CAMELOT
REALTY GROUP

The 2026 NYC Property Owner's Guide

Compliance Deadlines • Tax Strategies • Operational Benchmarks

Prepared by Camelot Realty Group | www.camelot.nyc

A Letter from Our President

David Goldoff | President, Camelot Realty Group

Dear Fellow Property Owner,

Every year, New York City adds new compliance layers — from carbon emission caps to broker-fee reforms to expanded facade inspection cycles. For property owners and board members, keeping pace with these changes is no longer optional; it is essential to protecting your investment and avoiding costly penalties.

That is why we created this guide. Inside, you will find every critical 2026 deadline, actionable tax strategies, up-to-date operating cost benchmarks, and practical checklists — all in one place, so you never get caught off-guard.

Since founding Camelot Realty Group in 2006, our team has managed over 41 buildings representing $240 million in assets under management across Manhattan, Brooklyn, Queens, and Westchester. We have seen firsthand how proactive compliance and strategic planning protect property values and board peace of mind.

This guide distills thousands of hours of regulatory research, vendor negotiations, and operational experience into a reference you can use throughout the year. Whether you manage a single co-op or an entire portfolio, I hope you find it invaluable.

If any chapter raises questions specific to your building, our team is always available for a complimentary consultation. Reach out anytime — we are here to help.

Warm regards,

David Goldoff
President, Camelot Realty Group
(212) 206-9939 | dgoldoff@camelot.nyc

Contents

CHAPTER 1

2026 Compliance Calendar at a Glance

Every deadline, every filing, every penalty — mapped across 12 months so nothing slips through the cracks.

Your 2026 Compliance Calendar

The regulatory burden on NYC property owners has never been heavier. Between Local Law 97 emissions reporting, FISP Cycle 10 facade inspections, gas piping certifications, and a host of newer mandates, missing a single deadline can mean five- and six-figure penalties. The calendar below organizes every critical date by month so you can plan ahead.

Month	Deadline / Action Item	Urgency
January	Begin gathering 2025 utility data for LL97 emissions report; confirm FISP cycle status with QEWI	Planning
February	Review co-op/condo tax abatement eligibility; FISP Cycle 10 prep for block numbers ending 0-4	Action Needed
March–April	File co-op/condo tax abatement applications with NYC DOF (deadline typically early spring)	Action Needed
May 1	LL97 Annual Emissions Report due to DOB for all covered buildings (2025 data)	Penalty Risk
June	LL152 gas piping inspections due for Community Districts: Manhattan 1–4, Brooklyn 1 & 3, Queens 1	Penalty Risk
July–August	Budget season preparation; solicit insurance renewal quotes; review operating costs	Planning
September	Insurance policy renewals; finalize operating budgets for next fiscal year	Action Needed
October 1	NYC fiscal-year benchmark review; submit Energy Star benchmarking data	Action Needed
November	Update reserve studies and capital improvement plans for board approval	Planning
December 31	Year-end compliance filing deadlines; confirm all DOB certifications are current	Penalty Risk

Penalty Risk Alert

Missing the May 1 LL97 deadline can result in penalties of $268 per metric ton of CO2 over your building's limit — potentially tens of thousands of dollars annually. LL152 gas piping violations carry fines starting at $10,000 per violation and can escalate to forced gas shutoffs affecting every tenant in your building.

How to Use This Calendar

We recommend building managers integrate these deadlines into their project management systems at the start of the year. Assign a responsible party for each item and set reminder alerts 60 and 30 days before each deadline. For compliance filings that require third-party professionals — such as FISP inspections by QEWIs or LL152 inspections by Licensed Master Plumbers — begin the vendor procurement process at least 90 days in advance, as qualified inspectors book up quickly during peak filing periods.

Color-Coded Urgency Guide

Urgency Level	Meaning	Action Required
Penalty Risk	Non-compliance triggers financial penalties, liens, or operational shutdowns	Immediate — engage vendors and file before deadline
Action Needed	Filing or planning required; missing it creates downstream problems	Begin 60–90 days before deadline
Planning	No immediate penalty, but proactive preparation prevents year-end scrambles	Add to quarterly planning agenda

Throughout this guide, each chapter provides detailed breakdowns of the compliance requirements summarized above. Use this calendar as your master reference and turn to the relevant chapter for specific procedures, cost benchmarks, and checklists.

CHAPTER 2

Local Law 97
Carbon Caps & Penalties

NYC's landmark emissions law is now in its penalty phase. Understanding your building's limits — and your retrofit options — is critical to avoiding six-figure annual fines.

What Is Local Law 97?

Local Law 97 is the centerpiece of New York City's Climate Mobilization Act, enacted in 2019. It imposes greenhouse gas emission limits on buildings larger than 25,000 square feet — covering roughly 50,000 properties across the five boroughs. Beginning in 2024, buildings that exceed their carbon caps face annual penalties of $268 per metric ton of CO2 equivalent over the limit.

The law is structured in two compliance periods. The first period (2024–2029) sets relatively moderate limits designed to capture the highest-emitting buildings. The second period (2030–2034) tightens limits significantly, affecting the majority of large buildings in the city. Property owners who do not begin planning now will face exponentially higher retrofit costs when the stricter Phase 2 limits take effect.

2024–2029 Emission Limits by Building Type

Building Use Type	Emission Limit (tCO2e/sq ft)	Typical Building Impact
Office / Commercial	8.46	Most Class A office buildings currently exceed this limit
Residential (Multifamily)	6.75	Buildings with aging boilers and no insulation upgrades at highest risk
Healthcare	27.43	Hospitals largely compliant; outpatient facilities vary
Retail	11.81	Strip retail compliant; large-format stores need evaluation
Education	10.74	Private schools and universities should benchmark immediately
Assembly / Worship	17.28	Most houses of worship fall under the 25,000 sq ft threshold
Hotel / Hospitality	9.62	Full-service hotels with central plants face the largest gaps

These limits apply on a per-square-foot basis, so larger buildings face proportionally larger absolute caps. Mixed-use buildings calculate a blended limit based on the proportional square footage of each use type.

