

PRIVATIZED LEASE TO OWN (PLTO)

Laws 2000, Chapter 164, authorized the Arizona Department of Administration (ADOA) to enter into PLTO agreements with private entities for the construction of 2 office buildings on the Capitol Mall. The agreements have been executed and the 2 buildings are expected to be occupied in FY 2003 by the Department of Environmental Quality and ADOA. Laws 2001, Chapter 317 amended the original legislation to allow for a third PLTO agreement for a new Department of Health Services (DHS) building. The DHS PLTO building will not be occupied until FY 2004. The following reflect estimated lease payments.

| Privatized Lease to Own Summary | | | |
|--|---------------------------|----------------------------|----------------------------|
| | Original Issue | FY 2002 Payment | FY 2003 Payment |
| Department of Environmental Quality | NA | -- | \$4,616,500 |
| Department of Administration | NA | -- | 2,789,400 |
| Department of Health Services | NA | -- | -- |
| TOTAL | NA | -- | \$7,405,900 |