

2026

Property Maintenance

Forecast

What Will Separate
Operational Winners

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Executive Summary

The property management industry enters 2026 with a complex mix of pressure and possibility. Softening rents are reshaping revenue expectations, inflation continues to elevate operating costs, and resident expectations are rising toward real-time, concierge-level service. Layered on top of these dynamics is an explosion of AI-driven tools promising to simplify or automate maintenance operations.

The result is an environment crowded with emerging technologies, competing claims, and a noticeable gap between marketing narratives and solutions built on substantive operational data.

This report draws on broad industry patterns, multi-year maintenance benchmarks, and early indicators that point to how 2026 is likely to unfold. The predictions that follow outline the shifts, challenges, and opportunities that will most directly influence property maintenance performance in the year ahead.

How Operators will Approach 2026

Prediction 1: The Great AI Calibration

2026 is shaping up to be the year the property management industry steps back and reassesses what AI can realistically deliver, and where its limits are.

Over the last 36 months, a rapid influx of AI-driven technology entered the market. Many arrived with bold promises: fully automated tasks, hands-off workflows, and significant operational savings delivered almost instantly. As these tools met real-world complexity, operators began to see where AI models applied well, and where they didn't. In the maintenance realm, seeing how generic LLM applications to operations had many hiccups and perhaps reality and marketing were far more apart than many hoped.

Why a Reset Is Taking Shape

The surge of new AI vendors over the past 36 months created a highly experimental environment:

- Over \$1.4 billion raised by AI-focused PropTech companies (2022-2024)
- 200+ new AI-enabled property technology startups launched
- 87% year-over-year funding increase in 2023, driven by advanced language models

At the same time, softening rents and rising operating costs have made operators more willing to explore technology promising relief.

- According to the National Apartment Association rents are down 4.8% from August of 2022, and 0.6% lower YoY, despite operating costs per unit climbing by around 7% each year.

But maintenance is different from other operational domains. While many AI tools draw on broad, publicly available information, effective maintenance decision-making depends on structured, historical, task-level data. Without that foundation, AI outputs can become overly generalized or disconnected from day-to-day operational realities.

What the Calibration Means for 2026

The next phase of AI adoption in property management will be shaped by a more grounded understanding of what types of data are required to make AI truly effective. Models trained on open-internet information may excel at language tasks,

and social-platform-trained models may capture human behavior patterns, but maintenance optimization relies on something else entirely:

- Granular repair-level data
- Operational context
- Human capabilities and availabilities
- Historical patterns in repair timelines, communication, and costs
- Regulatory and compliance nuances
- Local labor and vendor dynamics

“We are expecting for more human expansion of AI through helping them make more Perfect Decisions, as well as see an opportunity for more tasks to get automated. Based on how these models work, and the data available, we’re far closer to making a maintenance coordinator act superhuman than our industry is to replacing them with robots.” says Ray Hespen, CEO of Property Meld.

What 2026 Looks Like

Especially in the world of more critical investment capital, AI companies with strong performance and growing customer bases will continue to receive investment, whereas hype products will start shutting down. More innovation will continue to be directionally pointed to where AI has strong success capabilities, which will most likely be pointed towards products with high data infrastructure.

Prediction 2: We Will Keep Learning What Moves the NOI Needle (as Well as Keep Learning What Doesn’t)

One of the most eye-opening things the data keeps showing us is which trends we thought were true, and which ones the numbers prove otherwise. An example was when delving into AI intake especially since acquiring a great technology company at the end of 2024.

Here’s the surprising part. When we dug into the data, self-solve wasn’t delivering the impact we’d expected. Instead, the real opportunity was hiding further down the supply chain: how intelligent intake affects downstream maintenance. Operators are seeing greater NOI lift not from preventing trips, but from diagnosing issues accurately up front.

Data from testing both our AI intelligent intake vs our form-based:

24 Hour Resolution	90.0% Increase in Repairs Completed in less than 24 hours
Speed of Repair	20.9% decrease (or improvement) in repair speed
# of Appointments	4.4% decrease in number of appointments
Avg Cost for Vended Invoice	18.8% decrease in the average invoice cost
Resident Satisfaction	6.1% improvement in resident satisfaction

So no, all is not lost. In fact, it's more promising than we thought. We must, as an industry, continue to use data to determine where the value actually is versus where our gut says it is.

