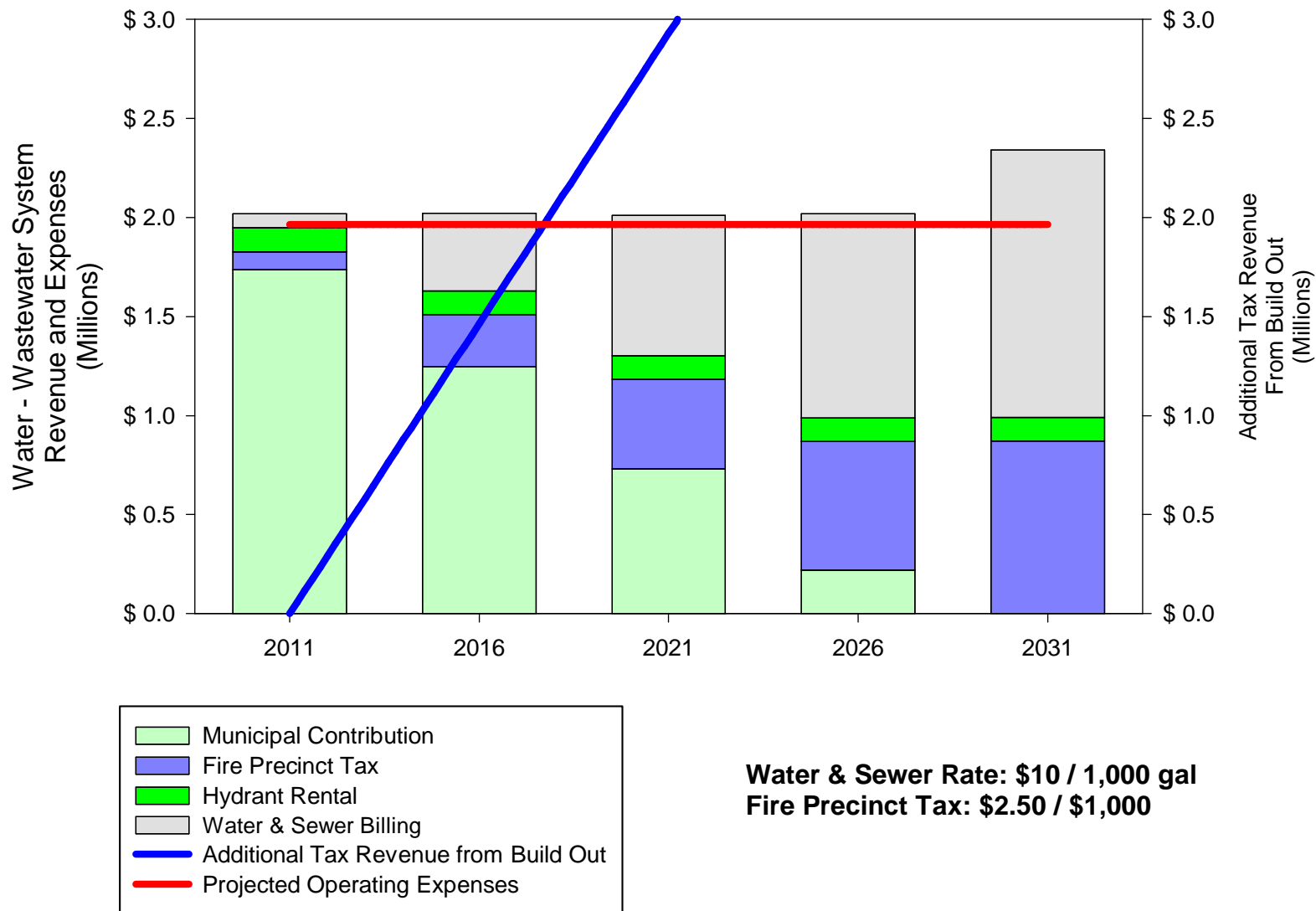


Figure 1

Stratham, NH

Water & Wastewater Infrastructure: 20 Year Outlook - Full Projected Build Out



Water and Sewer Cost Analysis: 20-Year Full Buildout

February 8, 2011	2011	2016	2021	2026	2031
Revenue					
Town wide tax					
Stratham Town Wide Valuation	\$1,278,850,000	\$1,357,067,336	\$1,435,284,671	\$1,513,502,007	\$1,591,719,342
Municipal Contribution	\$1,739,236	\$1,248,502	\$731,995	\$219,458	\$0
Town Tax Rate (4)	\$18.73	\$18.73	\$18.73	\$18.73	\$18.73
Tax Revenue (4)	\$23,952,861	\$23,952,861	\$23,952,861	\$23,952,861	\$23,952,861
Tax Revenue From Additional Build Out (4)	\$23,952,861	\$25,417,871	\$26,882,882	\$28,347,893	\$29,812,903
Net Tax Revenue Increase (4)	\$0	\$1,465,011	\$2,930,021	\$4,395,032	\$5,860,043
Fire Precinct Tax					
Protected Building Area (4)	590,459	1,744,853	2,899,247	4,053,641	5,208,036
Valuation of Protected Buildings (4)	\$35,366,060	\$104,691,189	\$179,753,332	\$259,433,053	\$348,235,402
Average Valuation / sf of Building	\$59.90	\$60.00	\$62.00	\$64.00	\$66.87
Additional Property Value	\$0	\$69,325,129	\$144,387,272	\$224,066,993	\$312,869,342
Fire Precinct Tax (\$ / \$1000 valuation)	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50
Fire Precinct Tax	\$88,415	\$261,728	\$449,383	\$648,583	\$870,589
Number of Hydrants	40	40	40	40	40
Hydrant Rental \$3,000 / hydrant	120,000	120,000	120,000	120,000	120,000
Fire Total	\$208,415	\$381,728	\$569,383	\$768,583	\$990,589
Water Rate Structure					
Service Fee	\$120	\$120	\$120	\$120	\$120
Usage Fee (\$ / 1000 gal)	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00
Estimated Customers (4)	71	424	777	1,129	1482
Estimated Annual Usage (4)	5,331,400	28,871,500	52,411,600	75,951,700	99,491,800
