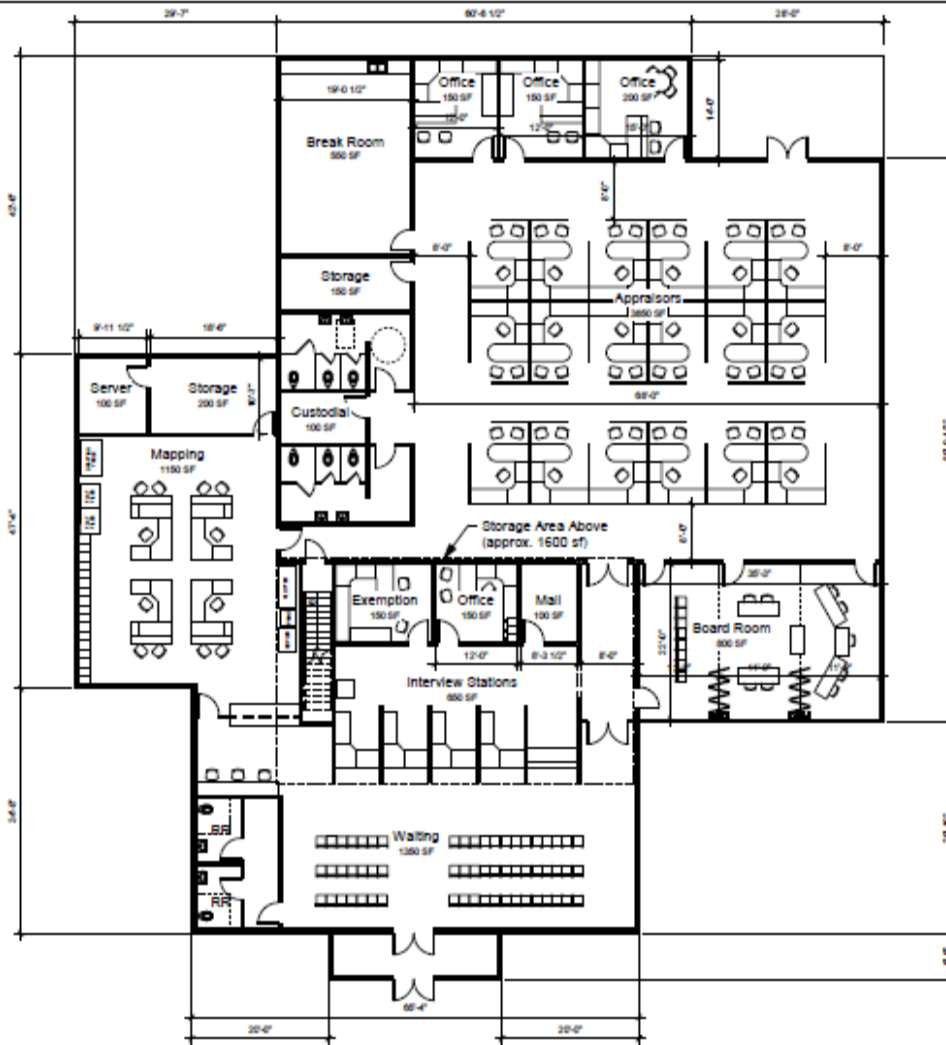


# BCAD Building Project





# Proposed Building Schematic Design



Brazos Central Appraisal District - 11,550 SF

April 2015



# Building Cost Estimate

(Goodwin-Lasiter-Strong)

## ESTIMATED COST RANGE

DESCRIPTION	AREA	\$/UNIT	LOW	HIGH
Building Area	11,550 SF	160-180	\$1,848,000	\$2,079,000
Attic Storage	1,600 SF	40-60	\$64,000	\$96,000
Site Concrete	70 Spaces	2,000-2,300	\$140,000	\$161,000
Earthwork (2.15 Acres)	93,654 SF	2 - 1	\$93,654	\$187,308
Contingencies			\$61,410	\$86,410
Engineering & Architecture Fees			\$175,652	\$207,865
Replat and Topography Survey			\$12,600	\$13,600
Data Cabling			\$40,000	\$51,000
Security			\$70,000	\$95,000
Landscaping			\$8,000	\$10,100
<b>Total Building Cost</b>			<b>\$2,513,316</b>	<b>\$2,987,283</b>

