

# **Property Ownership**

**The Cost of Owning our WSO**

**VS.**

**Leasing or Renting a Building**

Members of Al-Anon sometimes ask about the cost of owning our World Service Office building versus the cost of leasing or renting space. These few slides give a quick overview of Ownership versus Leasing. Make sure you scroll to the bottom of each note page to read the entire script.

It is important to note that while WSO was leasing space in New York City, leasing also meant spending money on upkeep of the space, with no return on that investment. Money spent on maintenance and repairs was “money out the window” so to speak, and not in the basket.

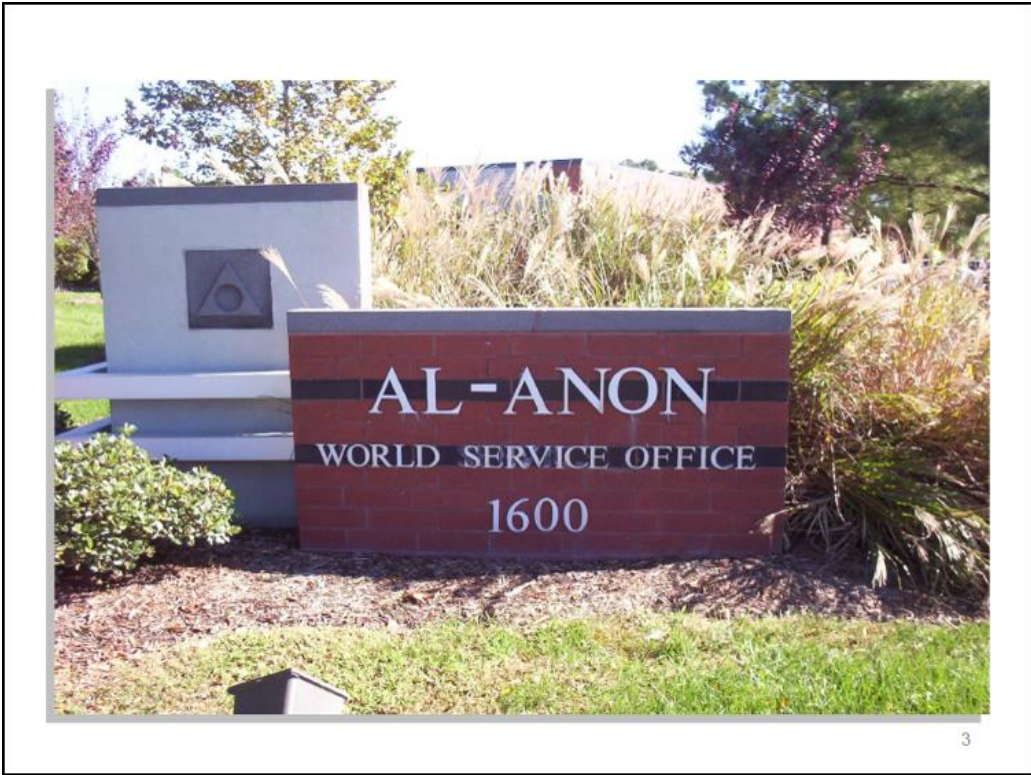
## **WSO's Journey from New York City to Virginia Beach, Virginia**



2

In 1994, due to increasing costs of doing business in New York City, the World Service Conference (WSC) voted to relocate our World Service Office. A study was conducted, and after much research, the Relocation Committee recommended, and the WSC voted, to relocate to Virginia Beach, Virginia.

