



MAINTENANCE COST REPORT

Understanding Rising Repair Costs and Our Commitment
to Owners

5429 N. Detroit Ave
Toledo, OH 43612

OZ REALTY

MAINTENANCE COST REPORT (2026)

Understanding Rising Repair Costs and Our Commitment to Owners

EXECUTIVE SUMMARY

Over the past 2 - 3 years, property maintenance and repair costs across the United States – including **Toledo, Ohio** – have increased significantly due to macroeconomic factors outside of any property manager's control.

At Oz Realty, we want to be fully transparent:

- ▶ We do not markup maintenance in our **Diamond Package**
- ▶ We source multiple bids (typically 2-3)
- ▶ We prioritize value, quality, and speed – not just the cheapest option.
- ▶ We actively fight to keep your costs as low as possible.

This report explains *why* costs have increased and *how* we protect you as an owner.

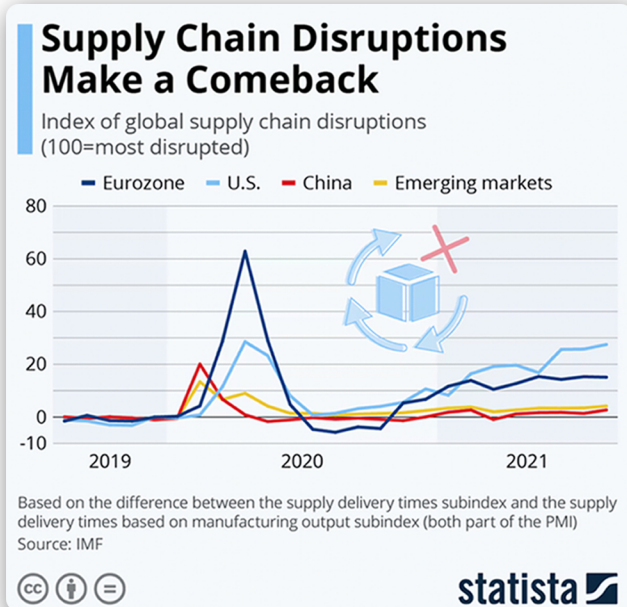
Note: All pages are zoomable



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1. WHY HAVE MAINTENANCE COSTS INCREASED?

A. COVID-19 SUPPLY CHAIN DISRUPTION



The COVID-19 pandemic created massive disruptions:

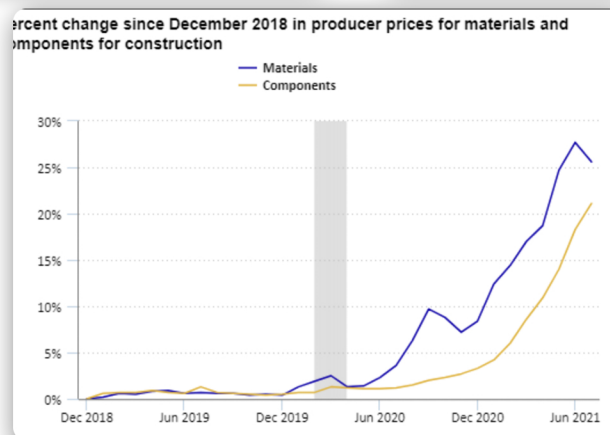
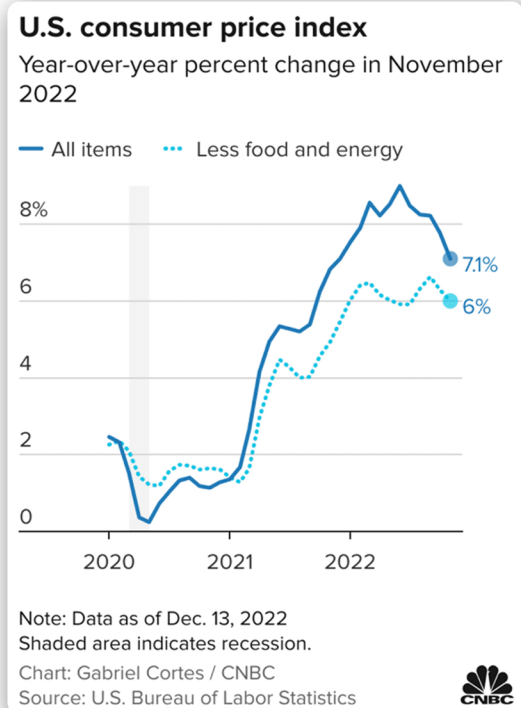
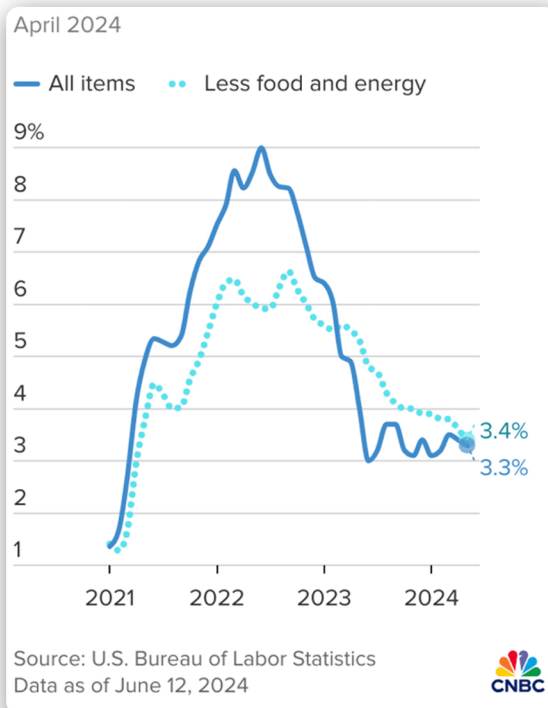
- ▶ Factory shutdowns worldwide
- ▶ Shipping delays and port congestion
- ▶ Reduced production of key materials

