

CASE STUDY

15,000-UNIT MANAGEMENT FIRM



CLIENT

A property management firm responsible for 60 properties with more than 15,000 units for various owners.

CHALLENGE

This large management firm had \$5.5 million in annual revenues and knew its profitability wasn't where it needed to be.

After some analysis, they realized they were spending more than \$2.1 million for their accounting department, accounting software and other back office costs. The 20-person accounting department was not adding value and wasn't managed effectively. Staffing issues were a consistent challenge with a high turnover and regular discord among staff members.



PLAN

After Ascent was retained to manage all the firm's accounting processes, the firm was able to reduce all but the Controller and one accounting staff member and significantly downsize office space and management/oversight for the department. The firm saved significantly by outsourcing their accounting services with Ascent. It saved \$1.4 million of its previous \$1.6 million annual staffing fees, \$270,000 in reduced office space and \$250,000 in miscellaneous operating expenses. With Ascent's accounting services, the firm had a net annual savings of more than \$900,000.

RESULTS

Ascent helped this property management firm experience immediate savings and profitability by outsourcing its accounting. The firm's profitability more than tripled.

Call the accounting professionals at Ascent today to see if you could gain more flexibility and save time and money by outsourcing your properties' accounting services.

“ The efficiencies of the outsourced relationship are significant. We didn't need more than two on the management company's payroll to do the management finances. As a result, we saved more than \$900,000 annually and it allowed our senior team to focus on our core business.

I will never go back to having my own accounting staff again. ”

FIRST YEAR ANNUAL SAVINGS

Costs of Internal Sourcing

Payroll & Benefits	\$1,600,000
Rent	270,000
Misc. Costs	250,000
Total Internal Costs	\$2,120,000

Costs of Outsourcing

Payroll & Benefits	\$200,000
Ascent Fees	970,000
Rent	0
Misc. Costs	50,000
Total Outsourcing Costs	\$1,220,000
Total Annual Savings	\$900,000

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