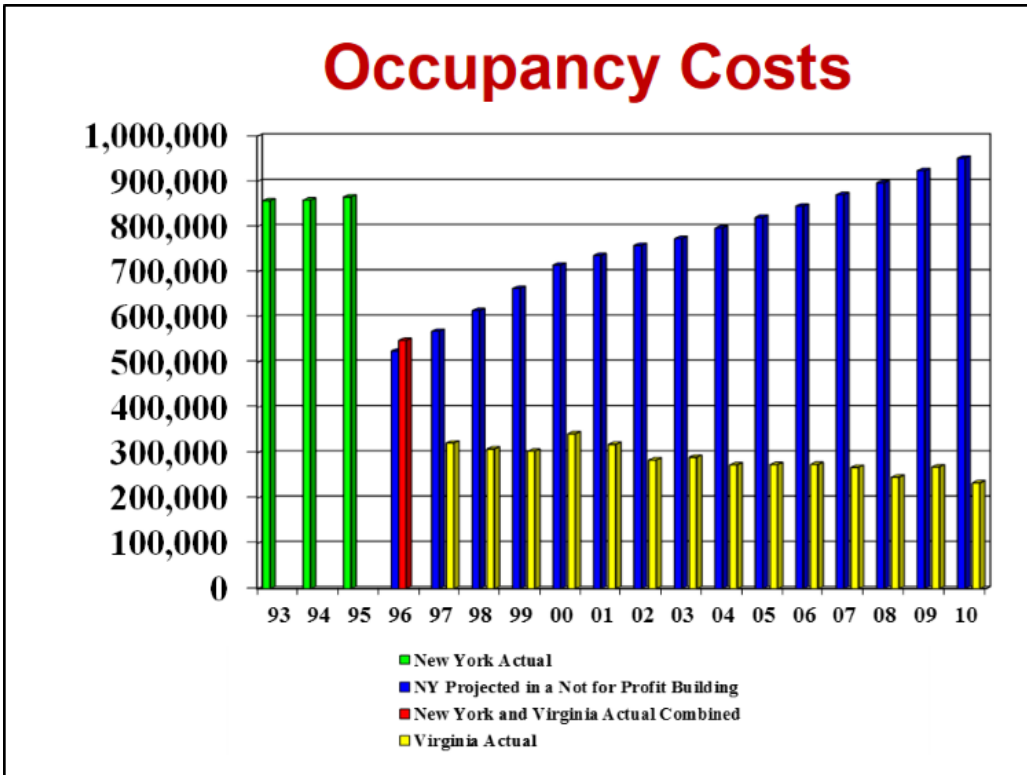
At that time, Virginia Beach was little known, but was developing as an attractive place to do business. The costs for property and construction were very reasonable. A recent report shows that Virginia Beach is now within the top five business-friendly cities in the U.S.



3

The Conference voted not only to relocate but also to try and buy property and build a building. By 1996 the new office in Virginia Beach was complete, and the office relocated from New York City to Virginia Beach (See the Property Ownership Timeline).

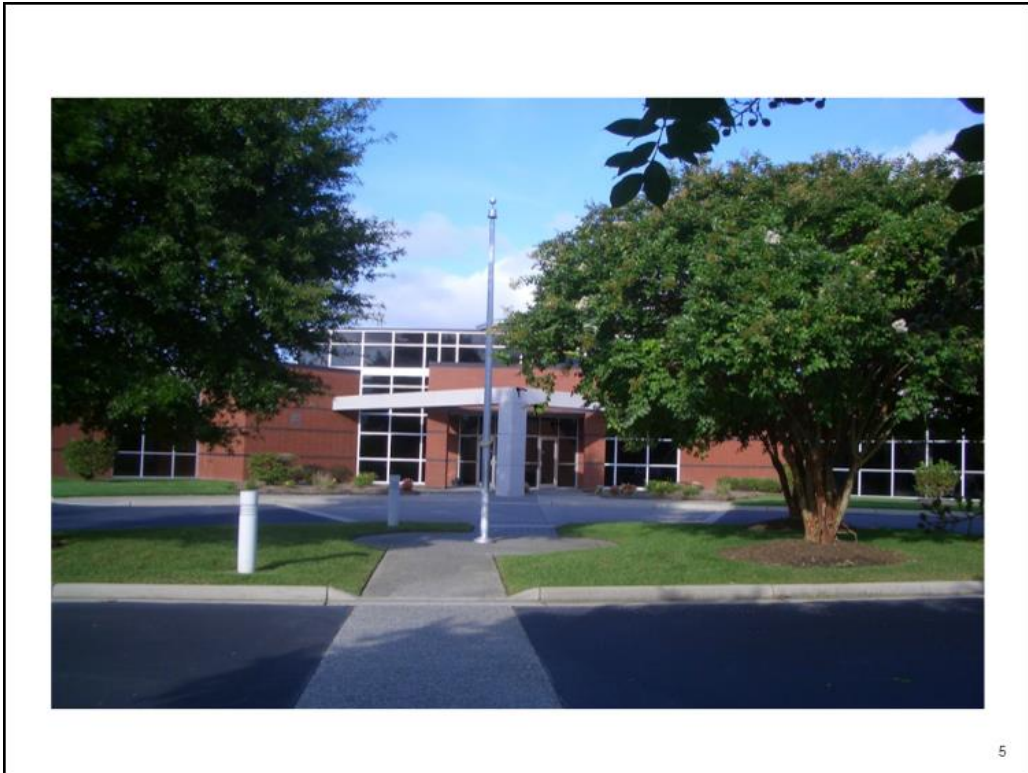
This sign, visible from the street, identifies our very own World Service Office at 1600 Corporate Landing Parkway, Virginia Beach, Virginia 23454.



