



Outsource Cost Insource Growth

Our Real Estate/Property Management Accounting Services can quickly and cost effectively manage and scale your operations without over-heads. The new-age solution to help businesses grow smartly and profitably.

Get Real \$\$\$ savings every month.

OutsourcingHubIndia.com
Real Estate Accounting Outsourcing Specialist



OUTSOURCING - THE CONCEPT

Outsourcing is a business reality for large companies in USA across different functions like finance, customer care, marketing, IT and human resources. Increasingly small and mid-sized businesses are exploring outsourcing to avail of its multiple benefits. Accounting outsourcing is helping many businesses reduce costs and survive the economic downturn.

Real Estate and Property Management sector is one of the leading industries to adopt outsourcing extensively to meet the challenges of the economic recession. The transaction intensive nature of this industry makes it eminently suitable for optimization and cost-cutting through outsourcing. An independent survey estimated that Software and Services outsourcing market is expected to grow to over 16-17% to reach USD 62 billion by 2011 with finance and accounting outsourcing being the second largest area for outsourcing.

WHY OUTSOURCE YOUR ACCOUNTING

Accounting Outsourcing can offer multiple benefits to Real Estate and Property Management firms such as:

- **Generate cost savings between 30-60% on you're accounting costs** realize savings ranging from USD 1500-1800 per month per junior accountant in staffing costs alone*
- **Grow without overheads** expand without worrying about staffing and training costs
- **Flexibility in your staffing levels** hire us only when you need us
- **Work gets done faster** we work when you sleep
- **Access to industry standard accounting practices** through our knowledge base across multiple clients

**Savings for Senior Accountants are even higher*

COST SAVINGS COMPARISON: ACCOUNTING PROCESS

Book keeper/Sr. Accountant	US Employee	Offshore Cost
Annual Salary	\$30000*	\$16800
Payroll Taxes (8%)	\$2400	
Overhead Costs (10%)	\$3000	
Total Cost	\$35400	\$16800
Staff Accountant/Sr. Accountant	US Employee	Offshore Cost
Annual Salary	\$52000*	\$25000
Payroll Taxes (8%)	\$4160	
Overhead Costs (10%)	\$5200	
Total Cost	\$61360	\$25000

*Salary figures are average figures



Tenant Accounting

- Set-up and maintenance of tenant leases in database from lease abstracts
- Monthly tenant rent run and rent collection processing
- Generation of reports indicating late fee, move- in, move-outs and termination/expiry

Accounts Payable Processing

- Processing accounts payable invoices and utility bills
- Processing mortgage invoices, tax, insurance and replacement reserve escrow payments
- Processing disbursements

Accounts Receivable Processing

- Tracking security deposits of different tenants
- Handling move-ins, move-outs, renewals and expiry of leases before rent-run
- Cash-application including processing customer checks in a lock-box solution

Month End Accounting Activities

- Reconcile cash to general ledger, including bank reconciliations
- Merchant account and credit card reconciliations
- Escrow reconciliations
- General ledger accounting including month end accruals and payroll entries

Management Reporting and Financial Analysis

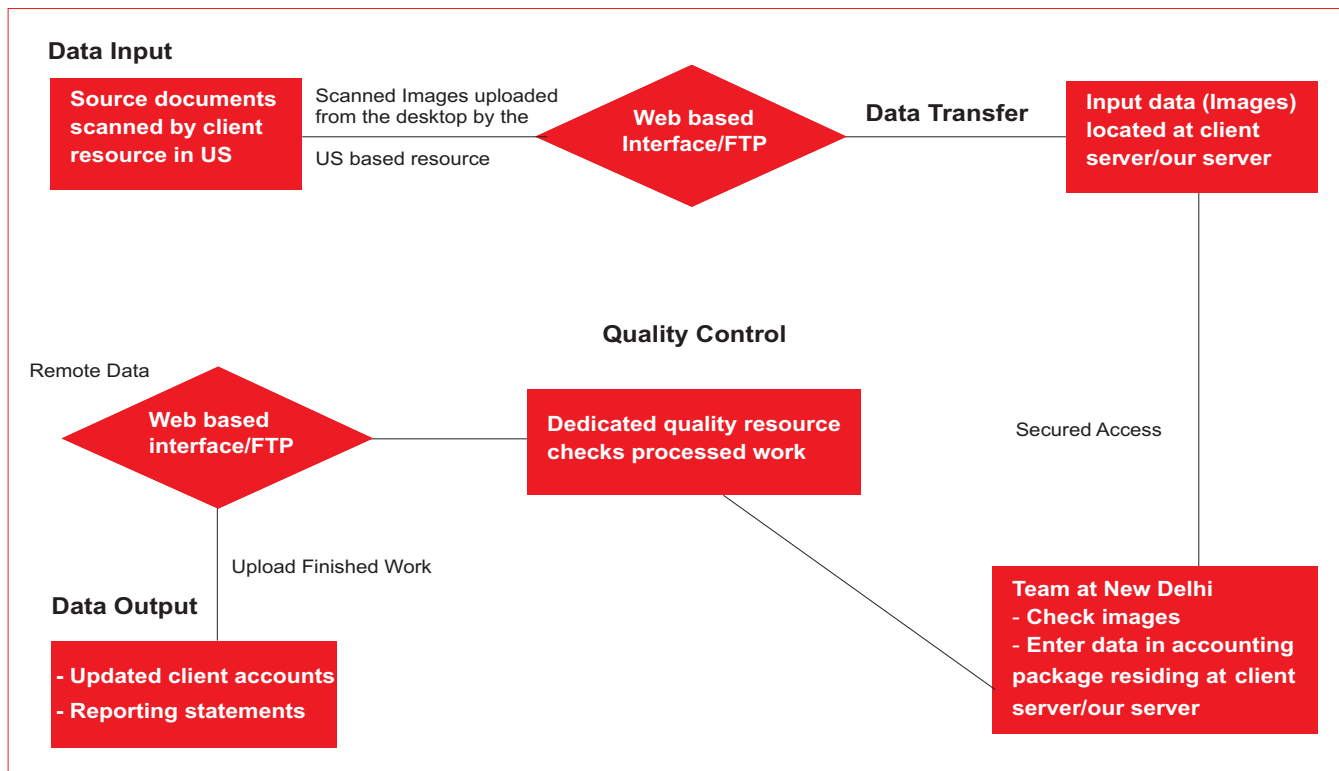
- Prepare monthly property control reports on both cash and accrual basis
- Prepare monthly property control reports on both cash and accrual basis
- Compare operating results to monthly budgets and prepare variance reports
- Generate Monthly Operating Reports (MORs) pertaining to tenant information, assets, liabilities and general ledger accounts
- Financial analysis and financial modeling

