

**Village of Downers Grove, Illinois**  
Hypothetical Illustration for General Obligation Bonds  
\$24,500,000 LFI Proposal

Collection Year Ending Dec 31	Bond Year Ending Jan 1	Projected TIF Revenues <sup>(1)</sup>	Principal <sup>(1/1)</sup>	Assumed Rate	Assumed Yield	Assumed Interest <sup>(1/1 &amp; 7/1)</sup>	Capitalized Interest <sup>(2)</sup>	Total Debt Service	Revenue Shortfall	Other Revenue	Revenue Shortfall/ Excess
2018	2019	\$0				\$1,029,417	\$0	\$1,029,417	(\$1,029,417)	\$1,100,000	\$70,583
2019	2020	\$0				\$1,123,000	(\$23,000)	\$1,100,000	(\$1,100,000)	\$1,100,000	\$0
2020	2021	\$299,709	\$540,000	5.000%	2.040%	\$1,123,000		\$1,663,000	(\$1,363,291)	\$1,100,000	(\$263,291)
2021	2022	\$304,205	\$575,000	5.000%	2.230%	\$1,096,000		\$1,671,000	(\$1,366,795)	\$1,100,000	(\$266,795)
2022	2023	\$308,768	\$605,000	5.000%	2.430%	\$1,067,250		\$1,672,250	(\$1,363,482)	\$1,100,000	(\$263,482)
2023	2024	\$313,399	\$640,000	5.000%	2.590%	\$1,037,000		\$1,677,000	(\$1,363,601)	\$1,100,000	(\$263,601)
2024	2025	\$318,100	\$680,000	5.000%	2.790%	\$1,005,000		\$1,685,000	(\$1,366,900)	\$1,100,000	(\$266,900)
2025	2026	\$322,872	\$715,000	5.000%	2.950%	\$971,000		\$1,686,000	(\$1,363,128)	\$1,100,000	(\$263,128)
2026	2027	\$327,715	\$755,000	5.000%	3.130%	\$935,250		\$1,690,250	(\$1,362,535)	\$1,100,000	(\$262,535)
2027	2028	\$332,630	\$800,000	5.000%	3.220%	\$897,500		\$1,697,500	(\$1,364,870)	\$1,100,000	(\$264,870)
2028	2029	\$337,620	\$845,000	5.000%	3.310%	\$857,500		\$1,702,500	(\$1,364,880)	\$1,100,000	(\$264,880)
2029	2030	\$342,684	\$890,000	5.000%	3.390%	\$815,250		\$1,705,250	(\$1,362,566)	\$1,100,000	(\$262,566)
2030	2031	\$347,824	\$940,000	5.000%	3.490%	\$770,750		\$1,710,750	(\$1,362,926)	\$1,100,000	(\$262,926)
2031	2032	\$353,042	\$995,000	5.000%	3.580%	\$723,750		\$1,718,750	(\$1,365,708)	\$1,100,000	(\$265,708)
2032	2033	\$358,337	\$1,050,000	5.000%	3.640%	\$674,000		\$1,724,000	(\$1,365,663)	\$1,100,000	(\$265,663)
2033	2034	\$363,713	\$1,105,000	5.000%	3.700%	\$621,500		\$1,726,500	(\$1,362,787)	\$1,100,000	(\$262,787)
2034	2035	\$369,168	\$1,165,000	5.000%	3.760%	\$566,250		\$1,731,250	(\$1,362,082)	\$1,100,000	(\$262,082)
2035	2036	\$374,706	\$1,230,000	5.000%	3.810%	\$508,000		\$1,738,000	(\$1,363,294)	\$1,100,000	(\$263,294)
2036	2037	\$380,326	\$1,300,000	5.000%	3.850%	\$446,500		\$1,746,500	(\$1,366,174)	\$1,100,000	(\$266,174)
2037	2038	\$386,031	\$1,370,000	5.000%	3.880%	\$381,500		\$1,751,500	(\$1,365,469)	\$1,100,000	(\$265,469)
2038	2039	\$391,822	\$1,445,000	5.000%	3.890%	\$313,000		\$1,758,000	(\$1,366,178)	\$1,100,000	(\$266,178)
2039	2040	\$397,699	\$1,520,000	5.000%	3.900%	\$240,750		\$1,760,750	(\$1,363,051)	\$1,100,000	(\$263,051)
2040	2041	\$403,664	\$1,605,000	5.000%	3.910%	\$164,750		\$1,769,750	(\$1,366,086)	\$1,100,000	(\$266,086)
2041	2042	\$409,719	\$1,690,000	5.000%	3.920%	\$84,500		\$1,774,500	(\$1,364,781)	\$1,100,000	(\$264,781)
			<u>\$22,460,000</u>			<u>\$17,452,417</u>	<u>(\$23,000)</u>	<u>\$39,889,417</u>			

