City of Mineral Wells, Texas

Summary of I&S Tax Supported Bond Capacity Analysis

Bank of America Building Project June 27, 2017

Bond Issue Amount	Estimated Average Interest Rate(1)	Term	Average Annual Debt Service	Projected Max I&S Rate(4)
$9,100,000 Estimated Project Cost(2)				
$9,510,000	3.40%	20 years	$633,142	$0.1118
$9,550,000	3.69%	25 years	$562,148	$0.0993
$9,675,000	3.98%	30 years	$523,826	$0.0925
$5,000,000 Estimated Project Cost(3)				
$5,265,000	3.43%	20 years	$350,496	$0.0622
$5,290,000	3.71%	25 years	$311,366	$0.0553
$5,355,000	4.00%	30 years	$289,817	$0.0514

Assumptions:

(1) Based on "A-" rated market interest rates as of June 27, 2017 + 0.50%. Assumed bank qualified interest rates and bond insurance.

(2) Assumed costs of issuance of $135,000, underwriter's discount of $8.00/bond and insurance expense of $30,000.

(3) Assumed costs of issuance of $100,000, underwriter's discount of $8.00/bond and insurance expense of $30,000.

(4) Based on Estimated FYE 2018 taxable assessed valuation (net of frozen values) of $580,000,000; and 0.00% growth thereafter. Provided by City Officials.

PRELIMINARY - for discussion purposes only. As of June 27, 2017.

HilltopSecurities
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