2025 Price Index of Operating Costs

New York City Rent Guidelines Board

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Highlights

- ☑ The Price Index of Operating Costs (PIOC) for buildings that contain rent stabilized apartments increased by 6.3% this year. Over the past five years, PIOC costs have increased by a cumulative 28.1%.
- ☑ Real estate taxes rose by 3.9%, primarily due to a rise in assessments for Class 2 properties.
- ☑ Insurance costs rose by the greatest proportion in this year's PIOC, 18.7%.
- ☑ The Administrative costs component rose by 5.1%.
- ☑ The Maintenance component increased by 4.3%.
- ☑ The Utilities component increased by 8.2%.
- ☑ The Labor Costs component increased by 3.7%, due to increases in wages for both union and non-union labor.
- ☑ The Fuel component increased by 10.3%.
- ☑ Overall costs in natural-gas heated buildings increased by 6.2%, while overall costs in fuel-oil heated buildings increased by 6.6%.
- ☑ The "Core" PIOC, which excludes the changes in fuel oil prices, natural gas and steam costs, rose by 6.0% this year.
- ☑ Costs in Pre-1974 buildings rose by 6.4%, while costs in Post-1973 buildings rose by 6.5%.
- ☑ The PIOC for buildings that contain rent stabilized apartments is projected to increase by 4.8% next year.

Apartments

Change In Costs for Buildings that Contain Rent Stabilized Apartments, April 2024 to March 2025

Component	Cost Change	Weight
Taxes	3.9%	28.8%
Labor Costs	3.7%	12.0%
Fuel	10.3%	8.1%
Utilities	8.2%	10.6%
Maintenance	4.3%	18.4%
Admin Costs	5.1%	13.4%
Insurance Costs	18.7%	8.6%
All Costs	**6.3%**	**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 - the relative importance of the change in costs of different goods and services.

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.[1] 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 2024-2025 price changes and expenditure weights are then combined to provide the overall change in the PIOC for 2024-2025.[2]

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 6.3%. Increases occurred in all seven PIOC components. Taxes, which carry the highest weight in this year's Index, increased by 3.9%. The largest proportional

increase was seen in Insurance Costs (18.7%), followed by Fuel (10.3%), and Utilities (8.2%). More moderate increases were seen in Administrative Costs (5.1%), Maintenance (4.3%), and Labor Costs (3.7%). 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 4.0% during this same time period.[3] See the table on the previous page and Appendix 2 for changes in costs and prices for buildings that contain rent stabilized apartments between 2024 and 2025.

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 6.0% this year, and was lower than the overall PIOC due to the exclusion of costs in the Fuel component, which increased by 10.3%. The PIOC for apartments heated by gas increased by 6.2%, and those heated by oil increased by 6.6%. The PIOC for pre-1974 apartments rose by 6.4%, similar to that for post-1973 apartments, which increased by 6.5%. The PIOC for hotels increased by 7.3%, and the Loft PIOC increased by 9.6%.

Price Index Components — Apartments

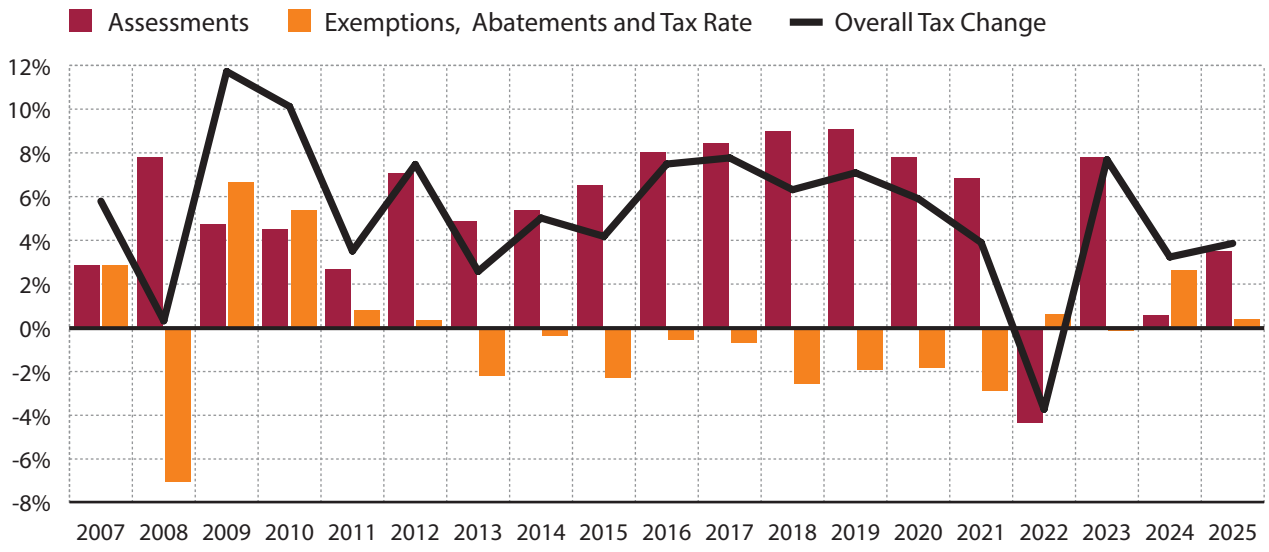
Taxes

The Taxes component of the PIOC is based entirely on real estate taxes and accounts for 28.8% 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 3.9%. The growth in taxes was primarily due to a rise in the value of assessments of 2.6%, which was responsible for a 3.5% rise in aggregate real estate taxes. Also contributing to the rise in Taxes were decreases in the values of both exemptions and abatements. The Class 2 tax rate was nearly the same as the prior fiscal tax year, resulting in no impact on the rise in Taxes. 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