How Penalties Are Calculated

The penalty calculation is straightforward: for every metric ton of CO2 equivalent your building emits above its limit, you owe $268 per year. For a 200,000-square-foot office building exceeding its limit by 2.0 tCO2e per square foot, the annual penalty would be approximately $107,200. Over the six-year compliance period, that totals $643,200 — often exceeding the cost of the retrofits that would have brought the building into compliance.

Penalty Example: 200,000 SF Office Building

Annual emissions: 2,100 tCO2e | Limit: 1,692 tCO2e (8.46 x 200,000 SF) | Overage: 408 tCO2e | Annual penalty: 408 x $268 = $109,344. Over the 2024-2029 period, total exposure is approximately $656,064 before any efficiency improvements.

How to Calculate Your Building's Emissions

Every covered building must benchmark its energy and water usage through the EPA's Portfolio Manager platform. The calculation converts your building's electricity, natural gas, steam, and fuel oil consumption into metric tons of CO2 equivalent using NYC-specific emission coefficients. The process involves four steps:

- Step 1: Gather 12 months of utility bills for all fuel sources (electricity, gas, steam, oil).
- Step 2: Enter consumption data into EPA Portfolio Manager and verify your building's gross floor area.
- Step 3: Apply NYC emission coefficients — the grid electricity factor is approximately 0.000288962 tCO2e per kBtu.
- Step 4: Compare your total emissions against the per-square-foot limit for your building type and calculate any overage.

Buildings must submit their annual emissions report to the NYC Department of Buildings by May 1 each year. Reports for the 2025 calendar year are due May 1, 2026.

Top 5 Retrofits to Reduce Emissions

Based on our experience managing 41 buildings, the following five retrofits deliver the best return on investment for LL97 compliance:

Retrofit	Typical Cost	Emission Reduction	Payback Period
LED lighting conversion	$2–$5/sq ft	5–15%	1–3 years
Building Management System (BMS) upgrade	$3–$8/sq ft	10–20%	3–5 years
Air-source or ground-source heat pumps	$15–$40/sq ft	25–50%	7–12 years
Building envelope improvements (windows, insulation)	$20–$60/sq ft	15–30%	10–15 years
Sub-metering and real-time energy monitoring	$1–$3/sq ft	5–12%	1–2 years

We recommend starting with LED lighting and sub-metering, which offer the fastest payback and can be implemented with minimal disruption to building operations. For buildings facing significant overages, heat pump installations and envelope improvements deliver the deepest cuts but require careful engineering studies and longer lead times.

When to Hire an Energy Consultant

If your building exceeds its LL97 limit by more than 20%, or if you are planning capital improvements exceeding $500,000, engage a qualified energy consultant to perform an ASHRAE Level II energy audit. This audit will identify the most cost-effective combination of retrofits for your specific building systems and envelope. Budget $15,000-$40,000 for the audit depending on building size, which typically pays for itself within the first year of optimized operations.

LL97 Compliance Checklist

- [ ] Confirm your building is over 25,000 sq ft and subject to LL97
- [ ] Register on EPA Portfolio Manager and enter current utility data
- [ ] Calculate 2025 emissions and compare against your building-type limit
- [ ] If over the limit, commission an ASHRAE Level II energy audit
- [ ] Prioritize retrofits by payback period (LED lighting and sub-metering first)
- [ ] Obtain board approval for capital expenditures and financing
- [ ] Engage qualified contractors and set an implementation timeline
- [ ] Submit annual emissions report to DOB by May 1, 2026
- [ ] Begin planning for stricter 2030-2034 Phase 2 limits now
- [ ] Consider renewable energy credits (RECs) or carbon offsets for interim compliance

Case Study: Camelot-Managed Building Reduces Emissions 22%

A 180-unit residential co-op in Manhattan's Upper West Side was projecting an annual LL97 penalty of approximately $78,000 under 2024-2029 limits. After engaging Camelot for a comprehensive compliance review, we implemented a three-phase approach: LED conversion of all common areas and stairwells (Phase 1, completed in 8 weeks), BMS installation with occupancy-based HVAC scheduling (Phase 2, completed in 4 months), and domestic hot water system optimization (Phase 3, completed in 6 months). Total project cost was $420,000, fully financed through a 10-year energy improvement loan at 4.2% interest. The building achieved a 22% reduction in emissions, bringing it under its LL97 limit and eliminating the projected $78,000 annual penalty — generating a net positive cash flow in the very first year.

CHAPTER 3

FISP / Local Law 11 Cycle 10 Façade Rules

Facade inspections are among the most expensive compliance requirements for NYC buildings. Cycle 10 is here — know your filing date, your costs, and your options.

Understanding FISP Cycle 10

The Facade Inspection and Safety Program (FISP), formerly known as Local Law 11, requires periodic inspection of exterior walls and appurtenances of buildings greater than six stories. The program operates in seven-year cycles, and Cycle 10 runs from 2025 through 2032.

Every building owner with a structure six stories or taller must hire a Qualified Exterior Wall Inspector (QEWI) — a licensed Professional Engineer (PE) or Registered Architect (RA) — to perform a critical examination of the building's facade. The inspector will classify the facade into one of three conditions: Safe, Safe With a Repair and Maintenance Program (SWARMP), or Unsafe.

Cycle 10 Filing Schedule

Filing deadlines are determined by the last digit of your building's tax block number. This staggered schedule prevents the system from being overwhelmed:

Block Number Ends In	Sub-Cycle	Initial Filing Deadline
0 or 5	Sub-Cycle A	February 21, 2027
1 or 6	Sub-Cycle B	February 21, 2028
2 or 7	Sub-Cycle C	February 21, 2029
3 or 8	Sub-Cycle D	February 21, 2030
4 or 9	Sub-Cycle E	February 21, 2031

To find your block number, check your property tax bill, search your address on the NYC Department of Finance's Property Assessment portal, or look at your Certificate of Occupancy. If your block ends in 0 or 5, your deadline is just over a year away — start the QEWI procurement process immediately.

