

2026 Price Index of Operating Costs

April 9, 2026

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2026 Price Index of Operating Costs

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Highlights

- ☑ The Price Index of Operating Costs (PIOC) for buildings that contain rent stabilized apartments increased by 5.3% this year.
- ☑ The “Core” PIOC, which excludes the changes in fuel oil prices, natural gas and steam costs, rose by 4.8% this year.
- ☑ Real estate taxes rose by 2.6%, primarily due to a rise in assessments for Class 2 properties.
- ☑ Insurance costs rose by the second greatest proportion in this year’s PIOC, 10.5%.
- ☑ The Administrative costs component rose by 4.8%.
- ☑ The Maintenance component increased by 6.0%.
- ☑ The Utilities component increased by 5.6%.
- ☑ The Labor Costs component increased by 3.0%, due to increases in wages for both union and non-union labor.
- ☑ The Fuel component increased by 11.0%, the greatest proportional increase in this year’s PIOC.
- ☑ Overall costs in natural-gas heated buildings increased by 5.3%, while overall costs in fuel-oil heated buildings increased by 5.5%.
- ☑ Costs in Pre-1974 buildings rose by 5.3%, while costs in Post-1973 buildings rose by 5.9%.
- ☑ The PIOC for buildings that contain rent stabilized apartments is projected to increase by 4.1% next year.

Apartments

**Change In Costs for Buildings
that Contain Rent Stabilized
Apartments,
April 2025 to March 2026**

| Component | Cost Change | Weight |
|------------------|----------------|---------------|
| Taxes | 2.6% | 27.9% |
| Labor Costs | 3.0% | 11.9% |
| Fuel | 11.0% | 7.9% |
| Utilities | 5.6% | 10.9% |
| Maintenance | 6.0% | 18.5% |
| Admin Costs | 4.8% | 13.5% |
| Insurance Costs | 10.5% | 9.5% |
| All Costs | 5.3% | 100.0% |

Terms and Definitions

Price Index - the measure of price change in a market basket of goods and services.

Component - categories of goods and/or services, such as Labor Costs or Taxes, that comprise the market basket of a price index.

Item - individual good or service within a component, such as Plumbing, Non-union Wages, Faucet or Roof Repair.

Price Relative - the change of current and prior year's prices.

Expenditure Weight - a measure of the relative importance of a specific expense item, calculated as its share of total expenditures, which dictates how heavily a price shift in that item influences the weighted average.

Specification - defined pricing unit with specific terms of sale, such as cash, volume or trade discounts.

Introduction

The Price Index of Operating Costs (PIOC) measures changes in the cost of purchasing a specified set of goods and services (market basket) paid by owners in the operation and maintenance of buildings that contain rent stabilized units in New York City. This report is designed to study only those costs that are incurred by owners in the operation and maintenance of buildings containing rent stabilized units. It does not quantify costs paid by tenants to live in these buildings, such as rent, utilities, and other miscellaneous costs.



The PIOC consists of seven cost components: Taxes, Labor Costs, Fuel, Utilities, Maintenance, Administrative Costs and Insurance Costs. The specific goods and services (items) within each component were originally selected based on a study of 1969 expenditure patterns by owners of buildings that contain rent stabilized apartments. The specific items included in each component have changed over time to reflect shifts in owner expenditure patterns. The methodology for determining the costs for each component is described in the final section of this report. The measured price changes (price relatives) in each index component are presented in Appendix 2. The relative importance of each index component as a percentage of total operating and maintenance expenditures is shown by its “expenditure weight” (see Appendix 2). The 2025-2026 price changes and expenditure weights are then combined to provide the overall change in the PIOC for 2025-2026.¹

Changes in the overall PIOC result from changes in the prices of individual goods and services, each weighted by its relative importance as a percentage of total operating and maintenance (O&M) expenditures. Because the market basket is fixed in the sense that the quantities of goods and services of each kind remain constant, the relative importance of the various goods and services will change when their prices change either more quickly or more slowly than average. Thus, the relative importance, or weight, attached to each good or service changes from year to year to reflect the different rates of price change among the various index items.

Summary

This year, the PIOC for all rent stabilized apartments increased by 5.3%. Increases occurred in all seven PIOC components. Taxes, which carry the highest weight in this year's Index, increased by 2.6%. The largest proportional increase was seen in Fuel (11.0%), followed by Insurance Costs (10.5%). More moderate increases were seen in Maintenance (6.0%), Utilities (5.6%), Administrative Costs (4.8%), and Labor Costs (3.0%). Each of these components, except for Fuel and Maintenance, increased at a slower pace than the previous year, including Taxes, which declined by 1.3 percentage points.

The growth in the Consumer Price Index (CPI), which measures inflation in a wide range of consumer goods and services, was lower than the PIOC, rising by 3.3% during this same time period. Excluding the cost of shelter, the CPI rose by 2.7% in the PIOC time period.² See the table on the previous page and Appendix 2 for changes in costs and prices for buildings that contain rent stabilized apartments between 2025 and 2026.

The "Core" PIOC, which excludes changes in fuel oil, natural gas, and steam costs used for heating buildings, is useful for analyzing long-term inflationary trends. The Core PIOC rose by 4.8% this year, and was lower than the overall PIOC due to the exclusion of costs in the Fuel component, which increased by 11.0%. The PIOC for apartments heated by gas increased by 5.3%, and those heated by oil increased by 5.5%. The PIOC for pre-1974 apartments rose by 5.3%, less than that for post-1973 apartments, which increased by 5.9%. The PIOC for hotels increased by 4.4%, and the Loft PIOC increased by 6.5%.

Over the past five years, the PIOC has increased by a cumulative 31.0%. The component that experienced the most rapid price change in this time period was Insurance Costs, which increased by a cumulative 99.9%. Because prices in this component increased faster than all other components of the PIOC, it now makes up a larger share of total operating costs than it did five years ago, with its weight increasing from 6.5% in 2022, to 9.5% in 2026. The Fuel component has also increased far more rapidly than the overall PIOC

over this time period, rising by a cumulative 63.0%. Conversely, Taxes has increased more slowly than the PIOC, increasing by a cumulative 14.1% over the past five years, and seeing its weight decrease from 36.1% in 2022, to 27.9% in 2026.³

While the cost of taxes accounts for more than a quarter of the entire PIOC, and therefore impacts the overall change more than any other component, its relatively slow increase in cost means it was responsible for contributing a disproportionately small share to the 5-year cumulative PIOC change. Taxes, with the greatest weight in the PIOC, contributed just 3.9% to the 31.0% cumulative increase (or, proportionally, 12.7% of the total increase). Insurance Costs, which has the second lowest weight in the PIOC, but saw the fastest growth in price over the past five years, contributed 6.8% to the 31.0% cumulative increase (or, proportionally, 22.0% of the total increase), the largest contribution of the seven components. Maintenance, which rose by a cumulative 36.7% over the last five years, was responsible for the second largest contribution to the 5-year cumulative change in the PIOC, 6.2% to the 31.0% increase (or, proportionally, 20.1% of the total increase). See Appendix 9 for 5-year cumulative price changes in each component, and each one's contribution to the total cumulative change.⁴

Price Index Components — Apartments

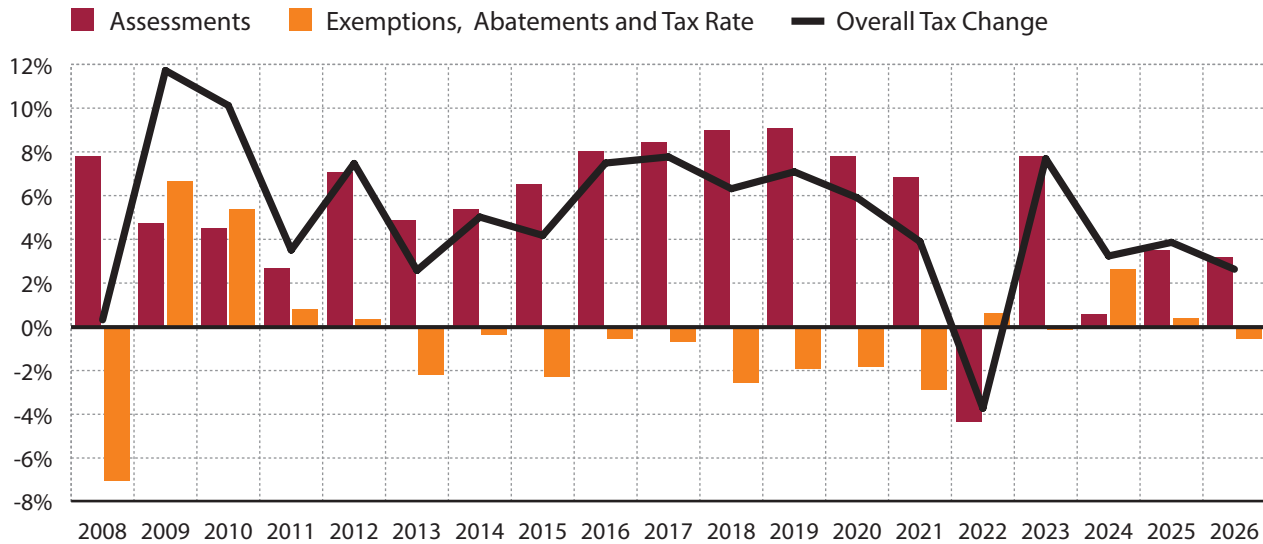
Taxes



The Taxes component of the PIOC is based entirely on real estate taxes and accounts for 27.9% of the overall price index. The change in tax cost is estimated by comparing aggregate taxes levied on buildings that contain rent stabilized apartments between the current and previous tax year. Aggregate real estate taxes rose by 2.6%, 1.3 percentage points lower than last year's rise of 3.9%. The growth in taxes was primarily due to a rise in the value of assessments of 2.4%, which was responsible for a 3.2% rise in aggregate real estate taxes. Also contributing to the rise in Taxes was a reduction in the total value of abatements, driven by fewer properties receiving abatements,

Percent Change in Taxes due to Assessments and Exemptions/Abatements/Tax Rate 2008-2026

Assessments Drove the Overall Tax Change in Buildings with Rent Stabilized Apartments in 2026



Source: New York City Department of Finance

despite increases in the average benefit per abatement. However, the overall growth in Taxes was dampened by a decrease in the Class 2 tax rate of 0.5% from the prior fiscal tax year, as well as an increase in the value of real estate tax exemptions. See Appendix 5 for the impact of each of these elements on the overall tax change, and Appendix 6 for the change in taxes by Community Board.