**Median Building Cost      \$2,750,300**

Land Cost	\$339,200
Interim Construction Interest	\$30,000
Interim Construction Closing Costs	\$20,000
Permanent Loan Origination Fee	\$40,500
Permanent Loan Closing Costs	\$20,000

**Total Estimated Project Cost      \$3,200,000**

# Estimated Cost Allocated to Taxing Entities (Purchase)

Taxing Entity	% BCAD Budget	2016 Current Allocated Annual Occupancy costs- (Lease Option)	2017 Projected Allocated Annual Occupancy Costs (Purchase Option)	Estimated Annual Increased Cost to Entities
COUNTY	0.2118	\$33,868	\$48,874	<b>\$15,006</b>
CITY BRYAN	0.0859	\$13,736	\$19,822	<b>\$6,086</b>
CITY COLLEGE STATION	0.1051	\$16,806	\$24,253	<b>\$7,446</b>
BISD	0.2542	\$40,648	\$58,659	<b>\$18,010</b>
CSISD	0.3349	\$53,553	\$77,281	<b>\$23,728</b>
Other Entities	0.0081	\$1,295	\$1,869	<b>\$574</b>
<b>Estimated Total All Entities</b>	1.0000	\$159,906	\$230,758	<b>\$70,852</b>



## GOVERNMENT CAPITAL

CORPORATION

345 MIRON DRIVE SOUTHLAKE, TEXAS 76092 817 421 5400

[WWW.GOVCAP.COM](http://WWW.GOVCAP.COM)

### Brazos Central Appraisal District Bryan, TX

October 24, 2016

**FINANCING STRUCTURE:** Tax Exempt Lease Purchase Structure  
**PROJECT:** New Building and Land Purchase  
**PLACEMENT:** Private Placement

#### ESTIMATED SOURCES AND USES OF FUNDS:

<b>Source:</b>		
	Note Proceeds	\$2,588,590.00
	<b>Total Sources</b>	<b>\$2,588,590.00</b>
<b>Uses:</b>		
	Facility Construction	\$2,588,590.00
	<b>Total Sources &amp; Uses</b>	<b>\$2,588,590.00</b>

\*\*The above issuance cost represents the costs necessary for closing the transaction as contemplated. Issuance Cost Allocation includes Special Tax Counsel, Private Placement Cost and Filing Fees and is calculated at 0.015. The fees are not factored into the financing and are being paid outside of the closing.

**PLACEMENT AGENT:** Government Capital Corporation  
**PAYING AGENT:** N/A  
**INTEREST RATE:** 3.50% Fixed  
**TERM:** 20 Years / 80 Payments  
**QUARTERLY PAYMENT AMOUNT:** \$ 45,128.80 (P&I)  
**PAYMENT DATES:** Beginning 90 days from signing and quarterly thereafter  
**ESTIMATED CLOSING:** November 2016

# Analysis of BCAD Current Occupancy Costs

Building Area: 10,600 SF

Lease Payment: \$0.99/sf or \$10,490/month or \$125,880/year

Utilities Furnished: Water/Sewer

## Annual Operating Cost Estimate

Item	# Units	\$/Unit	Extension
Liability Insurance	10,600	\$0.17	\$1,802
Contents Insurance	10,600	\$0.24	\$2,544
Building Maintenance	10,600	\$0.50	\$5,300
Utilities	10,600	\$1.50	\$15,900
Janitorial	10,600	\$0.75	\$7,950
Pest Control	10,600	\$0.03	\$318
Security System	10,600	\$0.02	\$212
<b>Subtotal Operating Expense</b>	<b>10,600</b>	<b>\$3.21</b>	<b>\$34,026</b>
Building Rental	10,600	\$11.88	\$125,880
<b>Total Current Operating Costs</b>	<b>10,600</b>	<b>\$15.09</b>	<b>\$159,906</b>

