

**VILLAGE OF ORLAND PARK**
**TOTAL COST of OWNERSHIP ANALYSIS**
**PROJECT:** Cultural Arts Center Piano

**DATE:** August 11, 2015

|                                                                                                                                                        | Piano Forte                                 |                                                 |                  | American Music World                        |                                               |                  | Hendricks Piano                      |                                           |                  |
|--------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|-------------------------------------------------|------------------|---------------------------------------------|-----------------------------------------------|------------------|--------------------------------------|-------------------------------------------|------------------|
|                                                                                                                                                        | Purchase                                    | Lease to Own                                    | Rental           | Purchase                                    | Lease to Own                                  | Rental           | Purchase                             | Lease to Own                              | Rental           |
| <b>Total Cost of Ownership</b>                                                                                                                         | <b>Ownership Costs</b>                      |                                                 |                  |                                             |                                               |                  |                                      |                                           |                  |
| <b>Purchase</b><br>Piano w/ bench,incl. delivery and tuning<br>Truck<br>Padded Cover with Lock<br>Warranty                                             | \$ 21,500<br>incl.<br>incl.<br>1 year incl. |                                                 |                  | \$ 23,995<br>incl.<br>incl.<br>5 year incl. |                                               |                  | 24,000<br>743<br>475<br>5 year incl. |                                           |                  |
| <b>Lease to own</b><br>Lease payments<br>Lease to own (credit)<br>Purchase Cost at Lease End<br>Truck<br>Padded Cover with Lock<br>Delivery and tuning |                                             | 6,000<br>(4,800)<br>20,000<br>600<br>400<br>500 |                  |                                             | 33,372<br>n/a<br>1<br>incl.<br>incl.<br>incl. |                  |                                      | 27,840<br>n/a<br>1<br>743<br>475<br>incl. |                  |
| <b>Total - Ownership Costs</b>                                                                                                                         | <b>\$ 21,500</b>                            | <b>\$ 22,700</b>                                | <b>\$ -</b>      | <b>\$ 23,995</b>                            | <b>\$ 33,373</b>                              | <b>\$ -</b>      | <b>\$ 25,218</b>                     | <b>\$ 29,059</b>                          | <b>\$ -</b>      |
|                                                                                                                                                        | <b>Recurring Costs per Year</b>             |                                                 |                  |                                             |                                               |                  |                                      |                                           |                  |
| Per Concert Rental All-in Cost                                                                                                                         |                                             |                                                 | 3,600            |                                             |                                               | 3,980            |                                      |                                           | 5,400            |
| Tuning / Maintenance                                                                                                                                   | 400                                         | 400                                             |                  | 400                                         | 400                                           |                  | 400                                  | 400                                       |                  |
| Insurance                                                                                                                                              | 16                                          | 16                                              |                  | 16                                          | 16                                            |                  | 16                                   | 16                                        |                  |
| <b>Recurring Costs per Year</b>                                                                                                                        | 416                                         | 416                                             | 3,600            | 416                                         | 416                                           | 3,980            | 416                                  | 416                                       | 5,400            |
| <b>Number of Years - Recurring Costs</b>                                                                                                               | <b>10</b>                                   | <b>10</b>                                       | <b>10</b>        | <b>10</b>                                   | <b>10</b>                                     | <b>10</b>        | <b>10</b>                            | <b>10</b>                                 | <b>10</b>        |
| <b>Recurring Costs over the Number of Years</b>                                                                                                        | <b>\$ 4,160</b>                             | <b>\$ 4,160</b>                                 | <b>\$ 36,000</b> | <b>\$ 4,160</b>                             | <b>\$ 4,160</b>                               | <b>\$ 39,800</b> | <b>\$ 4,160</b>                      | <b>\$ 4,160</b>                           | <b>\$ 54,000</b> |
| <b>TOTAL COST OF OWNERSHIP</b>                                                                                                                         | <b>\$ 25,660</b>                            | <b>\$ 26,860</b>                                | <b>\$ 36,000</b> | <b>\$ 28,155</b>                            | <b>\$ 37,533</b>                              | <b>\$ 39,800</b> | <b>\$ 29,378</b>                     | <b>\$ 33,219</b>                          | <b>\$ 54,000</b> |

Piano details:

Yamaha Model C3 or equivalent, circa 1990's

Steinway Model "O" 1916, rebuilt in 2005

Model Unspecified

Yamaha Model C3, 1994

**ASSUMPTIONS:**

Rental cost - 4 events per year. Piano Forte - \$900 per event, American Music World - \$995 per event, Hendricks - \$1200 rental + \$150 tuning charge per event

Piano Forte lease to own financing is a 12 month term, \$500 monthly pmt. with 80% of the lease payments credited towards purchase.

American Music World and Hendricks Piano lease cost is calculated on a 60 month lease term.