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Newberg-Dundee Transportation Improvement Project

Appendix E: Financial Model Assumptions

SENSITIVE BUSINESS RECORD

**Newberg - Dundee
Assumptions**

Timing

General			
Project Name	Project_Name	[name]	Newberg - Dundee
Model Start Date	Start_Date	[date]	31-Dec-2006
Financial Close	Fin_Close	[date]	31-Dec-2007
Days in year	Days	[days]	365
Construction			
Construction Start Date	Const_Start_Date	[date]	31-Dec-2007
Construction Periodicity	Const_P	[months]	12
Construction Term	Const_Term	[months]	36
Construction End Date	Const_End_Date	[date]	31-Dec-2010
Operation			
Operations Start Date	Op_Start_Date	[date]	31-Dec-2010
Concession Term	C_Term	[years]	50
Operations End Date	Op_End_Date	[date]	31-Dec-2060

Operating / Financing Assumptions

Traffic Revenue	Rev_Chooser	[choose]	3
Current Scenario - Pass Thru Toll			
Annual Toll Escalation Toggle (1 = No, 0 = Yes)	Escalation_Chooser	[toggle]	1
CPI + ___% Toll Escalation	Additional_Toll_CPI	[%]	-
Opex	OMA_Chooser	[choose]	1
Current Scenario - Opex #1			
Capex	Capex_Chooser	[choose]	1
Current Scenario - Capex #1			
Financing	Fin_Chooser	[choose]	2
Current Scenario - Bond Debt			

Construction Expenditure

Deferred Construction Toggle (1 = On, 0 = Off)	Deferred_Const_Toggle	[toggle]	-
Construction Cost		[\$000s]	379,621
Total	Construction	[\$000s]	379,621
Allocation of Construction Costs			
Asset 1		[%]	100.00%
Asset 2		[%]	-
Asset 3		[%]	-
Asset 4		[%]	-
Total		[%]	100.00%

Equity Investment

Amount	Equity	[\$000s]	100,000
Date Equity Invested	Equity_Invest_Date	[date]	31-Dec-2010

Upfront Subsidy

Upfront Subsidy	Upfront_Subsidy	[\$000s]	114,000
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Construction Subsidy

Subsidy %	Const_Subsidy	[%]	-
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**Newberg - Dundee
Assumptions**

Availability Payment

Initial Annual Payment	A_Payment	[\$000s]	-
Annual Growth	A_Payment_Growth	[%]	-
Last Payment	A_Last_Payment	[date]	31-Dec-25

Upfront Costs

Dates			
Date Upfront Costs Incurred	Cost_Date	[date]	31-Dec-2007

Development Costs			
Upfront Development Costs	Dev_Costs	[\$000s]	6,000

Underwriting/Establishment Fees

Construction Debt		[\$000s]	-
CIBs I		[\$000s]	750
CIBs II		[\$000s]	916
Insurance Wrap Fee		[\$000s]	6,276
Senior Debt		[\$000s]	-
TIFIA Sub Debt		[\$000s]	-
Equity Bridge		[\$000s]	-

Advisory Fees

Debt Financing Fee		[\$000s]	1,666		
Equity Advisory Fee		[\$000s]	3,354	1,000	3,354

Advisory Fees

Debt Financing Fee	Debt_Advisory_Fee	[%]	0.50%
Equity Advisory Fee	Equity_Advisory_Fee	[%]	0.75%

Ongoing Development Costs

During Construction			
Cost 1		[\$000s]	1,000
Cost 2		[\$000s]	-
Cost 3		[\$000s]	-
Cost 4		[\$000s]	-

Equity Bridge

Equity Bridge Toggle (1 = On, 0 = Off)	Bridge_Toggle	[toggle]	-
Input at Start or End of Construction (1 = Start, 2 = End)		[choose]	2
Takeout Period (of Operations)		[period]	2
Principal	Equity_Bridge	[\$000s]	-
Interest Rate Margin		[%]	0.40%
Establishment Fee		[%]	1.15%