Tax Levy — The total tax levy for all properties in the City (commercial and residential) increased by 3.0% between the current and previous tax year. The large majority of rent stabilized apartments are contained in multi-family buildings that are in Tax Class 2.⁵ The total Class 2 property levy rose at a faster pace than that of the City as a whole, at a rate of 3.1%. The distribution of the levy among property classes tends to shift from year to year. Between the current and previous tax year, the levy share for Class 2 properties increased from 39.1% to 39.2% of the total tax burden. This is significantly higher than the 26.3% share that was established at the inception of the four-class tax system in 1983.

Tax Rate — Last year’s average annual Tax Class 2 rate of 12.500% decreased by 0.49 percentage

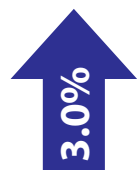
points, resulting in the new annualized rate of 12.439% for this tax year. This is the second consecutive decline in the Class 2 tax rate. In FY 2026, the change in the tax rate resulted in a decline in the overall Tax component of 0.5% (see Appendix 5). For a historical perspective on changes in the tax rate, abatements, and exemptions, see the graph on this page.

Assessments — Assessed valuations of properties containing rent stabilized apartments rose by 2.4% Citywide in the current tax year, a smaller increase than last year’s rise of 2.6%. Assessments rose in all five boroughs, with the largest rise in Brooklyn, 3.9%, followed by the Bronx at 2.2%, Queens at 2.1%, Manhattan at 1.9% and Staten Island at 1.2%. Buildings in Manhattan drive much of the change in assessed value Citywide. This was true in the current tax year, with 53.7% of the total assessed value attributed to this borough. In FY 2026, the increase in assessments was responsible for a 3.2% rise in the Tax component, a smaller impact than the previous year, when assessments were responsible for a 3.5% rise in the Tax component. For the impact of assessments in each borough’s overall tax change, see Appendix 5.

Abatements and Exemptions — This year, the number of buildings that contain rent stabilized apartments receiving tax abatements decreased by 6.5% from the previous fiscal year. At the same time, the average benefit value of the typical tax abatement increased by 4.7% between the current and previous tax year. The net impact of the decrease in the number of buildings receiving abatements, and the increase in the average abatement value, was a decrease in the value of abatements of 2.1%. In FY 2026, the decrease in the value of abatements contributed to a 0.1% increase in the Tax component (see Appendix 5).

In the current tax year, 2.2% fewer buildings benefited from tax exemptions, however the value of the average tax exemption increased by 2.7%. The net impact of the decrease in the number of buildings receiving exemptions, and the increase in the average exemption value, was an increase in the value of exemptions of 0.4%. In FY 2026, the increase in the value of exemptions was responsible for a 0.1% decrease in the Tax component (see Appendix 5)

Labor Costs



The Price Index measure of Labor Costs includes union and non-union salaries and benefits, in addition to Social Security and unemployment insurance. The cost of non-unionized labor wages makes up 58% of the Labor Costs component. The entire Labor Costs component comprises 11.9% of the overall PIOC.

Labor Costs rose by 3.0%, 0.7 percentage points lower than last year’s rise of 3.7%. Wages comprise 80% of the Labor Costs component. This includes non-union pay, which increased by 3.5%, 0.5 percentage points lower than the increase seen in the 2025 PIOC (4.0%). Unionized wages also rose, rising by 3.3%, more than the previous year’s rise of 2.9%.

Health and welfare benefits, which comprise 13.5% of the Labor Costs component, increased by 0.5%. A decrease in unemployment insurance of 5.3% had minimal impact, since it accounts for only 1.3% of this component’s weight. See Appendix 2 for all Labor Costs item weights and price relatives.

Fuel



The Fuel component comprises 7.9% of this year’s Price Index. The change in cost measured in this component considers both the change in weather and the change in prices for heating multifamily buildings with fuel oil, natural gas, and steam.⁶

This year the Fuel component increased by 11.0%, more than the rise of 10.3% in the prior year. Natural gas costs, which account for 68% of the overall costs in this component, increased by 11.5%. The cost for heating buildings by fuel oil makes up 32% of this component and increased by 9.9%. Steam costs rose by 24.5%, but these costs account for less than half a percent of the Fuel component. For a discussion of the overall PIOC change for buildings heated by either gas or fuel oil, see the PIOC by Building Type section on page 9.

Along with measuring price, the PIOC also considers the effect of weather on the demand for fuel, especially during the heating season when the large majority of fuel is burned. Since the

Fuel Oil Cost Relative vs. Change in Fuel Price, 2017-2026

| PIOC Year | Fuel Oil Cost Relative | Change in Fuel Oil Price |
|-----------|------------------------|--------------------------|
| 2026 | 9.9% | 0.4% |
| 2025 | 11.7% | 4.7% |
| 2024 | -2.1% | -0.6% |
| 2023 | 23.3% | 30.3% |
| 2022 | 16.8% | 20.1% |
| 2021 | -16.1% | -19.9% |
| 2020 | -8.6% | 2.5% |
| 2019 | 14.4% | 9.4% |
| 2018 | 19.9% | 16.3% |
| 2017 | 22.1% | 7.3% |

Note: The Fuel Oil Cost Relative factors in the effect of weather on total fuel oil consumption. In months that are colder than the same month in the prior year, the weather factor will put upward pressure on the fuel oil relative. In months that are warmer than the same month in the prior year, the weather factor will put downward pressure on the fuel oil relative.

Source: Price Index of Operating Costs reports (2017-2026)

weather in the period of April 2025-March 2026 was colder than the prior 12-month period, the Fuel Component increased by a greater degree than would be seen based purely on price. For instance, the 0.4% increase in fuel oil prices was heightened by the colder weather, leading to increased consumption and a larger 9.9% rise in its total cost. In years where the weather does not vary much from the prior year, the change in the cost of fuel oil is roughly equal to that of the change in price, such as in 2024. See the table on the previous page for a comparison of the past ten years of fuel oil cost relatives to fuel oil prices. See Appendix 2 for all Fuel item weights and price relatives.

Utilities



The Utilities component consists of costs paid by owners for non-heating natural gas and electricity costs, as well as water and sewer charges, and it comprises 10.9% of this year's PIOC. In the case of the gas and electricity items, changes in costs are measured using the PIOC specifications (e.g., the quantity of electricity and gas being purchased) and the changes in rate schedules. Water and sewer costs are based on rate adjustments set by the NYC Water Board.

This year, Utilities increased by 5.6%, compared to an 8.2% increase in the previous year. The increase in this component was driven by electricity costs and non-heating natural gas costs which increased by 9.1% and 12.9%, respectively. However, water and sewer costs, which account for 66% of this component, rose by 3.7%, effectively dampening the overall increase in Utilities. See Appendix 2 for all Utilities item weights and price relatives.

Maintenance



The Maintenance component accounts for 18.5% of this year's PIOC. The Maintenance component rose by 6.0%, 1.7 percentage points higher than last year's rise of 4.3%. Of the 29 expense items contained in this component, just four items account for slightly over half of its

expenditure weight: Repainting, Plumbing (faucet), Plumbing (stoppage), and Electrician Services. This year, painters' rates rose by 5.7%, nearly the same as the 5.8% recorded last year. Combined plumbing rates increased at a greater pace than the previous year, rising by 4.0%, more than last year's rise of 1.6%. Electrician Services rose by 12.9%, compared to the 5.2% rise in the previous year.

Other price increases of note were boiler repairs (4.8%), floor maintenance (0.3%), and Roof Repair (12.4%), which represent a total of six expense items and account for 21% of this component. See Appendix 2 for all Maintenance item weights and price relatives.

Administrative Costs



Fees paid to accountants, attorneys, and management companies make up 78% of this component. This year, Administrative Costs rose by 4.8%, following a 5.1% increase in the prior year. Administrative Costs comprise 13.5% of the PIOC.

Much of the increase in the Administrative Costs component can be attributed to a rise in Attorney Fees of 3.4%, and Accounting Fees, which increased in this year's PIOC by 8.8%. These two items account for 43% of the Administrative Costs component.

Management Fees increased by 4.7%, compared to a 5.1% rise the prior year. These fees comprise 35% of this component. Communications, which accounts for 11% of Administrative Costs, decreased by 0.5%. See Appendix 2 for all Administrative Costs item weights and price relatives.

Insurance Costs



The increase in this year's PIOC of 10.5% in the Insurance Costs component was lower than last year's increase of 18.7%. Insurance Costs account for 9.5% of the PIOC.

On average, larger policies in this year's PIOC increased by a slightly greater proportion than smaller policies. Policies that cost more than

\$11,382, which represent half of all insurance policies, saw an increase in cost of 10.6% upon renewal. However, buildings with policies that cost \$11,382 or less saw an increase of 10.0%. In addition, there was also a difference in costs paid for insurance based on the age of the building (see the PIOC by Building Type section, below).

PIOC by Building Type

In addition to the price index for all buildings that contain rent stabilized apartments, the PIOC includes separate indices for gas-heated and oil-heated buildings. This year, the Gas-Heated Index rose by 5.3%, slightly less than the 5.5% rise in Oil-Heated Index. (See Appendix 3.)

Indices based on building age are also calculated, based on whether a building was built before 1974 (pre-1974) or constructed in 1974 or later (post-1973). This year, the Pre-1974 Index rose by 5.3%, less than that of the Post-1973 Index of 5.9%. The primary difference between these two indices is the disparity in the Taxes and Insurance Costs components for each index. Taxes rose in the Pre-1974 Index by 2.1%, compared to the 7.1% rise in the Post-1973 Index. In contrast, Insurance Costs rose more in the Pre-1974 Index (11.6%) than in the Post-1973 Index (5.4%). (See Appendix 3.)

Hotel PIOC

The Hotel Price Index includes separate indices for each of three categories of hotels that contain rent stabilized units (due to their dissimilar operating cost profiles), and a general index for Hotels that includes all three. The three categories of hotels are: 1) "Traditional" Hotels — Class A multiple dwellings that have amenities such as a front desk, maid or linen services; 2) Rooming Houses — Class B multiple dwellings other than a hotel with thirty or fewer sleeping rooms; and 3) Single Room Occupancy (SROs) hotels — Class A multiple dwellings that are either used in whole or in part for single room occupancy or as a furnished room house.