**Sources and Uses of Funds**

**Sources of Funds**

Par Amount	\$22,460,000
Reoffering Premium	\$2,441,567
<b>Total Sources of Funds</b>	<b>\$24,901,567</b>

**Uses of Funds**

Deposit to Project Fund	\$24,500,000
Deposit to Capitalized Interest Fund	\$23,000
Assumed Costs of Issuance <sup>(3)</sup>	\$373,524
Rounding Amount	\$5,043
<b>Total Uses of Funds</b>	<b>\$24,901,567</b>

<b>Potential Net Interest Cost <sup>(4)</sup></b>	<b>4.301%</b>
<b>Potential True Interest Cost <sup>(5)</sup></b>	<b>4.018%</b>

This illustration represents a mathematical calculation of potential interest cost, assuming hypothetical rates based on current non bank qualified rates for unlimited tax general obligation bonds rated "AAA" as of February 2, 2017 plus 50 basis points. Actual rates may vary. If actual rates are higher than those assumed, the interest cost would be higher. This illustration provides information and is not intended to be a recommendation, proposal or suggestion for a financing or otherwise be considered as advice. Bonds are amortized uniform to projected TIF revenues. Preliminary, subject to change.

(1) Projected TIF revenues generated by the LFI project provided by the Village. Subject to change.

(2) Assumed two years of capitalized interest. Subject to change.

(3) Assumed total costs of issuance of \$15.00/\$1,000 of public offering price. Preliminary, subject to change.

(4) Net Interest Cost is the overall rate of interest to be paid by the issuer over the life of the bonds not taking the time value of money into account.

(5) True Interest Cost is the rate of interest, compounded semi-annually, required to discount the payments of principal and interest to bondholders to the original purchase price.



**Village of Downers Grove, Illinois**  
Hypothetical Illustration for General Obligation Bonds  
\$26,500,000 K. Hovnanian Proposal

