

lease vs own

COST COMPARISON



DCFS OFFICE BUILDING IN SANDY

53,400 square feet

\$22.70 per square foot (+2% annually)

\$29,507,000 after 20 years

\$102,703,000 after 50 years



GENERIC DFCM OFFICE BUILDING

\$18,076,000 total construction cost

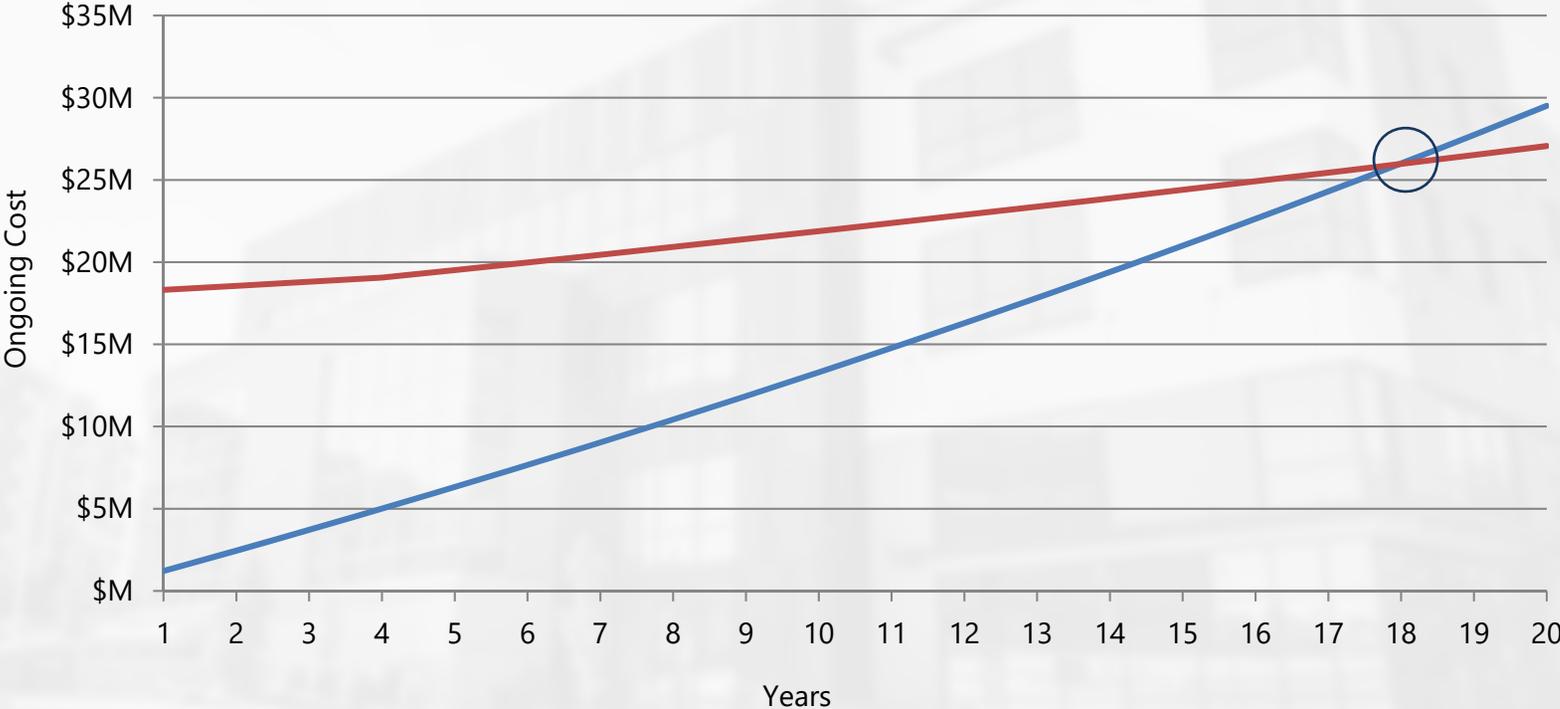
\$239,000 (+2%) annual O&M cost

\$199,000 annual capital improvement cost

\$47,437,000 50-year total cost of ownership



TOTAL COST OF LEASING VS OWNING OVER 20 YEARS



— Lease

— Construction + O&M + Annual Capital Renewal (1.1%)