The Hotel Price Index for all hotels that contain rent stabilized units increased by 4.4% this year, compared to the rise of 7.3% in last year's PIOC. There were increases in all seven Hotel PIOC components. The Insurance Costs component had the highest proportional increase, rising by 10.5%, followed by Fuel which rose by 9.6%. More moderate increases were seen in Maintenance (6.2%), Utilities (6.0%) Administrative Costs (3.5%), and Labor Costs (3.3%). The change in Taxes, which make up 35% of the Hotel Index, was nearly flat, rising just 0.1%. See

| Hotels | | |
|--|--------------------|---------------|
| Change In Costs for All Hotels that Contain Rent Stabilized Units, April 2025 to March 2026 | | |
| <u>Component</u> | <u>Cost Change</u> | <u>Weight</u> |
| Taxes | 0.1% | 34.9% |
| Labor Costs | 3.3% | 14.6% |
| Fuel | 9.6% | 16.2% |
| Utilities | 6.0% | 4.6% |
| Maintenance | 6.2% | 12.0% |
| Admin Costs | 3.5% | 8.3% |
| Insurance Costs | 10.5% | 9.4% |
| All Costs | 4.4% | 100% |

| Lofts | | |
|--|--------------------|---------------|
| Change In Costs for Rent Stabilized Lofts, April 2025 to March 2026 | | |
| <u>Component</u> | <u>Cost Change</u> | <u>Weight</u> |
| Taxes | 2.6% | 26.1% |
| Labor Costs | 2.9% | 7.0% |
| Fuel | 11.5% | 7.2% |
| Utilities | 4.4% | 5.0% |
| Maintenance | 6.0% | 8.1% |
| Admin Costs-Legal | 3.4% | 6.7% |
| Admin Costs-Other | 5.4% | 6.0% |
| Insurance Costs | 10.5% | 33.9% |
| All Costs | 6.5% | 100.0% |

the table on the previous page for changes in costs and prices for all hotels that contain rent stabilized units from 2025-2026.

Among the different categories of Hotels, the index for “Traditional” Hotels increased by 3.5%, Rooming Houses by 5.6%, and SROs by 5.4% (see Appendices 4 and 7).

Loft PIOC

The increase in the Loft PIOC this year was 6.5%, lower than the increase of 9.6% in 2025. Increases in costs were seen in all eight components that make up this index. Fuel saw the highest proportional increase, rising by 11.5%, followed by a rise in Insurance Costs of 10.5%. The remaining six components all rose by lesser proportions, including Maintenance (6.0%), Administrative Costs-Other (5.4%), Utilities (4.4%), Labor Costs (2.9%), Administration Costs-Legal (3.4%) and Taxes (2.6%). Note that historically Administrative Costs in the Loft Index has been split into two components — Administrative Costs-Legal and Administrative Costs-Other. Therefore, the Loft PIOC has eight components. See the table on the previous page and Appendix 8 for changes in costs and prices for all rent stabilized lofts from 2025-2026.

The Core PIOC

The Core PIOC, which measures long-term trends by factoring out shifts in fuel costs for heating buildings, rose by 4.8% in 2026. The rise in the 2026 Core PIOC was 0.5 percentage points lower than this year’s Apartment Index (5.3%), and 1.2 percentage points lower than last year’s Core Index (6.0%). This year’s Core PIOC rose at a slower pace than the overall PIOC because fuel costs, which were not used to calculate the Core, increased by 11.0%.

PIOC Projections for 2027

Section 26-510 of the Rent Stabilization Law requires the Board to consider prevailing and projected operating and maintenance costs for buildings containing rent stabilized apartments. Projections for components of the PIOC are calculated to

provide the RGB with an estimate of how much costs are expected to rise in the year following the current Price Index. (See the Methodology section on page 15 for a more detailed discussion on how the projections are calculated.)

Projecting cost changes in the PIOC has become more challenging in recent years. Energy prices have become increasingly volatile. The tax component, which accounts for just under 28% of the entire Price Index, has also become harder to project. This is due to changes in tax policy, such as tax rate adjustments and changes to the City’s tentative assessment roll, after the period covered in this Price Index.

This year, operating costs in buildings that contain rent stabilized apartments increased by 5.3%, versus last year’s projected PIOC increase of 4.8%, a difference of 0.5 percentage points. The component with the largest deviation between actual and projected changes in costs was Fuel. The Fuel component was projected to decline by 4.4%, but actually rose by 11.0% in the 2026 PIOC, a 15.4 percentage point difference. The second largest deviation was found in Insurance Costs, where costs were projected to rise 17.7%, but rose in the 2026 PIOC by 10.5%, a 7.2 percentage point difference. The remaining five 2026 projected components of the PIOC were all within 1.1 percentage points of the actual measured changes.

Overall, the PIOC is expected to grow by

| 2027 Projections | |
|--|-------------|
| <i>Projected Change In Costs for Buildings that Contain Rent Stabilized Apartments, April 2026 to March 2027</i> | |
| Taxes | 4.7% |
| Labor Costs | 3.9% |
| Fuel | -7.5% |
| Utilities | -1.7% |
| Maintenance | 4.6% |
| Admin Costs | 4.8% |
| Insurance Costs | 16.9% |
| All Costs | 4.1% |

4.1% from 2026 to 2027. Costs are predicted to rise in five components, with the largest growth (16.9%) projected to be in Insurance Costs. Taxes, the component that carries the most weight in the Index, is projected to increase by 4.7%. Other projected increases include Administrative Costs (4.8%), Maintenance (4.6%), and Labor Costs (3.9%). In contrast, both Fuel and Utilities costs are projected to decline, by 7.5% and 1.7%, respectively. The table on the previous page shows projected changes in PIOC components for 2027. The Core PIOC is projected to rise by 5.1%, 1.0 percentage points higher than the overall projected PIOC for rent stabilized apartments.

Commensurate Rent Adjustment Formulas

Commensurate rent adjustment formulas have been used since the inception of the RGB in 1969. These formulas, each with their own methodology (utilizing data such as operating costs, revenues, and inflation), provide a set of illustrative one- and two-year renewal rent adjustments that would hypothetically compensate owners for the change in prices measured by the PIOC, while keeping net operating income (NOI) constant.⁷ Note that these commensurate formulas do not constitute staff or Board recommendations for guideline adjustments. They are illustrative measures of operating cost changes and do not reflect the full range of considerations in the Board’s statutory mandate. The various data points presented in this, and other, Rent Guidelines Board annual research reports (e.g., the Income and Affordability Study and the Income and Expense Study), supplementary data sources, in addition to public testimony, can all be considered to determine appropriate rent adjustments.

The first commensurate method is called the “Net Revenue” approach, designed to consider the change in the PIOC, and revenue received by owners based on an estimate of tenants who sign either one- or two-year lease renewals.⁸ Under the “Net Revenue” formula, a guideline that would preserve NOI in the face of this year’s 5.3% increase in the PIOC is 3.75% for a one-year lease and 6.25% for a two-year lease.

The second commensurate method, the “CPI-Adjusted NOI” formula, considers the change in the PIOC, the mix of lease terms, and the effect of inflation on NOI.⁹ A guideline that would preserve NOI in the face of the 2.7% increase in the Consumer Price Index for “All Items Less Shelter” (see Endnote 2), and the 5.3% increase in the PIOC, is 4.5% for a one-year lease and 8.5% for a two-year lease.¹⁰

Note that in a change from prior years, and for the third consecutive year, staff is calculating a single formula for both the “Net Revenue” and “CPI-Adjusted NOI” commensurates, which assumes that, after a vacancy, owners will be able to collect the applicable RGB guidelines for renewal leases, as authorized under current New York State law. See Endnote 8 for more details about this methodological change.

The third commensurate method, the “traditional” commensurate adjustment, is the formula that has been in use since the inception of the Rent Guidelines Board, and is the only method

| Commensurates | |
|--|---------------------|
| <i>“Net Revenue” Commensurate Adjustment</i> | |
| <u>1-Year Lease</u> | <u>2-Year Lease</u> |
| 3.75% | 6.25% |
| <i>“CPI-Adjusted NOI” Commensurate Adjustment</i> | |
| <u>1-Year Lease</u> | <u>2-Year Lease</u> |
| 4.5% | 8.5% |
| <i>“Traditional” Commensurate Adjustment</i> | |
| <u>1-Year Lease</u> | <u>2-Year Lease</u> |
| 3.4% | 4.8% |
| <p>Note that these commensurate formulas do not constitute staff or Board recommendations for guideline adjustments. The various data points presented in this, and other, Rent Guidelines Board annual research reports (e.g., the Income and Affordability Study and the Income and Expense Study), supplementary data sources, in addition to public testimony, can all be considered to determine appropriate rent adjustments.</p> | |

that relies on both the current PIOC change as well as the PIOC projection for the following year. Note that this commensurate formula does not account for the mix of lease terms, or the effect of inflation on NOI. The “traditional” commensurate yields 3.4% for a one-year lease, and 4.8% for a two-year lease. This reflects the increase in operating costs of 5.3% found in the 2026 PIOC and the projection of a 4.1% increase next year.¹¹

All of these commensurate methods have limitations. The “Net Revenue” formula does not attempt to adjust NOI by the effect of inflation. The “CPI-Adjusted NOI” formula does not consider that while inflation may change, the debt service portion of NOI may stay constant. As a means of compensating for cost changes, the “traditional” commensurate rent adjustment has two major flaws. First, although the formula is designed to keep owners’ current dollar NOI constant, it does not consider the mix of one- and two-year lease renewals. Since less than three-quarters of leases are renewed in any given year, with a majority of leases being renewed having a two-year duration, the formula does not necessarily accurately estimate the amount of income needed to compensate owners for O&M cost changes. A second flaw of the “traditional” commensurate formula (as well as the “Net Revenue” formula) is that it does not consider the erosion of owners’ income by inflation. By maintaining current dollar NOI at a constant level, adherence to the formula may cause NOI to decline over time. However, such degradation is not an inevitable consequence of using the “traditional” commensurate formula.¹² Note that the “traditional” commensurate formula is the only formula of the three that uses the PIOC projection.