Reality Check: AI Self-Solves Represent Limited Impact

- The percentage of maintenance requests that can be fully resolved without sending a technician is not rapidly increasing with the injection of AI.
- Following the acquisition of Mezo, self-solve performance increased, but still by less than 1%, compared to the platform's normal 12–14% remediation rate.
- But the more notable insight comes from looking at where the largest operational and financial improvements are actually occurring.

A More Significant Levers: First-Trip Completion, Speed, and Accuracy

Improving the accuracy of initial intake, assigning the right technician/vendor, ensuring proper parts and tools, and enhancing the quality of early diagnosis shows a far greater relationship to NOI outcomes than expanding self-solve attempts.

Each repeat visit introduces additional labor time, coordination overhead, scheduling delays, costs, and, in many cases, resident frustration. All of which carry very large, and now known, financial and retention implications.

- Operators leveraging **MAX™ intake** are seeing repair costs drop by nearly 20%, driven by faster diagnosis, fewer appointments, and quicker time-to-fix.

What 2026 Is Likely to Bring in NOI

The industry conversation is shifting to be more data-centric. These large moves

from gut to data are creating much more meaningful bets towards investor returns and investor retention.

This broader lens reflects a growing recognition that the real financial impact isn't found in simply avoiding dispatches. It comes from improving accuracy at the point of intake: fewer misdiagnosed issues, fewer unnecessary communication moments, and dramatically lower invoice totals.

Efficiency, accuracy, and smarter triage, not trip avoidance, are driving the biggest gains in NOI and resident experience.

Prediction 3: PMO Becomes the Future of Property Management

By the end of 2026, we expect more operations to capitalize on Data + AI and the interconnected nature of maintenance. The more data that has been collected in our industry, the more we're learning of the power of one role in maintenance, and its impact on another (ex - how vendor management impacts vendor efficiency). This is moving our industry towards maximizing the interconnected nature, and moving away from the older ticket management style of maintenance operations.

Why PMO Systems Gain Ground

1. Example of Intake Impacts to Technician Efficiency, Vendor Efficiency, and Cost Management

Examples like the one above, where better intake drives stronger technician and vendor performance, aren't isolated. We're seeing this pattern everywhere. The interconnected nature of every job inside Property Maintenance Operations is becoming unmistakable.

- How efficient Vendor Management is performing impacts Vendor Efficiency
- How Turnovers are performed impacts Intake & Triage
- How Procurement is performing determines Technician Efficiency

And the list goes on...

In order to do one part of Property Maintenance Operations well, means doing other parts well. Doing all well, means massive NOI and yield impact for investors.

2. The Different Jobs Are Being More Granularly Defined and More Measured

Operators are building measurables for things like Coordinator Performance,

Vendor Health, and even Invoicing Efficiency. Before, these were areas that were only observed upon a major failure (or lawsuit). Now operators have been adopting granular Property Maintenance Operations that allow the NOI business of maintenance to play out with intention.

Examples of some metrics we've heard operators injecting on the regular:

- % of Invoices >4 days (Invoicing Efficiency)
- # of Melds in the first 90 days of Move-In (Turnover Efficiency)
- Melds per Coordinator (Coordinator Efficiency)
- Resolution/Remediation % of New Melds (Intake & Triage Efficiency)

3. Data + AI Finally Allow Incredibly Complex Operations to Be Run Simply

Much like logistics has mastered moving countless packages to the right place at the lowest possible cost, maintenance is heading down that same path. Now that real outcomes can be captured digitally at such a detailed level, leveraging AI to make statistically sound decisions isn't a nice-to-have, it's becoming essential. It's what allows even early-stage operators to execute at a high level.

Take a simple question:

"For this specific repair, given the resident's history, the unit's condition, technician availability, parts on hand, and the resident's schedule, who is the best person to assign this to so the work gets done on time and at a reasonable cost?"

Today, no one can answer that question consistently or systematically. But AI will be able to.

Example of how AI is altering this in real time:

Property Meld has a product called Perfect Decision – Assignment™ which aims to remove the reliance on stagnant preferred vendor lists which is incredibly difficult without using AI technology.

Preferred Vendor List	Perfect Decision – Assignment™
N/A	Weights resident's past maintenance experience both in volume, type, and satisfaction
If technician-able, always send technician. If vendor, send in order of the list based on their key competency	Prioritizes Technicians, but provides vendor alternatives with recent performance metrics of both

4. Benchmarking is More Commonplace

Having real-time information about the market is incredibly important to determine which sections of your Property Maintenance Operations are in desperate need of focus.

