largely driven by housing costs, and it is not a sustainable trend for our city. The high cost of living not only makes life more difficult for New York City's current residents, but it also discourages newcomers from moving to New York from across the country and abroad. New York's affordability crisis is now driving away the same types of people who have made the city what it is.

Acknowledgments

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Endnotes

¹ For the year 1970, we use the [1 Percent Form Metro Sample](#) rather than the 5 Percent Sample in order to be able to identify New York City residents.

² Those who identify with two or more racial groups are excluded from the analysis, and the proportion of single-race whites has likely grown even lower relative to the total U.S. population.

³ For inflation adjustment, we use the Bureau of Labor Statistics' Consumer Price Index for the relevant geography (BLS records a [New York metro area-specific](#) CPI in addition to the national CPI).

⁴ As with standard CPI-chaining, rental cost CPI-chaining keeps the most recent year's (in this case 2023's) median income at its nominal level, while past year incomes are inflated according to the ratio of the index value in 2023 to the index value in that year.

⁵ More specifically, Boomers reached age 35 between 1981 and 1999 and age 36 between 1982 and 2000. This means that the data on labor force participation for Baby Boomers at age 35 came only from the 1990 Census, while the average for Baby Boomers at age 36 also included data from 2000 Census. In that period between 1990 and 2000, working-age men's nonparticipation in the labor force [continued to accelerate](#).

⁶ Both are administered every few years, with the most recent surveys in 2023. The AHS has been administered since 1973, while HVS data is only publicly available since 1991, so the rest of this section uses 1991 as a starting point. Both surveys contain person-level data which can be linked to information on the units they occupy.

⁷ We use per-adult rent, rather than overall rent, as a more intuitive measure of the rent burden which any given person or household phases. For example, if a 25-year-old survey respondent lived with three unrelated roommates, each paying \$1,000/month for their share of rent, the HVS would report that respondent's overall rent as \$4,000. Obviously, these tenants face a very different rental situation than a single individual living in a \$4,000/month studio. Per-adult rent gives us a better estimate of the true rental burden faced by each tenant in the unit.