Facade Conditions Explained

Condition	Definition	Required Action
Safe	No conditions requiring repair; facade is structurally sound	File report; no further action until next cycle
SWARMP	Conditions that do not pose an immediate hazard but require repair within the cycle	File report with repair schedule; complete repairs and file amended report by end of cycle
Unsafe	Conditions that pose an immediate risk to public safety	Immediate notification to DOB within 24 hours; install sidewalk shed; begin emergency repairs; file amended report upon completion

An Unsafe filing triggers mandatory installation of a sidewalk shed or scaffold at the building's expense. These protective structures must remain in place until all unsafe conditions are remediated and a new Safe or SWARMP report is filed. Sidewalk sheds are not only expensive to install and maintain but can also reduce curb appeal and affect retail tenants at street level.

Cost Benchmarks

Item	Typical Cost Range	Notes
QEWI inspection (close-up)	$10,000–$50,000	Varies by building height and facade complexity
Scaffolding / swing stage for inspection	$15,000–$60,000	Required for hands-on close-up inspection
Sidewalk shed installation	$50,000–$200,000+	Required for Unsafe filings; annual maintenance adds $30,000–$80,000
Facade repairs (pointing, patching)	$30–$80/linear ft	Brick repointing, crack sealing, caulking
Major facade restoration	$100,000–$500,000+	Full brick replacement, window lintels, parapet reconstruction
FISP filing and DOB fees	$1,000–$3,000	Administrative filing costs

QEWI Qualifications and Selection

Your QEWI must be a New York State licensed Professional Engineer (PE) or Registered Architect (RA) with specific experience in facade inspection. When selecting a QEWI, consider the following criteria:

- Minimum 5 years of FISP inspection experience
- Familiarity with your building's construction type (pre-war masonry, post-war curtain wall, etc.)
- References from similar-sized buildings in your borough
- Clear communication style — they will need to present findings to your board
- Competitive pricing with transparent scope of work

Average FISP Cost by Building Type

Pre-war masonry (6-12 stories): $25,000-$75,000 total including inspection and minor repairs. Post-war high-rise (13-30 stories): $75,000-$250,000. Glass curtain wall buildings: $100,000-$400,000+. Budget 15-25% contingency for unforeseen conditions discovered during close-up inspection.

FISP Compliance Checklist

- [ ] Determine your building's tax block number and identify your sub-cycle deadline
- [ ] Review prior cycle (Cycle 9) report for any unresolved SWARMP conditions
- [ ] Solicit proposals from at least three qualified QEWIs
- [ ] Board approves QEWI selection and budget allocation
- [ ] Schedule inspection at least 6 months before filing deadline
- [ ] If Unsafe conditions found, notify DOB within 24 hours and install sidewalk shed
- [ ] Complete all repairs within the cycle and file amended reports
- [ ] Maintain documentation of all facade repairs for next cycle

CHAPTER 4

Local Law 152
Gas Piping Inspections

Gas leaks remain one of the most dangerous hazards in NYC buildings. LL152 requires periodic inspections of all exposed gas piping — and the penalties for non-compliance are severe.

Gas Piping Inspection Requirements

Local Law 152 mandates that all buildings in New York City with gas piping must have their exposed gas piping systems inspected by a Licensed Master Plumber (LMP) or a licensed Professional Engineer (PE) at least once every four years. The law was enacted in response to a series of deadly gas explosions and is enforced on a rolling community district schedule.

2026 Community District Schedule

The following community districts have gas piping inspection deadlines in 2026:

Borough	Community Districts Due in 2026	Filing Deadline
Manhattan	CD 1 (Financial District/Tribeca), CD 2 (Greenwich Village/SoHo), CD 3 (Lower East Side/Chinatown), CD 4 (Chelsea/Clinton)	December 31, 2026
Brooklyn	CD 1 (Greenpoint/Williamsburg), CD 3 (Bedford-Stuyvesant)	December 31, 2026
Queens	CD 1 (Astoria/Long Island City)	December 31, 2026

If your building is located in one of these community districts, you must have your gas piping inspected and the results filed through the DOB NOW portal before December 31, 2026. Buildings that miss this deadline face fines starting at $10,000 per violation.

What Inspectors Look For

- Unprotected gas risers: Risers that pass through floors without proper sleeves or fire-stopping
- Corrosion: Rust, pitting, or deterioration of gas piping, especially in damp locations
- Improper connections: Non-code-compliant fittings, unauthorized branch connections, or flexible connectors used incorrectly
- Missing shut-off valves: Each apartment and each appliance should have an accessible individual shut-off valve
- Inadequate ventilation: Gas meters and regulators in enclosed spaces without proper ventilation
- Evidence of leaks: Odor, damaged piping, or detector readings indicating gas migration

Common Violations and Remediation Costs

Violation Type	Typical Remediation Cost	Timeline
Minor corrosion / surface rust	$5,000–$15,000	2–4 weeks
Replacing non-compliant connectors	$3,000–$10,000	1–2 weeks
Riser protection / fire-stopping	$8,000–$25,000	2–6 weeks
Full riser replacement (per riser)	$15,000–$50,000	4–12 weeks
Emergency gas shutoff remediation	$20,000–$75,000+	Varies; expedited permitting available

What to Do If Your Building Gets an Unsafe Condition

If your inspector identifies an immediately hazardous condition (such as an active gas leak or severely corroded piping), they are required to report it to Con Edison and the DOB. Con Edison may shut off gas to affected areas or the entire building. To restore service: 1) Hire an LMP to perform emergency repairs, 2) Obtain expedited DOB permits for the remediation work, 3) Schedule a Con Edison re-inspection after repairs are complete, 4) File the corrected inspection report through DOB NOW. Gas restoration can take 2-8 weeks depending on the scope of repairs. Budget for temporary heating/cooking solutions for affected tenants.

