

Why Build the Administration Addition Now?

Owning is more fiscally prudent than renting

Building	Year First Rented	Spent to Date on Rent	Rent Increase Over the Years
Vandiver	1993	\$5,276,262	172%
Bernadette	1992	\$2,481,256	118%
Total rent paid as of 6/30/12		\$7,757,518	



Building Facts

	Vandiver	Bernadette
Year rented	1993	1992
Square footage	37,774	13,850
# employees housed in rented space	85	16
Annual rent first year	\$111,324	\$70,000
Annual rent today	\$341,378	\$152,305

Cost to build this addition:

\$7,800,000

We could own this building with no debt today if we had built in 1993

This project does not affect the money available to repair, build, or improve school buildings, or to install air conditioning— it is money that would have been spent on office space anyway

How will we pay for the construction?

- We borrowed \$7.8 million over 26 years from a local bank and will use today's annual rent payment (\$494,000 per year) to make a mortgage payment rather than pay rent

What other savings are there?

- No future rent/payment increase
- Utilities—estimated at \$70,000 per year
- Fuel and time for employees
- Less grounds to maintain