Construction Debt

Facility Limit	Const_Facility_Limit	[\$000s]	500,000
Max Construction Debt	Max_Const_Debt	[\$000s]	-

Check

Ok

Establishment Fee		[%]	1.25%
Agency Fee		[\$000s]	50
Interest Rate Margin		[%]	0.60%
Commitment Fee		[%]	-

**Newberg - Dundee
Assumptions**

Senior Bank Debt

Target Sizing DSCR	Target_DSCR_Snr	[x]	1.35x
Target Sizing Year	Target_Year_Snr	[year]	3
Actual DSCR	Actual_DSCR_Snr	[x]	#VALUE!
Interest Rate Swap Term		[year]	10
Swap Margin		[%]	0.10%
Interest Rate Margin		[%]	1.00%
Begin Date of Terminal Repayment		[date]	1-Jan-2045
Terminal Repayment %		[%]	16.00%
Regear in year ____ of Operations	Regear_Year	[year]	10
Regear to ____ DSCR	Target_DSCR	[x]	1.40x

TIFIA Sub Debt

Target Sizing DSCR	Target_DSCR_Sub	[x]	1.10x
Target Sizing Year	Target_Year_Sub	[year]	6
Actual DSCR	Actual_DSCR_Sub	[x]	#VALUE!
Opening Balance	TIFIA_Sub_Debt	[\$000s]	-
Interest Accrual Period	TIFIA_Accrual_Term	[years]	5
Targeted Repayment Year	TIFIA_Repay_Target	[year]	35
Base Rate (30 yr U.S. Treasury)	TIFIA_Base_Rate	[%]	#REF!
Interest Rate Margin		[%]	0.05%
Nominal Principal Repayment		[%]	1.00%
Begin Date of Terminal Repayment		[date]	1-Jan-2040
Terminal Repayment %		[%]	10.00%

Bond Debt - Sizing

Total Bond Debt at Drawdown	Bond_Debt_Drawdown	[\$000s]	333,173
Total CIBs I at Operation Start			104,928
Total CIBs II at Operation Start			128,245
% of Total Debt - CIBs I (at Drawdown)		[%]	45.00%
% of Total Debt - CIBs II (at Drawdown)		[%]	55.00%
Total		[%]	100.00%
Target Bond Deposit Balance at Construction End	Target_Deposit_Balance	[\$000s]	-
Required Initial DSCR		[x]	1.40x
Required DSCR Growth		[x]	0.0175x
Max Debt Term (from Operations Start)		[years]	40 years
Refinance Fees		[%]	0.70%

Tax Exempt

Tax Exempt Toggle (1 = On, 0 = Off)	Tax_Exempt_Toggle	[toggle]	1
Tax Exempt Pricing Contingency		[%]	-

CIBs I

Drawdown at Construction Start	CIB_Const_Deposit	[\$000s]	149,928
CIBs I Tenor		[years]	10 years
Interest Rate Swap Term		[year]	10
Tax Exempt Rate Year		[year]	10
Swap Margin		[%]	0.05%
Trading Margin		[%]	0.50%
Establishment Fee		[%]	0.50%

CIBs II

Drawdown at Construction Start	CAB_Const_Deposit	[\$000s]	183,245
Tax Exempt CIBs II Tenor		[years]	30
Tax Exempt Rate Year		[year]	30
Swap Margin		[%]	0.40%
Trading Margin		[%]	0.60%
Establishment Fee		[%]	0.50%

**Newberg - Dundee
Assumptions**

Alternate CABs

Interest Rate Swap Term	[year]	30
Swap Margin	[%]	-
Trading Margin	[%]	0.05%
Final Year to Accrue Interest	[year]	20

ARs

Paydown ____ % of ARs	[%]	100.00%
Broker Dealer Fee	[%]	0.35%
Auction Agent Fee	[%]	0.01%

