

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

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.