

# REIT with Large Senior Living Portfolio Reduces Waste Costs by Nearly 20%

## Waste Bill Audit and Rate Optimization



### Client

Our client, an S&P 500 company, is a leading real estate investment trust (REIT) with a highly diversified portfolio of approximately 1,400 senior housing and healthcare properties. They average billions per year in asset investment activity.

### Solution

After engaging SIB's team of waste experts, our teams were deployed to multiple sites: the client's headquarters in Chicago, the Accounts Payable group in Louisville, and regional offices across the country to introduce our program and work with key stakeholders to identify challenges on the ground. After the evaluation period and requirements gathering, we presented an analysis of identified issues, proposed solutions, and estimated outcomes to the client's senior management.

After finalizing a strategic plan, we began executing a multi-phase approach:

- ✓ The client's owned assets in Medical Office Buildings (MOB) and healthcare facilities (370+ properties).
- ✓ Managed assets and third-party hospital partners.
- ✓ The client's Senior Partners Portfolio (760+ properties) to deliver further value.

### Testimonial

"The deal structure is simple, effective and has no downside. Equity Lifestyle Properties appreciates contracts that are less than five pages. We saved north of 25% on our trash bills and it doesn't cost us any time/money."

Lance Beatch

VP of Acquisitions Equity Residential

### Challenge

Due to an aggressive acquisition strategy, the client's portfolio grew rapidly and inherited a range of billing systems, legacy software platforms, and a fragmented Accounts Payable group. Our team of waste experts was tasked with:

- Analyzing their current systems and portfolio properties to identify process improvements.
- Improving workflow and identifying cost savings at each level.
- Implementing a new bill pay process to link all facilities and eliminate paper invoices.

### Results

- 1,635 invoices audited across 197 locations with 50% of the portfolio onboarded.
- 16.4% of invoices contained errors.
- Successfully identified and corrected \$625,000 in overcharges.
- Generated an additional \$124,000 in net waste cost savings resulting in a 19.6% reduction.

A bill pay process was successfully implemented with each new portfolio being added as they were onboarded into our waste management program. The effectiveness of the bill pay program prompted the client to extend accounts payable services to their partners.

### Testimonial

"MHPI engaged the waste team to manage our waste hauling and recycling needs nationally. We are very pleased with our partnership. The concept is simple, risk-free and is saving MHPI a substantial amount of money with very little effort on our part. They act much like a team of employees representing MHPI to ensure we are getting the right pricing and service levels. This is a no-brainer... If you are not using them; you are just choosing to pay too much for your waste hauling."

Jason Hagen

Former VP of Operations, MHPI