What you can see on this chart are the Green bars representing 1993 – 1995, the lease cost for our WSO office the last 3 full years the WSO was in New York City.

In 1996, the new office relocated from New York City to Virginia Beach. The Blue and Red represent the cost of occupancy in the two locations for that year. The Blue represents the six months in New York City; the Red, the first six months in Virginia Beach.

Starting in 1997 and through 2008, the Blue bar is the estimated cost for occupancy in New York City if we had relocated to a designated Not for Profit building, a rental property that is taxed according to laws affecting non-profit organizations. The Yellow bar illustrates the actual occupancy cost for each of the years in Virginia Beach.



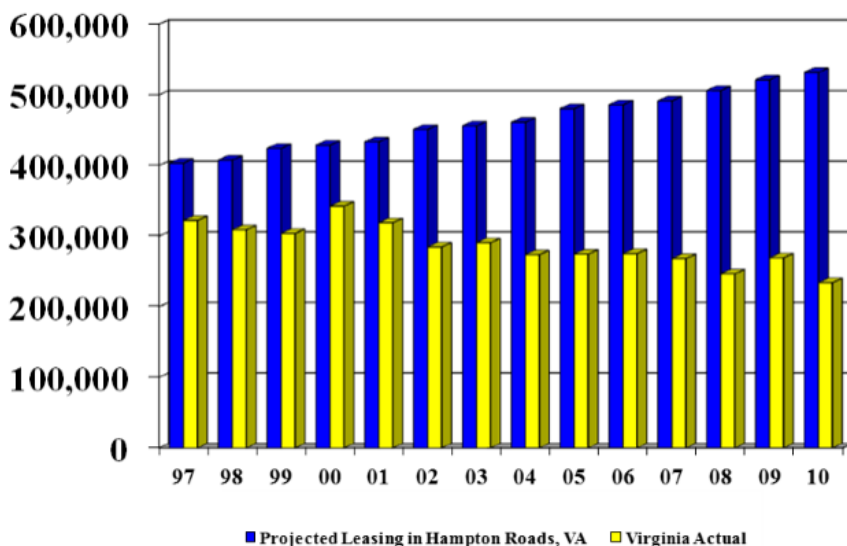
Above is a front view of our World Service Office in Virginia Beach, Virginia. Notice the white triangle over the front door.

When the idea to own property and build was first decided, Conference Members voted for a 15-year-trial regarding that important decision. When the trial period ended in 2011, Conference members were faced with a vote for one of three options:

1. End the trial and keep the building.
2. End the trial and sell the building.
3. Extend the trial for another period of years.

The Conference voted for #1, to end the trial and keep the building.

## Ownership vs. Leasing



Distributed at the 2008 World Service Conference

At a World Service Conference several years ago, the Board of Trustees was reviewing the Occupancy Cost Report, something it does annually. A Delegate asked if there were any statistics available to compare Ownership costs to Leasing costs in the Virginia Beach area of Hampton Roads where the WSO is located, so this chart was created.