Water Sales	\$35,177	\$195,215	\$355,253	\$515,291	\$675,329
Sewer Rate Structure					
Service Fee	\$120	\$120	\$120	\$120	\$120
Usage Fee (\$ / 1000 gal)	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00
Estimated Customers (4)	71	424	777	1,129	1482
Estimated Annual Usage (4)	5,331,400	28,871,500	52,411,600	75,951,700	99,491,800
Sewer Fees	\$35,177	\$195,215	\$355,253	\$515,291	\$675,329
Total Revenue	\$2,018,005	\$2,020,660	\$2,011,885	\$2,018,622	\$2,341,247
Expenses					
Water Expenses					
Treatment/Storage and Distribution Costs	\$9,100,000	\$0	\$0	\$0	\$0
Treatment O & M	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000
Annual Pump Station Inspection	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Principal and Interest (2)	\$699,573	\$699,573	\$699,573	\$699,573	\$699,573
Capital Reserve	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
Sewer Expenses					
Project Costs	\$12,900,000	\$0	\$0	\$0	\$0
Treatment O & M	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000
Annual Pump Station Inspection	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Principal and Interest (2)	\$991,702	\$991,702	\$991,702	\$991,702	\$991,702
Capital Reserve	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
Total Expenses	\$1,966,275	\$1,966,275	\$1,966,275	\$1,966,275	\$1,966,275
Net Revenue	\$51,730	\$54,385	\$45,609	\$52,347	\$374,971
% of Expenses	2.6	2.8	2.3	2.7	19.1
Estimated Annual Fire Precinct Tax for users within project area					
Building Valuation = \$250,000	\$625				
Building Valuation = \$1,000,000	\$2,500				

(1) Assumes water from the wells can be collected and treated at a central location

(2) Assumes a 20 yr bond at 4.5% interest from the NH Municipal Bond Bank.