LL152 Compliance Checklist

- [ ] Confirm your building's community district and whether it falls in the 2026 cycle
- [ ] Hire a Licensed Master Plumber or PE to perform the gas piping inspection
- [ ] Provide the inspector with access to all gas piping, meters, and risers
- [ ] Review inspection findings and obtain repair estimates for any deficiencies
- [ ] Complete all required repairs before filing the inspection report
- [ ] File the inspection results through the DOB NOW portal by December 31, 2026
- [ ] Notify tenants of any planned gas shutoffs with at least 30 days advance notice
- [ ] Maintain inspection records on-site for DOB auditing purposes

CHAPTER 5

The FARE Act Broker-Fee Shift

New York City's FARE Act fundamentally changed who pays the broker when renting an apartment. Here is what every property owner needs to know — and how to adapt your leasing strategy.

What Changed Under the FARE Act

The Fairness in Apartment Rental Expenses (FARE) Act, effective June 2025, established a simple but transformative principle: whoever hires the broker pays the broker's fee. For decades, NYC tenants shouldered broker fees of 12–15% of annual rent — often $3,000 to $8,000 or more — even when the landlord or management company engaged the broker. The FARE Act shifts this cost to the party that actually retains the broker's services.

For most property owners and management companies, this means the cost of filling vacancies now falls on the building's operating budget rather than the incoming tenant. While some landlords have adjusted asking rents upward to offset this cost, the market has not uniformly absorbed the shift, and owners in competitive submarkets have had to absorb broker fees directly.

Financial Impact on Building Owners

Apartment Type	Typical Monthly Rent	Typical Broker Fee (1 Month)	Annual Cost per Vacancy
Studio (Manhattan)	$2,800–$3,500	$2,800–$3,500	$2,800–$3,500
1-Bedroom (Manhattan)	$3,500–$5,000	$3,500–$5,000	$3,500–$5,000
2-Bedroom (Manhattan)	$5,000–$8,000	$5,000–$8,000	$5,000–$8,000
Studio (Brooklyn)	$2,200–$3,000	$2,200–$3,000	$2,200–$3,000
1-Bedroom (Brooklyn)	$2,800–$4,000	$2,800–$4,000	$2,800–$4,000

Adapting Your Leasing Strategy

Property owners have several strategic options for managing the financial impact of the FARE Act:

- Direct marketing: Invest in professional listing photos, virtual tours, and listing syndication to major platforms (StreetEasy, Zillow, Apartments.com) to attract tenants directly without a broker.
- In-house leasing agents: For buildings with frequent turnover, hiring a part-time or full-time leasing agent can be more cost-effective than paying per-vacancy broker fees.
- Rent adjustment: In strong markets, some owners have increased asking rents by 2–5% to offset the broker fee cost. This approach works best in high-demand neighborhoods with low vacancy rates.
- Tenant retention focus: The most cost-effective strategy is reducing turnover. Responsive maintenance, building improvements, and competitive renewal terms keep tenants in place and eliminate leasing costs entirely.
- Hybrid approach: Use brokers only for hard-to-rent units (ground floor, unusual layouts, above-market pricing) and market standard units directly.

How Camelot Handles FARE Act Compliance

Camelot has developed a comprehensive in-house leasing program that combines professional photography and videography, syndicated listings across 15+ rental platforms, dedicated leasing agents, and AI-powered lead screening. For our managed buildings, this approach has reduced average vacancy periods from 45 days to 22 days while eliminating broker fees on 70% of new leases. Contact us to learn how we can implement this strategy for your building.

Legal Status and Ongoing Considerations

The FARE Act survived initial legal challenges and is currently in effect as of early 2026. However, litigation is ongoing, and amendments have been proposed in the City Council. Property owners should continue monitoring legal developments through their management company or industry associations such as REBNY and RSA. Regardless of any future modifications, the trend toward landlord-paid broker fees is consistent with practices in most other major U.S. cities and is unlikely to be fully reversed.

CHAPTER 6

PIPS — Parking Structure Inspections

New periodic inspection requirements for parking garages and structures demand immediate attention from building owners with on-site parking facilities.

Parking Structure Inspection Requirements

The Periodic Inspection of Parking Structures (PIPS) program introduces mandatory annual inspections for all parking garages and open parking lots that contain structural elements. The law was prompted by several high-profile parking garage collapses in New York City that resulted in fatalities and significant property damage.

Which Buildings Are Affected

- All enclosed parking garages (above-grade and below-grade)
- Open parking lots with structural decks or elevated platforms
- Mixed-use buildings with parking levels, including residential buildings with underground garages
- Buildings with rooftop parking facilities

Surface-level parking lots without structural elements (simple paved lots) are generally exempt.

Inspection Requirements

Inspections must be performed annually by a licensed Professional Engineer (PE) or Registered Architect (RA) with structural engineering expertise. The inspection focuses on:

- Structural deterioration: Cracking, spalling, corrosion of reinforcing steel, and delamination of concrete decks
- Water damage: Ponding, drainage failures, waterproofing membrane deterioration
- Load capacity: Signs of overloading, deflection, or settlement
- Safety systems: Guardrails, barriers, lighting, ventilation, and fire suppression systems

Cost Benchmarks and Compliance Timeline

Item	Typical Cost Range
Annual inspection (small garage, under 50 spaces)	$5,000–$15,000
Annual inspection (large garage, 50+ spaces)	$15,000–$40,000
Minor structural repairs	$10,000–$50,000
Major structural remediation	$100,000–$500,000+
Waterproofing membrane replacement	$15–$30/sq ft of deck area

Critical Finding Protocol

If the inspector identifies a critical structural deficiency — such as imminent risk of collapse or severe reinforcement corrosion — the parking structure must be immediately closed to the public until remediation is completed. Building owners are responsible for providing alternative parking arrangements for tenants and may face DOB enforcement actions if the closure is not promptly addressed.