A common example most operators can relate to is the pressure on cost management. With operators being under squeeze, providing benchmarking information to either validate or invalidate allows them to move on to other parts of their PMO that aren't meeting market expectations.

Prior to the modern era of extreme maintenance data collection, operators have often relied on human beings updating their ticketing systems; which is highly gamified and lacking in any real actionable insights.

What 2026 Looks Like

As maintenance operations become directly tied to bottom-line NOI, moving from "soft" correlations to data CFOs actually trust, owners and investors will start recognizing just how much performance in this area matters. When they see operators proving this value, the market will shift accordingly.

A department that once sat at the bottom of the hierarchy will quickly become a priority. Organizations will realign around the opportunity to increase NOI, which means more investment in tools, staffing, processes, and far greater visibility and accountability across maintenance operations.

Prediction 4: Operators Will Get Aggressive at Preventing Major Renewal-Altering Repairs in the First 90 Days

The industry has long understood that the early maintenance experience is one of the strongest predictors of resident retention. In 2026, the data solidifies this relationship: the maintenance patterns in the first 90 days of a lease predict renewal outcomes with 73% accuracy. When something breaks early, renewal probability drops sharply. When nothing breaks, residents tend to stay.

The Data Driving the Shift

When early failures do occur, some categories dramatically increase churn risk:

Tier 1 (Extreme Impact on Churn)

- AC: +98.5% increased likelihood of lease churn

- Water Heater: +93.7% increased likelihood of lease churn
- Toilet: +79.6% increased likelihood of lease churn

Tier 2 (Severe Impact)

- Heating, Water System, Sink, Refrigerator: +74–81% increased likelihood of lease churn

Tier 3 (Significant Impact)

- Door, Tub/Shower, Dishwasher: +67–70% increased likelihood of lease churn

The pattern is clear: early functional failures, especially in critical systems, disproportionately influence whether a resident renews.

Why 2026 Marks a Turning Point

Turnovers now cost \$4,200–\$6,800 per unit when including costs and lost rent through longer lease times. While rent compression reduces the recovery potential of vacant units more than renewed ones. Operators can no longer absorb the financial impact of preventable early failures. In this environment, prevention is materially cheaper than churn.

As a result, leading operators are beginning to adopt a new objective:

No high-impact work orders in the first 90 days.

That shift translates into more proactive pre-move-in standards, including:

- Pre-occupancy HVAC, water system, and appliance checks
- Verifying bathroom and kitchen functionality
- Addressing Tier 1 and Tier 2 risks before keys are handed over

The industry focus is beginning to move from responding quickly after a request is submitted to intelligently eliminating the early failures that most strongly influence churn.

Prediction 5: Resident Expectations (and Expectations) Continue to Rise

Resident experience demands are rising rapidly, driven by the continuous improvement of consumer-grade service experiences.

Residents now live in a world where:

- Amazon shows a delivery truck on a map
- Uber shows ETA down to the minute
- Food deliveries update in real time
- Service vendors send SMS status updates

As these consumer platforms raise the bar with each innovation, property management is being measured against an ever-escalating standard of transparency and responsiveness. The data backs this up: resident satisfaction continues to be the best leading indicator of renewal, closely tied to speed of repair, communication volume, and even speed of communication response.

The Psychological Shift

When residents don't receive the same level of service they get everywhere else, the experience feels broken. The absence of:

- Real-time visibility on whatever they ordered or need
- Live updates on things that provide a sense of relief or awareness
- Transparency on who's coming and when
- An ability to feel a voice and alter it moving forward

But here's the shift: communication went from a "nice to have" to a leading indicator of lease churn and organizational health

The Data Behind the Expectation

New datasets show a clear relationship between communication patterns and resident outcomes:

The Sweet Spot: 5–7 Chat Messages Per Repair

This range is inclusive of all communication, including internal, vendor, technicians, residents. This is the industry benchmark for healthy, effective communication. It signals clarity, responsiveness, and a repair that's progressing normally.

But Once Communication Exceeds 10 Messages, Churn Risk Begins to Climb

This is often a sign of deeper issues: misdiagnosis, unclear intake, multi-step repairs, or residents feeling uninformed.

