

TOWN OF CAPE ELIZABETH
ESTIMATED IMPACT ON TAX RATE AND \$400,000 HOME BY \$58 MILLION DEBT ISSUANCE
26 OCTOBER 2022

	<u>Total Debt Service</u>	
	<u>Level Prin</u>	<u>Level Prin</u>
	<u>20 Years Term</u>	<u>30 Years Term</u>
Principal	\$ 57,971,662	\$ 57,971,662
Interest	24,348,098	35,942,426
Total Cost	\$ 82,319,760	\$ 93,914,088

	<u>First Five Years Debt Service</u>	
	<u>20 Years Term</u>	<u>30 Years Term</u>
Principal	\$ 2,898,583	\$ 1,932,389
P&I Year 1	\$ 5,217,450	\$ 4,251,255
P&I Year 2	5,101,506	4,173,960
P&I Year 3	4,985,563	4,096,664
P&I Year 4	4,869,620	4,019,369
P&I Year 5	4,753,676	3,942,073

<u>Estimated Impact on Tax Rate using</u>		
<u>4/1/2022 Assessed Value</u>		
\$	1,778,360,500	\$ 1,778,360,500

	<u>20 Years Term</u>	<u>30 Years Term</u>	<u>Tax Rate</u>
			21.15
	<u>20 Years Term</u>	<u>30 Years Term</u>	<u>% Change MR</u>
Year 1	\$ 2.934	\$ 2.391	11.30%
Year 2	2.869	2.347	11.10%
Year 3	2.803	2.304	10.89%
Year 4	2.738	2.260	10.69%
Year 5	2.673	2.217	10.48%

<u>Estimated Impact on \$400,000 Home</u>	
\$	400,000

	<u>20 Years Term</u>	<u>30 Years Term</u>
Year 1	\$ 1,173.60	\$ 956.40
Year 2	1,147.60	938.80
Year 3	1,121.20	921.60
Year 4	1,095.20	904.00
Year 5	1,069.20	886.80

Assumes interest rate of 4.0%

Assumes no change in total assessed value

Assumes level principal payments

Assume no change in home assessed value

Assumes declining interest payments

Assume tax impact on \$400,000 home

Assumes current tax rate of \$21.15

Prepared by: John Quartararo, Finance Director