ADVANTAGES OF OWNING AFTER 20 YEARS

\$2,500,000 less expensive

Building is built to a 50-year standard

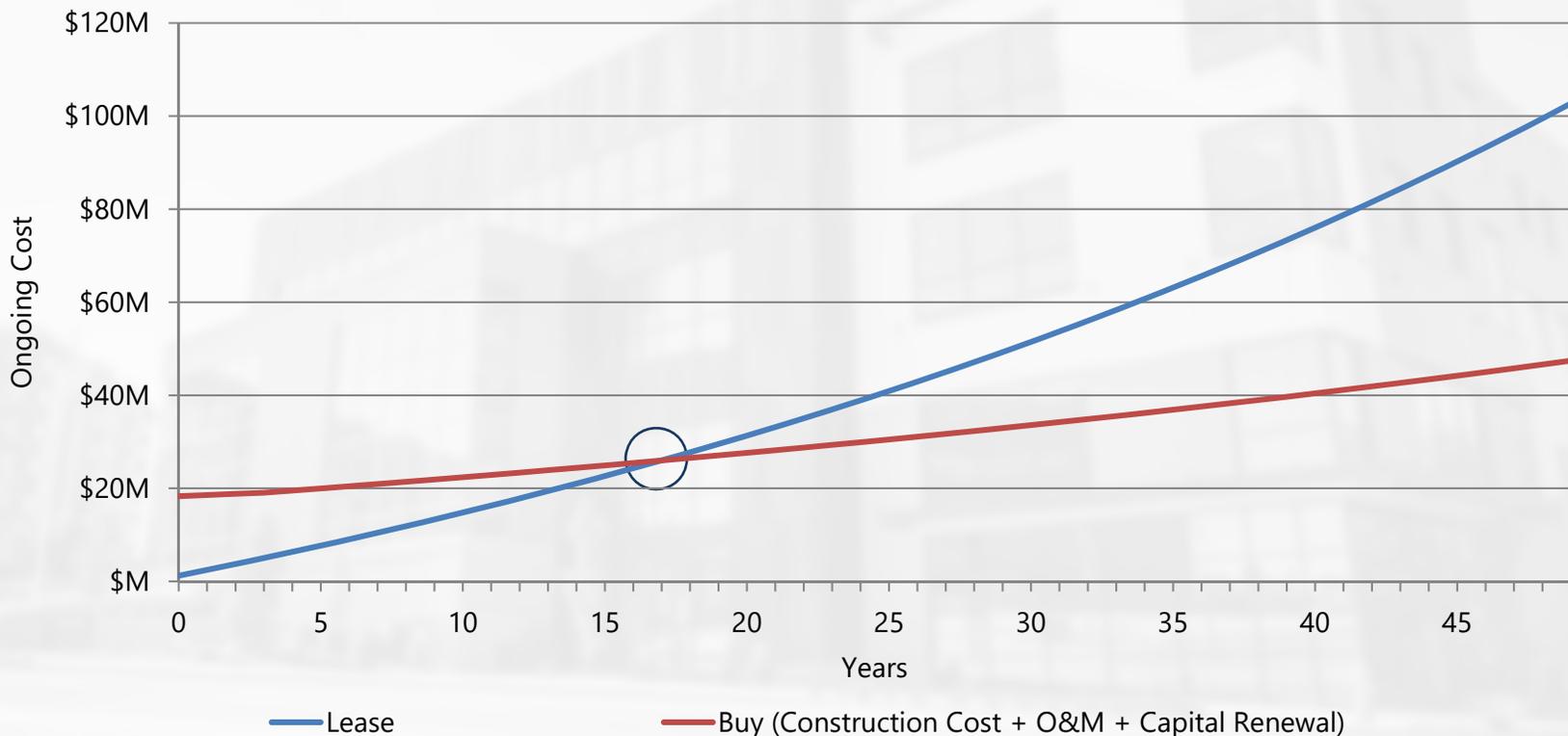
\$18,000,000 asset

Building is maintained to State standards



TOTAL COST OF LEASING vs OWNING

OVER 50 YEARS



QUESTIONS