

Statistical Evaluation of Hub Costs

<u>INPUT(S):</u>	RENTS =	\$580,982	
	TAXES =	<u>\$116,707</u>	
	VILLAGE INCOME	\$697,689	ANNUALLY
 <u>COSTS:</u>	MORTGAGE =	\$376,257	
	OVERHEAD =	<u>\$177,607</u>	(INCL TAXES)
	EXPENSES	\$553,864	ANNUALLY
	 SURPLUS =	 \$143,825	 ANNUALLY

- a) Rents are calculated at 97% occupancy. The building requires about 75% occupancy to break even when taxes are used as Village income. (No tax increase required.)
- b) If the Med Center is included it just makes things better.
- c) The village's borrowing capacity is about \$12M. Our current reserves are committed to road improvement so we shouldn't use any for the Hub. We would also like to keep some borrowing capacity available for future events or emergencies.
- d) Building costs are calculated at \$201 ft².

Concern: Getting grants and loans in the \$1.5M area. It would cost about \$94,000 more to borrow the full amount.