As stated previously, all three formulas attempt to compensate owners for the adjustment in their operating and maintenance costs measured each year in the PIOC. The “Net Revenue” and the “CPI-Adjusted NOI” formulas attempt to compensate owners for the adjustment in O&M costs by using only the known PIOC change in costs (5.3%). The traditional method differs from the other formulas in that it uses both the PIOC’s actual change in costs as well as the projected change in costs (4.1%).

Methodology

The Price Index measures changes in the cost of purchasing a specified set of goods and services, which must remain constant both in terms of quantity and quality from one year to the next. The need to exclude the effect of any alterations in the quality of services provided requires that very careful specifications of the goods and services priced must be developed and applied. The pricing specifications must permit the measurement of changes in prices paid for carefully defined pricing units with specific terms of sale, such as cash, volume, or trade discounts.

Note that the various components of the PIOC utilize cost/price changes from differing time periods throughout the PIOC year (April through March, the most current time period available for analysis). For instance, the change in Taxes is based on a point-to-point change from one tax year to the next, while other components, such as Maintenance, Labor Costs, Administrative Costs, and Insurance Costs, rely on a point-to-point change from one PIOC year to the next. For those components where owners receive a bill every month, such as Fuel and Utilities, prices are gathered each month, and a bill for the entire year (April through March) is calculated and compared to the same period of the previous year.

The Methodology section of this report outlines the methods used to calculate each component of the 2026 PIOC, as well as the PIOC projection for 2027.

Owner Survey

The Owner Survey gathers information on management fees, insurance, and non-union labor from building managers and owners. A survey, accompanied by a letter describing the purpose of the PIOC, was mailed to the owners or managing agents of buildings that contain rent stabilized units. If a returned survey was not complete, an interviewer contacted the owner/manager and tried to gather the missing information. Owners could complete the survey online or by mail. The data gathered by the Owner Survey is the only owner-reported data used in the PIOC.

The sample frame for the Owner Survey included more than 45,000 buildings that contain rent stabilized units registered with New York State Homes and Community Renewal (HCR). RGB staff used a random sampling scheme to choose 15,000 addresses from this pool for the Owner Survey. The number of buildings chosen in each borough was nearly proportional to the share of buildings in that borough. Two successive mailings were sent at timed intervals to the owner or managing agent of each property selected in the survey sample.

In addition, an analysis of surveys from previous PIOC's showed that submitted insurance and labor costs were largely accurate when verified with brokers and non-union employees. Therefore, not every response obtained through the Owner Survey was independently verified in this year's PIOC. For example, staff verified insurance policies that accounted for 81.5% of the cost of current year insurance policies.

Roughly 3.0% of the questionnaires mailed out received a response, and 431 returned surveys contained usable information. From these surveys, RGB staff was able to use 416 annual insurance premiums, 165 non-union labor wage rates, and 80 management fees. The number of prices in 2025 and 2026 for the Owner Survey is shown in Appendix 1.

Taxes

The 2026 tax price relative was calculated by providing a list of properties registered with HCR to the NYC Department of Finance. Finance "matched" this list against its records to provide data on assessed value, tax exemptions, and tax abatements for over 42,600 buildings in both the current and previous tax year. This data was used to compute a tax bill for each building containing rent stabilized units in each of these fiscal years. The change computed for the PIOC is simply the percentage difference in aggregate tax bills for these buildings from FY 2025 to FY 2026.

Labor Costs

The Labor Costs component consists of the cost of unionized and non-unionized labor. Rate increases

for unionized labor, including wage increases and health benefits, come directly from the contracts of unions that represent workers in buildings and hotels that contain rent stabilized units. The cost of Social Security and unemployment insurance is obtained from the NYS Department of Labor and the Internal Revenue Service (IRS). Wage increases for non-union labor are obtained from the Owner Survey (see "Owner Survey" section on the previous page for the non-union labor wage methodology).

Fuel

The Fuel component consists of all types of fuel used for heating buildings, including oil, natural gas, electricity, and steam.

In order to calculate the change in cost of fuel oil, prices set by fuel oil vendors for a gallon of heating oil are gathered on a monthly basis. A monthly survey makes it possible to keep in touch with fuel oil vendors and to gather the data on a consistent basis (i.e., on the same day of the month for each vendor). Vendors are called each month to minimize the likelihood of misreporting and also to reduce the reporting burden for the companies by eliminating the need to look up a year's worth of prices. The number of fuel oil quotes gathered this year for #2 and #4 oil is similar to last year and is contained in Appendix 1.

To calculate changes in fuel oil costs, monthly price data is weighted using a degree-day formula to account for changes in the weather. The number of Heating Degree Days (defined in Endnote 6) is a measure of heating requirements.

The Fuel component includes not only the cost of fuel oil, but also the cost of heating buildings with natural gas, electricity, and steam. For these items, RGB staff calculates a hypothetical monthly bill for utilities based in part on supply rates, fuel adjustments, delivery charges, taxes, and other surcharges and fees. Bills are calculated based on typical usage in a multi-family building in New York City, an amount that remains constant from year to year.

Because these items represent prices to heat buildings, monthly price data is adjusted to account for changes in weather. The price relatives for all items in the Fuel component were calculated

by comparing the most recent April-March period with the prior April-March.

Utilities

The Utilities component consists of costs for non-heating electricity and natural gas, as well as water and sewer charges. RGB staff calculates a hypothetical monthly bill for electricity and natural gas based in part on supply rates, fuel adjustments, delivery charges, taxes, and other surcharges and fees. Bills are calculated based on typical usage in a multi-family building in New York City, an amount that remains constant from year to year. The price relatives for electricity and natural gas items in the Utilities component were calculated by comparing the most recent April-March period with the prior April-March period.

Water and sewer price changes are based on annual rate adjustments set by the NYC Water Board.

Maintenance

All prices for items in this component are obtained using a Vendor Survey. This survey is used to gather price quotes for items such as painting and other services performed by contractors; hardware and cleaning items; and appliances that need periodic replacement. Each year, the database is updated by adding new vendors and deleting those who no longer carry the products or perform the services outlined in the Vendor Survey item specifications. Vendor quotes were obtained over the telephone for service-based items, and for non-service based items, by telephone and from websites that carry items in the PIOC's market basket of goods. A total of 474 recorded price quotes were gathered (for both Maintenance and Administrative Costs, not including management fees). For a description of the items priced and the number of price quotations obtained for each item, refer to Appendix 1.

Administrative Costs

Management fees are obtained directly from building owners and managers, using the Owner Survey (see "Owner Survey" section on page 12).

Other expense items, such as accountant and attorney fees, are obtained using the Vendor Survey, as described in the "Maintenance" section, on this page. For communications costs, because there are so many variations in types of plans for internet and phone service, staff relied on the national Consumer Price Index to obtain price changes for these items. Monthly price changes were obtained from the U.S. Bureau of Labor Statistics website and were calculated by comparing the most recent 12-month period from March-February with the prior March-February period. For a list of all the expense items contained in the Administrative Costs component, see Appendix 1.

In 2025, as part of the Owner Survey sent to owners and management companies, respondents were asked for detailed information on their administrative costs. Respondents noted how much they spent in 2024 for items such as management, accounting, and attorney fees, as well as office supplies, equipment costs, communication services, and advertising. Based on the results of this survey, individual items within the Administrative Costs component were reweighted. See Appendix 2 for the 2026 weights for each of these items.

Insurance Costs

The Owner Survey asks owners to provide information about their current and prior year's insurance policies. Temporary workers call the relevant insurance agents/brokers to verify much of this information. As noted in the Owner Survey methodology, for the fourth consecutive year, because of an increased number of responses, not every insurance policy was verified. Staff verified insurance policies that accounted for 81.5% of the cost of current year insurance policies. The price relative was calculated from a total of 416 buildings, 359 of which were built prior to 1974, and 57 of which were built after 1973.

PIOC by Building Age

Previous versions of the PIOC examined data based on whether a building was built pre- or post-war (i.e., before 1947 or after 1946). Beginning with the 2023 PIOC, indices are now calculated based on

whether the building was constructed prior to 1974, or on or after January 1, 1974. With the passage of the Emergency Tenant Protection Act (ETPA) of 1974, buildings containing six or more residential units constructed prior to 1974 became rent stabilized. However, generally speaking, buildings constructed or extensively renovated after 1973 are subject to rent stabilization only because the owner has agreed to receive tax benefits in exchange for entering the rent stabilization program. Therefore, the number of buildings entering and leaving stabilization among post-1973 buildings is more fluid than the pre-1974 buildings. Also note that the number of post-1973 buildings is much smaller than the number of pre-1974 buildings. Delineating buildings by a construction date of post-1973 or pre-1974 should give greater insight into the operating costs of “traditional” rent stabilized buildings, versus those that are newer and benefit from tax benefit programs.

While the weights in individual components differ in the two indices, the only relatives that are calculated separately are taxes and insurance. Aggregate tax bills, based on date of building construction, are compared between the previous and current tax years to calculate individual relatives for pre-1974 and post-1973 buildings. Similarly, beginning with the 2025 PIOC, staff was able to calculate separate relatives for the Insurance Costs component in pre-1974 and post-1973 buildings. See the PIOC by Building Type section, on page 9, for more details on both the tax and insurance relatives by building age.

Price Index Projections

The PIOC Projections are estimated by using data from federal, state, and local agencies; estimates from industry experts; and trend forecasting using three-year or long-term averages. The projections in this report are for the time period from April 2026 to March 2027.

Taxes were projected by using data from the Department of Finance’s tentative assessment roll for FY 2027, adjusted by estimates of how the final PIOC tax index has compared to the change in the tentative assessment roll over the last decade. Labor costs are projected by using a ten-year

geometric average (which compounds the annual growth rate) of Labor Costs items. When available, union contracts that have been negotiated for future years are also utilized in place of 10-year geometric averages.¹³ Fuel oil and natural gas costs for the Fuel component are projected using data and information from the US Energy Information Administration’s (EIA) current “Short-Term Energy Outlook” report¹⁴ report about projected prices, in addition to changes in projected usage according to a projected return to average temperature over the last five years. Utility costs are projected by taking the average of the last four New York City Water Board water and sewer rate adjustments as well as EIA projections for residential gas and electricity costs.

The other components — Administrative Costs, Insurance Costs, and Maintenance — are projected by using three-year geometric averages of the component price relatives.

