

COST OF LIVING INDEX



AEDC
Anchorage Economic
Development Corporation

2026 Q1 Update
Anchorage, Alaska

Sponsored by:

Furniture Enterprises
OF ALASKA, INC.

**Open
Sponsorship**

Photo Credit: Juno Kim | Visit Anchorage

Cost of Living Index

The Anchorage Economic Development Corporation (AEDC) collects cost of living data by measuring the relative price of consumer goods and services. The Cost of Living Index (COLI) is calculated in 250 urban areas nationwide by the Council for Community and Economic Research (C2ER). The average index for all participating areas is set at 100, meaning each community's score can be interpreted as a percentage of the national average. Importantly, the COLI does not measure price changes over time, but rather the relative cost of living compared to the national benchmark at a specific point in time.

COLI comparisons, however, are not always apples to apples. Differences in geographic location, transportation and freight costs, local tax structures, housing market dynamics, availability of goods and services, utility infrastructure, wage levels, and consumer preferences can all influence prices in a given community. In Alaska, factors such as remoteness, seasonal variability, energy costs, and supply chain logistics can have an outsized impact on certain categories, making direct comparisons with other metro areas more complex.

COLI Component Indices

The COLI is made up of six component indices, which together comprise the composite index



Anchorage Cost of Living

127.9 | **18th**

The 2026 Q1 composite index for Anchorage was 127.9, a 2.5-point increase from 2025 (125.4) or 127.9 of the national average. Anchorage is the 18th most expensive place to live in the US of participating cities. From 2024-2025 there was a 2.2-point increase, and in one quarter Anchorage has already surpassed this. The city has also advanced 4 ranks on the national scale within the same quarter.

Source: Council for Community and Economic Research (C2ER), Cost of Living Index (COLI), 2026.

How does Anchorage Compare?

Category (Percent Weight)	Anchorage AK
Composite (100%)	127.9
Grocery (15.29%)	125.1
Housing (28.36%)	140.4
Utilities (8.38%)	110.9
Transportation (8.80%)	125.9
Health (4.70%)	130.9
Miscellaneous (34.47%)	122.4

Source: Council for Community and Economic Research (C2ER), Cost of Living Index (COLI), 2026.

Anchorage's cost of living remains significantly above the national average, with a composite index 27.9% higher than the U.S. benchmark. Housing continues to be the primary driver, ranking 40.4% above the national average and carrying the largest weight in the index. However, AEDC believes the housing component may not accurately reflect the typical Anchorage housing market. The C2ER methodology measures a standardized new, mid-management home rather than median home prices, and the reported doubling in housing costs is inconsistent with actual market trends. This suggests potential impacts from sampling changes, methodology adjustments, or reporting differences rather than a true surge in home values.

Outside of housing, most cost categories remained relatively stable, while the health index declined by 11.8 points, indicating that Anchorage's healthcare costs have become more comparable to those in other U.S. cities. This does not mean healthcare in Anchorage is getting cheaper, rather it means nationally costs are rising faster than Anchorage is seeing.

As affordability remains a key concern, AEDC is exploring more accurate ways to measure Anchorage's cost of living and housing market, including a migration study that will compare Anchorage to the communities where residents are relocating.

How does Anchorage Compare?



Source: Council for Community and Economic Research (C2ER), Cost of Living Index (COLI), 2026.

Anchorage experienced notable cost increases between 2025 and Q1 2026, reinforcing affordability concerns already felt nationwide. Several common expenses rose sharply, including steak (+15%), coffee (+14%), and newspaper subscriptions (+62%). Anchorage also became relatively more expensive compared to peer cities, with steak prices climbing from the 10th to the most expensive in the nation. Veterinary services remain among the highest-cost categories and continue to rise as growing demand for pet care outpaces provider availability. While some healthcare-related costs, including doctor, dentist, and optometrist visits, declined, Anchorage's overall cost position worsened relative to other U.S. cities. These trends reflect a broader "K-shaped" economy, where rising costs and uneven spending patterns create very different financial experiences across households.

2026 Q1 Anchorage, AK | COLI

Cities COLI Comparison 2026 Q1

Urban Area and State	COLI Rank	Composite Index	Grocery Items	Housing	Utilities	Transportation	Healthcare	Misc. Goods and Services
Honolulu HI	2	184.8	136.3	302.4	183.5	149	113.1	122.7
Seattle WA	10	146.8	109.7	211.7	98.4	138.1	118.7	124.5
Juneau AK	14	135.7	128.9	152.2	134.1	130.4	134	126.3
Anchorage AK	18	127.9	125.1	140.4	110.9	125.9	130.9	122.4
Fairbanks AK	23	123.3	125.9	104.6	200.4	115.2	127.2	120.7
Prescott AZ	30	119.9	99	157.7	90.1	101.2	99.6	111.3
Olympia WA	44	111.3	104.4	115.9	103.2	129.2	108.2	108.2
Denver CO	50	109.1	103.5	118.8	88	88.3	108.6	113.9
Asheville NC	55	106.3	98.6	113.8	100.7	91.8	100.7	109
Phoenix AZ	60	103.8	103.2	104.4	107.6	114.2	99.1	100.4
Yakima WA	74	100.9	101.3	90.6	103.3	122.6	105	102.9
Colorado Springs CO	86	98.9	103.1	96.3	80.7	88.3	105.1	105.7
Tucson AZ	87	98.7	103.4	91.1	104.4	97	107.5	101.2
Dallas TX	91	98.4	99.9	86	111.1	84.7	108.2	107.6
Las Vegas NV	100	96.9	104.1	103.2	86.8	115.8	103.4	85
Spokane WA	104	96.8	105	82.9	101.2	122.8	104.4	96.4
Houston TX	118	94.3	99.4	76.8	101.7	96.7	99.4	104.3
Raleigh NC	131	93.4	103.8	81	94.1	88.3	108.8	98.4
El Paso TX	189	88.5	95.3	69.2	89.3	102.4	96.1	97.6

Source: Council for Community and Economic Research (C2ER), Cost of Living Index (COLI), 2026.

The cities represented here are located in or near areas with the strongest in- and out-migration from Anchorage and participate in the Cost of Living Index.

Thank You to Our Diamond Investors



For sponsorship inquiries, please email development@aedcweb.com



AEDC
Anchorage Economic
Development Corporation

510 L Street, Suite 603
Anchorage, AK 99501
(907) 258-3700
info@aedcweb.com
www.aedcweb.com

COST OF LIVING INDEX

2026 Q1 Update
Anchorage, Alaska