Percent Change in Taxes due to Assessments and Exemptions/Abatements/Tax Rate 2007-2025

Assessments Drove the Overall Tax Change in Buildings with Rent Stabilized Apartments in 2025



Source: New York City Department of Finance

the City (commercial and residential) increased by 4.3% 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.[4] The total Class 2 property levy rose at a slower pace than that of the City as a whole, at a rate of 3.7%. 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 decreased from 39.4% to 39.1% 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 12.502% decreased by just 0.02 percentage points, resulting in the new annualized rate of 12.500% for this tax year. This minute decline follows two consecutive years of increase in the tax rate. In FY 2025, the change in the tax rate had no impact on the rise in the Tax component, unlike the previous year, when the tax rate was responsible for a 2.0% rise in the Tax component (see Appendix 5). For a historical perspective on changes in the tax rate, abatements, and exemptions, see the graph on the previous page.

Assessments — Assessed valuations of properties containing rent stabilized apartments rose by 2.6% Citywide in the current tax year, a larger increase than last year's increase of 0.4%. Assessments rose in all five boroughs, with the largest rise in Brooklyn, 3.5%, followed by Manhattan at 2.8%, the Bronx at 1.8%, and Queens and Staten Island, both rising by 1.2%. Buildings in Manhattan drive much of the change in assessed value Citywide. This was true in the current tax year, with 55.1% of the total assessed value attributed to this borough. In FY 2025, the increase in assessments was responsible for a 3.5% rise in the Tax component, a larger impact than the previous year, when assessments were responsible for a 0.6% 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 4.3% from the previous fiscal year. At the same time, the average benefit value of the typical tax abatement increased by 0.1% between the current and previous tax year. The net impact of the decrease in the number of buildings receiving abatements, and the slight increase in the average abatement value, was a decrease in the value of abatements of 4.2%. In FY 2025, the decrease in the value of abatements contributed to a 0.2% increase in the Tax component (see Appendix 5).

In the current tax year, 1.8% fewer buildings benefited from tax exemptions, however the value of the average tax exemption increased by 1.1%. The net impact of the decrease in the number of buildings receiving exemptions, and the increase in the average exemption value, was a decrease in the value of exemptions of 0.7%. In FY 2025, the decrease in the value of exemptions was responsible for a 0.2% increase 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 makes up 58% of the Labor Costs component. The entire Labor Costs component comprises 12.0% of the overall PIOC.

Labor Costs rose by 3.7%, 0.6 percentage points lower than last year's rise of 4.3%. Wages comprise nearly 80% of the Labor Costs component. This includes non-union pay, which increased by 4.0%, 1.2 percentage points lower than the increase seen in the 2024 PIOC (5.2%). Unionized wages also rose, rising by 2.9%, the same increase as the previous year.

Health and welfare benefits, which comprise 14% of the Labor Costs component, increased by 2.9%. An increase in unemployment insurance of 11.0% had minimal impact, since it accounts for only 1% of this component's weight. See Appendix 2 for all Labor Costs item weights and price relatives.

Fuel Oil Cost Relative vs. Change in Fuel Price, 2016-2025

PIOC Year	Fuel Oil Cost Relative	Change in Fuel Oil Price
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%
2016	-45.5%	-30.9%

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 (2016-2025)

Fuel

The Fuel component comprises 8.1% 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.[5]

This year the Fuel component increased by 10.3%, following a decrease of 7.1% in the prior year. Natural gas costs, which account for 68% of the overall costs in this component, increased by 9.6%. The cost for heating buildings by fuel oil makes up 32% of this component, and increased by 11.7%. Steam costs rose by 19.0%, 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 8.

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 weather in the period of April 2024-March 2025 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 4.7% increase in fuel oil prices was heightened by the colder weather, leading to increased consumption and a larger 11.7% 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 this 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 10.6% 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, and they account for 66% of the Utilities component.

This year, Utilities increased by 8.2%, compared to an 1.3% increase in the previous year. The increase in this component was driven by the increase in water and sewer costs, which rose by 8.5%. Electricity costs and non-heating natural gas costs also increased, by 7.6% and 7.9%, respectively, which helped dampen the overall increase in this component. See Appendix 2 for all Utilities item weights and price relatives.

Maintenance

The Maintenance component accounts for 18.4% of this year's PIOC. The Maintenance component rose by 4.3%, 0.8 percentage points higher than last year's rise of 3.5%. 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 5.8%, less than the 7.0% recorded last year. Combined plumbing rates also increased at a slower pace than the previous year, rising by 1.6%, less than last year's rise of 5.3%. Electrician Services rose 5.2%, compared to no change of price in this item in the previous year.

Other price increases of note were boiler repairs (1.4%), floor maintenance (2.2%), and Roof Repair (9.6%), 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 87% of this component. This year, Administrative Costs rose by 5.1%, following a 4.6% increase in the prior year. Administrative Costs comprise 13.4% of the PIOC.