CHAPTER 7

Parapet Inspection Rules

Parapets are often overlooked — until loose masonry becomes a life-safety hazard. Annual inspections are now required and violations carry serious penalties.

Annual Parapet Inspection Requirements

A parapet is the low wall or railing that extends above the roofline of a building. Parapets are exposed to extreme weather conditions on all sides — wind, rain, freeze-thaw cycles, and solar radiation — making them one of the most deterioration-prone elements of any building facade. Falling parapet masonry is a serious public safety hazard that has caused injuries and fatalities in New York City.

What Qualifies as a Parapet

- Masonry walls extending above the roof line, regardless of height
- Decorative cornices, copings, and terra cotta ornamentation at the roof edge
- Metal or glass railings at the roof perimeter
- Any structural or architectural element projecting above the roofline

Inspection and Documentation Requirements

Building owners must conduct or commission an annual inspection of all parapets. For buildings six stories and taller, this inspection is typically integrated into the FISP process. For smaller buildings (under six stories), a standalone parapet inspection is required.

Inspectors should evaluate: structural stability and anchorage, mortar joint condition, coping stone integrity and attachment, waterproofing and flashing condition, evidence of movement or displacement, and vegetation growth (which indicates moisture penetration).

Cost Benchmarks

Item	Typical Cost Range
Visual inspection (low-rise, under 6 stories)	$1,000–$3,000
Close-up inspection with rigging (6+ stories)	$3,000–$8,000
Minor repointing and coping repair	$5,000–$20,000
Full parapet reconstruction	$25,000–$100,000+
Emergency stabilization (loose masonry)	$5,000–$15,000

Integration with FISP

For buildings subject to both FISP and parapet inspection requirements, coordinate the two processes to avoid duplicating costs. Your QEWI can assess parapets during the FISP close-up inspection and include parapet conditions in the FISP report. This integrated approach typically saves 30-40% compared to conducting separate inspections.

Documentation of all parapet inspections must be maintained on-site and available for DOB inspection. Violations for non-compliance can result in DOB penalties ranging from $1,000 to $25,000 and emergency remediation orders that require immediate action at the owner's expense.

CHAPTER 8

Co-op & Condo Tax Abatement 2025/26

The NYC property tax abatement for co-ops and condos can save individual unit owners hundreds to thousands of dollars annually — but only if you apply correctly and on time.

Understanding the Co-op and Condo Tax Abatement

New York City offers a property tax abatement specifically designed for qualifying cooperative and condominium units that serve as the owner's primary residence. The program was created to address the disparity between how co-ops and condos are assessed (often at rates comparable to rental buildings) and the tax treatment of one- to three-family homes.

For the 2025/26 tax year, the abatement rate is approximately 17.5% of the assessed value for most eligible units. This translates to average annual savings of $500 to $3,000 or more per unit, depending on the property's assessed value and tax class.

Eligibility Requirements

- The unit must be the owner's primary residence
- The building must be a residential cooperative or condominium
- The unit's average assessed value must fall within the applicable threshold (varies annually)
- The owner must have filed the appropriate application with the NYC Department of Finance (DOF)
- The building's managing agent or board must certify the building's eligibility

Abatement Rates and Savings Estimates

Assessed Value Range	Approximate Abatement Rate	Estimated Annual Savings
Under $50,000	17.5%	$500–$1,200
$50,000–$100,000	17.5%	$1,200–$2,400
$100,000–$200,000	17.5% (may be reduced for higher values)	$2,400–$3,500
Over $200,000	Reduced or phased out	Varies; consult DOF guidelines

Application Process and Deadlines

The application window typically opens in early spring, with deadlines in March or April. The application is filed through the NYC Department of Finance, either online or by mail. For co-ops, the managing agent usually files a single application covering all eligible units in the building. For condos, individual unit owners may need to file separately.

Critical steps in the application process:

- Step 1: Confirm your unit's assessed value on the DOF Property Assessment page
- Step 2: Verify primary residence documentation (driver's license, voter registration, tax returns)
- Step 3: Contact your managing agent to confirm the building-level filing
- Step 4: Submit the application before the deadline — late applications are generally not accepted

How Much Can Your Building Save?

For a 100-unit co-op with an average assessed value of $75,000 per unit, the aggregate annual savings from the tax abatement can exceed $150,000. This reduces each unit owner's monthly maintenance by approximately $125/month. Failing to file the application means every unit owner in the building loses this benefit for the entire tax year — there are no retroactive applications.

Common Application Mistakes

- Missed deadline: The single most common error. Set calendar reminders for January to begin preparation.
- Incorrect primary residence documentation: The DOF cross-references your application with voter registration, income tax filings, and other public records. Ensure all addresses match.
- Building-level filing failure: For co-ops, the managing agent must file the building's eligibility certification. If the managing agent misses this step, no units in the building receive the abatement.
- Newly purchased units: Recent purchasers often assume the abatement transfers automatically. It does not — new owners must file their own application.

CHAPTER 9

Operating-Cost Benchmarks

How does your building's spending compare? These per-square-foot benchmarks help boards identify inefficiencies and negotiate better vendor contracts.

NYC Property Operating Costs: 2025/26 Benchmarks

Operating costs for New York City residential and commercial properties continue to rise, driven by utility rate increases, labor cost inflation, insurance premium hikes, and expanding compliance requirements. The benchmarks below represent median costs per square foot for well-managed properties and can serve as a baseline for evaluating your building's performance.