Collection Year Ending Dec 31	Bond Year Ending Jan 1	Projected TIF Revenues <sup>(1)</sup>	Principal <sup>(1/1)</sup>	Assumed Rate	Assumed Yield	Assumed Interest <sup>(1/1 &amp; 7/1)</sup>	Capitalized Interest <sup>(2)</sup>	Total Debt Service	Revenue Shortfall	Other Revenue	Revenue Shortfall/ Excess
2018	2019	\$0				\$1,117,875	(\$17,875)	\$1,100,000	(\$1,100,000)	\$1,100,000	\$0
2019	2020	\$0				\$1,219,500	(\$119,500)	\$1,100,000	(\$1,100,000)	\$1,100,000	\$0
2020	2021	\$177,067	\$245,000	5.000%	2.040%	\$1,219,500		\$1,464,500	(\$1,287,433)	\$1,100,000	(\$187,433)
2021	2022	\$359,446	\$435,000	5.000%	2.230%	\$1,207,250		\$1,642,250	(\$1,282,804)	\$1,100,000	(\$182,804)
2022	2023	\$547,256	\$645,000	5.000%	2.430%	\$1,185,500		\$1,830,500	(\$1,283,244)	\$1,100,000	(\$183,244)
2023	2024	\$555,465	\$685,000	5.000%	2.590%	\$1,153,250		\$1,838,250	(\$1,282,785)	\$1,100,000	(\$182,785)
2024	2025	\$563,797	\$730,000	5.000%	2.790%	\$1,119,000		\$1,849,000	(\$1,285,203)	\$1,100,000	(\$185,203)
2025	2026	\$572,254	\$775,000	5.000%	2.950%	\$1,082,500		\$1,857,500	(\$1,285,246)	\$1,100,000	(\$185,246)
2026	2027	\$580,838	\$820,000	5.000%	3.130%	\$1,043,750		\$1,863,750	(\$1,282,912)	\$1,100,000	(\$182,912)
2027	2028	\$589,550	\$870,000	5.000%	3.220%	\$1,002,750		\$1,872,750	(\$1,283,200)	\$1,100,000	(\$183,200)
2028	2029	\$598,393	\$925,000	5.000%	3.310%	\$959,250		\$1,884,250	(\$1,285,857)	\$1,100,000	(\$185,857)
2029	2030	\$607,369	\$980,000	5.000%	3.390%	\$913,000		\$1,893,000	(\$1,285,631)	\$1,100,000	(\$185,631)
2030	2031	\$616,480	\$1,040,000	5.000%	3.490%	\$864,000		\$1,904,000	(\$1,287,520)	\$1,100,000	(\$187,520)
2031	2032	\$625,727	\$1,100,000	5.000%	3.580%	\$812,000		\$1,912,000	(\$1,286,273)	\$1,100,000	(\$186,273)
2032	2033	\$635,113	\$1,165,000	5.000%	3.640%	\$757,000		\$1,922,000	(\$1,286,887)	\$1,100,000	(\$186,887)
2033	2034	\$644,640	\$1,230,000	5.000%	3.700%	\$698,750		\$1,928,750	(\$1,284,110)	\$1,100,000	(\$184,110)
2034	2035	\$654,309	\$1,300,000	5.000%	3.760%	\$637,250		\$1,937,250	(\$1,282,941)	\$1,100,000	(\$182,941)
2035	2036	\$664,124	\$1,375,000	5.000%	3.810%	\$572,250		\$1,947,250	(\$1,283,126)	\$1,100,000	(\$183,126)
2036	2037	\$674,086	\$1,455,000	5.000%	3.850%	\$503,500		\$1,958,500	(\$1,284,414)	\$1,100,000	(\$184,414)
2037	2038	\$684,197	\$1,540,000	5.000%	3.880%	\$430,750		\$1,970,750	(\$1,286,553)	\$1,100,000	(\$186,553)
2038	2039	\$694,460	\$1,625,000	5.000%	3.890%	\$353,750		\$1,978,750	(\$1,284,290)	\$1,100,000	(\$184,290)
2039	2040	\$704,877	\$1,720,000	5.000%	3.900%	\$272,500		\$1,992,500	(\$1,287,623)	\$1,100,000	(\$187,623)
2040	2041	\$715,450	\$1,815,000	5.000%	3.910%	\$186,500		\$2,001,500	(\$1,286,050)	\$1,100,000	(\$186,050)
2041	2042	\$726,182	\$1,915,000	5.000%	3.920%	\$95,750		\$2,010,750	(\$1,284,568)	\$1,100,000	(\$184,568)
			<u>\$24,390,000</u>			<u>\$19,407,125</u>	<u>(\$137,375)</u>	<u>\$43,659,750</u>			

**Sources and Uses of Funds**

**Sources of Funds**

Par Amount	\$24,390,000
Reoffering Premium	\$2,653,956
<b>Total Sources of Funds</b>	<b>\$27,043,956</b>

**Uses of Funds**

Deposit to Project Fund	\$26,500,000
Deposit to Capitalized Interest Fund	\$137,375
Assumed Costs of Issuance <sup>(3)</sup>	\$405,659
Rounding Amount	\$921
<b>Total Uses of Funds</b>	<b>\$27,043,956</b>

<b>Potential Net Interest Cost <sup>(4)</sup></b>	<b>4.316%</b>
<b>Potential True Interest Cost <sup>(5)</sup></b>	<b>4.036%</b>

This illustration represents a mathematical calculation of potential interest cost, assuming hypothetical rates based on current non bank qualified rates for unlimited tax general obligation bonds rated "AAA" as of February 2, 2017 plus 50 basis points. Actual rates may vary. If actual rates are higher than those assumed, the interest cost would be higher. This illustration provides information and is not intended to be a recommendation, proposal or suggestion for a financing or otherwise be considered as advice. Bonds are amortized uniform to projected TIF revenues. Preliminary, subject to change.