Much of the increase in the Administrative Costs component can be attributed to a rise in Attorney Fees of 6.7%, and Accounting Fees, which increased in this year's PIOC by 3.8%. These two items account for 44% of the Administrative Costs component.

Management Fees increased for the second consecutive year, rising 5.1%, compared to the 3.2% rise the prior year. These fees comprise 43% of this component. Communications, which accounts for 4% of Administrative Costs, increased by 1.0%. See Appendix 2 for all Administrative Costs item weights and price relatives.

Insurance Costs

The largest increase in this year's PIOC was in the Insurance Costs component, rising by 18.7%, compared to last year's increase of 21.7%. Insurance Costs account for 8.6% of the PIOC.

On average, larger policies in this year's PIOC increased by a lesser proportion than smaller policies. Policies that cost more than $10,720, which represent half of all insurance quotes, saw an increase in cost of 18.4% upon renewal. However, buildings with policies that cost $10,720 or less saw an increase of 20.7%. 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 6.2%, less than the 6.6% 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 6.4%, slightly less than that of the Post-1973 Index of 6.5%. 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 3.1%, compared to the 10.0% rise in the Post-1973 Index. In contrast, Insurance Costs rose more in the Pre-1974 Index (20.7%) than in the Post-1973 Index (9.1%). (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 7.3% this year, compared to the rise of 3.3% 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 18.7%, but accounts for just 8.5% of the index. Fuel rose by 10.1%, and Utilities by 8.2%. More moderate increases were seen in Administrative Costs (7.1%), Taxes (6.0%), Maintenance (3.9%), and Labor Costs (3.7%). See the table on this page for changes in costs and prices for all hotels that contain rent stabilized units from 2024-2025.

Among the different categories of Hotels, the index for "Traditional" Hotels increased by 7.5%, Rooming Houses by 7.7%, and SROs by 7.1% (see Appendices 4 and 7).

Hotels

Change In Costs for All Hotels that Contain Rent Stabilized Units, April 2024 to March 2025

Component	Cost Change	Weight
Taxes	6.0%	35.3%
Labor Costs	3.7%	15.1%
Fuel	10.1%	15.8%
Utilities	8.2%	4.6%
Maintenance	3.9%	12.4%
Admin Costs	7.1%	8.3%
Insurance Costs	18.7%	8.5%
All Costs	**7.3%**	**100%**

Loft PIOC

The increase in the Loft PIOC this year was 9.6%, higher than the increase of 8.6% in 2024. Increases in costs were seen in all eight components that make up this index. Insurance Costs saw the highest proportional increase, rising by 18.7%, followed by rises in Fuel of 12.5%, and Utilities of 8.0%. The remaining five components all rose by lesser proportions, including Administration Costs-Legal (6.7%), Administrative Costs-Other (5.0%), Maintenance (4.4%), Taxes (3.9%), and Labor Costs (3.6%). 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 this page and Appendix 8 for changes in costs and prices for all rent stabilized lofts from 2024-2025.

Lofts

Change In Costs for Rent Stabilized Lofts, April 2024 to March 2025

Component	Cost Change	Weight
Taxes	3.9%	27.6%
Labor Costs	3.6%	7.4%
Fuel	12.5%	7.0%
Utilities	8.0%	5.1%
Maintenance	4.4%	8.5%
Admin Costs-Legal	6.7%	6.9%
Admin Costs-Other	5.0%	6.3%
Insurance Costs	18.7%	31.3%
All Costs	**9.6%**	**100.0%**

The Core PIOC

The Core PIOC, which measures long-term trends by factoring out shifts in fuel costs for heating buildings, rose by 6.0% in 2025. The rise in the 2025 Core PIOC was 0.3 percentage points lower than this year's Apartment Index (6.3%), and 1.1 percentage points higher than last year's Core Index (4.9%). 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 10.3%.

PIOC Projections for 2026

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

2026 Projections

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

Taxes	3.2%
Labor Costs	4.1%
Fuel	-4.4%
Utilities	5.0%
Maintenance	5.7%
Admin Costs	4.3%
Insurance Costs	17.7%
All Costs	**4.8%**

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 14 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 29% 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 6.3%, versus last year's projected PIOC increase of 4.4%, a difference of 1.9 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 6.0%, but actually rose by 10.3% in the 2025 PIOC, a 16.3 percentage point difference. Other notable differences were found in the Utilities, Insurance Costs, and Maintenance components. Utilities, which was projected to increase by 2.4%, instead rose by 8.2%, a 5.8 percentage point difference, while Insurance Costs rose by 18.7%, 3.6 percentage points higher than the projected increase of 15.1%. Conversely, Maintenance was projected to increase 7.3% but actually witnessed a lower rise of 4.3%, a 3.0 percentage point difference. The remaining 2025 projected components of the PIOC were all within 0.3 percentage points of the actual measured changes.