Residential Operating Costs (Per Square Foot, Annual)

Cost Category	Manhattan	Brooklyn	Queens	Westchester
Total operating costs	$18–$28	$14–$22	$12–$18	$10–$16
Utilities (electric, gas, water)	$4.50–$7.50	$3.50–$6.00	$3.00–$5.00	$2.50–$4.50
Staff / payroll	$4.00–$8.00	$3.00–$6.00	$2.50–$5.00	$2.00–$4.00
Insurance	$1.50–$3.50	$1.25–$3.00	$1.00–$2.50	$0.80–$2.00
Repairs / maintenance	$2.50–$5.00	$2.00–$4.00	$1.75–$3.50	$1.50–$3.00
Property taxes	$3.00–$6.00	$2.50–$4.50	$2.00–$4.00	$2.00–$3.50
Management fees	$1.00–$2.50	$0.80–$2.00	$0.70–$1.80	$0.60–$1.50
Compliance / legal	$0.50–$1.50	$0.40–$1.20	$0.30–$1.00	$0.25–$0.80

Year-Over-Year Trends

Key trends affecting 2026 operating budgets:

- Utilities (+8–12%): Con Edison electric and gas rates increased significantly in 2025, with further rate hikes expected through 2026. Water and sewer rates also rose 4.9% effective July 2025.
- Insurance (+15–25%): The hardening insurance market continues to drive premium increases, particularly for older buildings and those with claim histories. D&O coverage for co-op and condo boards is seeing the steepest increases.
- Staffing (+5–8%): Building service worker wages under SEIU Local 32BJ contracts increased following 2024 negotiations. Union buildings should budget for the full impact of multi-year contract escalations.
- Compliance costs (+10–15%): The expanding regulatory environment (LL97, FISP, LL152, PIPS, FARE Act) is adding new line items to operating budgets that did not exist five years ago.
- Supplies and materials (+4–6%): General inflation in building materials, cleaning supplies, and HVAC parts continues to moderate from 2023-2024 peaks but remains above historical norms.

Where to Cut Without Cutting Corners

1) Renegotiate utility supply contracts — energy deregulation allows buildings to shop for competitive gas and electric supply rates. Savings of 5-15% are common. 2) Consolidate vendor contracts — using a single vendor for multiple building systems (elevators, HVAC, plumbing) can yield volume discounts of 10-20%. 3) Implement preventive maintenance programs — proactive maintenance costs 40-60% less than reactive emergency repairs over a 5-year horizon. 4) Review staffing models — building automation (smart locks, package rooms, virtual doorman) can reduce staffing needs while maintaining service levels.

Benchmarking Your Building

To effectively benchmark your building's operating costs, calculate your total annual operating expenses and divide by your building's gross square footage. Compare the result against the ranges above for your borough. If your building falls above the upper range in any category, investigate the specific cost drivers. Common culprits include: aging boiler systems driving excess fuel consumption, overstaffing relative to building size, deferred maintenance creating expensive emergency repairs, and insurance policies that have not been competitively bid in several years.

Staffing Benchmarks by Building Size

Labor costs represent the single largest controllable expense for most NYC residential buildings. The staffing benchmarks below reflect current 32BJ union rates and typical staffing models for well-managed buildings:

Building Size	Typical Staff	Annual Payroll Range	Per-Unit Cost
Under 50 units	Part-time super only	$45,000–$75,000	$900–$1,500
50–100 units	Full-time super + part-time porter	$120,000–$200,000	$1,200–$2,000
100–200 units	Super + 1–2 porters + handyman	$250,000–$450,000	$1,250–$2,250
200–400 units	Super + 2–3 porters + handyman + doorman	$500,000–$900,000	$1,250–$2,250
400+ units	Resident manager + super + full staff	$900,000–$1,600,000+	$2,250–$4,000

Buildings considering staffing reductions should evaluate the impact on service quality, insurance requirements (many policies mandate minimum staffing levels), and union contract obligations. Virtual doorman services and smart building technology can supplement — but rarely fully replace — on-site staff in buildings with more than 100 units.

CHAPTER 10

Insurance Market Update

The hardening insurance market means higher premiums and tighter underwriting. Here is what to expect in 2026 — and five proven strategies to control your costs.

2026 Insurance Market Overview

The commercial insurance market for New York City residential and mixed-use properties continues to tighten in 2026. After several years of significant premium increases — driven by catastrophic weather events, social inflation in liability claims, and reinsurance cost escalation — the rate of increase is moderating but remains well above historical averages.

Rate Change Expectations by Coverage Type

Coverage Type	2025 Trend	2026 Expected Change	Key Drivers
Property / Fire	+10–20%	+8–15%	Climate risk repricing, aging building stock
General Liability	+5–10%	+5–8%	Nuclear jury verdicts, slip-and-fall claims
D&O (Co-op/Condo Boards)	+15–30%	+12–25%	Construction defect suits, shareholder litigation
Umbrella / Excess Liability	+15–25%	+10–20%	Reinsurance costs, high-severity claims
Workers' Compensation	+3–5%	+3–5%	Medical cost inflation, wage increases
Flood (NFIP and Private)	+10–18%	+10–15%	FEMA Risk Rating 2.0 implementation

5 Ways to Reduce Your Premium

- 1. Market your program competitively: Obtain quotes from at least three carriers every renewal cycle. Even if you are satisfied with your current carrier, competitive quotes provide leverage for negotiation.
- 2. Increase deductibles strategically: Raising your property deductible from $5,000 to $25,000 can reduce premiums by 10–20%. Ensure your reserve fund can absorb the higher deductible.
- 3. Invest in loss prevention: Install water leak detection systems, upgrade fire suppression, and implement a formal safety inspection program. Carriers reward proactive risk management with premium credits.
- 4. Maintain clean claims history: Avoid filing small claims that fall near your deductible. Each claim drives up your experience modifier for 3–5 years. Self-insure small losses.
- 5. Bundle coverages: Placing property, liability, umbrella, and D&O with a single carrier or program often yields a package discount of 5–15%.