Impact:

- ▶ Limited supply + high demand = sharp price increase

1. WHY HAVE MAINTENANCE COSTS INCREASED?

B. INFLATION (HIGHEST IN 40+ YEARS)



- U.S. inflation peaked at ~9% in 2022
- Construction-specific inflation was even higher

Impact:

- Everything from screws to shingles became more expensive



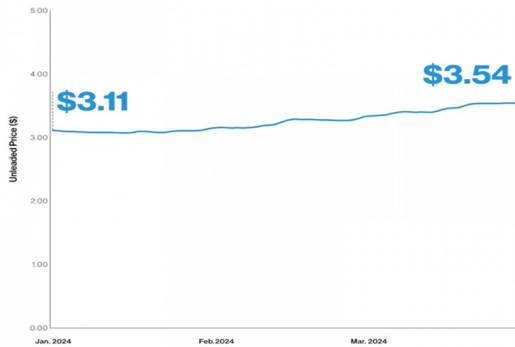
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1. WHY HAVE MAINTENANCE COSTS INCREASED?

C. OIL & ENERGY COSTS

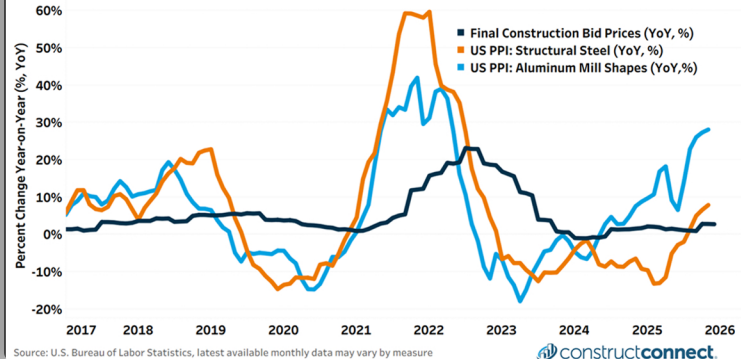
Gas Prices Have Climbed in 2024

PRICES ARE UP NEARLY 14% SINCE JAN. 1



Total Construction Material Price Changes Rising with Strong Metals Price Hikes

Metals prices have increased dramatically since early 2023, driving up overall construction materials costs (YoY, %)



6% Decrease in Average Operating Margins (Excluding LTL)



7.6% Increase in Driver Wages from 2023

\$2.27

Total Cost per Mile

\$91.27

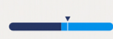
Cost per Hours of Operation

\$0.08

Decrease in Fuel Costs Per Mile



6.6% Increase in Operational Costs



12.5% Increase in Truck Insurance Premiums

Based on data from the American Transportation Research Institute.

- ▶ Fuel prices surged dramatically post-COVID
- ▶ Transportation costs increased across all industries

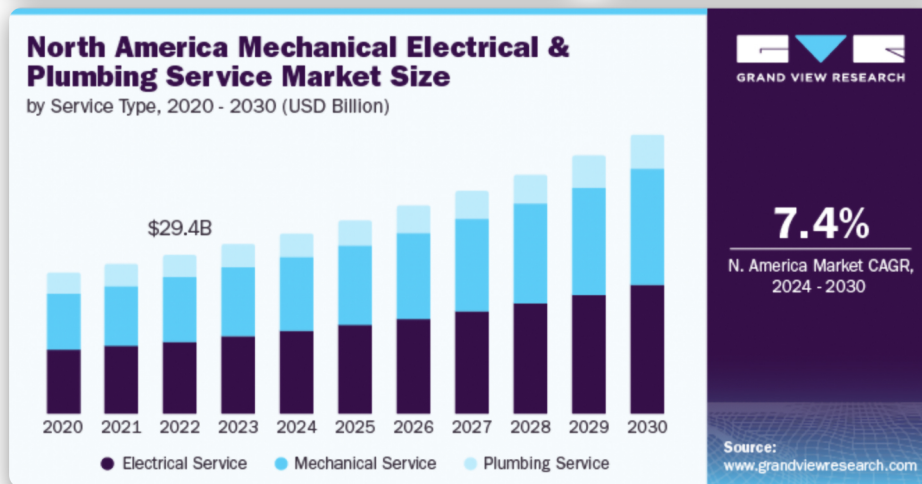
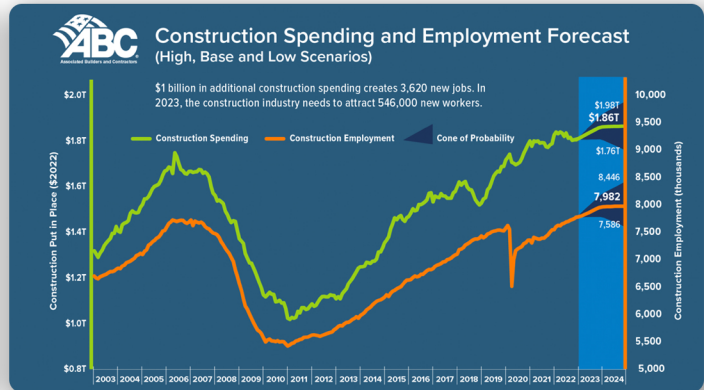
Impact:

- ▶ Labor rates have increased significantly
 - ▶ Delivery costs
 - ▶ Contractor travel costs
 - ▶ Equipment operation costs



1. WHY HAVE MAINTENANCE COSTS INCREASED?

D. LABOR SHORTAGES (TRADE IN CRISIS)



- Fewer skilled tradespeople available
- Aging workforce + fewer young entrants
- High demand for contractors

Impact:

- Labor rates have increased significantly



2. ACTUAL COST INCREASES (OHIO/MIDWEST ESTIMATES)

Material Cost Increases (2020 – 2025)

Material	Increase
Lumber	+30% to +120% (peaked higher)
Drywall	+25% to +40%
Plumbing supplies	+20% to +35%
Electrical Supplies	+15% to +30%
Roofing materials	+20% to +40%
HVAC equipment	+25% to +50%

Material Cost Increases (2020 – 2025)

Material	Increase
General handyman	+20% to +35%
Plumbing	+25% to +40%
Electrical	+20% to +35%
Electrical Supplies	+25% to +45%
Roofing crews	+20% to +30%

Typical hourly rates now:

- ▶ Handyman: \$50-\$85/hr
- ▶ Licensed trades: \$80-\$150/hr



3. WHAT THIS MEANS FOR OWNERS

These increases are:

- ▶ **Market-wide** (not Oz Realty specific)
- ▶ **Driven by macroeconomics**
- ▶ **Experienced across all property managers nationwide**

4. HOW OZ REALTY PROTECTS YOU

A. MULTIPLE BIDS POLICY

We typically:

- ▶ Obtain **2-3 quotes per job.**

Compare:

- ▶ Price
- ▶ Timeline
- ▶ Quality
- ▶ We select **best value**, not just cheapest.

B. TRUSTED VENDOR NETWORK

We use:

Long-standing vendor relationships

Crews we know deliver:

- ▶ Fair pricing
- ▶ Quality work
- ▶ Fast turnaround
- ▶ This avoids costly mistakes and repeat repairs



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4. HOW OZ REALTY PROTECTS YOU

C. NO MAINTENANCE MARK UP (UNLIKE MOST COMPANIES)

Many property management companies:

- ▶ Charge **\$80-\$120/hr in-house labor**
- ▶ Mark up materials
- ▶ Add **10%-30% + additional margin**
- ▶ This compounds costs significantly

Oz Realty Approach:

- ▶ **NO maintenance markup in our Diamond Package.**
- ▶ We pass through **vendor pricing directly**
- ▶ Full transparency

D. DIAMOND PACKAGE VALUE

Our **Diamond Package** includes:

- ▶ Streamlined maintenance coordination
- ▶ Vendor negotiation
- ▶ Cost control systems
- ▶ Faster approvals and execution
- ▶ Designed to **minimize long-term maintenance costs**

E. FULL TRANSPARENCY

We are proud to be:

- ▶ **One of the only companies in Toledo** that publicly lists all fees

This aligns our interests with yours.



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5. IMPORTANT REALITY: COST VS. LONG-TERM VALUE

We fully understand:

- ▶ High repair costs can be frustrating
- ▶ Excessive maintenance can lead to owners to consider selling

▶ **We actively work against this**

Our goal:

- ▶ Preserve your asset
- ▶ Minimize unnecessary spend
- ▶ Extend property lifespan
- ▶ Maximize long-term returns

6. FINAL THOUGHT

Maintenance costs today are not what they were 3-5 years ago.

This is not due to:

- ✗ Property managers
- ✗ Vendor's "overcharging"
- ✗ Poor coordination

It is due to:

- ✓ Inflation
- ✓ Supply chain disruptions
- ✓ Labor shortages
- ✓ Rising energy costs



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OUR COMMITMENT TO YOU

At Oz Realty, we will always:

- ▶ Fight for the best pricing
- ▶ Provide transparent communication
- ▶ Protect your investment
- ▶ Never profit from maintenance

QUESTIONS?

Our team is always here to help walk through:

- ▶ Quotes
- ▶ Scope of work
- ▶ Alternatives

The Only Toledo Property Management Company

Tech Orientated & Digitally Integrated