Other Services

- Web Research and Data Mining services
- Back Office services

Software	Expertise Level	Software	Expertise Level
Yardi-Voyager, Genesis	High (in select modules)	Timberline Property Management	High
MRI (by Intuit Real Estate Solutions)	High	Spectra Property Management	High
QuickBooks and Quicken	High	Avid Payable	High
Microsoft Excel (In VLookUp, Pivot)	High	Realpage - Onsite	High
QuickBase	Medium	The Property Manager	Medium
Propertyware	Medium		

PROCESS FLOW



INFRASTRUCTURE

Our service delivery is backed by robust and sound infrastructure with an emphasis on building systemic redundancies (back-ups) to ensure smooth and consistent delivery of services. Some of the key highlights are:

- Spacious 2000 Square Feet office set-up with modern facilities to ensure optimum productivity
- Uninterrupted power supply (with online battery back-up)
- Dedicated US based server located in an Ohio based datacenter with automated data back-up
- Computers with latest technology configuration and leased 2 MBPS internet leased lines
- Multiple US specific telecommunication facilities- VOIP US fax no., US phone no. (with Voice mail)
- Ready access to additional office space and associated infrastructure for rapid scaling up
- Marketing cum client service partners based in USA



CLIENT'S PROFILE

- **Client Size:** Small medium businesses with an annual turnover from USD 1 mn to 350 mn
- **Geographic Spread:** We have clients across USA (across 12 states), UK, Canada, Australia and Japan
- A vertically integrated, full service real estate company based out of Bellevue, WA. It manages about 4,500 units spread across 27 properties
- A mid size property management firm based out of South Florida, USA
- A well known Canadian Retail Estate developer based in Vancouver
- A mid-sized real estate residential property management firm in New York
- A small property management firm based out of Aventura (FL)
- A well known real estate firm in Tampa (FL) specializing in commercial real estate
- A construction company in Aspen (CO) providing general contracting, plumbing and property management services



CASELET : Leveraging outsourcing for a leaner and flexible accounting staffing model

Firm: A well-established full service real estate firm providing real estate investment, development and property management services. They have developed and built 79 properties totaling approximately 11 million square feet in 10 western US states. Over the past decades, their projects have a development value in excess of \$1.2 billion dollars.

Needs: Reducing accounting costs substantially to help improve profitability in a tough economic scenario. The firm needed a variable cost structure to manage dynamics of a changing economy.

Challenges:

1. Large scale project-property management accounting for more than 4800 units across 28 properties involving four property accountants and two accounts payable processors
2. Manual processing of large volume of utility bills necessitated a stringent quality check to ensure accuracy
3. Service provider needed to learn two new software-OneSite from RealPage for property management and Timberline from Sage for accounting in a short period
4. Minimal existing process documentation of several key activities
5. Strict deadlines for month-end closing meant that the team had to quickly learn key activities

Results:

1. Firm reduced the accounting costs by a significant 60% on their base accounting costs. They achieved annual savings of \$130,000 through this solution.
2. Creation of low cost variable staffing model equipped to handle slowdown in business environment
3. Extensive documentation of existing processes resulting in better handling of staff changes, faster training and standardized processes

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About OutsourcingHubIndia

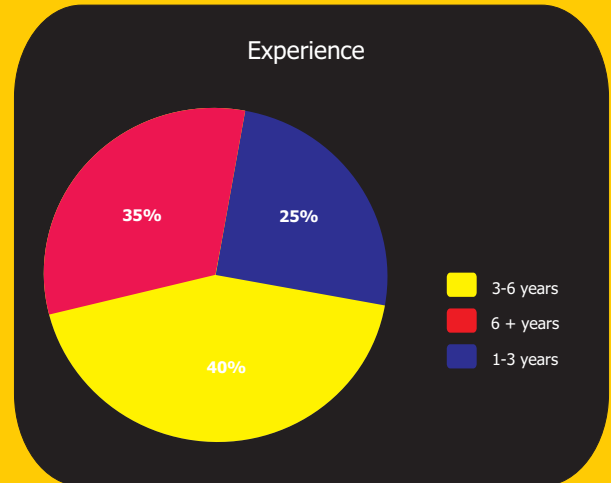
We are a specialized finance and accounting outsourcing service provider with offices in US and India. We provide accounting, bookkeeping, financial analysis and tax-return preparation services with a focus on real estate and property management clients. We service real estate and property management firms extensively, helping them leverage the benefits of outsourcing while addressing outsourcing related challenges that are unique to the industry.

Staff Qualification

Every operations related staff members is at-least an accounting graduate with a majority of them having an Intermediate degree in accounting

Experience (US Accounting)

Majority of our staff members have international (US/Canadian and UK) accounting experience between 3 and 6+ years, higher than the average industry standards



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