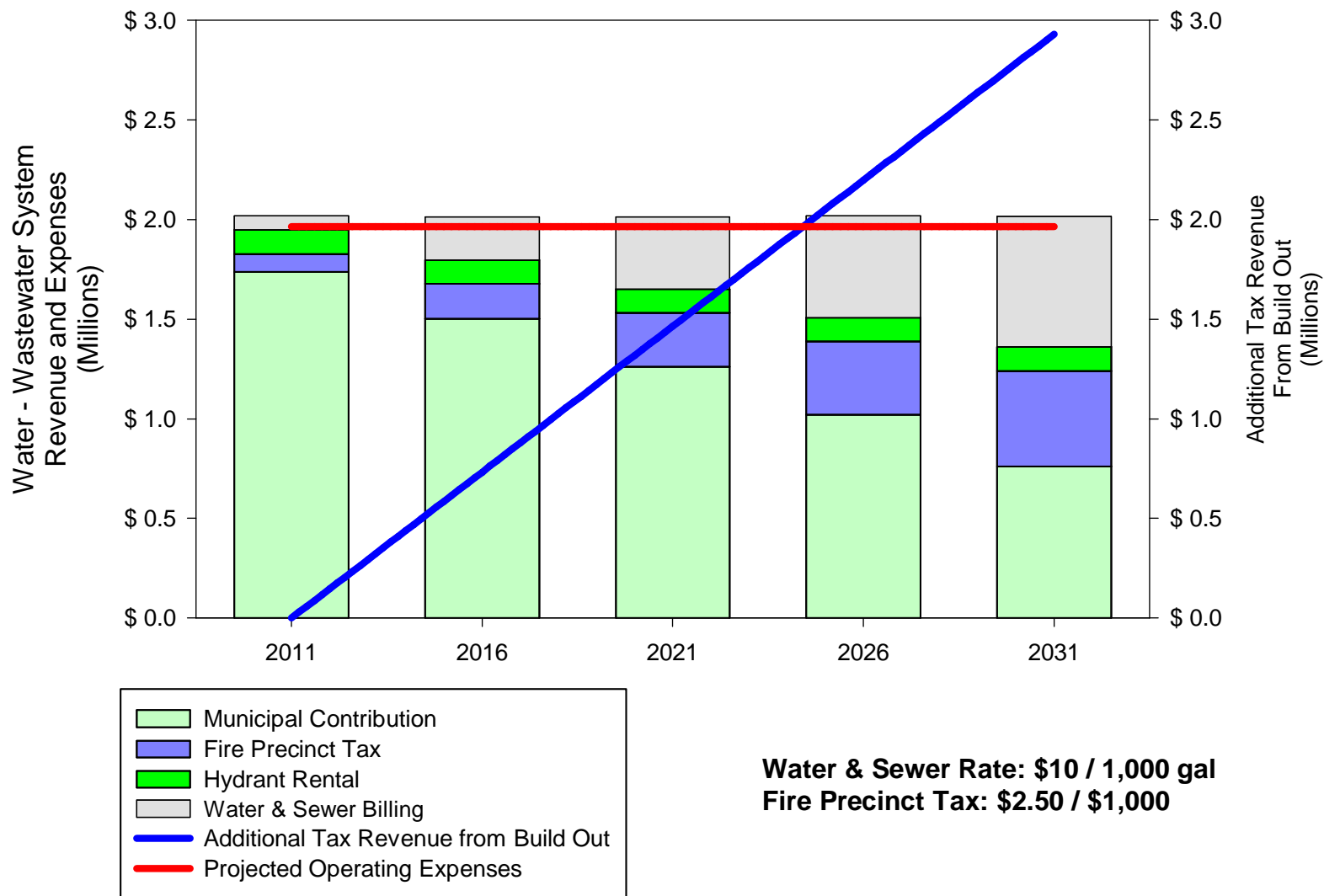
(3) Assumes no increase due to inflation