Overall, the PIOC is expected to grow by 4.8% from 2025 to 2026. Costs are predicted to rise in each component except Fuel, with the largest growth (17.7%) projected to be in Insurance Costs. Taxes, the component that carries the most weight in the Index, is projected to increase by 3.2%, while Fuel is projected to decrease by 4.4%. Other projected increases include Maintenance (5.7%), Utilities (5.0%), Administrative Costs (4.3%), and Labor Costs (4.1%). The table on this page shows projected changes in PIOC components for 2026. The Core PIOC is projected to rise by 5.6%, 0.8 percentage points higher than the overall projected PIOC for rent stabilized apartments.

Commensurate Rent Adjustments

Commensurate rent adjustments have been used since the inception of the RGB in 1969. These formulas, each with their own methodology (utilizing data such 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.[6] 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.

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.[7] Under the "Net Revenue" formula, a guideline that would preserve NOI in the face of this year's 6.3% increase

in the PIOC is 4.5% for a one-year lease and 7.75% 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. A guideline that would preserve NOI in the face of the 4.0% increase in the Consumer Price Index (see Endnote 3), and the 6.3% increase in the PIOC, is 6.25% for a one-year lease and 9.75% for a two-year lease.[8]

Note that in a change from prior years, and for the second 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 7 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 that relies on both the current PIOC change as well as the PIOC projection for the following year. Note that this commensurate does not account for the mix of lease terms, or the effect of inflation on NOI. The "traditional" commensurate yields 4.1% for a one-year lease, and 5.8% for a two-year lease. This reflects the increase in operating costs of 6.3% found in the 2025 PIOC and the projection of a 4.8% increase next year.[9]

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.[10] 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 (6.3%). 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 (4.8%).

Commensurates

"Net Revenue" Commensurate Adjustment

1-Year Lease	2-Year Lease
4.5%	7.75%

"CPI-Adjusted NOI" Commensurate Adjustment

1-Year Lease	2-Year Lease
6.25%	9.75%

"Traditional" Commensurate Adjustment

1-Year Lease	2-Year Lease
4.1%	5.8%

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.

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 2025 PIOC, as well as the PIOC projection for 2026.

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 PIOCs 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 85% of the cost of current year insurance policies.

Roughly 3.1% of the questionnaires mailed out received a response, and 435 returned surveys contained usable information. From these surveys, RGB staff was able to use 428 annual insurance premiums, 125 non-union labor wage rates, and 52 management fees. The number of prices in 2024 and 2025 for the Owner Survey is shown in Appendix 1.

Taxes

The 2025 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 almost 40,000 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 2024 to FY 2025.

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 5) 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 period

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 516 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 page12).

Other expense items, such as accountant and attorney fees, are obtained using the Vendor Survey, as described in the "Maintenance" section, on page 13. 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.

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 85.2% of the cost of current year insurance policies. The price relative was calculated from a total of 428 buildings, 367 of which were built prior to 1974, and 61 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, and new in 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 8, 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 2025 to March 2026.

Taxes were projected by using data from the Department of Finance's tentative assessment roll for FY 2026, 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 wage and benefit increases from the current labor contracts for apartment workers union Local 32-BJ, and a ten-year geometric average (which compounds the annual growth rate) of all other Labor Costs items. 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" report[11] 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.

Acknowledgments

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Endnotes

1. Note that this report is designed to study only those costs 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.

2. 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 PIOCs 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/.

3. The average CPI for All Urban Consumers, New York-Northeastern New Jersey for the year from March 2024 to February 2025 (336.4) compared to the average for the year from March 2023 to February 2024 (323.6) rose by 4.0%. This is the latest available CPI data and is roughly analogous to the 'PIOC year.'

4. 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, 99.5% of the almost 40,000 buildings analyzed were part of Tax Class 2..

5. The cost-weight relatives are calculated on an April to March time period. The April 2024 to March 2025 time period was 6.6% 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.

6. 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.

7. 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).

8. As with the "Net Revenue" commensurate, only one version of the "CPI Adjusted NOI" commensurate will now be calculated (see Endnote 7 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 64.9% of the 2025 PIOC increase of 6.3%, or 4.1%. The 64.9% 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 35.1% times the latest 12-month increase in the CPI ending February 2025 (4.0%), or 1.4%; (3) the proportion of one-year (42.4%) and two-year (57.6%) leases was derived from 2024 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.

9. 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.

10. 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.

11. Source: "Short-Term Energy Outlook," March 2025. 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, 2024 vs. 2025

Spec #	Description	2024	2025
211	Apartment Value	127	72
212	Non-Union Super	161	77
216	Non-Union Janitor/Porter	63	48
	LABOR COSTS	**351**	**197**
301	Fuel Oil #2	26	23
302	Fuel Oil #4	6	7
	FUEL OIL	**32**	**30**
501	Repainting	66	65
502	Plumbing, Faucet	25	32
503	Plumbing, Stoppage	25	31
504	Elevator #1, 6 fl., 1 e.	7	6
505	Elevator #2, 13 fl., 2 e.	6	5
506	Elevator #3, 19 fl., 3 e.	6	4
507	Burner Repair	6	8
508	Boiler Repair, Tube	5	8
509	Boiler Repair, Weld	5	7
510	Refrigerator Repair	13	9
511	Range Repair	13	9
512	Roof Repair	13	14
514	Floor Maint. #1, Studio	9	7
515	Floor Maint. #2, 1 Br.	9	7
516	Floor Maint. #3, 2 Br.	9	7
517	Extermination Services	11	11
518	Linen/Laundry Service	3	4
519	Electrician Services	9	10
805	Paint	10	10
808	Bucket	16	14
810	Linens	10	10
811	Pine Disinfectant	16	14
813	Switch Plate	13	12
815	Toilet Seat	15	14
816	Deck Faucet	15	14

