



## AVERAGES OF SELECTED OPERATING DATA OF A SAMPLE OF OUTER BANKS PROPERTY MANAGEMENT FIRMS



To better understand the business characteristics and dynamics of the Outer Banks property management industry, we compiled data averages from a composite of companies we serve. This information is useful because it allows local property management firms, and other users, to compare their results of operations to local industry averages rather than national or state averages.

The sample size is relatively small and obviously there is not perfect consistency and uniformity of reporting among the sample businesses. At the same time, from an "interested user perspective" we feel the results are very informative.

|  | <u>Survey<br/>2008</u> | <u>Survey<br/>2007</u> |
|--|------------------------|------------------------|
| <b>Property Management Revenues</b>            |                        |                        |
| Rental Commissions                             | 46.5%                  | 47.8%                  |
| Other Property Management Revenue              | 52.7%                  | 50.4%                  |
| Interest                                       | 0.8%                   | 1.8%                   |
|  | <hr/>                  | <hr/>                  |
| Total Property Mgmt Revenues                   | 100.0%                 | 100.0%                 |
| <b>Direct Costs</b>                            |                        |                        |
| Housekeeping Wages                             | 15.5%                  | 16.3%                  |
| Credit Card Fees                               | 4.4%                   | 2.9%                   |
| Other direct costs                             | 15.9%                  | 15.6%                  |
|  | <hr/>                  | <hr/>                  |
| <b>Total Direct Costs</b>                      | 35.8%                  | 34.8%                  |
| <b>Other Labor Costs</b>                       | 26.4%                  | 28.1%                  |
| (includes payroll taxes and employee benefits) |                        |                        |
| <b>Other Operating Costs</b>                   |                        |                        |
| Advertising, Brochures, Postage                | 6.1%                   | 7.2%                   |
| Telephone                                      | 1.4%                   | 1.5%                   |
| Equipment rental & repair                      | 0.7%                   | 0.7%                   |
|  | <hr/>                  | <hr/>                  |
| Total Other Operating Costs                    | 8.2%                   | 9.4%                   |
| <b>Facility Expense</b>                        |                        |                        |
| Rent   | 4.1%                   | 3.7%                   |
| Other Facility                                 | 2.4%                   | 1.9%                   |
| Depreciation & amortization                    | 2.1%                   | 2.1%                   |
|  | <hr/>                  | <hr/>                  |
| Total Facility Expense                         | 8.6%                   | 7.8%                   |
| <b>Administrative Expenses</b>                 | 6.7%                   | 6.2%                   |
|  | <hr/>                  | <hr/>                  |
| <b>Total Expenses</b>                          | 85.7%                  | 86.4%                  |
|  | <hr/>                  | <hr/>                  |
| <b>Total Property Mgmt Income</b>              | <u>14.3%</u>           | <u>13.6%</u>           |