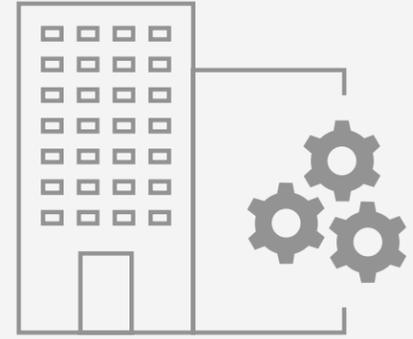


Return on Smart Building Investments

Operational Efficiency Gains

Smart Building technology is changing the way multifamily operators run their communities. This example is part of a series designed to put some numbers to the sources of benefit this revolutionary technology enables.



The Source: Operational Efficiency Gains

When we think about multifamily operations, it's hard to avoid the workload on property teams and the costs that result from physical keys.

Having to deal with keys for tours, move-ins/outs, package deliveries and maintenance tasks takes time out of the property team's day that could be spent on higher-value activities.

Keys do not only cost you time: the cost of making keys, re-keying and handling lock-out situations, can collectively run to thousands of dollars each year for a typical building.

The Numbers: Removing the Inefficiency of Keys

While relatively small compared to other financial benefits of smart building technology, keying costs are far from negligible, with almost \$7,000 a year currently wasted on replacing keys.

Annual Keying Costs at a Typical Multifamily Property

Units	Units Turned	HW Cost	Labor Costs/Unit	Total
300	150	\$35	\$10	\$6,750

This example uses a typical team structure in a 300-unit property which, in a "keyed" environment, spends about 1/8 of its time on tasks necessitated by keys.

Property Team Time Saved With Access Control

Team	Number of FTEs	Salary	Total Payroll	Est. % of Time Spent on Access	Hours/Week Lost on Access	Notional Cost of Access Time
Property Mgt/Leasing	3	\$75,000	\$225,000	12.5%	15	\$28,125
Maintenance	3	\$45,000	\$135,000	12.5%	15	\$16,875

While saving full-time equivalent (FTE) time does not result in a direct cost saving, it is nevertheless worth considering the share of salary costs (~\$45,000) that key-related activities represent.

The prices in this example are for illustrative purposes only—actual cost may vary.

The Take-Away

Replacing keys with access control technology saves properties the cost of processing keys. It also puts hours back into your site teams' day, which increases their capacity for higher-value work.

With leasing and management teams, time can be focused on activities like lead follow-up, proactive outreach for renewals, etc., while maintenance teams can complete more work orders.

Once these inefficiencies have been removed from property operations, more radical changes to the property operating model become attainable (see our "Team Optimization" guide).