

TEXAS METHODIST FOUNDATION CASH-FLOW MODEL

Financial Information and Projections for Hutto Discovery UMC
as of 3/8/2016

WORKING MODEL #1, page 1 of 2
This model solves for total maximum project amount with a 3-year capital stewardship program of \$600,000

FINANCIAL INFORMATION (projected for 2016)

Annual income		\$215,000	
Annual debt service in operating budget		\$27,960	13.00%
Cash on hand specifically for this project		\$90,000	
Capital Stewardship Program	(March 2016 - February 2019)	\$600,000	2.79
collected at 85%		\$510,000	
Total project cost*	(June 2016 - December 2016)	\$1,028,000	
*Total project includes all costs associated with the project - architect/engineering fees, construction contract, landscaping, furnishings, contingency, change orders, etc.			
Existing debt	(TMF loan balance as of 1/29/2016)	\$43,000	

ASSUMPTIONS

If the interest rate is	Wall Street Journal Prime @ 3/8/2016 = 3.50%	5.00%
And the operating income grows	Growth projections are for planning purposes only.	3.00% 1st Year - 2017 5.00% 2nd Year - 2018 3.00% 3rd Year - 2019
And you set aside		33.00%
of the new money for debt service		

GROWTH PROJECTIONS

2017 Operating Income	\$221,450	with Debt Service of	\$30,089	13.59%
2018 Operating Income	\$232,523	with Debt Service of	\$33,742	14.51%
2019 Operating Income	\$239,498	with Debt Service of	\$36,044	15.05%
Which will support a loan in the amount of	\$455,137	* (A)		1.90
The remaining loan balance is projected to be	\$455,165	* (B)		1.90
Which requires debt service of	\$36,047	(20 year amort)		15.05%

* Look at (A) and (B)

IF (A) is equal to or greater than (B), this means that the budget can support the remaining debt without additional Capital Stewardship Programs

IF (A) is less than (B), these figures indicate the operating budget cannot support the remaining debt on its own

If all of these figures are accurate, the operating budget can afford a total project of	\$1,028,000	
The highest loan balance will occur at the end of the construction phase	\$796,468	Dec-16
Estimated new funding amount	\$796,468	

This is not a commitment for a loan. All rates, terms and other assumptions are for discussion purposes only. Final rate and terms will be outlined after loan committee approval and issuance of commitment letter.

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MONTH	+ AVAILABLE CASH	+ CAPITAL PLEDGES	+ DEBT SERVICE	= TOTAL	- INTEREST PAYMENT	= PRINCIPAL REDUCTION	- CONST DRAWS	= LOAN AMT
Mar-16	\$90,000	\$17,000	\$2,330	\$109,330	\$179	\$109,151	\$43,000	\$0
Apr-16	\$66,151	\$17,000	\$2,330	\$85,481	\$0	\$85,481	\$0	\$0
May-16	\$85,481	\$17,000	\$2,330	\$104,811	\$0	\$104,811	\$0	\$0
Jun-16	\$104,811	\$17,000	\$2,330	\$124,141	\$0	\$124,141	\$146,857	\$22,716
Jul-16	\$0	\$17,000	\$2,330	\$19,330	\$95	\$19,235	\$146,857	\$150,338
Aug-16	\$0	\$17,000	\$2,330	\$19,330	\$626	\$18,704	\$146,857	\$278,492
Sep-16	\$0	\$17,000	\$2,330	\$19,330	\$1,160	\$18,170	\$146,857	\$407,179
Oct-16	\$0	\$17,000	\$2,330	\$19,330	\$1,697	\$17,633	\$146,857	\$536,403
Nov-16	\$0	\$17,000	\$2,330	\$19,330	\$2,235	\$17,095	\$146,857	\$666,165
Dec-16	\$0	\$17,000	\$2,330	\$19,330	\$2,776	\$16,554	\$146,857	\$796,468
Jan-17	\$0	\$17,000	\$2,507	\$19,507	\$3,319	\$16,189	\$0	\$780,279
Feb-17	\$0	\$17,000	\$2,507	\$19,507	\$3,251	\$16,256	\$0	\$764,023
Mar-17	\$0	\$12,750	\$2,507	\$15,257	\$3,183	\$12,074	\$0	\$751,949
Apr-17	\$0	\$12,750	\$2,507	\$15,257	\$3,133	\$12,124	\$0	\$739,825
May-17	\$0	\$12,750	\$2,507	\$15,257	\$3,083	\$12,175	\$0	\$727,650
Jun-17	\$0	\$12,750	\$2,507	\$15,257	\$3,032	\$12,226	\$0	\$715,424
Jul-17	\$0	\$12,750	\$2,507	\$15,257	\$2,981	\$12,276	\$0	\$703,148
Aug-17	\$0	\$12,750	\$2,507	\$15,257	\$2,930	\$12,328	\$0	\$690,820
Sep-17	\$0	\$12,750	\$2,507	\$15,257	\$2,878	\$12,379	\$0	\$678,441
Oct-17	\$0	\$12,750	\$2,507	\$15,257	\$2,827	\$12,431	\$0	\$666,011
Nov-17	\$0	\$12,750	\$2,507	\$15,257	\$2,775	\$12,482	\$0	\$653,529
Dec-17	\$0	\$12,750	\$2,507	\$15,257	\$2,723	\$12,534	\$0	\$640,994
Jan-18	\$0	\$12,750	\$2,812	\$15,562	\$2,671	\$12,891	\$0	\$628,103
Feb-18	\$0	\$12,750	\$2,812	\$15,562	\$2,617	\$12,945	\$0	\$615,158
Mar-18	\$0	\$12,750	\$2,812	\$15,562	\$2,563	\$12,999	\$0	\$602,160
Apr-18	\$0	\$12,750	\$2,812	\$15,562	\$2,509	\$13,053	\$0	\$589,107
May-18	\$0	\$12,750	\$2,812	\$15,562	\$2,455	\$13,107	\$0	\$576,000
Jun-18	\$0	\$12,750	\$2,812	\$15,562	\$2,400	\$13,162	\$0	\$562,838
Jul-18	\$0	\$12,750	\$2,812	\$15,562	\$2,345	\$13,217	\$0	\$549,621
Aug-18	\$0	\$12,750	\$2,812	\$15,562	\$2,290	\$13,272	\$0	\$536,349
Sep-18	\$0	\$12,750	\$2,812	\$15,562	\$2,235	\$13,327	\$0	\$523,022
Oct-18	\$0	\$12,750	\$2,812	\$15,562	\$2,179	\$13,383	\$0	\$509,640
Nov-18	\$0	\$12,750	\$2,812	\$15,562	\$2,123	\$13,438	\$0	\$496,201
Dec-18	\$0	\$12,750	\$2,812	\$15,562	\$2,068	\$13,494	\$0	\$482,707
Jan-19	\$0	\$12,750	\$3,004	\$15,754	\$2,011	\$13,742	\$0	\$468,964
Feb-19	\$0	\$12,750	\$3,004	\$15,754	\$1,954	\$13,800	\$0	\$455,165
		<u>\$510,000</u>	<u>\$93,138</u>		<u>\$77,303</u>		<u>\$1,071,000</u>	