(CONTINUED, TOP RIGHT)

Spec #	Description	2024	2025
817	Large Trash Bags	15	14
818	Smoke Detectors	14	9
902	Refrigerator #2	10	9
903	Air Conditioner #1	9	8
906	Dishwasher	10	9
908	Range #2	10	9
909	Carpet	10	11
910	Dresser	5	5
911	Mattress & Box Spring	8	8
	MAINTENANCE	**426**	**414**
601	Management Fees	108	52
602	Accountant Fees	19	20
603	Attorney Fees	20	23
604	Newspaper Ads	24	27
607	Bill Envelopes	11	11
608	P.O. Box	10	10
609	Copy Paper	11	11
	ADMINISTRATIVE COSTS	**203**	**154**
701	**INSURANCE COSTS**	**593**	**428**
	ALL ITEMS	**1,605**	**1,223**

2. Expenditure Weights, Price Relatives, Percent Changes, and Standard Errors, All Apartments, 2025

Spec #	Item Description	Expenditure Weight	Price Relative	% Change	Standard Error
101	**TAXES**	**0.2884**	**1.0386**	**3.9%**	**0.0164**
201	Payroll, Bronx, All (Union)	0.0459	1.0304	3.04%	0.0000
202	Payroll, Other, Union, Supts.	0.0482	1.0278	2.78%	0.0000
203	Payroll, Other, Union, Other	0.1242	1.0292	2.92%	0.0000
204	Payroll, Other, Non-Union, All	0.5788	1.0401	4.01%	0.7777
205	Social Security Insurance	0.0548	1.0371	3.71%	0.0000
206	Unemployment Insurance	0.0119	1.1101	11.01%	0.0000
207	Private Health & Welfare	0.1361	1.0294	2.94%	0.0000
	LABOR COSTS	**0.1197**	**1.0369**	**3.69%**	**0.4501**
301	Fuel Oil #2	0.2223	1.1086	10.86%	0.8450
302	Fuel Oil #4	0.0930	1.1382	13.82%	0.6712
405	Gas #2, 650 therms	0.1298	1.0998	9.98%	0.0000
406	Gas #3, 2,140 therms	0.5506	1.0947	9.47%	0.0000
407	Steam #1, 1,150 Mlbs	0.0033	1.1821	18.21%	0.0000
408	Steam #2, 2,600 Mlbs	0.0010	1.2132	21.32%	0.0000
	FUEL	**0.0808**	**1.1029**	**10.29%**	**0.1979**
401	Electricity #1, 2,500 KWH	0.1585	1.1169	11.69%	0.0000
402	Electricity #2, 15,000 KWH	0.1623	1.0355	3.55%	0.0000
404	Gas #1, 120 therms	0.0158	1.0791	7.91%	0.0000
410	Water & Sewer	0.6634	1.0850	8.50%	0.0000
	UTILITIES	**0.1063**	**1.0819**	**8.19%**	**0.0000**
501	Repainting	0.2500	1.0579	5.79%	1.9657
502	Plumbing, Faucet	0.1036	1.0154	1.54%	0.7771
503	Plumbing, Stoppage	0.0957	1.0172	1.72%	0.9790
504	Elevator #1, 6 fl., 1 e.	0.0189	1.0451	4.51%	3.1585
505	Elevator #2, 13 fl., 2 e.	0.0122	1.0791	7.91%	3.6697
506	Elevator #3, 19 fl., 3 e.	0.0066	1.0595	5.95%	4.0708
507	Burner Repair	0.0303	1.0638	6.38%	3.2002
508	Boiler Repair, Tube	0.0475	1.0102	1.02%	1.0608
509	Boiler Repair, Weld	0.0362	1.0194	1.94%	1.6457
510	Refrigerator Repair	0.0113	1.0787	7.87%	5.0694
511	Range Repair	0.0105	1.0787	7.87%	5.0694
512	Roof Repair	0.0611	1.0962	9.62%	3.6712
514	Floor Maint. #1, Studio	0.0034	1.0221	2.21%	2.1184
515	Floor Maint. #2, 1 Br.	0.0064	1.0162	1.62%	1.5581
516	Floor Maint. #3, 2 Br.	0.0559	1.0222	2.22%	2.1253
517	Extermination Services	0.0428	1.0663	6.63%	4.9764
519	Electrician Services	0.0647	1.0521	5.21%	2.7439

(CONTINUED, TOP RIGHT)

