

Cost Comparisons

Assumptions

| | 10 Year | 30 Year |
|---|---------|---------|
| OMB Nominal Discount Rate | 4.2% | 5.1% |
| OMB Real Discount Rate | 2.5% | 3.2% |
| Useful Life (Enter 15, 20 or 30 Years) | 20 | |

Inflation Rate for the Selected Useful Life
Real Discount Rate for the Selected Useful Life

| | |
|-------|-------|
| 1.75% | 1.018 |
| 2.85% | 1.029 |

Units

| |
|-----|
| 375 |
|-----|

Uninflated/Undiscounted Cost Summary

Public Housing

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|-----------------------------------|-------------|-------------|-------------|-------------|-----------|
| Annual Operating Cost | \$2,025,000 | | | | |
| Capital Cost | \$0 | \$7,000,000 | \$7,000,000 | \$7,000,000 | NA |
| Annual Accrual after Modification | 0 | \$0 | \$0 | \$0 | \$300,000 |

Vouchers

Annual Voucher and Administrative Costs
Year 1 Demolition, Remediation and Relocation Costs

| |
|-------------|
| \$2,922,000 |
| \$2,625,000 |

PUM Cost Comparisons:

New Budget Authority
(Voluntary Conversion only)

Net Present Value

Public Housing
Vouchers
Difference

| |
|-------|
| \$609 |
| \$533 |
| 12% |

| |
|-------|
| \$840 |
| \$799 |
| 5% |

Final Result

Public Housing Cost exceeds
Voucher Cost

Public Housing Cost exceeds
Voucher Cost