

## Run the Numbers Form

Here is an example of the cost /benefit differential when comparing demolition and deconstruction. Figures below are composite averages for a “recently updated”, in the last 10-12 years, 2,500 sq. ft. Southern California project. Actual deconstruction or demolition costs and material valuation for your project are likely to vary.

Plug your actual proposal numbers into this formula.

Item Cost	Deconstruction	Demolition	Further Explanation
Cost of bringing down the structure and removing debris	\$60,000	\$28,000	This amount includes removal of all debris, foundation and/or hardscape identified in the project scope, transportation costs, and coordination fees. Traditional demolition calculation based on \$7/sq. ft.
Cost of Appraisal	\$2,500	N/A	Appraisal costs vary. The appraiser you choose may charge more or less depending on the size of the appraisal and its location. Initial consultations with most appraisers are without charge.
Total Cost of Project/Upfront Costs	\$62,500	\$28,000	
Appraised Donation Value	\$120,000	N/A	Assigned donation values are based upon a variety of factors including, but not limited to, project size & scope, foundation type, construction quality, past improvements, condition of improvements, basis, depreciation, replacement cost, and fair market value, among others. Each donation is unique.
Net Tax Liability Reduction	\$54,000	N/A	This example assumes a 45% combined state and federal tax bracket. Here, the owner reduces their contribution base (or adjusted gross income) by \$120,000 dollars, subsequently reducing their net income tax liability by \$54,000 dollars. Always consult your professional tax adviser to determine personal tax implications.
Total Cost of Project/Upfront Costs	\$62,500	\$28,000	Figure taken from above
Less Tax Savings	-\$54,000	N/A	Figure taken from above
Actual Cost of Project after Tax Savings	\$8,500	\$28,000	
Net After-Tax Savings	+\$19,500		After taxes, the owner has paid \$19,500 dollars less than if they had chosen traditional demolition.