Insurance Wrap Fee

Annual Fee	[%]	0.365%
% of Fee Upfront	[%]	35.00%
% of Fee Periodic	[%]	65.00%
Upfront Costs	[\$000s]	5,485
Upfront Payment for Period 1 Fee	[\$000s]	790
Total Upfront Fee for Insurance Wrap	[\$000s]	6,276

Debt Service Reserve Account

% of Total Bond Debt	[%]	5.00%
CIBs I Opening Balance	Debt_Service_Reserve [\$000s]	5,246
CIBs II Opening Balance	Debt_Service_Reserve2 [\$000s]	6,412

Ramp Up Reserve

Targeted Size Toggle (1 = On, 0 = Off)	RUR_Cash_Toggle [toggle]	1
Targeted Size	[\$000s]	18,000
% of Total Bond Debt	[%]	5.00%
Opening Balance	Ramp_Up_Reserve [\$000s]	18,000
Commitment Fee	[%]	0.50%

Capex Reserve

Capex Reserve Toggle (1 = On, 0 = Off)	[toggle]	1
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Financial Assumptions

Federal Income Tax Rate	[%]	35.00%
State Income Tax Rate	[%]	6.00%
All-in Income Tax Rate	Tax_Rate [%]	38.90%
Withholding Tax Rate	W_Tax_Rate [%]	-
Discount to LIBOR on Interest Earned	Deposit_Discount [%]	1.00%
LLCR Calculation Term	[years]	45

Holding Period Valuation

Holding Period Valuation Toggle (1 = On, 0 = Off)	[toggle]	-
Selldown Year	[year]	10
Purchaser's Target IRR	[%]	10.00%

Model Integrity

Construction Cashflows	[check]	Ok	-
Sources & Uses	[check]	Ok	-
Balance Sheet	[check]	Ok	-
Uses of Income	[check]	Ok	-
Construction Facility Limit	[check]	Ok	-
Summary Cashflow Waterfall	[check]	Ok	-
Summary Nominal Sources & Uses of Funds	[check]	Ok	-
Summary Real Sources & Uses of Funds	[check]	Ok	-
Model Integrity	Model_Integrity [check]	Ok	-

Interest Rates	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	
Forward LIBOR	4-Aug-2006 19:54	5.725%	5.649%	5.707%	5.778%	5.829%	5.896%	5.913%	5.946%	5.985%	6.037%	6.042%	6.042%	6.042%	6.042%	6.042%	6.042%	6.042%	
USD Swap Rates	4-Aug-2006 19:54	5.383%	5.617%	5.532%	5.494%	5.503%	5.514%	5.535%	5.552%	5.570%	5.590%	5.620%	5.632%	5.644%	5.657%	5.669%	5.681%	5.687%	5.693%
Zero Coupon Curve	4-Aug-2006 19:54	5.383%	5.617%	5.530%	5.491%	5.501%	5.514%	5.537%	5.558%	5.579%	5.603%	5.640%	5.655%	5.670%	5.686%	5.702%	5.719%	5.726%	5.733%
Tax Exempt BMA Rates	17-Aug-2006 13:20	3.620%	3.620%	3.620%	3.670%	3.720%	3.770%	3.825%	3.880%	3.937%	3.993%	4.050%	4.100%	4.150%	4.200%	4.250%	4.300%	4.324%	4.348%
Tax Exempt MMD Rates	11-Aug-2006 17:45	3.632%	3.632%	3.643%	3.663%	3.683%	3.724%	3.765%	3.806%	3.880%	3.955%	4.030%	4.085%	4.140%	4.195%	4.250%	4.305%	4.326%	4.346%
30 yr U.S. Treasury Rate	11-Aug-2006 17:45																		

