

31

needed for the growing number of Sea Organization members in the UK.

Los Angeles Area Church Facilities

Los Angeles has a number of churches of different levels of the Bridge which serve the largest group of Scientologists in the world. In addition, the Continental Liaison Office for the Western United States and the Flag Command Bureaux are located in Los Angeles. The Church maintains extensive facilities in the Los Angeles area to provide services to its parishioners, to provide the necessary administrative support and as living quarters for the Sea Org staff.

The Church owns a large complex of buildings which was formerly a hospital near Vermont and Sunset in Los Angeles. These buildings are of great importance since they house two upper level churches (Advanced Organization of Los Angeles and American Saint Hill Organization) and a Class V Church, which is among the largest Class V Churches in the world. In addition, it provides living quarters for hundreds of staff, serves as the location for Bridge Publications, and is the site of several management organizations. The buildings themselves are over 50 years old and need extensive engineering, modernization and renovation work to refurbish them to more adequately serve the needs of the religion and its parishioners and staff.

There are other anticipated renovations expenses as well. The Church owns a ranch approximately fifty miles outside of downtown Los Angeles, which is to be renovated to serve as a parochial boarding school for the children of Sea Organization members in a pleasant rural setting. It is also planned to renovate the exterior, basement and first floor of a Church building near the corner of Sunset and Highland in Los Angeles to serve as an information and dissemination center to attract new members to the Church. There are three staff housing facilities in Los Angeles which need significant renovation and refurbishing. It is also anticipated that the Church will need to acquire an additional apartment building to house Sea Org staff.

Golden Era Productions

The Church owns a large property in Riverside County, California which is the site of Golden Era Productions, Religious Technology Center and several church management bodies. The main activity of Golden Era is the production of religious motion pictures used in the training of ministers and also for

32

dissemination and providing basic information on Scientology. In addition to filmmaking Golden Era also carries out a full range of audio-visual functions which include the production of tape recorded lectures of LRH, which comprise the largest portion of the Scriptures and the production of the E-Meter, used in auditing.

Golden Era is also responsible for the broad dissemination of Scientology through media advertising described in the first section. This is a unique combination of functions and it has required an extensive program of construction and renovations to convert what was formerly a resort into something that can be used to fit the Church's purposes. The construction program has been underway for approximately four years and is still ongoing. In addition to being most economical in the long run, it was decided that construction of in-house facilities which would be operated exclusively by Scientologists and members of the Sea Organization was the only way to ensure that the materials produced would fully meet all standards required in the Scriptures.

Construction still to be done at this facility includes completion of a sound recording and tape storage building, construction of housing for staff, a film processing laboratory, a large film studio, two office buildings, a crew study facility, an underpass beneath a highway which bisects the property, a crew study facility, as well as landscaping and installation of various utilities and infrastructure.

There is also a ranch facility nearby which serves as a parochial boarding school for children of Sea Org Members working at the Golden Era facility. Additional renovations are needed of the main building of this facility.

Other Church Real Estate

The Australian Church owns a three story building in Sydney Australia from which it ministers the upper levels of Scientology services to its religious community. This building is being fully upgraded. The Advanced Church in Europe owns a 300-year old six story building in the centre of Copenhagen which is used to house the Advanced Organization for Europe. This building requires extensive renovation due to its age.

There are Sea Org staffed Continental Liaison Offices (CLO's) at various locations around the world. Currently, CLOs consist of between 35 and 90 staff and it is expected

that they will grow in size over the next several years. Since all CLO staff are members of the Sea Org, residential, dining and child care facilities are also provided for staff. The CLOs for Latin America, Australia-New Zealand, Africa, Canada, Italy and Europe need either renovation of existing facilities or purchase and renovation of new facilities.

Scientology Scripture requires that Church organizations do whatever they can to become and remain free of debt. Therefore it is planned to pay existing mortgages on Church buildings.

There are currently 100 Class V Churches which are housed in rented properties. Churches have specific building requirements, in order to accommodate their delivery needs, as discussed in the introduction to this section above. An adequate building for a Class V Church will vary in price depending on the location, but an average is estimated to be around \$1,600,000 for the purchase and another \$300,000 in renovations to customize it to needs of a Class V church. It is estimated that we will acquire properties for at least 35 such Churches in the next five years.

Lastly, renovations projects are planned for existing Class V Church buildings in Washington, D.C., Boston and New York.

The anticipated cost of property acquisition, construction and renovation is:

Flag Land Base:

New Building -	\$24,000,000
Staff Dining/Study -	1,600,000
Staff and Student Housing -	4,200,000
Office Bldg & Annex -	575,000
Housing for Parishioners -	450,000
Fort Harrison -	8,000,000

Saint Hill Manor:

Staff Dining -	\$ 500,000
Estates Building -	150,000
Staff Housing -	5,000,000

Los Angeles Area:

Ranch -	\$ 750,000
Los Angeles Complex -	9,950,000
Dissemination Center -	600,000
Staff Housing Renovations -	2,200,000
Staff Housing Acquisition -	2,000,000

Debt Free

34

Golden Era Productions:

Sound recording and tape storage facility -	\$ 587,000
Film processing laboratory -	1,500,000
Large film studio -	3,000,000
Landscaping and utilities -	3,646,000
Office Buildings -	5,200,000
Staff Housing -	7,500,000
Electrical distribution and emergency power supply -	2,125,000
Highway underpass -	825,000
Crew study facility -	545,000
Emergency supplies and storage -	750,000
Renovations of Ranch -	250,000

Other Real Estate:

Advanced Church Australia -	\$ 1,200,000
Advanced Church Europe -	2,500,000
CLO Europe -	2,000,000
CLO Australia/New Zealand (Sydney)	1,500,000
CLO Canada -	1,500,000
CLO Latin America -	750,000
CLO Italy -	2,000,000
CLO Africa -	750,000
Mortgage retirement -	20,000,000
New buildings for Class V Churches	66,500,000
Renovations of Class V Churches	600,000

Subtotal Church Facilities	\$185,203,000
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CATEGORY 3 - PRODUCTION OF RELIGIOUS MATERIALS

The third major category of expenses is the production of Scientology Scriptures in different forms for particular uses. This is in keeping with the overall goal of the religion to get the writings of L. Ron Hubbard and the wisdom they contain broadly distributed in as short a time as possible. Various specific projects will be carried out to improve dissemination and to make the works of Mr. Hubbard available in various forms.

There are 61 technical and public dissemination films written by Mr. Hubbard which are not yet produced. It is intended that these all be produced in the next five years and completion of the