Spec #	Item Description	Expenditure Weight	Price Relative	% Change	Standard Error
805	Paint	0.0272	1.0748	7.48%	4.7074
808	Bucket	0.0048	1.0025	0.25%	4.0393
811	Pine Disinfectant	0.0057	1.0160	1.60%	1.4146
813	Switch Plate	0.0044	1.0211	2.11%	1.2312
815	Toilet Seat	0.0117	1.0019	0.19%	2.6772
816	Deck Faucet	0.0140	1.0157	1.57%	2.9840
817	Large Trash Bags	0.0102	1.0230	2.30%	2.3167
818	Smoke Detectors	0.0094	1.0833	8.33%	6.3266
902	Refrigerator #2	0.0333	0.9864	-1.36%	6.5486
903	Air Conditioner #1	0.0011	0.9930	-0.70%	1.2979
906	Dishwasher	0.0039	1.0179	1.79%	4.8868
908	Range #2	0.0173	1.0671	6.71%	2.2841
	MAINTENANCE	**0.1843**	**1.0425**	**4.25%**	**0.7065**
601	Management Fees	0.4302	1.0509	5.09%	1.3588
602	Accountant Fees	0.1312	1.0382	3.82%	1.1342
603	Attorney Fees	0.3043	1.0666	6.66%	2.6117
604	Newspaper Ads	0.0106	1.3391	33.91%	6.3437
607	Bill Envelopes	0.0272	0.9287	-7.13%	4.8390
608	P.O. Box	0.0270	1.0508	5.08%	0.0427
609	Copy Paper	0.0255	1.0228	2.28%	5.1655
409	Communications	0.0440	1.0097	0.97%	0.0000
	ADMIN COSTS	**0.1340**	**1.0512**	**5.12%**	**1.0172**
701	**INSURANCE COSTS**	**0.0865**	**1.1866**	**18.66%**	**1.3430**
	ALL ITEMS	**1.0000**	**1.0634**	**6.34%**	**0.2285**

3. Price Relatives by Building Type, Apartments, 2025

Component Description	Pre-1974	Post-1973	Gas Heated	Oil Heated
TAXES	3.1%	10.0%	3.9%	3.9%
LABOR COSTS	3.7%	3.4%	3.7%	3.7%
FUEL	10.3%	10.6%	9.6%	11.7%
UTILITIES	8.5%	6.7%	8.0%	7.9%
MAINTENANCE	4.3%	4.3%	4.3%	4.2%
ADMINISTRATIVE COSTS	5.1%	5.2%	5.1%	5.1%
INSURANCE COSTS	20.7%	9.1%	18.7%	18.7%
ALL ITEMS	**6.4%**	**6.5%**	**6.2%**	**6.6%**

4. Price Relative by Hotel Type, 2025

Component Description	"Traditional" Hotel	Rooming House	SRO
TAXES	7.2%	3.9%	4.1%
LABOR COSTS	3.7%	4.3%	4.1%
FUEL	10.1%	10.9%	9.7%
UTILITIES	7.5%	9.5%	7.7%
MAINTENANCE	4.1%	3.3%	3.3%
ADMINISTRATIVE COSTS	7.2%	7.0%	7.0%
INSURANCE COSTS	18.7%	18.7%	18.7%
ALL ITEMS	**7.5%**	**7.7%**	**7.1%**

5. Percentage Change in Real Estate Tax by Borough and Source of Change, Apartments and Hotels, 2025

	% 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	3.8%	0.3%	0.0%	-0.2%	0.0%	3.9%
Bronx	3.1%	0.4%	0.0%	0.0%	0.0%	3.4%
Brooklyn	5.6%	-0.4%	0.0%	0.2%	0.0%	5.4%
Queens	1.6%	0.5%	0.0%	0.2%	0.0%	2.2%
Staten Island	1.9%	0.7%	0.0%	-0.2%	0.0%	2.5%
All Apartments	**3.5%**	**0.2%**	**0.0%**	**0.2%**	**0.0%**	**3.9%**
HOTELS						
"Traditional" Hotel	4.8%	0.7%	1.3%	0.3%	0.1%	7.2%
Rooming House	4.3%	-0.2%	0.0%	-0.2%	0.0%	3.9%
SRO	3.6%	0.0%	0.7%	-0.2%	0.0%	4.1%
All Hotels	**4.4%**	**0.4%**	**1.0%**	**0.1%**	**0.1%**	**6.0%**

* 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, 2025

Borough	Community Board	# of Buildings	Tax Relative
Manhattan		**12,155**	**3.94%**
	1	95	5.93%
	2	1,052	3.17%
	3	1,551	4.79%
	4	918	5.66%
	5	239	5.36%
	6	753	3.57%
	7	1,693	3.40%
	8	1,750	3.81%
	9	751	3.21%
	10	1,084	6.44%
	11	817	4.59%
	12	1,421	2.25%
Lower		**8,051**	**4.03%**
Upper		**4,104**	**3.29%**
Bronx		**6,115**	**3.40%**
	1	474	5.03%
	2	287	4.28%
	3	443	10.57%
	4	802	6.64%
	5	771	3.00%
	6	580	4.66%
	7	1,006	1.50%
	8	373	2.55%
	9	364	2.59%
	10	203	4.13%
	11	329	2.76%
	12	483	2.66%
Brooklyn		**14,122**	**5.40%**
	1	1,941	13.62%
	2	630	12.19%
	3	1,261	5.65%
	4	1,550	8.71%
	5	479	5.59%
	6	827	6.76%
	7	954	6.11%
	8	1,093	5.22%
	9	631	2.83%
	10	776	2.80%
	11	673	1.48%
	12	577	2.61%
	13	194	3.91%
	14	947	3.20%
	15	353	4.53%
	16	422	6.27%
	17	735	3.05%
	18	79	1.35%
Queens		**7,072**	**2.22%**
	1	2,128	2.99%
	2	899	5.02%
	3	540	1.27%
	4	585	2.60%
	5	1,197	4.52%
	6	309	2.27%
	7	446	0.13%
	8	240	0.79%
	9	225	0.45%
	10	43	0.44%
	11	111	2.39%
	12	201	1.94%
	13	48	1.00%
	14	100	4.10%
St. Island		**189**	**2.47%**
	1	142	2.45%
	2	27	1.00%
	3	20	3.14%
ALL		**39,653**	**3.86%**