(1) Projected TIF revenues generated by the KH project provided by the Village. Subject to change.

(2) Assumed two years of capitalized interest. Subject to change.

(3) Assumed total costs of issuance of \$15.00/\$1,000 of public offering price. Preliminary, subject to change.

(4) Net Interest Cost is the overall rate of interest to be paid by the issuer over the life of the bonds not taking the time value of money into account.

(5) True Interest Cost is the rate of interest, compounded semi-annually, required to discount the payments of principal and interest to bondholders to the original purchase price.

**Village of Downers Grove, Illinois**  
Hypothetical Illustration for General Obligation Bonds  
\$23,000,000 Next Generation Proposal

Collection Year Ending Dec 31	Bond Year Ending Jan 1	Projected TIF Revenues <sup>(1)</sup>	Principal (1/1)	Assumed Rate	Assumed Yield	Assumed Interest (1/1 & 7/1)	Total Debt Service	Revenue Shortfall	Other Revenue	Revenue Shortfall/ Excess
2018	2019	\$0				\$966,167	\$966,167	(\$966,167)	\$1,100,000	\$133,833
2019	2020	\$0				\$1,054,000	\$1,054,000	(\$1,054,000)	\$1,100,000	\$46,000
2020	2021	\$785,484	\$435,000	5.000%	2.040%	\$1,054,000	\$1,489,000	(\$703,516)	\$1,100,000	\$396,484
2021	2022	\$797,267	\$470,000	5.000%	2.230%	\$1,032,250	\$1,502,250	(\$704,983)	\$1,100,000	\$395,017
2022	2023	\$809,226	\$505,000	5.000%	2.430%	\$1,008,750	\$1,513,750	(\$704,524)	\$1,100,000	\$395,476
2023	2024	\$821,364	\$545,000	5.000%	2.590%	\$983,500	\$1,528,500	(\$707,136)	\$1,100,000	\$392,864
2024	2025	\$833,685	\$585,000	5.000%	2.790%	\$956,250	\$1,541,250	(\$707,565)	\$1,100,000	\$392,435
2025	2026	\$846,190	\$625,000	5.000%	2.950%	\$927,000	\$1,552,000	(\$705,810)	\$1,100,000	\$394,190
2026	2027	\$858,883	\$670,000	5.000%	3.130%	\$895,750	\$1,565,750	(\$706,867)	\$1,100,000	\$393,133
2027	2028	\$871,766	\$715,000	5.000%	3.220%	\$862,250	\$1,577,250	(\$705,484)	\$1,100,000	\$394,516
2028	2029	\$884,842	\$765,000	5.000%	3.310%	\$826,500	\$1,591,500	(\$706,658)	\$1,100,000	\$393,342
2029	2030	\$898,115	\$815,000	5.000%	3.390%	\$788,250	\$1,603,250	(\$705,135)	\$1,100,000	\$394,865
2030	2031	\$911,587	\$870,000	5.000%	3.490%	\$747,500	\$1,617,500	(\$705,913)	\$1,100,000	\$394,087
2031	2032	\$925,261	\$925,000	5.000%	3.580%	\$704,000	\$1,629,000	(\$703,739)	\$1,100,000	\$396,261
2032	2033	\$939,140	\$985,000	5.000%	3.640%	\$657,750	\$1,642,750	(\$703,610)	\$1,100,000	\$396,390
2033	2034	\$953,227	\$1,050,000	5.000%	3.700%	\$608,500	\$1,658,500	(\$705,273)	\$1,100,000	\$394,727
2034	2035	\$967,525	\$1,115,000	5.000%	3.760%	\$556,000	\$1,671,000	(\$703,475)	\$1,100,000	\$396,525
2035	2036	\$982,038	\$1,185,000	5.000%	3.810%	\$500,250	\$1,685,250	(\$703,212)	\$1,100,000	\$396,788
2036	2037	\$996,768	\$1,260,000	5.000%	3.850%	\$441,000	\$1,701,000	(\$704,232)	\$1,100,000	\$395,768
2037	2038	\$1,011,720	\$1,340,000	5.000%	3.880%	\$378,000	\$1,718,000	(\$706,280)	\$1,100,000	\$393,720
2038	2039	\$1,026,896	\$1,420,000	5.000%	3.890%	\$311,000	\$1,731,000	(\$704,104)	\$1,100,000	\$395,896
2039	2040	\$1,042,299	\$1,505,000	5.000%	3.900%	\$240,000	\$1,745,000	(\$702,701)	\$1,100,000	\$397,299
2040	2041	\$1,057,934	\$1,600,000	5.000%	3.910%	\$164,750	\$1,764,750	(\$706,816)	\$1,100,000	\$393,184
2041	2042	\$1,073,803	\$1,695,000	5.000%	3.920%	\$84,750	\$1,779,750	(\$705,947)	\$1,100,000	\$394,053
			<u>\$21,080,000</u>			<u>\$16,748,167</u>	<u>\$37,828,167</u>			

