



Buy v Lease. Operating Cash Flow Comparison Yearly
Cedar Plaza
Buy v Lease Analysis

September 23, 2009
Investit Decisions
Buy v Lease

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
BEFORE TAX COMPARISON. BUY V LEASE										
Lease. Cash Outflows										
Lease. Leasing Expenses	73,320	73,990	74,694	75,400	76,113	85,018	85,768	86,584	87,402	88,256
Buy. Cash Outflows										
Buy. Building Operating Expenses	21,000	21,630	22,290	22,950	23,640	24,330	25,080	25,830	26,610	27,390
Principal Payments	15,702	16,921	18,235	19,651	21,176	22,820	24,592	26,501	28,558	30,775
Interest payments	51,968	50,749	49,435	48,019	46,494	44,850	43,078	41,169	39,112	36,895
	88,670	89,300	89,960	90,620	91,310	92,000	92,750	93,500	94,280	95,060
Difference (Before Tax) Buy v Lease	(15,350)	(15,310)	(15,266)	(15,220)	(15,197)	(6,982)	(6,982)	(6,916)	(6,878)	(6,804)

AFTER TAX COMPARISON. BUY v LEASE

Lease										
Lease. Leasing Expenses	73,320	73,990	74,694	75,400	76,113	85,018	85,768	86,584	87,402	88,256
Tax Saving at 35.00%	(25,662)	(25,896)	(26,143)	(26,390)	(26,640)	(29,756)	(30,019)	(30,304)	(30,591)	(30,890)
Lease. Cash Outflow After Tax	47,658	48,093	48,551	49,010	49,473	55,262	55,749	56,279	56,811	57,367
Buy										
Buy. Building Operating Expenses	21,000	21,630	22,290	22,950	23,640	24,330	25,080	25,830	26,610	27,390
Plus: Interest Payments	51,968	50,749	49,435	48,019	46,494	44,850	43,078	41,169	39,112	36,895
Depreciation and Amortization	13,510	14,103	14,103	14,103	14,103	14,103	14,103	14,102	14,103	13,510
	86,478	86,482	85,828	85,072	84,237	83,283	82,261	81,101	79,825	77,795
Tax Saving at 35.00%	(30,267)	(30,269)	(30,040)	(29,775)	(29,483)	(29,149)	(28,791)	(28,385)	(27,939)	(27,228)
Plus: Principal Payments	15,702	16,921	18,235	19,651	21,176	22,820	24,592	26,501	28,558	30,775
Less: Depreciation and Amortization	13,510	14,103	14,103	14,103	14,103	14,103	14,103	14,102	14,103	13,510
Buy. Cash Outflow After Tax	58,403	59,031	59,920	60,845	61,827	62,851	63,959	65,115	66,341	67,832
Difference (After Tax) Buy v Lease	(10,745)	(10,938)	(11,369)	(11,834)	(12,354)	(7,589)	(8,209)	(8,835)	(9,530)	(10,465)