Note: There were 31 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, 2025

Spec #	Item Description	Expenditure Weight	Price Relative	% Change	Standard Error
101	**TAXES**	**0.3533**	**1.0603**	**6.03%**	**0.5863**
205	Social Security Insurance	0.0483	1.0371	3.71%	0.0000
206	Unemployment Insurance	0.0083	1.1101	11.01%	0.0000
208	Hotel Private Health/Welfare	0.0593	1.0266	2.66%	0.0000
209	Hotel Union Labor	0.3052	1.0266	2.66%	0.0000
210	SRO Union Labor	0.0119	1.0266	2.66%	0.0000
211	Apartment Value	0.1082	1.0472	4.72%	0.8545
212	Non-Union Superintendent	0.3261	1.0333	3.33%	0.8398
216	Non-Union Janitor/Porter	0.1327	1.0608	6.08%	1.7327
	LABOR COSTS	**0.1514**	**1.0368**	**3.68%**	**0.3693**
301	Fuel Oil #2	0.5942	1.1086	10.86%	0.8450
302	Fuel Oil #4	0.0156	1.1382	13.82%	0.6712
403	Electricity #3, 82,000 KWH	0.2133	1.1016	10.16%	0.0000
405	Gas #2, 650 therms	0.0327	1.0725	7.25%	0.0000
406	Gas #3, 2,140 therms	0.1439	1.0704	7.04%	0.0000
407	Steam #1, 1,150 Mlbs	0.0002	1.1821	18.21%	0.0000
	FUEL	**0.1578**	**1.1009**	**10.09%**	**0.5023**
401	Electricity #1, 2,500 KWH	0.1448	1.1169	11.69%	0.0000
402	Electricity #2, 15,000 KWH	0.1475	1.0355	3.55%	0.0000
404	Gas #1, 120 therms	0.0808	1.0791	7.91%	0.0000
410	Water & Sewer	0.6269	1.0850	8.50%	0.0000
	UTILITIES	**0.0459**	**1.0818**	**8.18%**	**0.0000**
501	Repainting	0.1581	1.0579	5.79%	1.9657
502	Plumbing, Faucet	0.0516	1.0154	1.54%	0.7771
503	Plumbing, Stoppage	0.0504	1.0172	1.72%	0.9790
504	Elevator #1, 6 fl., 1 e.	0.0210	1.0451	4.51%	3.1585
505	Elevator #2, 13 fl., 2 e.	0.0186	1.0791	7.91%	3.6697
506	Elevator #3, 19 fl., 3 e.	0.0164	1.0595	5.95%	4.0708
507	Burner Repair	0.0160	1.0638	6.38%	3.2002
508	Boiler Repair, Tube	0.0227	1.0102	1.02%	1.0608
509	Boiler Repair, Weld	0.0204	1.0194	1.94%	5.0694
511	Range Repair	0.0751	1.0787	7.87%	5.0694
512	Roof Repair	0.0276	1.0962	9.62%	3.6712
514	Floor Maint. #1, Studio	0.0005	1.0221	2.21%	2.1184
515	Floor Maint. #2, 1 Br.	0.0010	1.0162	1.62%	1.5581
516	Floor Maint. #3, 2 Br.	0.0089	1.0222	2.22%	2.1253
517	Extermination Services	0.0222	1.0663	6.63%	4.9764
518	Linen/Laundry Service	0.1270	1.0678	6.78%	3.8991
519	Electrician Services	0.0216	1.0521	5.21%	2.7439
805	Paint	0.0505	1.0748	7.48%	4.7074
808	Bucket	0.0197	1.0025	0.25%	4.0393
810	Linens	0.0603	0.9526	-4.74%	2.7067
811	Pine Disinfectant	0.0077	1.0160	1.60%	1.4146
813	Switch Plate	0.0123	1.0211	2.11%	1.2312
815	Toilet Seat	0.0197	1.0019	0.19%	2.6772
816	Deck Faucet	0.0237	1.0157	1.57%	2.9840
817	Large Trash Bags	0.0259	1.0230	2.30%	2.3167
818	Smoke Detectors	0.0239	1.0833	8.33%	6.3266
902	Refrigerator #2	0.0125	0.9864	-1.36%	6.5486
903	Air Conditioner #1	0.0069	0.9930	-0.70%	1.2979
908	Range #2	0.0059	1.0671	6.71%	2.2841
909	Carpet	0.0348	0.9406	-5.94%	5.1396
910	Dresser	0.0200	1.0035	0.35%	0.6633
911	Mattress & Box Spring	0.0172	1.0431	4.31%	2.6639
	MAINTENANCE	**0.1238**	**1.0391**	**3.91%**	**0.2031**
601	Management Fees	0.5057	1.0509	5.09%	1.3588
602	Accountant Fees	0.0710	1.0382	3.82%	1.1342
603	Attorney Fees	0.1368	1.0666	6.66%	2.6117
604	Newspaper Ads	0.0937	1.3391	33.91%	6.3437
607	Envelopes	0.0078	0.9287	-7.13%	4.8390
608	P.O. Box	0.0078	1.0508	5.08%	0.0427
609	Copy Paper	0.0073	1.0228	2.28%	5.1655
409	Communications	0.1699	1.0097	0.97%	0.0000
	ADMIN COSTS	**0.0831**	**1.0710**	**7.10%**	**0.9812**
701	**INSURANCE COSTS**	**0.0848**	**1.1866**	**18.66%**	**1.3430**
	ALL ITEMS	**1.0000**	**1.0731**	**7.31%**	**0.2875**

