

ANNEX I

Technical and Financial Comparison Between the Original Project and the Revised Project

Building Component		Budget Approved by Member States Original Project	Revised Project	Comments	
				(Cost Reduction = CR, Cost Increase = CI)	
Administrative building	Pre-structural works Structural works Special equipment/services External works			CR :	Elimination of the 6th floor Elimination of <i>passerelle</i> with the Arpad Bogsch (AB) Building Elimination of external blinds, opening windows and stone facade Revised office heating and air-conditioning systems Elimination of boilers and fuel tanks (to be supplied from the AB boiler room) Elimination of gym and medical center Non-equipping of the 4th underground level
TOTAL ADMINISTRATIVE BUILDING		116,277,206	88,307,709		
Conference Hall	Pre-structural works Structural works Special equipment/services External works			CR:	Elimination of conference hall Elimination of transformation works in AB Building
TOTAL CONFERENCE HALL		30,899,904	0		
Additional Underground Space	Pre-structural works Structural works Special equipment/services Other costs			CI:	Creation of five additional underground levels (parking and liaisons)
TOTAL ADDITIONAL UNDERGROUND SPACE		0	8,959,600		
TOTAL BUILDINGS		147,177,110	97,267,309		
<i>Project Owner Costs</i>	Pre-structural works Structural works Special equipment External works Special services Furniture			CR:	Reduced budget for improved access to existing buildings during the construction period
				CR:	Lower budget for sign-posting and flags
				CR:	Lower budget for honoraria of architects and engineers
				CR:	Lower budget for furniture (for offices, conference hall, gym, medical center, library, etc.)
TOTAL PROJECT OWNER		43,321,736	28,230,165		
TOTAL COST BUILDING AND PROJECT OWNER		190,498,846	125,497,474		

[Annex II follows]

ANNEX II

Estimated Cost of the Revised Project

	<u>Swiss francs</u>
Office building (not including furniture)	88,307,709
Additional underground space	8,959,600
Honoraria of engineers and architects *	20,696,367
Other costs chargeable to the Revised Project	7,533,798
Purchase of the land	<u>13,554,124</u>
TOTAL	139,051,598

[Annex III follows]

* Related to the Revised Project: this amount does not cover the honoraria of engineers and architects of the Original Project.

ANNEX III

Estimated Cost of a Loan from a Commercial Bank

Amount of loan = Sfr113,581,988 rounded off to Sfr113,580,000
(Organization's contribution: Sfr25,469,610)

1.5% interest during the construction period (26 months)
at an average amount of $113,580,000/2 =$ Sfr 1,845,675 per year

Interest rate: 3.56% = Sfr 4,043,448
Amortization: 2% = Sfr 2,271,600

Sfr 6,315,048 per year

[Annex IV follows]

ANNEX IV

Estimated Cost of a Lease Arrangement with an Investor Developer

Alternative A: Financing by investor-developer (land purchased and other expenses borne by developer)

Amount repaid to WIPO =	25,469,610	francs
Cost of project before VAT =	139,051,598	francs
Cost of project after VAT =	149,600,000	francs
Interest during work = 5% (26 months) <u>149,600,000</u>	7,480,000	francs
Unforeseen =	<u>5,000,000</u>	francs
TOTAL for project =	162,080,000	francs
Yield at 5.5% =	8,914,400	francs
Inflation reserve =	800,000	francs
Owner charges =	<u>1,500,000</u>	francs
TOTAL per annum =	11,214,400	francs
Yield on amount repaid at 3% =	<u>764,089</u>	francs
TOTAL / per annum net =	<u>10,450,311</u>	francs

Alternative B: Financing by investor-developer (land acquired on building lease)

Amount repaid to WIPO =	11,915,486	francs
Cost of project before VAT =	125,497,474	francs
Cost of project after VAT =	135,000,000	francs
Interest during work = 5% (26 months) =	6,500,000	francs
Unforeseen =	<u>5,000,000</u>	francs
TOTAL for project after VAT =	146,500,000	francs
Yield at 5.5% =	8,057,500	francs
Inflation reserve =	700,000	francs
Owner charges =	<u>1,500,000</u>	francs
TOTAL brut / year =	10,257,500	francs / year
Yield on amount repaid at 3% =	357,465	francs
Lease on land at 3% =	<u>406,624</u>	francs
TOTAL =	764,089	francs
TOTAL / per annum net (10,257,500 – 764,089 =)	<u>9,493,411</u>	francs

[Annex V follows]

ANNEX V

Comparison between Rental and Financial Options for Construction Costs

		2004 Project Administrative Building + Additional Underground Space			Rented Premises
		Financial Options			P&G CAM Nations
		A	B	C	D
BUILDING CAPACITY					
Administrative building (work places)		560	560	560	560
Cafeteria capacity (seats)		320	320	320	350
Number of underground parking places		540	540	540	405
GROSS SURFACES					
Offices	m ²	13,364	13,364	13,364	15,354
Common areas	m ²	4,251	4,251	4,251	1,642
Technical areas	m ²	5,255	5,255	5,255	0
Storage	m ²	5,143	5,143	5,143	1,609
YEARLY COST		6,315,048	9,493,411	10,450,311	8,659,374

- A = bank loan option
 B = investor-developer option (Alternative B)
 C = investor-developer option (Alternative A)
 D = rental costs

[End of Annex V and of document]