(4) Assumes no increase in Town tax rate

Figure 2

Stratham, NH

Water & Wastewater Infrastructure: 20 Year Outlook - Half Projected Build Out



Water and Sewer Cost Analysis: 20-Year Half Buildout

February 8, 2011	2011	2016	2021	2026	2031
Revenue					
Town wide tax					
Stratham Town Wide Valuation	\$1,278,850,000	\$1,317,958,668	\$1,357,067,336	\$1,396,176,003	\$1,435,284,671
Municipal Contribution	\$1,739,236	\$1,502,473	\$1,262,073	\$1,019,208	\$760,701
Town Tax Rate (4)	\$18.73	\$18.73	\$18.73	\$18.73	\$18.73
Tax Revenue (4)	\$23,952,861	\$23,952,861	\$23,952,861	\$23,952,861	\$23,952,861
Tax Revenue From Additional Build Out (4)	\$23,952,861	\$24,685,366	\$25,417,871	\$26,150,377	\$26,882,882
Net Tax Revenue Increase (4)	\$0	\$732,505	\$1,465,011	\$2,197,516	\$2,930,021
Fire Precinct Tax					
Protected Building Area	590,459	1,167,656	2,899,247	4,053,641	5,208,036
Valuation of Protected Buildings	\$35,366,060	\$70,028,624	\$107,559,696	\$147,399,556	\$191,800,731
Average Valuation / sf of Building	\$59.90	\$60.00	\$62.00	\$64.00	\$36.83
Additional Property Value	\$0	\$34,662,564	\$72,193,636	\$112,033,496	\$156,434,671
Fire Precinct Tax (\$ / \$1000 valuation)	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50
Fire Precinct Tax	\$88,415	\$175,072	\$268,899	\$368,499	\$479,502
Number of Hydrants	40	40	40	40	40
Hydrant Rental \$3,000 / hydrant	120,000	120,000	120,000	120,000	120,000
Fire Total	\$208,415	\$295,072	\$388,899	\$488,499	\$599,502
Water Rate Structure					
Service Fee	\$120	\$120	\$120	\$120	\$120
Usage Fee (\$ / 1000 gal)	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00
Estimated Customers	71	247	424	600	777
Estimated Annual Usage	5,331,400	15,768,600	26,205,800	36,643,000	47,080,200
Water Sales	\$35,177	\$108,532	\$181,887	\$255,241	\$328,596
Sewer Rate Structure					
Service Fee	\$120	\$120	\$120	\$120	\$120
Usage Fee (\$ / 1000 gal)	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00
Estimated Customers	71	247	424	600	777
Estimated Annual Usage	5,331,400	15,768,600	26,205,800	36,643,000	47,080,200
Sewer Fees	\$35,177	\$108,532	\$181,887	\$255,241	\$328,596
Total Revenue	\$2,018,005	\$2,014,608	\$2,014,745	\$2,018,190	\$2,017,395
Expenses					
Water Expenses					
Treatment/Storage and Distribution Costs	\$9,100,000				
Treatment O & M	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000
Annual Pump Station Inspection	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Principal and Interest (2)	\$699,573	\$699,573	\$699,573	\$699,573	\$699,573
Capital Reserve	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
Sewer Expenses					
Project Costs	\$12,900,000				
Treatment O & M	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000
Annual Pump Station Inspection	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Principal and Interest (2)	\$991,702	\$991,702	\$991,702	\$991,702	\$991,702
Capital Reserve	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
Total Expenses	\$1,966,275	\$1,966,275	\$1,966,275	\$1,966,275	\$1,966,275
Net Revenue	\$51,730	\$48,333	\$48,470	\$51,915	\$51,120
% of Expenses	2.6	2.5	2.5	2.6	2.6
Estimated Annual Fire Precinct Tax for users within project area					
Building Valuation = \$250,000	\$625				
Building Valuation = \$1,000,000	\$2,500				

- (1) Assumes water from the wells can be collected and treated at a central location
(2) Assumes a 20 yr bond at 4.5% interest from the NH Municipal Bond Bank.
(3) Assumes no increase due to inflation
(4) Assumes no increase in Town tax rate