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What It Costs to Operate a Corporate Office in Five Cities

As every corporate real estate executive knows, the costs of running an office can vary widely across the U.S. Now, the Princeton, New Jersey-based firm, The Boyd Company, Inc., has prepared a **BizCosts®** survey, comparing the cost of operating a typical corporate office facility in 50 U.S. cities.

Total annual operating costs in the **BizCosts® Report** range from an average of \$16,823,567 in the three most costly cities (New York and Nassau/Suffolk, New York; and San Francisco) to a low of \$13,053,566 in the three least costly sites (Norfolk/Virginia Beach, Virginia; San Antonio, Texas; and Greensboro/Winston Salem/High Point, North Carolina).

Below the costs of operating in five cities are detailed:

BizCosts®:
What It Costs to Operate a Corporate Office (1)

	Orlando FL Metro Area	St. Louis MO Metro Area	Seattle WA Metro Area	Boston MA Metro Area	San Jose CA Metro Area
Nonexempt Labor					
• Weighted Average Weekly Earnings	\$669	\$702	\$748	\$772	\$788
• Annual Base Payroll Costs	\$8,697,000	\$9,126,000	\$9,724,000	\$10,036,000	\$10,244,000
• Fringe Benefits	\$3,391,830	\$3,559,140	\$3,792,360	\$3,914,040	\$3,995,160
Total Annual Labor Costs	\$12,088,830	\$12,685,140	\$13,516,360	\$13,950,040	\$14,2239,160
Electric Power Costs	\$38,460	\$32,100	\$40,800	\$68,160	\$81,120
Office Rent Costs	\$700,000	\$770,000	\$665,000	\$770,000	\$997,500
Equipment Amortization Costs	\$648,000	\$648,000	\$648,000	\$648,000	\$648,000
Heating and Air Conditioning Costs	\$98,341	\$68,874	\$48,598	\$118,963	\$74,143
Corporate Travel Costs	\$166,639	\$143,312	\$174,372	\$190,850	\$147,696
Total Annual Geographically Variable Operating Costs	\$13,740,270	\$14,347,426	\$15,093,130	\$15,746,013	\$16,187,619

NOTES: (1) Includes all major geographically variable operating costs for a typical 250-worker corporate office.