

ON DECK – HOA MANAGEMENT

ON DECK WITH LEAGUE PARK

HOA PROPERTY MANAGEMENT SERVICES MARKET

Attractive industry attributes make for a compelling investment opportunity

The residential HOA property management services market has significant scale and opportunity. The 7,000+ outsourced management companies within the residential HOA property management services market provide property services to approximately 365,000 associations that encompass 28 million homes and \$95+ billion in assessment collections. Residential HOA property management companies are benefiting from strong macro M&A drivers, such as: (i) predictable and recurring revenue; (ii) increasing market opportunity, as 50% of new homes are built in HOAs; (iii) fragmented market with 7,000 management companies; (iv) essential management and maintenance related services provides recession resistance; and (v) strong free cash flow generation with low capital expenditures.

INDUSTRY DRIVERS: HOA PROPERTY MANAGEMENT SERVICES MARKET

365K

SUBSTANTIAL CUSTOMER BASE

ASSOCIATIONS *Approximately 365,000 homeowners and community associations provide for a large, growing customer base*

\$95B+

SIGNIFICANT REVENUE OPPORTUNITY

ANNUAL ASSESSMENT COLLECTIONS *Over \$95 billion of annual assessment collections*

35%

MEANINGFUL CONVERSION OPPORTUNITY

% OF SELF-MANAGED ASSOCIATIONS *A robust customer conversion opportunity exists, as only ~65% of all associations currently utilize an HOA property management services provider*

28M

ROBUST HOA HOUSING STOCK

HOUSING UNITS *Approximately 28 million housing units offer participants a significant service base*

7K+

FRAGMENTED COMPETITOR SET

ASSOCIATION MANAGEMENT COMPANIES *A fragmented industry ripe for consolidation features over 7,000 association management companies nationwide*

50%

TREND TOWARD EXPANDING HOA DEVELOPMENT

NEW HOMES IN AN HOA *Approximately one out of every two new homes are built in an HOA*

HISTORICAL STOCK PRICES: HOA SERVICES VS. S&P 500

As of March 9, 2020



HISTORICAL TEV / EBITDA VALUATIONS: HOA SERVICES VS. S&P 500

As of March 9, 2020