D&O Coverage for Co-op and Condo Boards

Directors and Officers (D&O) liability insurance protects board members from personal liability arising from their governance decisions. In the current litigation environment, D&O premiums for NYC co-ops and condos have increased 50-100% over the past three years. Ensure your policy covers: wrongful acts in governance, employment practices liability, construction defect claims, and discrimination claims. Typical annual premiums range from $5,000-$25,000 depending on building size and claims history.

CHAPTER 11

Capital Planning & Reserve Studies

A well-funded reserve and a clear capital plan protect your building from special assessments and financial crises. Here is how to build both.

Reserve Study Fundamentals

A reserve study is a professional assessment of a building's major components — roof, boiler, elevators, facade, plumbing systems, windows, and common area finishes — estimating their remaining useful life and the cost to replace or restore them. The study produces a funding plan that determines how much the building should contribute to reserves each year to avoid special assessments when major capital projects come due.

Reserve studies should be updated every 3–5 years or whenever a major capital project is completed. A qualified reserve study analyst (typically a PE or reserve specialist) will physically inspect the building, review maintenance records, and produce a 20–30 year funding projection.

Capital Expenditure Prioritization Framework

When multiple capital projects compete for limited funds, use this prioritization framework:

Priority Level	Criteria	Examples
1 — Life Safety	Legally required or poses immediate risk to occupants	Fire alarm upgrades, elevator modernization, facade repair (Unsafe), gas piping remediation
2 — Regulatory Compliance	Required by law within a defined timeframe	LL97 retrofits, FISP repairs, boiler conversions, ADA compliance
3 — Asset Preservation	Prevents accelerated deterioration of major systems	Roof replacement, plumbing riser replacement, waterproofing, window replacement
4 — Operational Efficiency	Reduces operating costs with measurable ROI	LED lighting, BMS installation, energy-efficient boilers, sub-metering
5 — Quality of Life	Improves resident experience and building marketability	Lobby renovation, landscaping, fitness center, package room

Financing Options

- Reserve fund: The preferred method — annual contributions build a reserve that covers anticipated capital needs without debt or assessments.
- Special assessment: A one-time charge to unit owners. Effective for large, unexpected expenses but can strain owners financially and create governance conflicts.
- Capital improvement loan: Banks and credit unions offer 5–15 year loans secured by the building's underlying mortgage. Interest rates typically range from 4–7% in the current market.
- Refinancing: If the building's mortgage is approaching maturity, refinancing can free up capital for improvements while potentially securing a better interest rate.
- Government programs: NYSERDA, Con Edison, and federal programs offer incentives, rebates, and low-interest financing for energy efficiency and decarbonization projects.

When to Start Your Reserve Study

If your building has never conducted a reserve study, or if the last study is more than 5 years old, commission one now. The cost ranges from $5,000-$20,000 depending on building size and complexity — a fraction of the financial exposure from an underfunded reserve. Buildings that maintain well-funded reserves sell at higher prices, attract better-qualified buyers, and experience fewer governance disputes.

CHAPTER 12

Sustainability & ESG Quick Wins

Sustainability is no longer just about being green — it is a financial imperative that reduces operating costs, enhances property values, and ensures regulatory compliance.

Quick Wins for ESG Improvement

Environmental, Social, and Governance (ESG) performance is increasingly relevant to property values, tenant retention, and regulatory compliance. The good news: many impactful sustainability improvements are low-cost and generate immediate returns.

Energy Efficiency

- LED lighting conversion: Replace all common-area, hallway, stairwell, and garage lighting with LED. Typical savings: 40–60% on lighting electricity costs. Payback: 1–2 years.
- Energy Star benchmarking: Required for LL97 compliance and provides a free, objective measure of your building's energy performance relative to peers. Aim for a score above 75 to qualify for Energy Star certification.
- Smart thermostats and BMS: Occupancy-based heating and cooling scheduling can reduce HVAC energy use by 10–25%.
- Steam trap maintenance: In steam-heated buildings, malfunctioning steam traps waste 15–30% of heating energy. Annual inspection and replacement of failed traps costs $3,000–$8,000 and pays for itself within one heating season.

Water Conservation

- Low-flow fixtures: Install aerators on faucets (0.5–1.0 GPM) and low-flow showerheads (1.5–2.0 GPM). Cost: $5–$15 per fixture. Savings: 20–30% on water bills.
- Toilet replacements: Replace pre-1994 toilets (3.5–5.0 GPF) with WaterSense-certified models (1.28 GPF). NYC DEP offers rebates of up to $125 per toilet.
- Leak detection: Install water sensors in mechanical rooms, under sinks, and near water heaters. Early detection prevents catastrophic water damage claims averaging $30,000–$150,000.

Waste Reduction

- Recycling compliance: NYC's recycling mandates cover paper, cardboard, metal, glass, and rigid plastics. Non-compliant buildings face fines of $25–$500 per violation.
- Composting programs: NYC's curbside composting program is expanding. Organic waste diversion reduces trash hauling volume and costs.
- E-waste collection: Organize periodic collection events for electronics, batteries, and textiles to keep hazardous materials out of the waste stream.

Green Certifications Available

- Energy Star Certification: For buildings scoring 75+ on Portfolio Manager. Free certification with significant marketing value.
- LEED for Existing Buildings: Comprehensive certification covering energy, water, waste, transport, and indoor environment. Cost: $10,000–$50,000+ for consulting and certification fees.
- NYC Carbon Challenge: Voluntary commitment to reduce GHG emissions 30% over 10 years. Provides recognition and technical assistance from the Mayor's Office.

CHAPTER 13

Technology & PropTech Trends

From smart building systems to AI-powered tenant portals, technology is transforming how properties are managed. Here are the tools delivering real ROI in 2026.

Building Technology That Delivers ROI

Property technology (PropTech) has matured beyond buzzwords into practical tools that reduce costs, improve tenant satisfaction, and streamline compliance. The key is selecting technologies that integrate with your building's existing systems and deliver measurable returns.

