

### Fannie Mae Revolving Loan Scenarios

	Worst Case	Scenario 1		Worst Case	Scenario 2	
	\$ 3,000,000.00	1st Year	2nd Year	\$ 7,500,000.00	1st Year	2nd Year
	City Pays All	Only 1 loan draw	2 new loan draws	City Pays All		
<b>Line of Credit to City @ 6.27%</b> (3 mo. LIBOR - 5.32 +.95% = 6.27%)	\$ 3,000,000.00	\$ 3,000,000.00	\$ 3,000,000.00	\$ 7,500,000.00	\$ 7,500,000.00	\$ 7,500,000.00
<b>Outstanding loans</b>						
City - loan to finance origination fee 1 yr @ 6.27%		\$ 30,000.00	\$ -		\$ 75,000.00	
West River Foundation @ 7.52% for 1years		\$ 250,000.00	\$ -		\$ 350,000.00	
Downtown Housing, Inc. @ 7.27% for 2 yrs.			\$ 1,500,000.00		\$ 2,000,000.00	\$ 2,000,000.00
Cornerstone Transitional Housing @ 7.27% - 1 yr			\$ 100,000.00		\$ 100,000.00	
Teton Coalition @ 7.27% for 6 mos						\$ 100,000.00
Big Deal Housing Project @ 8.27% 2 yrs						\$ 3,000,000.00
<b>Total outstanding</b>	\$ -	\$ 280,000.00	\$ 1,600,000.00	\$ -	\$ 2,525,000.00	\$ 5,100,000.00
<b>Balance not drawn</b>	\$ 3,000,000.00	\$ 2,720,000.00	\$ 1,400,000.00	\$ 7,500,000.00	\$ 4,975,000.00	\$ 2,400,000.00
<b>FEES</b>						
Legal Fees for Loan Origination	\$ (5,000.00)	\$ (5,000.00)	\$ -	\$ (5,000.00)	\$ (5,000.00)	
City's Origination Fee (1% financed for 1 yrs @ 6.27%)	\$ (30,000.00)	\$ (30,000.00)	\$ -	\$ (75,000.00)	\$ (75,000.00)	
Standby Fee (15 basis points)	\$ (4,500.00)	\$ (4,155.00)	\$ (2,100.00)	\$ (11,250.00)	\$ (7,530.00)	\$ (3,600.00)
Interest payments due on outstanding loan funds <i>Includes City's annual interest payment for orig loan</i>		\$ (17,556.00)	\$ (100,320.00)		\$ (158,318.00)	\$ (319,363.00)
<b>TOTAL FEES</b>	\$ (39,500.00)	\$ (56,711.00)	\$ (102,420.00)	\$ (91,250.00)	\$ (245,848.00)	\$ (322,963.00)
<b>CREDITS</b>						
Origination fee loan to City		\$ 30,000.00	\$ -		\$ 75,000.00	
Fannie Mae Grant for Fees		\$ 5,000.00	\$ -		\$ 5,000.00	
Origination charged to Borrower(s)		\$ 2,500.00	\$ 16,000.00		\$ 24,500.00	\$ 31,000.00
Interest charged to Borrower(s) (1 yr) <i>(1% - 2% over City's rate depending on term)</i>		\$ 18,804.00	\$ 116,328.00		\$ 181,076.00	\$ 410,372.00
<b>TOTAL CREDITS</b>	\$ -	\$ 56,304.00	\$ 132,328.00	\$ -	\$ 205,576.00	\$ 441,372.00
<b>TOTAL COST TO CITY:</b>	\$ (39,500.00)	\$ (407.00)	\$ 29,908.00	\$ (91,250.00)	\$ (40,272.00)	\$ 118,409.00
6.27% current 3 mo LIBOR rate - subject to change						
* Interest only payments due quarterly on amounts drawn						
** Standby fee (.15%) due quarterly on amts. not drawn.						
FM Grant for legal fees is subject to funding for FY 07						
* Interest only payments due quarterly on amounts drawn.						
** Standby fee (.15%) due quarterly on amounts not drawn.						

**Examply rate structure for Borrowers:**

Short term loans <1 year - Fixed rate =	City rate+1%
1 year - fixed rate =	City rate + 1.25%
>1 yr - 2 yrs - Adj. quarterly =	City rate +1%
> 2 years - 3yrs - Adj. quarterly =	City rate +2%

## SCENARIO PROJECTIONS FOR LOANS

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<b>Assume:</b>	<b>Rate</b>	6.27%				
	<b>Term</b>	1 yr				
	<b>Payment</b>	Interest Only with Balloon				
	<b>Annual Costs</b>					
<b>Amount of Line of Credit</b>		<b>\$3,000,000</b>			<b>\$7,500,000</b>	
<b>Amount Drawn</b>	\$ 280,000	\$ 1,880,000	\$ 3,000,000	\$ 1,880,000	\$ 3,000,000	\$ 7,500,000
Interest Per Mo. Amt.	\$ 1,463	\$ 9,823	\$ 15,675	\$ 9,823	\$ 15,676	\$ 39,188
<b>Balance Not Drawn</b>	\$ 2,720,000	\$ 1,120,000	\$ -	\$ 5,620,000	\$ 4,500,000	\$ -
Interest per Quarter	\$ 4,389	\$ 29,469	\$ 47,025	\$ 29,469	\$ 47,025	\$ 117,564
Standby Fee (Quarterly)	\$ 1,020	\$ 705	\$ -	\$ 2,108	\$ 1,500	\$ -
Interest per Year	\$ 17,556	\$ 117,876	\$ 188,100	\$ 117,876	\$ 188,100	\$ 470,256
<b>Standby Fee (Annual Amount)</b>	\$ 4,080	\$ 2,820	\$ -	\$ 8,430	\$ 6,000	\$ -
<b>Loans Drawn</b>	<b>Amt. Borrowed</b>	<b>Interest/mo</b>	<b>Interest/quarter</b>	<b>Interest/year</b>		
City Origination Fee Loan 1 yr @ 6.27%	\$ 30,000	\$ 157	\$ 471	\$ 1,884		
West River Foundation 1 yr @ 7.52%	\$ 250,000	\$ 1,567	\$ 4,701	\$ 18,804		
1 yr @ 7.52%	\$ 350,000	\$ 2,194	\$ 6,582	\$ 28,514		
Downtown Housing 2 yrs. @ 7.27% adjustable	\$ 1,500,000	\$ 9,088	\$ 27,264	\$ 109,056		
Cornerstone Transitional Housing 1 yr @ 7.27% fixed	\$ 100,000	\$ 606	\$ 1,818	\$ 7,272		
Teton Coalition 1 yr @ 7.27% fixed	\$ 100,000	\$ 606	\$ 1,818	\$ 7,272		
Big Deal Housing 3 yrs. @ 8.27% adjustable	\$ 2,000,000	\$ 20,675	\$ 62,025	\$ 248,100		