# Analysis of BCAD Estimated Occupancy Costs (Purchase)

**Assumptions:**

Building: New Construction of 11,550 SF

Land Cost: 2.15 AC - \$339,200

Building Cost Estimate: \$2,750,300

Interim Financing/Closing Costs: \$110,500

Total Project Cost: \$3,200,000

Equity Contribution: \$611,410

Mortgage Financing: \$2,588,590

Mortgage Financing: 20 Years Fixed @3.5%

Mortgage/Debt Service: \$180,515/year

**Annual Operating Cost Estimate**

Item	# Units	\$/Unit	Extension
Building Insurance	11,550	\$0.29	\$3,350
Liability Insurance	11,550	\$0.17	\$1,964
Contents Insurance	11,550	\$0.24	\$2,772
Building Maintenance	11,550	\$1.00	\$11,550
Utilities	11,550	\$1.50	\$17,325
Water/Sewer	11,550	\$0.35	\$4,043
Janitorial	11,550	\$0.75	\$8,663
Pest Control	11,550	\$0.03	\$347
Security System	11,550	\$0.02	\$231
Subtotal Operating Expense	11,550	\$4.35	\$50,243
Debt Service @ 20 yrs.	11,550	\$15.63	\$180,515
<b>Total Estimated Operating Costs</b>	<b>11,550</b>	<b>\$19.98</b>	<b>\$230,758</b>



# Rent vs. Own Analysis Brazos Central Appraisal District

Year	Annual Rental Expense	Annual Purchase Expense	Additional Monthly Cost to Entities	Annual Principal	Principal Growth	Cumulative Benefit to Entities
1	\$159,906	\$230,758	\$70,852	\$91,003	\$91,003	\$20,151
2	\$161,505	\$233,066	\$71,561	\$94,240	\$185,243	\$42,830
3	\$163,120	\$235,396	\$72,276	\$97,592	\$282,835	\$68,146
4	\$164,751	\$237,750	\$72,999	\$101,063	\$383,898	\$96,210
5	\$166,399	\$240,128	\$73,729	\$104,657	\$488,555	\$127,139
6	\$168,063	\$242,529	\$74,466	\$108,380	\$596,935	\$161,052
7	\$169,743	\$244,954	\$75,211	\$112,234	\$709,169	\$198,076
8	\$171,441	\$247,404	\$75,963	\$116,227	\$825,396	\$238,340
9	\$173,155	\$249,878	\$76,723	\$120,360	\$945,756	\$281,977
10	\$174,887	\$252,377	\$77,490	\$124,641	\$1,070,397	\$329,128
11	\$176,636	\$254,900	\$78,265	\$129,074	\$1,199,471	\$379,938
12	\$178,402	\$257,449	\$79,047	\$133,665	\$1,333,136	\$434,555
13	\$180,186	\$260,024	\$79,838	\$138,419	\$1,471,555	\$493,136
14	\$181,988	\$262,624	\$80,636	\$143,342	\$1,614,897	\$555,842
15	\$183,808	\$265,250	\$81,443	\$148,440	\$1,763,337	\$622,840
16	\$185,646	\$267,903	\$82,257	\$153,720	\$1,917,057	\$694,303
17	\$187,502	\$270,582	\$83,080	\$159,187	\$2,076,244	\$770,410
18	\$189,377	\$273,288	\$83,910	\$164,849	\$2,241,093	\$851,349
19	\$191,271	\$276,021	\$84,749	\$170,713	\$2,411,806	\$937,312
20	\$193,184	\$278,781	\$85,597	\$176,784	\$2,588,590	\$1,028,500

# Factors Considered

- Growth – Population growth
- Security – How can we best control the flow of visitors in our office
- Customer Service – How can we best serve Brazos County property owners in the future
- Value – Best use of taxpayer money (lease vs. Purchase)
- Technology – How to improve our aging office infrastructure and plan for the future

# Questions