Building Management Systems (BMS)

A modern BMS centralizes control of HVAC, lighting, and energy systems through a single platform. Cloud-based BMS platforms allow remote monitoring and control, enabling managers to adjust building systems from anywhere. Typical cost: $3–$8 per square foot installed. Expected energy savings: 10–20%. Leading platforms include: Runwise (boiler optimization), 75F (AI-driven HVAC), and Brainbox AI (autonomous building optimization).

Tenant Portals and Communication Apps

Digital tenant portals replace paper-based communication with streamlined workflows for maintenance requests, package notifications, amenity booking, and board communications. Adoption rates above 80% are common when the platform is well-designed and properly introduced. Leading platforms include BuildingLink, Super, and Latch Manager, with monthly costs ranging from $2–$5 per unit.

Energy Monitoring and Sub-Metering

Real-time energy monitoring provides granular visibility into where and when energy is consumed. Sub-metering individual units or major systems enables equitable cost allocation and identifies waste. Required for many LL97 compliance strategies and typically pays for itself within 12–18 months through identified savings.

Security and Access Control

Modern access control systems use mobile credentials, key fobs, or biometrics to replace traditional keys. Benefits include audit trails for entry/exit, remote access management for deliveries and service providers, and integration with video surveillance. Cloud-based systems like Latch, ButterflyMX, and Verkada offer monthly subscription models starting at $3–$8 per door per month.

Camelot Central — Our Upcoming Owner/Tenant Portal

Camelot is developing Camelot Central, a proprietary digital platform that will provide building owners with real-time financial dashboards, compliance tracking, maintenance request management, and direct communication with our team. For tenants, the portal will offer online rent payment, maintenance requests with photo uploads, package notifications, and community announcements. Launch is planned for Q3 2026 — contact us for early access.

CHAPTER 14

About Camelot Realty Group

Founded in 2006, Camelot Realty Group manages 41 buildings representing $240 million in assets across the New York metropolitan area.

Our Story

Camelot Realty Group was founded in 2006 by David Goldoff with a simple mission: deliver institutional-quality property management with the attentiveness of a boutique firm. Over nearly two decades, we have grown to manage 41 buildings and $240 million in assets under management across Manhattan, Brooklyn, Queens, and Westchester County.

Our portfolio spans the full spectrum of NYC residential property types: pre-war co-ops, modern condominiums, mixed-use buildings, and rental properties. This breadth of experience means we understand the unique operational, financial, and regulatory challenges facing each property type.

Award Recognition

- RED Award — Property Management Company of the Year 2025: Recognizing operational excellence, financial performance, and client satisfaction across our portfolio.
- REBNY Community Service Award 2025: Honoring Camelot's commitment to community engagement and charitable initiatives in the neighborhoods we serve.

Core Services

Service Area	What We Do
Property Management	Day-to-day operations, vendor management, tenant relations, maintenance, building staff oversight
Compliance Management	LL97, FISP, LL152, PIPS, parapet inspections, DOB filings, violation resolution
Financial Oversight	Budgeting, financial reporting, arrears management, reserve fund planning, audit coordination
Capital Improvements	Project management for renovations, system upgrades, energy retrofits, and building-wide improvements
Leasing & Marketing	In-house leasing team, professional photography, listing syndication, FARE Act-compliant processes
Emergency Response	24/7 emergency hotline with guaranteed response times for floods, fires, elevator entrapments, and utility failures

What Sets Camelot Apart

- In-house compliance team: Dedicated staff tracking every regulatory deadline across every building we manage — so nothing falls through the cracks.
- Technology-forward approach: Cloud-based management systems, real-time financial dashboards, and digital communication tools keep boards informed and engaged.
- Transparent financial management: Monthly financial packages delivered by the 15th of every month, with detailed variance analysis and budget-to-actual comparisons.
- Proactive capital planning: Regular reserve studies and 5-year capital plans ensure buildings are financially prepared for major projects.
- 24/7 emergency response: Our emergency line is staffed around the clock, with an average response time of under 15 minutes for urgent building issues.

Our Service Areas

Camelot Realty Group manages properties across the New York metropolitan area, with deep expertise in the unique regulatory, operational, and market dynamics of each submarket:

- Manhattan: Upper West Side, Upper East Side, Midtown, Chelsea, Greenwich Village, Financial District, Harlem
- Brooklyn: Park Slope, Brooklyn Heights, Williamsburg, DUMBO, Carroll Gardens, Cobble Hill, Prospect Heights
- Queens: Astoria, Long Island City, Forest Hills, Rego Park, Jackson Heights
- Westchester: White Plains, New Rochelle, Yonkers, Scarsdale, Bronxville

Client Testimonials

"Camelot transformed our building's financial health. In two years, they reduced our operating costs by 14% while improving service quality across the board. Their compliance tracking alone has saved us from tens of thousands in potential fines." — Board President, 120-unit Upper West Side Co-op

"When we switched to Camelot, we were facing three open DOB violations and an insurance policy that was 40% above market. Within six months, all violations were resolved, and our insurance premiums dropped by $45,000 annually." — Board Treasurer, 85-unit Chelsea Condo

"The level of transparency in Camelot's financial reporting is exceptional. Monthly packages arrive by the 15th, variance analysis is detailed and actionable, and David's team is always available to walk the board through the numbers." — Board Member, Mixed-Use Building, Midtown East

CHAPTER 15

Contact & Next Steps

Ready to take control of your building's compliance, operations, and financial performance? Let's start with a complimentary property review.

Schedule a Complimentary Property Review

Whether you manage a single building or an entire portfolio, our team is ready to help you navigate NYC's complex regulatory landscape and optimize your operations.

Phone

(212) 206-9939

Email

info@camelot.nyc

Web

www.camelot.nyc

Address

477 Madison Avenue, 6th Floor, New York, NY 10022

RED Award — Property Management Company of the Year 2025
REBNY Community Service Award 2025

CAMELOT
REALTY GROUP