Interest Rates	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35
Forward LIBOR	4-Aug-2006 19:54	6.042%	6.042%	6.042%	6.042%	6.042%	6.042%	6.042%	6.042%	6.042%	6.042%	6.042%	6.042%	6.042%	6.042%	6.042%	6.042%	6.042%
USD Swap Rates	4-Aug-2006 19:54	5.699%	5.705%	5.711%	5.713%	5.715%	5.717%	5.719%	5.721%	5.722%	5.723%	5.724%	5.725%	5.727%	5.727%	5.727%	5.727%	5.727%
Zero Coupon Curve	4-Aug-2006 19:54	5.741%	5.749%	5.758%	5.759%	5.761%	5.762%	5.764%	5.766%	5.767%	5.769%	5.770%	5.771%	5.773%	5.773%	5.773%	5.773%	5.773%
Tax Exempt BMA Rates	17-Aug-2006 13:20	4.372%	4.396%	4.420%	4.426%	4.432%	4.438%	4.444%	4.450%	4.456%	4.462%	4.468%	4.474%	4.480%	4.480%	4.480%	4.480%	4.480%
Tax Exempt MMD Rates	11-Aug-2006 17:45	4.367%	4.387%	4.408%	4.412%	4.416%	4.420%	4.424%	4.448%	4.448%	4.448%	4.448%	4.448%	4.448%	4.448%	4.448%	4.448%	4.448%
30 yr U.S. Treasury Rate	11-Aug-2006 17:45																	

Interest Rates	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060
	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54
Forward LIBOR	4-Aug-2006 19:54	6.042%	6.042%	6.042%	6.042%	6.042%	6.042%	6.042%	6.042%	6.042%	6.042%	6.042%	6.042%	6.042%	6.042%	6.042%	6.042%	6.042%	6.042%
USD Swap Rates	4-Aug-2006 19:54	5.727%	5.727%	5.727%	5.727%	5.727%	5.727%	5.727%	5.727%	5.727%	5.727%	5.727%	5.727%	5.727%	5.727%	5.727%	5.727%	5.727%	5.727%
Zero Coupon Curve	4-Aug-2006 19:54	5.773%	5.773%	5.773%	5.773%	5.773%	5.773%	5.773%	5.773%	5.773%	5.773%	5.773%	5.773%	5.773%	5.773%	5.773%	5.773%	5.773%	5.773%
Tax Exempt BMA Rates	17-Aug-2006 13:20	4.480%	4.480%	4.480%	4.480%	4.480%	4.480%	4.480%	4.480%	4.480%	4.480%	4.480%	4.480%	4.480%	4.480%	4.480%	4.480%	4.480%	4.480%
Tax Exempt MMD Rates	11-Aug-2006 17:45	4.448%	4.448%	4.448%	4.448%	4.448%	4.448%	4.448%	4.448%	4.448%	4.448%	4.448%	4.448%	4.448%	4.448%	4.448%	4.448%	4.448%	4.448%
30 yr U.S. Treasury Rate	11-Aug-2006 17:45																		

Macroeconomic Data	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17

Annual CPI	5-Aug-2006 17:02	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	
Annual CPI Index		100.00%	102.50%	105.06%	107.69%	110.38%	113.14%	115.97%	118.87%	121.84%	124.89%	128.01%	131.21%	134.49%	137.85%	141.30%	144.83%	148.45%	152.16%

Macroeconomic Data	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35

Annual CPI	5-Aug-2006 17:02	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	
Annual CPI Index		155.97%	159.87%	163.86%	167.96%	172.16%	176.46%	180.87%	185.39%	190.03%	194.78%	199.65%	204.64%	209.76%	215.00%	220.38%	225.89%	231.53%	237.32%

Macroeconomic Data	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060
	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54

Annual CPI	5-Aug-2006 17:02	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	
Annual CPI Index		243.25%	249.33%	255.57%	261.96%	268.51%	275.22%	282.10%	289.15%	296.38%	303.79%	311.39%	319.17%	327.15%	335.33%	343.71%	352.30%	361.11%	370.14%	379.39%