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Endnotes

1. Prior to 2015, the relative importance of the various goods and services in the market basket was based on a 1983 study of expenditure patterns of owners of buildings that contain rent stabilized units. In 2015, the Price Index of Operating Costs (PIOC) component expenditure weights for buildings that contain rent stabilized apartments were changed to the expenditure patterns found in the Rent Guidelines Board’s annual Income and Expense (I&E) Study, which allows for the annual updating of expenditure patterns based on what owners report to the New York City Department of Finance as their actual costs on Real Property Income and Expense (RPIE) statements required by Local Law 63 (enacted in 1986). Note that only the Apartment PIOC is weighted with data from RPIE reports. The Hotel and Loft PIOC’s continue to use the 1983 study. For a full description of the methodological changes to the expenditure weights used in the current PIOC, please refer to the RGB 2015 Price Index of Operating Costs report at <https://rentguidelinesboard.cityofnewyork.us/research/>.

2026 Price Index of Operating Costs

2. The average CPI for All Urban Consumers, New York-Northeastern New Jersey for the year from March 2025 to February 2026 (347.5) compared to the average for the year from March 2024 to February 2025 (336.4) rose by 3.3%. This is the latest available CPI data and is roughly analogous to the “PIOC year.” The CPI includes the cost of shelter (i.e. primarily rent of primary residence and owner’s equivalent rent of primary residence), which accounts for approximately 41% of the overall CPI. In the most recent “PIOC year,” the CPI for “all items less shelter” (59% of the overall weight of the total CPI) rose by 2.7%.
3. Note that the cumulative price changes in this paragraph, as well as Appendix 9, are based purely on price and do not consider the changing weights of each item from year to year (i.e. the cost).
4. To estimate the contribution of each component to the overall change in cost over the most recent five years of the PIOC, first the known change in the cumulative PIOC for each year from 2022 to 2026 was applied proportionally to each component, based on their individual weights in each individual year. For instance, the 5-year cumulative change in the PIOC of 31.0% in 2026 was distributed among the seven components by their individual weights in 2026 (e.g. 27.9% for taxes, or 9.5% for insurance). The cost in 2021 was then subtracted from the cost in 2026 for each component. The sum of each contribution equals the 31.0% cumulative cost increase from 2022-2026. The proportion of the total is the proportion (out of 100%) that the contribution of each component contributed to the 5-year cumulative change in the PIOC (e.g. 6.8% of 31.0% is a proportion of 22.0%). Note that this methodology considers both price changes and changes in weight (i.e. cost), while the noted cumulative changes in price in Appendix 9 and the previous paragraph (e.g. 99.9% for insurance) are based solely on price.
5. New York City has four property tax classes. Most buildings that contain rent stabilized units are in Tax Class 2, which consists of rental buildings of four units or more and cooperative and condominium buildings of two units or more. A small building that contains rent stabilized units only because of a tax abatement or exemption program (such as 421-a or J-51) would more likely be in Tax Class 1, which consists of most residential property of up to three units (family homes and small stores or offices with one or two apartments attached), and most condominiums that are not more than three stories. In the tax file used by the RGB to compute the Taxes component, 99.3% of the almost 43,000 buildings analyzed were part of Tax Class 2.
6. The cost-weight relatives are calculated on an April to March time period. The April 2025 to March 2026 time period was 9.4% colder than the previous April to March period. “Normal” weather, which is the standard set by National Oceanic and Atmospheric Administration (NOAA), refers to the typical number of Heating Degree Days measured at Central Park, New York City, over the 30-year period from 1991-2020. NOAA recalculates this 30-year average and issues a new “normal” every ten years. A Heating Degree Day is defined as, for one day, the number of degrees that the average temperature for that day falls below 65 degrees Fahrenheit.
7. The commensurate rent adjustments were first introduced before deregulation was wide-spread. At their inception, with little to no deregulation, these formulas largely reflected the rent stabilized stock at large, despite being designed to keep NOI constant in only those units subject to rent stabilization. Note that with deregulation permitted under state law from 1993 through 2019, thousands of buildings now contain both rent stabilized and deregulated units. Because the commensurates were not designed to keep NOI constant in deregulated units (where annual adjustments in rents are subject to changes in the real estate rental market), these formulas will not necessarily keep NOI constant for buildings that contain both rent stabilized and deregulated units.
8. Starting in 2024, and in a change from prior years, staff is calculating a single formula for this commensurate, which assumes that, after a vacancy, owners will be able to collect the applicable RGB guidelines for renewal leases, as authorized under current NYS law. With the passage of the Housing Stability and Tenant Protection Act in 2019, vacancy allowance increases are no longer permitted, but increases on vacancy leases equal to RGB renewal lease guidelines are permitted. In prior years, the RGB reported two variations of the “Net Revenue” commensurate. One assumed no increase upon vacancy. The other relied on estimates of the revenue owners received on vacant units (from NYS Homes and Community Renewal apartment registration data), in conjunction with the estimated level of turnover (based on NYC Housing and Vacancy Survey data).
9. In a change from prior years, and for the first time, the CPI figure being utilized in the calculation of the CPI Adjusted NOI is the “All Items Less Shelter” CPI. This index differs from the “All Items” CPI because it removes the cost of shelter (primarily rent of primary residence and owner’s equivalent rent. In the NYC metro area, “all items less shelter” account for 59% of the total CPI. As noted in Endnote 2, the CPI for “All Items Less Shelter” rose by 2.7% in the most recent PIOC year, and the overall CPI (which is no longer being used in this calculation) rose by 3.3%.
10. As with the “Net Revenue” commensurate, only one version of the “CPI Adjusted NOI” commensurate will now be calculated (see Endnote 8 for more details). The following assumptions were used in the computation of both the “Net Revenue” and “CPI Adjusted NOI” commensurates: (1) the required change in owner revenue is 63.6% of the 2026 PIOC increase of 5.3%, or 3.4%. The 63.6% figure is the most recent ratio of average operating costs to average income in buildings that contain rent stabilized units; (2) for only the “CPI-Adjusted NOI” commensurate, the increase in revenue due to the impact of inflation on NOI is 36.4% times the latest 12-month increase in the “All Items Less Shelter” CPI ending February 2026 (2.7%), or 1.0%; (3) the proportion of one-year (43.6%) and two-year (56.4%) leases was derived from 2025 HCR registration files; and (4) the collectability of these commensurate adjustments is assumed. Also note that the lease adjustments generated by these commensurate formulas are only illustrative—other combinations of one- and two-year guidelines could produce the adjustment in revenue.
11. The “traditional” formula adjusts only owner expenses, not NOI. Expenses are adjusted based on the current PIOC change for the one-year lease commensurate, and by both the current PIOC and the PIOC projection for the two-year lease commensurate.
12. Whether profits will actually decline depends on the level of inflation, the composition of NOI (i.e., how much is debt service and how much is profit), and changes in tax law and interest rates.
13. The most recent contracts for apartment workers union Local 32-BJ expire in April of 2026 and, as of the publication of this report, have not yet been negotiated past April 2026. Therefore, data for wage and benefit adjustments in 2027 is not yet available. In years when union contract wage data is unavailable, projections for union wage and benefit increases are calculated in accordance with all other items in the Labor Costs component, by using a 10-year geometric average.
14. Source: “Short-Term Energy Outlook,” March 2026. U.S. Energy Information Administration, Department of Energy. <https://www.eia.gov/outlooks/steo/data.php?type=tables>.

Appendices

1. PIOC Sample, Number of Price Quotes per Item, 2025 vs. 2026

| Spec # | Description | 2025 | 2026 | Spec # | Description | 2025 | 2026 |
|--------|---------------------------|------------|------------|--------|-----------------------------|--------------|--------------|
| 211 | Apartment Value | 72 | 64 | 817 | Large Trash Bags | 14 | 14 |
| 212 | Non-Union Super | 77 | 110 | 818 | Smoke Detectors | 9 | 12 |
| 216 | Non-Union Janitor/Porter | 48 | 55 | 902 | Refrigerator #2 | 9 | 9 |
| | LABOR COSTS | 197 | 229 | 903 | Air Conditioner #1 | 8 | 9 |
| | | | | 906 | Dishwasher | 9 | 9 |
| | | | | 908 | Range #2 | 9 | 9 |
| 301 | Fuel Oil #2 | 23 | 25 | 909 | Carpet | 11 | 11 |
| 302 | Fuel Oil #4 | 7 | 7 | 910 | Dresser | 5 | 5 |
| | FUEL OIL | 30 | 32 | 911 | Mattress & Box Spring | 8 | 6 |
| | | | | | MAINTENANCE | 414 | 383 |
| 501 | Repainting | 65 | 65 | | | | |
| 502 | Plumbing, Faucet | 32 | 22 | 601 | Management Fees | 52 | 80 |
| 503 | Plumbing, Stoppage | 31 | 22 | 602 | Accountant Fees | 20 | 17 |
| 504 | Elevator #1, 6 fl., 1 e. | 6 | 5 | 603 | Attorney Fees | 23 | 22 |
| 505 | Elevator #2, 13 fl., 2 e. | 5 | 4 | 604 | Newspaper Ads | 27 | 23 |
| 506 | Elevator #3, 19 fl., 3 e. | 4 | 4 | 607 | Bill Envelopes | 11 | 9 |
| 507 | Burner Repair | 8 | 7 | 608 | P.O. Box | 10 | 10 |
| 508 | Boiler Repair, Tube | 8 | 6 | 609 | Copy Paper | 11 | 10 |
| 509 | Boiler Repair, Weld | 7 | 6 | | ADMINISTRATIVE COSTS | 154 | 171 |
| 510 | Refrigerator Repair | 9 | 8 | | | | |
| 511 | Range Repair | 9 | 8 | | | | |
| 512 | Roof Repair | 14 | 7 | 701 | INSURANCE COSTS | 428 | 416 |
| 514 | Floor Maint. #1, Studio | 7 | 8 | | | | |
| 515 | Floor Maint. #2, 1 Br. | 7 | 8 | | | | |
| 516 | Floor Maint. #3, 2 Br. | 7 | 8 | | | | |
| 517 | Extermination Services | 11 | 10 | | | | |
| 518 | Linen/Laundry Service | 4 | 4 | | | | |
| 519 | Electrician Services | 10 | 9 | | ALL ITEMS | 1,223 | 1,231 |
| 805 | Paint | 10 | 10 | | | | |
| 808 | Bucket | 14 | 14 | | | | |
| 810 | Linens | 10 | 9 | | | | |
| 811 | Pine Disinfectant | 14 | 15 | | | | |
| 813 | Switch Plate | 12 | 13 | | | | |
| 815 | Toilet Seat | 14 | 14 | | | | |
| 816 | Deck Faucet | 14 | 13 | | | | |