**Sources and Uses of Funds**

**Sources of Funds**

Par Amount	\$21,080,000
Reoffering Premium	\$2,275,293
<b>Total Sources of Funds</b>	<b>\$23,355,293</b>

**Uses of Funds**

Deposit to Project Fund	\$23,000,000
Assumed Costs of Issuance <sup>(2)</sup>	\$350,329
Rounding Amount	\$4,963
<b>Total Uses of Funds</b>	<b>\$23,355,293</b>

<b>Potential Net Interest Cost <sup>(3)</sup></b>	<b>4.321%</b>
<b>Potential True Interest Cost <sup>(4)</sup></b>	<b>4.040%</b>

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- (1) Projected TIF revenues generated by the NG project provided by the Village. Subject to change.
- (2) Assumed total costs of issuance of \$15.00/\$1,000 of public offering price. Preliminary, subject to change.
- (3) Net Interest Cost is the overall rate of interest to be paid by the issuer over the life of the bonds not taking the time value of money into account.
- (4) True Interest Cost is the rate of interest, compounded semi-annually, required to discount the payments of principal and interest to bondholders to the original purchase price.



**Village of Downers Grove, Illinois**  
Hypothetical Illustration for General Obligation Bonds  
\$22,250,000 Flaherty and Collins Proposal

