



NOTES & BOLTS



Renovation Committee Tidbits

The following is a summary of the project finance status as of 7/17/2019:

Project Cost Projection 2016

Construction	\$2,136,026
Soft Costs	<u>\$ 619,447</u>
Total Est. Cost	\$2,755,473

Current Cost Projection 2019

		<u>Change</u>
Construction	\$2,667,586	+ \$531,561 +24.8%
Soft Costs	<u>\$ 773,660</u>	+ \$154,213 +24.8%
Total Est. Cost	\$3,441,247	+ \$685,774 +24.8%

The major cost changes were driven by increased construction costs since project planning began, and an increase in soft costs due to rental of a temporary classroom, temporary bathroom, and staff office space.

The pledges, including a future pledge of \$240,000, are approximately \$862,000 short of the amount now required to cover the revised estimated project cost.

Loans approved to date include:

LOCs	\$1,600,000	5.50% 2 yr. fixed; renewable for 2 yr.
Amortized	\$ 150,000	3.75% 15 year fixed

The LOCs are interest-only for up to 4 years. Funds can be withdrawn from the LOC's as needed. We don't accrue any interest payment until funds are withdrawn.

The loans fund a significant cash flow mismatch during the period of construction. Then, after we receive all pledges (including the future pledge of \$240,000), we will likely carry a final loan balance in the amount of \$900,000-1,000,000 at 5.50% amortizing over 20 years with rate adjustments every 5 years.

It is assumed that 2-3 years after project completion we will initiate a Debt Reduction campaign.