(CONTINUED, TOP RIGHT)

Source: 2025 and 2026 Price Index of Operating Costs

2. Expenditure Weights, Price Relatives, Percent Changes, and Standard Errors, All Apartments, 2026

| Spec # | Item Description | Expenditure Weight | Price Relative | % Change | Standard Error | Spec # | Item Description | Expenditure Weight | Price Relative | % Change | Standard Error |
|--------|--------------------------------|--------------------|----------------|---------------|----------------|--------|------------------------|--------------------|----------------|---------------|----------------|
| 101 | TAXES | 0.2792 | 1.0263 | 2.63% | 0.0357 | 805 | Paint | 0.0280 | 0.9901 | -0.99% | 1.9537 |
| 201 | Payroll, Bronx, All (Union) | 0.0456 | 1.0307 | 3.07% | 0.0000 | 808 | Bucket | 0.0046 | 1.1222 | 12.22% | 4.4142 |
| 202 | Payroll, Other, Union, Supts. | 0.0478 | 1.0323 | 3.23% | 0.0000 | 811 | Pine Disinfectant | 0.0056 | 1.0083 | 0.83% | 3.3775 |
| 203 | Payroll, Other, Union, Other | 0.1233 | 1.0342 | 3.42% | 0.0000 | 813 | Switch Plate | 0.0043 | 1.0590 | 5.90% | 6.3511 |
| 204 | Payroll, Other, Non-Union, All | 0.5806 | 1.0353 | 3.53% | 0.8201 | 815 | Toilet Seat | 0.0112 | 1.1377 | 13.77% | 6.0631 |
| 205 | Social Security Insurance | 0.0548 | 1.0347 | 3.47% | 0.0000 | 816 | Deck Faucet | 0.0137 | 1.1463 | 14.63% | 4.3111 |
| 206 | Unemployment Insurance | 0.0128 | 0.9471 | -5.29% | 0.0000 | 817 | Large Trash Bags | 0.0100 | 0.9775 | -2.25% | 3.1476 |
| 207 | Private Health & Welfare | 0.1351 | 1.0048 | 0.48% | 0.0000 | 818 | Smoke Detectors | 0.0098 | 1.0561 | 5.61% | 4.6701 |
| | LABOR COSTS | 0.1186 | 1.0295 | 2.95% | 0.4761 | 902 | Refrigerator #2 | 0.0315 | 1.0026 | 0.26% | 4.2733 |
| 301 | Fuel Oil #2 | 0.2234 | 1.0878 | 8.78% | 0.3772 | 903 | Air Conditioner #1 | 0.0010 | 1.0300 | 3.00% | 1.2833 |
| 302 | Fuel Oil #4 | 0.0960 | 1.1240 | 12.40% | 0.7154 | 906 | Dishwasher | 0.0038 | 1.0594 | 5.94% | 1.6202 |
| 405 | Gas #2, 650 therms | 0.1295 | 1.1128 | 11.28% | 0.0000 | 908 | Range #2 | 0.0177 | 1.0912 | 9.12% | 2.8772 |
| 406 | Gas #3, 2,140 therms | 0.5465 | 1.1154 | 11.54% | 0.0000 | | MAINTENANCE | 0.1849 | 1.0603 | 6.03% | 0.5751 |
| 407 | Steam #1, 1,150 Mlbs | 0.0035 | 1.2399 | 23.99% | 0.0000 | 601 | Management Fees | 0.3523 | 1.0473 | 4.73% | 1.0270 |
| 408 | Steam #2, 2,600 Mlbs | 0.0011 | 1.2604 | 26.04% | 0.0000 | 602 | Accountant Fees | 0.1947 | 1.0884 | 8.84% | 2.1121 |
| | FUEL | 0.0785 | 1.1103 | 11.03% | 0.1087 | 603 | Attorney Fees | 0.2312 | 1.0342 | 3.42% | 1.2493 |
| 401 | Electricity #1, 2,500 KWH | 0.1649 | 1.0847 | 8.47% | 0.0000 | 604 | Newspaper Ads | 0.0208 | 1.0000 | 0.00% | 0.0000 |
| 402 | Electricity #2, 15,000 KWH | 0.1566 | 1.0977 | 9.77% | 0.0000 | 607 | Bill Envelopes | 0.0302 | 1.1463 | 14.63% | 6.6866 |
| 404 | Gas #1, 120 therms | 0.0159 | 1.1291 | 12.91% | 0.0000 | 608 | P.O. Box | 0.0302 | 1.0468 | 4.68% | 0.1918 |
| 410 | Water & Sewer | 0.6625 | 1.0370 | 3.70% | 0.0000 | 609 | Copy Paper | 0.0302 | 1.0296 | 2.96% | 5.0323 |
| | UTILITIES | 0.1087 | 1.0558 | 5.58% | 0.0000 | 409 | Communications | 0.1104 | 0.9950 | -0.50% | 0.0000 |
| 501 | Repainting | 0.2537 | 1.0570 | 5.70% | 0.8014 | | ADMIN COSTS | 0.1351 | 1.0480 | 4.80% | 0.6688 |
| 502 | Plumbing, Faucet | 0.1009 | 1.0253 | 2.53% | 1.0055 | 701 | INSURANCE COSTS | 0.0949 | 1.1054 | 10.54% | 1.4625 |
| 503 | Plumbing, Stoppage | 0.0933 | 1.0550 | 5.50% | 2.0622 | | ALL ITEMS | 1.0000 | 1.0532 | 5.32% | 0.2052 |
| 504 | Elevator #1, 6 fl., 1 e. | 0.0190 | 1.0928 | 9.28% | 3.9710 | | | | | | |
| 505 | Elevator #2, 13 fl., 2 e. | 0.0126 | 1.0780 | 7.80% | 4.3460 | | | | | | |
| 506 | Elevator #3, 19 fl., 3 e. | 0.0067 | 1.0918 | 9.18% | 4.4339 | | | | | | |
| 507 | Burner Repair | 0.0309 | 1.0601 | 6.01% | 2.1726 | | | | | | |
| 508 | Boiler Repair, Tube | 0.0460 | 1.0509 | 5.09% | 2.3795 | | | | | | |
| 509 | Boiler Repair, Weld | 0.0354 | 1.0442 | 4.42% | 2.0091 | | | | | | |
| 510 | Refrigerator Repair | 0.0116 | 1.0958 | 9.58% | 5.0038 | | | | | | |
| 511 | Range Repair | 0.0109 | 1.0958 | 9.58% | 5.0038 | | | | | | |
| 512 | Roof Repair | 0.0642 | 1.1242 | 12.42% | 3.4098 | | | | | | |
| 514 | Floor Maint. #1, Studio | 0.0033 | 1.0272 | 2.72% | 2.7404 | | | | | | |
| 515 | Floor Maint. #2, 1 Br. | 0.0062 | 1.0137 | 1.37% | 1.3762 | | | | | | |
| 516 | Floor Maint. #3, 2 Br. | 0.0548 | 1.0000 | 0.00% | 0.0000 | | | | | | |
| 517 | Extermination Services | 0.0438 | 1.0891 | 8.91% | 4.4926 | | | | | | |
| 519 | Electrician Services | 0.0653 | 1.1285 | 12.85% | 4.3660 | | | | | | |

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Source: 2026 Price Index of Operating Costs

3. Price Relatives by Building Type, Apartments, 2026

| Component Description | Pre-1974 | Post-1973 | Gas Heated | Oil Heated |
|-----------------------|-------------|-------------|-------------|-------------|
| TAXES | 2.1% | 7.1% | 2.6% | 2.6% |
| LABOR COSTS | 3.0% | 2.9% | 3.0% | 3.0% |
| FUEL | 11.0% | 13.0% | 11.5% | 9.9% |
| UTILITIES | 5.3% | 6.7% | 6.3% | 6.8% |
| MAINTENANCE | 6.0% | 6.4% | 6.1% | 6.0% |
| ADMINISTRATIVE COSTS | 4.9% | 4.3% | 4.8% | 4.8% |
| INSURANCE COSTS | 11.6% | 5.4% | 10.5% | 10.5% |
| ALL ITEMS | 5.3% | 5.9% | 5.3% | 5.5% |

Source: 2026 Price Index of Operating Costs

4. Price Relative by Hotel Type, 2026

| Component Description | "Traditional" Hotel | Rooming House | SRO |
|-----------------------|---------------------|---------------|-------------|
| TAXES | -0.1% | 2.1% | -0.3% |
| LABOR COSTS | 3.5% | 3.5% | 3.4% |
| FUEL | 9.9% | 8.8% | 9.4% |
| UTILITIES | 5.0% | 7.5% | 5.8% |
| MAINTENANCE | 6.8% | 4.7% | 5.9% |
| ADMINISTRATIVE COSTS | 3.2% | 4.6% | 4.1% |
| INSURANCE COSTS | 10.5% | 10.5% | 10.5% |
| ALL ITEMS | 3.5% | 5.6% | 5.4% |

Source: 2026 Price Index of Operating Costs

5. Percentage Change in Real Estate Tax by Borough and Source of Change, Apartments and Hotels, 2026

| | % Change Due to Assessments | % Change Due to Exemptions | % Change Due to Tax Rates | % Change Due to Abatements | % Change Due to Interactions* | Total % Change |
|-----------------------|-----------------------------|----------------------------|---------------------------|----------------------------|-------------------------------|----------------|
| APARTMENTS | | | | | | |
| Manhattan | 2.3% | 0.1% | -0.5% | 0.0% | 0.0% | 1.9% |
| Bronx | 3.8% | -0.9% | -0.5% | 0.0% | 0.0% | 2.5% |
| Brooklyn | 6.5% | -0.6% | -0.5% | 0.1% | 0.0% | 5.4% |
| Queens | 2.7% | 0.1% | -0.5% | 0.2% | 0.0% | 2.5% |
| Staten Island | 1.8% | 0.9% | -0.5% | 0.2% | 0.0% | 2.4% |
| All Apartments | 3.2% | -0.1% | -0.5% | 0.1% | 0.0% | 2.6% |
| HOTELS | | | | | | |
| "Traditional" Hotel | -0.6% | -0.1% | 0.6% | 0.0% | 0.0% | -0.1% |
| Rooming House | 2.3% | 0.0% | -0.4% | 0.2% | 0.0% | 2.1% |
| SRO | 0.6% | -0.4% | 0.1% | -0.6% | 0.0% | -0.3% |
| All Hotels | -0.1% | -0.1% | 0.4% | -0.1% | 0.0% | 0.1% |

Source: 2026 Price Index of Operating Costs

* Real estate tax interactions are the cumulative effects of changes in tax rates, assessments, exemptions, and abatements in the same year, after subtracting out the individual effects of each of these changes. Interactions have minimal impact on the overall change in real estate taxes.

