

COMPUTATION FOR DEPRECIATION LEASING/PURCHASING FROM RELATED PARTIES

Agreement Number: _____

1.	_____ Name of Lessor		_____ Relationship to Lessee
2.	CACFP Square Foot Usage:		
	$\frac{\text{CACFP Square Footage}}{\text{Total Sponsor Square Footage}} =$	=	$\frac{\text{Percentage of Square Footage Used for CACFP}}{\text{Percentage of Square Footage Used for CACFP}} =$ _____ %
3.	Original Acquisition Cost (Documentation* must be attached.):	\$	_____
4.	Plus Dwelling Improvements Made Prior to CACFP Participation (Documentation must be attached.):	+ \$	_____
		= \$	_____
5.	Minus Original Land Value Plus Any Out Buildings (Documentation* must be attached.):	- \$	_____
		= \$	_____
6.	Plus Dwelling Improvements Made Since CACFP Participation Began (Documentation* must be attached.):	+ \$	_____
7.	Total Adjusted Value of Dwelling:	= \$	_____
8.	Percentage Used for CACFP (Answer From Item 2):	X	_____ %
9.	CACFP Adjusted Value:	= \$	_____
10.	Depreciation Percentage From IRS Publication 946:	X	2.564%
11.	Annual Amount Allowed for CACFP Office Space:	= \$	_____ **
			(Enter this amount on line 8 of the Administrative Budget Summary)
12.	Date of Initial Lease/Rental Agreement for This Property:		_____

* Acceptable documentation includes initial mortgage or construction contracts.

** This money **MUST NOT** be used to reduce the principal of the mortgage loan.