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8. Expenditure Weights and Price Relatives, Lofts, 2025

Spec #	Item Description	Expenditure Weight	Price Relative	% Change
101	**TAXES**	**0.2759**	**1.0386**	**3.86%**
202	Payroll, Other, Union, Supts.	0.2118	1.0278	2.78%
204	Payroll, Other, Non-Union, All	0.5578	1.0401	4.01%
205	Social Security Insurance	0.0385	1.0371	3.71%
206	Unemployment Insurance	0.0042	1.1101	11.01%
207	Private Health & Welfare	0.1877	1.0294	2.94%
	LABOR COSTS	**0.0739**	**1.0356**	**3.56%**
301	Fuel Oil #2	0.2787	1.1086	10.86%
302	Fuel Oil #4	0.5633	1.1382	13.82%
405	Gas #2, 650 therms	0.0381	1.0998	9.98%
406	Gas #3, 2,140 therms	0.1034	1.0947	9.47%
407	Steam #1, 1,150 Mlbs	0.0128	1.1821	18.21%
408	Steam #2, 2,600 Mlbs	0.0038	1.2132	21.32%
	FUEL	**0.0700**	**1.1248**	**12.48%**
401	Electricity #1, 2,500 KWH	0.0090	1.1169	11.69%
402	Electricity #2, 15,000 KWH	0.1088	1.0355	3.55%
404	Gas #1, 120 therms	0.0032	1.0791	7.91%
410	Water & Sewer - Frontage	0.8790	1.0850	8.50%
	UTILITIES	**0.0511**	**1.0799**	**7.99%**
501	Repainting	0.3078	1.0579	5.79%
502	Plumbing, Faucet	0.0836	1.0154	1.54%
503	Plumbing, Stoppage	0.0772	1.0172	1.72%
504	Elevator #1, 6 fl., 1 e.	0.0314	1.0451	4.51%
505	Elevator #2, 13 fl., 2 e.	0.0202	1.0791	7.91%
506	Elevator #3, 19 fl., 3 e.	0.0109	1.0595	5.95%
507	Burner Repair	0.0225	1.0638	6.38%
508	Boiler Repair, Tube	0.0353	1.0102	1.02%
509	Boiler Repair, Weld	0.0269	1.0194	1.94%
510	Refrigerator Repair	0.0070	1.0787	7.87%
511	Range Repair	0.0065	1.0787	7.87%
512	Roof Repair	0.0626	1.0962	9.62%
514	Floor Maint. #1, Studio	0.0001	1.0221	2.21%
515	Floor Maint. #2, 1 Br.	0.0003	1.0162	1.62%
516	Floor Maint. #3, 2 Br.	0.0024	1.0222	2.22%
517	Extermination	0.0251	1.0663	6.63%
519	Electrician	0.0245	1.0521	5.21%

(CONTINUED, TOP RIGHT)

Spec #	Item Description	Expenditure Weight	Price Relative	% Change
805	Paint	0.0472	1.0748	7.48%
808	Bucket	0.0083	1.0025	0.25%
811	Pine Disinfectant	0.0103	1.0160	1.60%
813	Switch Plate	0.0052	1.0211	2.11%
815	Toilet Seat	0.0202	1.0019	0.19%
816	Deck Faucet	0.0244	1.0157	1.57%
817	Large Trash Bags	0.0149	1.0230	2.30%
818	Smoke Detectors	0.0138	1.0833	8.33%
902	Refrigerator #2	0.0667	0.9864	-1.36%
903	Air Conditioner #1	0.0022	0.9930	-0.70%
906	Dishwasher	0.0077	1.0179	1.79%
908	Range #2	0.0347	1.0671	6.71%
	MAINTENANCE	**0.0848**	**1.0438**	**4.38%**
	ADMIN COSTS - LEGAL	**0.0687**	**1.0666**	**6.66%**
601	Management Fees	0.7960	1.0509	5.09%
602	Accountant Fees	0.1603	1.0382	3.82%
604	Newspaper Ads	0.0109	1.3391	33.91%
607	Envelopes	0.0092	0.9287	-7.13%
608	PO Box	0.0091	1.0508	5.08%
609	Copy Paper	0.0086	1.0228	2.28%
409	Communications	0.0060	1.0097	0.97%
	ADMIN COSTS - OTHER	**0.0629**	**1.0504**	**5.04%**
701	**INSURANCE COSTS**	**0.3126**	**1.1866**	**18.66%**
	ALL ITEMS	**1.0000**	**1.0959**	**9.59%**