Note: Totals may not add up due to rounding.

6. Tax Change by Borough and Community Board, Apartments, 2026

| Borough | Community Board | # of Buildings | Tax Relative | Borough | Community Board | # of Buildings | Tax Relative | Borough | Community Board | # of Buildings | Tax Relative | | | |
|-----------|-----------------|----------------|--------------|---------|-----------------|----------------|---------------|--------------|-----------------|----------------|--------------|---------------|--------------|-------|
| Manhattan | | 12,761 | 1.91% | | 7 | 1,086 | 0.87% | | 17 | 839 | 2.43% | | | |
| | | | | | 8 | 389 | 1.46% | | 18 | 83 | 4.23% | | | |
| | | 1 | 97 | 4.14% | | 9 | 386 | 3.21% | Queens | | | | | |
| | | 2 | 1,100 | 1.86% | | 10 | 228 | 1.63% | | | 7,480 | 2.46% | | |
| | | 3 | 1,647 | 2.25% | | 11 | 353 | 1.33% | | | 1 | 2,246 | 3.76% | |
| | | 4 | 963 | 3.38% | | 12 | 523 | 2.15% | | | 2 | 953 | 7.28% | |
| | | 5 | 257 | 0.59% | Brooklyn | | | | | | 3 | 579 | 2.63% | |
| | | 6 | 765 | 1.70% | | | 15,496 | 5.37% | | | 4 | 610 | 2.23% | |
| | | 7 | 1,745 | 0.94% | | | 1 | 2,106 | | 13.08% | | 5 | 1,268 | 2.02% |
| | | 8 | 1,813 | 1.64% | | | 2 | 675 | | 10.92% | | 6 | 316 | 0.83% |
| | | 9 | 791 | 2.85% | | | 3 | 1,381 | | 8.12% | | 7 | 474 | 0.59% |
| | | 10 | 1,183 | 4.58% | | | 4 | 1,711 | | 7.96% | | 8 | 243 | 1.28% |
| | 11 | 874 | 4.14% | | | 5 | 540 | 4.33% | | | 9 | 240 | 1.82% | |
| | 12 | 1,493 | 1.90% | | | 6 | 916 | 6.43% | | | 10 | 48 | 2.48% | |
| Lower | | 8,387 | 1.78% | | | 7 | 1,070 | 4.68% | | 11 | 118 | 0.86% | | |
| Upper | | 4,374 | 2.79% | | | 8 | 1,189 | 5.96% | | 12 | 228 | 0.87% | | |
| Bronx | | 6,688 | 2.48% | | | 9 | 688 | 3.16% | | 13 | 49 | 2.77% | | |
| | | 1 | 533 | 4.47% | | | 10 | 831 | 2.67% | St. Island | | | | |
| | | 2 | 311 | 9.38% | | 11 | 734 | 2.21% | | | 207 | 2.41% | | |
| | | 3 | 500 | 8.26% | | 12 | 652 | 2.99% | | | 1 | 154 | 3.01% | |
| | | 4 | 876 | 4.36% | | 13 | 216 | 5.02% | | | 2 | 32 | 8.63% | |
| | | 5 | 829 | 2.60% | | 14 | 1,008 | 2.45% | | | 3 | 21 | -2.28% | |
| | | 6 | 674 | 3.01% | | 15 | 381 | 3.97% | | | | | | |
| | | | | | | 16 | 476 | 6.45% | ALL | | | 42,632 | 2.63% | |

Source: 2026 Price Index of Operating Costs

Note: There were 33 buildings in Manhattan that are a part of Community Board 8 in the Bronx. These buildings are not included in the total for CB 8 in the Bronx, but are represented in the Manhattan total and the total for "ALL" buildings. Core and Upper Manhattan building totals are defined by block count and cannot be calculated by using Community Board numbers alone.

7. Expenditure Weights, Price Relatives, Percent Changes, and Standard Errors, All Hotels, 2026

| Spec # | Item Description | Expenditure Weight | Price Relative | % Change | Standard Error | Spec # | Item Description | Expenditure Weight | Price Relative | % Change | Standard Error |
|--------|------------------------------|--------------------|----------------|--------------|----------------|--------|------------------------|--------------------|----------------|---------------|----------------|
| 101 | TAXES | 0.3488 | 1.0006 | 0.06% | 0.4719 | 518 | Linen/Laundry Service | 0.1305 | 1.0407 | 4.07% | 4.3099 |
| 205 | Social Security Insurance | 0.0483 | 1.0347 | 3.47% | 0.0000 | 519 | Electrician Services | 0.0219 | 1.1285 | 12.85% | 4.3660 |
| 206 | Unemployment Insurance | 0.0089 | 0.9471 | -5.29% | 0.0000 | 805 | Paint | 0.0522 | 0.9901 | -0.99% | 1.9537 |
| 208 | Hotel Private Health/Welfare | 0.0587 | 1.0533 | 5.33% | 0.0000 | 808 | Bucket | 0.0190 | 1.1222 | 12.22% | 4.4142 |
| 209 | Hotel Union Labor | 0.3022 | 1.0259 | 2.59% | 0.0000 | 810 | Linens | 0.0552 | 1.1439 | 14.39% | 5.7066 |
| 210 | SRO Union Labor | 0.0118 | 1.0259 | 2.59% | 0.0000 | 811 | Pine Disinfectant | 0.0076 | 1.0083 | 0.83% | 3.3775 |
| 211 | Apartment Value | 0.1093 | 1.0372 | 3.72% | 0.7234 | 813 | Switch Plate | 0.0121 | 1.0590 | 5.90% | 6.3511 |
| 212 | Non-Union Superintendent | 0.3250 | 1.0297 | 2.97% | 0.9230 | 815 | Toilet Seat | 0.0190 | 1.1377 | 13.77% | 6.0631 |
| 216 | Non-Union Janitor/Porter | 0.1358 | 1.0530 | 5.30% | 1.7410 | 816 | Deck Faucet | 0.0232 | 1.1463 | 14.63% | 4.3111 |
| | LABOR COSTS | 0.1462 | 1.0334 | 3.34% | 0.3900 | 817 | Large Trash Bags | 0.0255 | 0.9775 | -2.25% | 3.1476 |
| 301 | Fuel Oil #2 | 0.5960 | 1.0878 | 8.78% | 0.3772 | 818 | Smoke Detectors | 0.0249 | 1.0561 | 5.61% | 4.6701 |
| 302 | Fuel Oil #4 | 0.0161 | 1.1240 | 12.40% | 0.7154 | 902 | Refrigerator #2 | 0.0119 | 1.0026 | 0.26% | 4.2733 |
| 403 | Electricity #3, 82,000 KWH | 0.2126 | 1.1489 | 14.89% | 0.0000 | 903 | Air Conditioner #1 | 0.0066 | 1.0300 | 3.00% | 1.2833 |
| 405 | Gas #2, 650 therms | 0.0325 | 1.0484 | 4.84% | 0.0000 | 908 | Range #2 | 0.0061 | 1.0912 | 9.12% | 2.8772 |
| 406 | Gas #3, 2,140 therms | 0.1425 | 1.0616 | 6.16% | 0.0000 | 909 | Carpet | 0.0315 | 1.0360 | 3.60% | 3.6179 |
| 407 | Steam #1, 1,150 Mlbs | 0.0002 | 1.2399 | 23.99% | 0.0000 | 910 | Dresser | 0.0193 | 0.9860 | -1.40% | 6.0655 |
| | FUEL | 0.1624 | 1.0964 | 9.64% | 0.2251 | 911 | Mattress & Box Spring | 0.0173 | 1.0234 | 2.34% | 1.5040 |
| 401 | Electricity #1, 2,500 KWH | 0.1495 | 1.0847 | 8.47% | 0.0000 | | MAINTENANCE | 0.1198 | 1.0618 | 6.18% | 0.1740 |
| 402 | Electricity #2, 15,000 KWH | 0.1412 | 1.0977 | 9.77% | 0.0000 | 601 | Management Fees | 0.4962 | 1.0473 | 4.73% | 1.0270 |
| 404 | Gas #1, 120 therms | 0.0806 | 1.1291 | 12.91% | 0.0000 | 602 | Accountant Fees | 0.0688 | 1.0884 | 8.84% | 2.1121 |
| 410 | Water & Sewer | 0.6287 | 1.0370 | 3.70% | 0.0000 | 603 | Attorney Fees | 0.1362 | 1.0342 | 3.42% | 1.2493 |
| | UTILITIES | 0.0462 | 1.0601 | 6.01% | 0.0000 | 604 | Newspaper Ads | 0.1172 | 1.0000 | 0.00% | 0.0000 |
| 501 | Repainting | 0.1610 | 1.0570 | 5.70% | 0.8014 | 607 | Envelopes | 0.0068 | 1.1463 | 14.63% | 6.6866 |
| 502 | Plumbing, Faucet | 0.0504 | 1.0253 | 2.53% | 1.0055 | 608 | P.O. Box | 0.0076 | 1.0468 | 4.68% | 0.1918 |
| 503 | Plumbing, Stoppage | 0.0494 | 1.0550 | 5.50% | 2.0622 | 609 | Copy Paper | 0.0070 | 1.0296 | 2.96% | 5.0323 |
| 504 | Elevator #1, 6 fl., 1 e. | 0.0211 | 1.0928 | 9.28% | 3.9710 | 409 | Communications | 0.1602 | 0.9950 | -0.50% | 0.0000 |
| 505 | Elevator #2, 13 fl., 2 e. | 0.0193 | 1.0780 | 7.80% | 4.3460 | | ADMIN COSTS | 0.0829 | 1.0350 | 3.50% | 0.5595 |
| 506 | Elevator #3, 19 fl., 3 e. | 0.0167 | 1.0918 | 9.18% | 4.4339 | 701 | INSURANCE COSTS | 0.0937 | 1.1054 | 10.54% | 1.4625 |
| 507 | Burner Repair | 0.0164 | 1.0601 | 6.01% | 2.1726 | | ALL ITEMS | 1.0000 | 1.0437 | 4.37% | 0.2517 |
| 508 | Boiler Repair, Tube | 0.0221 | 1.0509 | 5.09% | 2.3795 | | | | | | |
| 509 | Boiler Repair, Weld | 0.0200 | 1.0442 | 4.42% | 5.0038 | | | | | | |
| 511 | Range Repair | 0.0779 | 1.0958 | 9.58% | 5.0038 | | | | | | |
| 512 | Roof Repair | 0.0291 | 1.1242 | 12.42% | 3.4098 | | | | | | |
| 514 | Floor Maint. #1, Studio | 0.0004 | 1.0272 | 2.72% | 2.7404 | | | | | | |
| 515 | Floor Maint. #2, 1 Br. | 0.0010 | 1.0137 | 1.37% | 1.3762 | | | | | | |
| 516 | Floor Maint. #3, 2 Br. | 0.0088 | 1.0000 | 0.00% | 0.0000 | | | | | | |
| 517 | Extermination Services | 0.0228 | 1.0891 | 8.91% | 4.4926 | | | | | | |