You will see with the passing of time that leasing costs, noted in the Blue, have gone up, which is normal; while the cost of ownership, the Yellow bar, has gone down. There have been a few spurts or increases in the cost of ownership. Those increases were to cover repaving the parking lot and changing out the heating and air conditioning system in order to meet new OSHA standards. You can see that ownership costs decreased gradually until 2010.



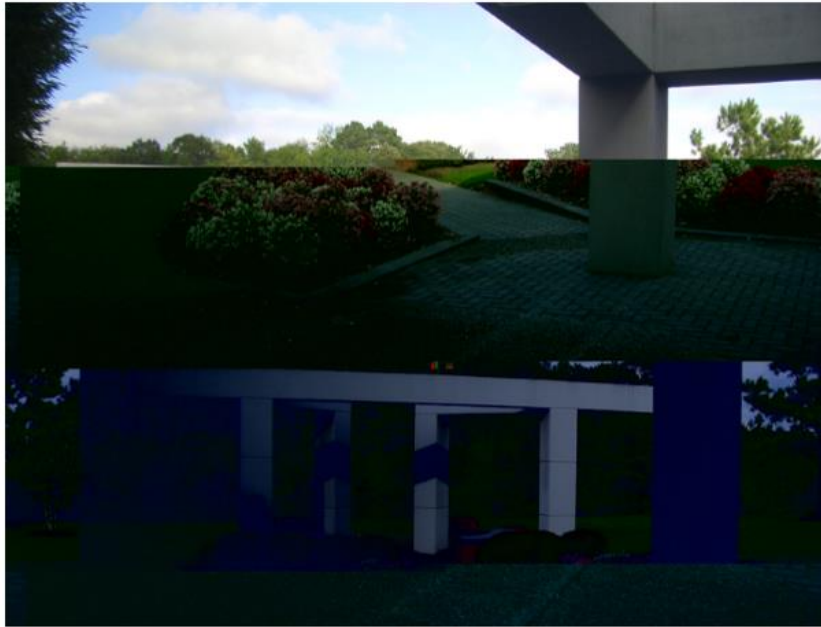
2010 marked a momentous year! In March, the final payment was made on our debt. This was an occasion to celebrate, and we officially burned the mortgage during

Al-Anon's 60<sup>th</sup> Anniversary celebration. AFG, Inc. became debt-free, with our WSO completely paid for. Now, members sometimes ask what we do with all the "extra money." However, occupancy costs are still very much a part of our daily operations, and those expenses have continued to increase over time.

Occupancy costs include vital operational costs such as utilities (heat, water, and lights), insurance, maintenance and building repairs, landscaping and grounds upkeep, trash removal, janitorial services, pest control, security, and **ECRPM** expenses.

**ECRPM** stands for the Executive Committee for Real Property Management. This Committee, created in 1995 by a unanimous vote of the WSC, has oversight and management of the property, keeping property matters completely separate from the spiritual focus of Al-Anon Family Groups, Inc.

One final note: The Al-Anon sign you see was placed on the building for Al-Anon's 50th Anniversary. If you are wondering why it does not say "Al-Anon Family Groups," there is a reason. We wanted the sign to be as large as possible, but couldn't fit the entire name on the building because of zoning restrictions, so we went with simply "Al-Anon."



8

Above is a view of the grounds and flowers flourishing in the sunlight, just as our fellowship has done. Any time you are in the Virginia Beach area, plan on stopping by the office. Tours of WSO are available at 2 p.m. every day the office is open. During your visit, you will get to see the office in full operation, supporting Al-Anon Family Groups around the world.

Typically, Al-Anon celebrates its anniversary every five years, and encourages members to tour the WSO during those special celebrations also. 2016 is the 65<sup>th</sup> year of Al-Anon Family Groups. If you visit, don't leave the WSO without taking some time to stroll the grounds and have your photo taken by our sign. After all, this is *your* Al-Anon home.