Real-World Example

When diving into data, we evaluated a single vendor and observed 17 messages

per work order with a 0.7-hour response time, yet only achieved a 3.6 satisfaction score, proving that more messaging doesn't equal better service. Anecdotally, this story relays nicely to the generic trend we see on too much communication is absolutely not a good thing.

What 2026 Looks Like

Maintenance will evolve from “submit a ticket and wait” to: “track your repair like a package, I should know exactly what’s happening and it when it will be fulfilled”.

PMCs who provide real-time visibility, status updates, technician ETAs, clear next steps, and transparent repair timelines, will see measurable improvements in:

- Resident satisfaction
- Renewal rates
- Churn reduction
- Renewal premium performance

Other industries have paid the price for ignoring the rapidly rising bar of consumer experience. Our data shows property management isn't immune.

Prediction 6: More Vendor Optimization Strategy (Not an Operational One)

Vendor performance remains one of the most underutilized levers for improving NOI, resident satisfaction, and repair timelines. In 2026, operators are expected to shift from treating vendors as behind the scenes resources to viewing them as critical performance drivers.

This shift is inclusive of those with heavy technician teams. Often trying to keep team members busy, but the cost of doing that at the expense of a lease renewal is having more operators scratch their heads on internal versus vendor strategies.

Why Vendors Matter More Than Ever

Renewal analysis shows a clear pattern: residents who ultimately churn experience different maintenance conditions than those who renew. Churned residents typically encounter:

- Slower assignment times
- Higher communication volume
- Lower satisfaction scores

Assignment Speed Is the Biggest Differentiator

Churned residents face:

- 21.3% longer assignment times for heating issues
- 12.7% longer for AC failures
- 8.7% longer for water system problems

Communication Load Also Increases

Signaling inconsistent vendor performance and repeated follow-ups to fix issues:

- 17% more chats for AC repairs
- 14.1% more chats for water system failures
- 11.4% more chats for heating problems

And at the End of This Experience, Residents Rate These Repairs Measurably Worse

- 4.9% lower satisfaction for AC
- 4.5% lower for water systems
- 4.1% lower for heating

The pattern is clear: acceptance behavior and performance drive slower assignment times, heavier communication burdens, and lower satisfaction, the three variables most correlated with resident churn.

When operators begin assigning work based on performance instead of rotation, these gaps narrow and renewal likelihood increases.

What 2026 Looks Like

In response, operators will increasingly use data to make vendor management an active operational discipline. This includes:

- Assigning vendors based on historical performance
- Monitoring acceptance rates and response patterns
- Prioritizing high-performing vendors for at-risk or high-impact residents
- Using AI tools to support dynamic dispatch decisions
- Replacing rotational vendor lists with performance-based allocation models

As vendor data becomes more accessible and more predictive, 2026 marks a shift toward performance-driven vendor networks and away from the traditional, static assignment models many operators rely on today.

Conclusion: The 2026 Operator Will be Forced to Lean Into Their Maintenance Discipline and Operations Until Market Improves

The next year won't reward the flashiest technology or the biggest software stack. It will reward the operators who take maintenance seriously, as the financial engine it truly is.

Success in 2026 Will Belong to Companies That:

- Deploy truly applicable AI technologies into their business; this will require fundamental understanding of how these models work and which applications are critical to the business.
- Operators have to study their own maintenance operation through data, and keep a close eye on industry data coming out. It's much faster today.
- Ditch the "ticket management" methodology and start building the organization around the [***Property Maintenance Operations framework***](#). Creating a KPI-focused department that develops a discipline at improving and moving a needle for their investors' NOI
- Movement from Turnover Speed to a blend of Speed and Quality. With new data coming out showing how critical the first 90-days are – grading themselves on what doesn't happen in the first 90-days of a lease.
- Match the resident experience to the modern consumer experience.
- In landlord-favored markets, this hasn't always been a priority, but the gap is widening fast, and it will start showing up in leasing performance, brand perception, and resident retention.
- Elevate Vendor Management to a first-class function. Whether you rely heavily on internal teams or outside vendors, consistently measuring performance and proactively managing your vendor network before issues escalate is a winning strategy.

The challenges are real, but so is the opportunity. Maintenance is no longer just an operational necessity, it's a profit center, a retention strategy, and the most controllable lever in your entire business.

*For more information about implementing these strategies in your property management operations, [**please contact Property Meld.**](#)*