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Source: 2026 Price Index of Operating Costs

8. Expenditure Weights and Price Relatives, Lofts, 2026

| Spec # | Item Description | Expenditure Weight | Price Relative | % Change | Spec # | Item Description | Expenditure Weight | Price Relative | % Change |
|--------|--------------------------------|--------------------|----------------|---------------|--------|----------------------------|--------------------|----------------|---------------|
| 101 | TAXES | 0.2615 | 1.0263 | 2.63% | 805 | Paint | 0.0486 | 0.9901 | -0.99% |
| 202 | Payroll, Other, Union, Supts. | 0.2102 | 1.0323 | 3.23% | 808 | Bucket | 0.0080 | 1.1222 | 12.22% |
| 204 | Payroll, Other, Non-Union, All | 0.5602 | 1.0353 | 3.53% | 811 | Pine Disinfectant | 0.0100 | 1.0083 | 0.83% |
| 205 | Social Security Insurance | 0.0386 | 1.0347 | 3.47% | 813 | Switch Plate | 0.0051 | 1.0590 | 5.90% |
| 206 | Unemployment Insurance | 0.0045 | 0.9471 | -5.29% | 815 | Toilet Seat | 0.0194 | 1.1377 | 13.77% |
| 207 | Private Health & Welfare | 0.1865 | 1.0048 | 0.48% | 816 | Deck Faucet | 0.0237 | 1.1463 | 14.63% |
| | LABOR COSTS | 0.0699 | 1.0286 | 2.86% | 817 | Large Trash Bags | 0.0146 | 0.9775 | -2.25% |
| 301 | Fuel Oil #2 | 0.2747 | 1.0878 | 8.78% | 818 | Smoke Detectors | 0.0143 | 1.0561 | 5.61% |
| 302 | Fuel Oil #4 | 0.5700 | 1.1240 | 12.40% | 902 | Refrigerator #2 | 0.0631 | 1.0026 | 0.26% |
| 405 | Gas #2, 650 therms | 0.0372 | 1.1128 | 11.28% | 903 | Air Conditioner #1 | 0.0021 | 1.0300 | 3.00% |
| 406 | Gas #3, 2,140 therms | 0.1006 | 1.1154 | 11.54% | 906 | Dishwasher | 0.0076 | 1.0594 | 5.94% |
| 407 | Steam #1, 1,150 Mlbs | 0.0134 | 1.2399 | 23.99% | 908 | Range #2 | 0.0355 | 1.0912 | 9.12% |
| 408 | Steam #2, 2,600 Mlbs | 0.0040 | 1.2604 | 26.04% | | MAINTENANCE | 0.0808 | 1.0602 | 6.02% |
| | FUEL | 0.0719 | 1.1149 | 11.49% | | ADMIN COSTS - LEGAL | 0.0669 | 1.0342 | 3.42% |
| 401 | Electricity #1, 2,500 KWH | 0.0093 | 1.0847 | 8.47% | 601 | Management Fees | 0.7964 | 1.0473 | 4.73% |
| 402 | Electricity #2, 15,000 KWH | 0.1043 | 1.0977 | 9.77% | 602 | Accountant Fees | 0.1584 | 1.0884 | 8.84% |
| 404 | Gas #1, 120 therms | 0.0032 | 1.1291 | 12.91% | 604 | Newspaper Ads | 0.0139 | 1.0000 | 0.00% |
| 410 | Water & Sewer - Frontage | 0.8832 | 1.0370 | 3.70% | 607 | Envelopes | 0.0081 | 1.1463 | 14.63% |
| | UTILITIES | 0.0504 | 1.0441 | 4.41% | 608 | PO Box | 0.0091 | 1.0468 | 4.68% |
| 501 | Repainting | 0.3119 | 1.0570 | 5.70% | 609 | Copy Paper | 0.0083 | 1.0296 | 2.96% |
| 502 | Plumbing, Faucet | 0.0813 | 1.0253 | 2.53% | 409 | Communications | 0.0057 | 0.9950 | -0.50% |
| 503 | Plumbing, Stoppage | 0.0752 | 1.0550 | 5.50% | | ADMIN COSTS - OTHER | 0.0602 | 1.0535 | 5.35% |
| 504 | Elevator #1, 6 fl., 1 e. | 0.0314 | 1.0928 | 9.28% | 701 | INSURANCE COSTS | 0.3385 | 1.1054 | 10.54% |
| 505 | Elevator #2, 13 fl., 2 e. | 0.0209 | 1.0780 | 7.80% | | ALL ITEMS | 1.0000 | 1.0654 | 6.54% |
| 506 | Elevator #3, 19 fl., 3 e. | 0.0110 | 1.0918 | 9.18% | | | | | |
| 507 | Burner Repair | 0.0229 | 1.0601 | 6.01% | | | | | |
| 508 | Boiler Repair, Tube | 0.0341 | 1.0509 | 5.09% | | | | | |
| 509 | Boiler Repair, Weld | 0.0263 | 1.0442 | 4.42% | | | | | |
| 510 | Refrigerator Repair | 0.0072 | 1.0958 | 9.58% | | | | | |
| 511 | Range Repair | 0.0068 | 1.0958 | 9.58% | | | | | |
| 512 | Roof Repair | 0.0658 | 1.1242 | 12.42% | | | | | |
| 514 | Floor Maint. #1, Studio | 0.0001 | 1.0272 | 2.72% | | | | | |
| 515 | Floor Maint. #2, 1 Br. | 0.0003 | 1.0137 | 1.37% | | | | | |
| 516 | Floor Maint. #3, 2 Br. | 0.0023 | 1.0000 | 0.00% | | | | | |
| 517 | Extermination | 0.0257 | 1.0891 | 8.91% | | | | | |
| 519 | Electrician | 0.0247 | 1.1285 | 12.85% | | | | | |

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Source: 2026 Price Index of Operating Costs

9. Five-Year Cumulative Price Changes, Apartments, 2022-2026

| Component Description | 2022 | | 2023 | | 2024 | | 2025 | | 2026 | | Contribution to 5-Year Cumulative Change | Proportion of 5-Year Cumulative Change |
|-----------------------|--------------|--------------|---------------------|--------------|---------------------|--------------|---------------------|--------------|---------------------|--------------|--|--|
| | Price Change | Weight | Cumul. Price Change | Weight | Cumul. Price Change | Weight | Cumul. Price Change | Weight | Cumul. Price Change | Weight | | |
| TAXES | -3.7% | 0.361 | 3.7% | 0.296 | 7.0% | 0.294 | 11.2% | 0.288 | 14.1% | 0.279 | 3.9% | 12.7% |
| LABOR COSTS | 4.1% | 0.099 | 7.1% | 0.128 | 11.7% | 0.127 | 15.8% | 0.120 | 19.2% | 0.119 | 4.5% | 14.4% |
| FUEL | 19.6% | 0.068 | 43.3% | 0.070 | 33.1% | 0.084 | 46.8% | 0.081 | 63.0% | 0.079 | 3.0% | 9.7% |
| UTILITIES | 5.8% | 0.095 | 15.2% | 0.108 | 16.6% | 0.101 | 26.2% | 0.106 | 33.2% | 0.109 | 4.4% | 14.3% |
| MAINTENANCE | 9.2% | 0.163 | 19.6% | 0.184 | 23.7% | 0.187 | 29.0% | 0.184 | 36.7% | 0.185 | 6.2% | 20.1% |
| ADMINISTRATIVE COSTS | 6.7% | 0.148 | 10.2% | 0.144 | 15.2% | 0.135 | 21.1% | 0.134 | 26.9% | 0.135 | 2.1% | 6.8% |
| INSURANCE COSTS | 10.9% | 0.065 | 25.2% | 0.070 | 52.4% | 0.072 | 80.8% | 0.086 | 99.9% | 0.095 | 6.8% | 22.0% |
| ALL ITEMS | 4.2% | 1.000 | 12.6% | 1.000 | 16.9% | 1.000 | 24.4% | 1.000 | 31.0% | 1.000 | 31.0% | 100.0% |

Source: 2022-2026 Price Index of Operating Costs

Notes: The cumulative (“cumul.” price changes in this Appendix are based purely on price and do not consider the changing weights of each item from year to year (i.e. the cost). The weights from each year, in each component, are also included in this Appendix. The “Contribution to 5-Year Cumulative Change,” was calculated by subtracting the cost of each component in 2021 from the cost of each component in 2026 (note that these costs are not included in this Appendix). To estimate costs in 2026, the 5-year cumulative change in the PIOC of 31.0% in 2026 was distributed among the seven components by their individual weights in 2026 (e.g. 27.9% for taxes, or 9.5% for insurance). The sum of each contribution equals the 31.0% cumulative cost increase from 2022-2026. Note that this methodology considers both price changes and changes in weight (i.e. cost), unlike the cumulative price changes in this Appendix, which only consider the price. The “Proportion of 5-Year Cumulative Change” is the proportion (out of 100%) that the contribution of each component contributed to the 5-year cumulative change in the PIOC (e.g. 6.8% of 31.0% is a proportion of 22.0%).