

NBS was requested to model tax rates over based upon construction costs of \$1 million, funded via bond proceeds or other debt instrument over a period of seven years. The flat tax option is presented below:

Debt Service Assumptions	Interest Rate	Term (Years)	Annual Payment	Principal Payment	Interest
Scenario 1	4.5%	7	\$169,701	\$124,701	\$45,000
Scenario 2	5.0%	7	172,820	122,820	50,000
Scenario 3	5.5%	7	175,964	120,964	55,000
AVERAGES:		7	\$172,829	\$122,829	\$50,000

Annual Special Tax Requirement:

Item	Amount
Average Annual Payment	\$172,829
10% Debt Service Coverage	17,283
Annual Administration	5,000
Annual Special Tax Requirement (rounded to \$1K)	\$196,000

Assuming 660 taxable parcels:

Land Use Class	Total Parcels	Rate per Parcel (7 yr. term)
SFR	656	\$297
Vacant	1	297
Apartment	2	297
Commercial	1	297
ANNUAL REVENUES:		\$196,020