

Notes:

1. 90/10 split between 1GB and 10GB products for subscribers taking service
2. 45% uptake model was not supported by the financial model.
3. 50% uptake was the lowest uptake supported by the model. Approx. 9.5M needed in interfund loans

Take Rate Assumption	50%	55%	65%
Residential 1G Price	115.00	115.00	115.00

Uses of Funds:			
Fiber Plant & Facilities	11,321,124	11,321,124	11,321,124
Network Equipment & Buildings	3,465,273	3,465,273	3,465,273
Home Equipment	2,366,432	2,593,970	3,050,342
Working Capital	1,800,000	1,800,000	1,800,000
	18,952,829	19,180,367	19,636,739

Sources of Funds:			
General Obligation Bonds			
20 year	11,321,124	11,321,124	11,321,124
10 year	3,465,273	3,465,273	3,465,273
15 year	1,800,000	1,800,000	1,800,000
7 year	2,366,432	2,593,970	3,050,342
	18,952,829	19,180,367	19,636,739
Loan from Reserves ⁽¹⁾	9,510,000	4,730,000	1,710,000
	28,462,829	23,910,367	21,346,739

(1) Loans as required from General or Utility Funds and repaid from cash flow with interest

Supporting Schedule			
Working Capital			
Operating Funds			
Working Capital ⁽¹⁾	1,800,000	1,800,000	1,800,000
Operating Deficits ⁽²⁾	9,510,000	4,730,000	1,710,000
	11,310,000	6,530,000	3,510,000

(1) Included in Bond
(2) Loan from reserves

	Take Rate Assumption		
	50%	55%	65%
Residential rate	115.00	115.00	115.00
# residents	2,458	2,458	2,458
# of customers	1,229	1,352	1,598
Operating profitability (year)	7	7	6
Cash flow positive (year)	8	6	6
Repay reserve loans (year)	29	27	20
Repay reserve loans using free cash	28	22	18