

## As an Owner: What you should know about Computerized Key Control

### First of all...What is Computerized Key Control?

It is an electronic system that securely stores and tracks property keys. Keys are coded so they may only be identified by the system, which grants access to authorized employees and reports who accessed keys, why, and when. Authorized staff must be identified by badge and PIN or biometric verification.

### Why is it important?

*Reduced Premises Liability:* Property owners and managers are 10 times more likely to be sued in liability litigation.

- Holds staff accountable and raises awareness of security
- Prevents identification of which door the key fits if lost or stolen
- Provides audit trail of what units were accessed to refute liability claims
- Demonstrates effort to provide security for residents and staff
- If a system is in place at one asset, one should be at all portfolio assets, or it can be construed as selective in litigation.
- The cost of preparing a response (research, legal advice, staff time) to one possible liability action can often cost more than the key control system.

*Staff Efficiency* can translate to improved NOI-Asset Valuation

- A recent time and motion study of a 250 unit community demonstrated a 240 hour time savings annually to pull, return, and locate keys over a manual key log and coding process.
- Saved labor hours can be invested into completing typically outsourced work at a lower rate or doing more preventative maintenance to extend equipment life: for example, HVAC.

### Is there a Return on the Investment?

- One system (HandyTrac) provided time efficiency savings equal to system costs in less than 12 months
- With electronic audit trails readily available, savings are realized in avoiding the costs typically associated with research labor for premises liability litigation.

### What are the Initial and Operational Costs?

*Initial System Cost:* While systems provide the same type of information and security, cost can range from \$14 to \$100 per key stored, depending on manufacturer and key tag identity technology used.

*Operational costs:* Each manufacturer's system has different requirements based on technology.

- HandyTrac's lower cost systems include complete warranty, technical support, training, data backup, and retention for as little as \$39.95 per month and do not require additional office supplies.
- More expensive systems produced by competitors require higher monthly/annual support fees in excess of \$120 per month, software upgrades every 3-5 years, and consume expensive printer cartridges and reams of paper.