Collection Year Ending Dec 31	Bond Year Ending Jan 1	Projected TIF Revenues <sup>(1)</sup>	Principal <i>(1/1)</i>	Assumed Rate	Assumed Yield	Assumed Interest <i>(1/1 &amp; 7/1)</i>	Total Debt Service	Revenue Shortfall	Other Revenue	Revenue Shortfall/ Excess
2018	2019	\$0				\$935,229	\$935,229	(\$935,229)	\$1,100,000	\$164,771
2019	2020	\$0				\$1,020,250	\$1,020,250	(\$1,020,250)	\$1,100,000	\$79,750
2020	2021	\$1,170,239	\$365,000	5.000%	2.040%	\$1,020,250	\$1,385,250	(\$215,011)	\$1,100,000	\$884,989
2021	2022	\$1,187,792	\$400,000	5.000%	2.230%	\$1,002,000	\$1,402,000	(\$214,208)	\$1,100,000	\$885,792
2022	2023	\$1,205,609	\$440,000	5.000%	2.430%	\$982,000	\$1,422,000	(\$216,391)	\$1,100,000	\$883,609
2023	2024	\$1,223,693	\$480,000	5.000%	2.590%	\$960,000	\$1,440,000	(\$216,307)	\$1,100,000	\$883,693
2024	2025	\$1,242,049	\$520,000	5.000%	2.790%	\$936,000	\$1,456,000	(\$213,951)	\$1,100,000	\$886,049
2025	2026	\$1,260,679	\$565,000	5.000%	2.950%	\$910,000	\$1,475,000	(\$214,321)	\$1,100,000	\$885,679
2026	2027	\$1,279,590	\$615,000	5.000%	3.130%	\$881,750	\$1,496,750	(\$217,160)	\$1,100,000	\$882,840
2027	2028	\$1,298,784	\$660,000	5.000%	3.220%	\$851,000	\$1,511,000	(\$212,216)	\$1,100,000	\$887,784
2028	2029	\$1,318,265	\$715,000	5.000%	3.310%	\$818,000	\$1,533,000	(\$214,735)	\$1,100,000	\$885,265
2029	2030	\$1,338,039	\$770,000	5.000%	3.390%	\$782,250	\$1,552,250	(\$214,211)	\$1,100,000	\$885,789
2030	2031	\$1,358,110	\$830,000	5.000%	3.490%	\$743,750	\$1,573,750	(\$215,640)	\$1,100,000	\$884,360
2031	2032	\$1,378,482	\$890,000	5.000%	3.580%	\$702,250	\$1,592,250	(\$213,768)	\$1,100,000	\$886,232
2032	2033	\$1,399,159	\$955,000	5.000%	3.640%	\$657,750	\$1,612,750	(\$213,591)	\$1,100,000	\$886,409
2033	2034	\$1,420,146	\$1,025,000	5.000%	3.700%	\$610,000	\$1,635,000	(\$214,854)	\$1,100,000	\$885,146
2034	2035	\$1,441,448	\$1,095,000	5.000%	3.760%	\$558,750	\$1,653,750	(\$212,302)	\$1,100,000	\$887,698
2035	2036	\$1,463,070	\$1,175,000	5.000%	3.810%	\$504,000	\$1,679,000	(\$215,930)	\$1,100,000	\$884,070
2036	2037	\$1,485,016	\$1,255,000	5.000%	3.850%	\$445,250	\$1,700,250	(\$215,234)	\$1,100,000	\$884,766
2037	2038	\$1,507,291	\$1,340,000	5.000%	3.880%	\$382,500	\$1,722,500	(\$215,209)	\$1,100,000	\$884,791
2038	2039	\$1,529,901	\$1,430,000	5.000%	3.890%	\$315,500	\$1,745,500	(\$215,599)	\$1,100,000	\$884,401
2039	2040	\$1,552,849	\$1,525,000	5.000%	3.900%	\$244,000	\$1,769,000	(\$216,151)	\$1,100,000	\$883,849
2040	2041	\$1,576,142	\$1,625,000	5.000%	3.910%	\$167,750	\$1,792,750	(\$216,608)	\$1,100,000	\$883,392
2041	2042	\$1,599,784	\$1,730,000	5.000%	3.920%	\$86,500	\$1,816,500	(\$216,716)	\$1,100,000	\$883,284
			<u>\$20,405,000</u>			<u>\$16,516,729</u>	<u>\$36,921,729</u>			

**Sources and Uses of Funds**

**Sources of Funds**

Par Amount	\$20,405,000
Reoffering Premium	\$2,188,368
<b>Total Sources of Funds</b>	<b>\$22,593,368</b>

**Uses of Funds**

Deposit to Project Fund	\$22,250,000
Assumed Costs of Issuance <sup>(2)</sup>	\$338,901
Rounding Amount	\$4,468
<b>Total Uses of Funds</b>	<b>\$22,593,368</b>

<b>Potential Net Interest Cost <sup>(3)</sup></b>	<b>4.338%</b>
<b>Potential True Interest Cost <sup>(4)</sup></b>	<b>4.060%</b>

This illustration represents a mathematical calculation of potential interest cost, assuming hypothetical rates based on current non bank qualified rates for unlimited tax general obligation bonds rated "AAA" as of February 2, 2017 plus 50 basis points. Actual rates may vary. If actual rates are higher than those assumed, the interest cost would be higher. This illustration provides information and is not intended to be a recommendation, proposal or suggestion for a financing or otherwise be considered as advice. Bonds are amortized uniform to projected TIF revenues. Preliminary, subject to change.

- (1) Projected TIF revenues generated by the F&C project provided by the Village. Subject to change.
- (2) Assumed total costs of issuance of \$15.00/\$1,000 of public offering price. Preliminary, subject to change.
- (3) Net Interest Cost is the overall rate of interest to be paid by the issuer over the life of the bonds not taking the time value of money into account.
- (4) True Interest Cost is the rate of interest, compounded semi-annually, required to discount the payments of principal and interest to bondholders to the original purchase price.

