

North Carolina Aquarium at Pine Knoll Shores

Expansion Summary

PKS Aquarium was appropriated \$15 million in 1998 legislative session, but funding was diverted in September 1999 to aid recovery from Hurricane Floyd. At the time, we were only weeks away from a contract.

PKS staff and architects worked to revise the designs since 1999, taking advantage of lessons learned from construction at RI and FF

- New aquarium will be 90,000 square feet (existing facility is 29,000)
New aquarium will feature over 2,500 specimens that represent North Carolina's aquatic habitats "from the Mountains to the Sea."
Centerpiece exhibit will be the 306,000 gallon ocean tank featuring a replica of the German sub *U-352* that sunk off Cape Lookout in 1942. The tank will hold large sand tiger sharks, schools of fishes, loggerhead turtles, and others
Other feature exhibits include a *Queen Anne's Revenge* wreck tank, an exhibit of river otters, a mountain trout pool, a stingray touch pool, a jellyfish gallery, and a sportfishing exhibit
New aquarium will have staff of 39 (existing has staff of 14)
Funding is provided through innovative financing arrangement between the North Carolina Aquarium Society, the NC Department of Environment and Natural Resources, and Bank of America
Operational budget will increase from \$750,000 per year to about \$2.5 million
Visitation will increase from 240,000 per year to well over 500,000 per year
Volunteer staff will increase from over 60 active volunteers to over 200
New aquarium will have 230+ parking spaces (existing facility has 88)
Water Conservation measures include state of the art waste treatment facility with 85% water reuse (gray water), a rainwater collection system on the roof, and a natural seawater uptake system to supply water to exhibit tanks
Education resources include new 150-seat auditorium, discovery classroom, school classroom, and a large multi-purpose room overlooking the salt marsh
Design features are in place to accommodate weddings, parties, and evening rentals, including a catering kitchen
New aquarium will feature a 2,400 square foot gift shop and an outdoor food service area
Private donors have been obtained for many of the major exhibits, and the fund-raising effort continues. Over \$2 million in private contributions has been raised thus far.
- Construction is estimated to take 26 months. Reopening is scheduled for spring 2006.

Summary
Financing Arrangement
North Carolina Aquarium, Pine Knoll Shores

With approval from the Council of State, the State Property Office will lease the North Carolina Aquarium, Pine Knoll Shores to the North Carolina Aquarium Society, Inc. for a term of 23 years. During this time, the Society will expand the Aquarium from 29,000 square feet to over 90,000 square feet and add new educational exhibits. The contract between the State and the Society is a "Ground Lease" that provides for the reversion of the Aquarium to the State upon satisfactory retirement of debt by the Aquarium Society.

The North Carolina Capital Facilities Finance Agency will issue revenue bonds pursuant to Article 2 of Chapter 159D of the North Carolina General Statutes in the amount of \$27 million for capitalization of interest and to finance Aquarium improvements. The proceeds from the sale of these bonds will be loaned to the Society for the sole purpose of expanding the Aquarium.

The Society and State Property Office will also enter into a Sublease on the date of issuance of the bonds that authorizes the State to lease the expanded facility back from the Society at the end of a projected 30-month construction period. The Sublease will be coterminous with the term of the bond financing. The Sublease will require the State to pay to the Society amounts sufficient for the repayment of the debt service on the bonds. The funds used to make these lease payments will be derived from revenues held in the Aquarium Admission Fund. The State has the option to make payments from other funds or to pre-pay the bonds with no penalty.

The bonds will be secured by a Letter of Credit issued by Bank of America. In order to secure its reimbursement obligation, the Society will be required to grant to the Bank, a Deed of Trust on its leasehold interest in the Ground Lease. Such a Deed of Trust will be recorded prior to the Sublease. Thus, if the Society defaults on its repayment obligation to the Bank, the Sublease could be wiped out and in foreclosure a purchaser could be entitled to use the Aquarium for the balance of the Ground Lease. Several safeguards have been added to prevent this possibility including holding one year's payment in the Admission Fund as a reserve account.

The Department of Environment and Natural Resources has been an active partner in the development of this plan. The State Property Office, Office of State Construction, Department of Insurance, Office of the Attorney General and the State Treasurer's Office have provided advice and assistance throughout the project.

North Carolina Aquariums Budget Projections 2000-2007
Assuming \$1.7 M Additional State Appropriation for Operating PKS

	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
State Appropriation	\$ 3,625,421	\$ 4,560,294	\$ 4,541,796	\$ 4,784,150	\$ 4,784,150	\$ 4,795,198	\$ 5,645,198	\$ 6,495,198
Admission Revenues								
Roanoke Island	\$ 262,217	\$ 1,060,769	\$ 971,026	\$ 1,231,006	\$ 1,230,000	\$ 1,280,000	\$ 1,500,000	\$ 1,600,000
Fort Fisher	\$ 225,439	\$ -	\$ 1,010,287	\$ 1,676,681	\$ 1,600,000	\$ 1,660,000	\$ 1,900,000	\$ 2,000,000
Pine Knoll Shores	\$ 387,223	\$ 438,736	\$ 510,160	\$ 543,120	\$ 145,000	\$ -	\$ 717,500	\$ 1,957,500
Other	\$ -	\$ 20	\$ 184	\$ 49	\$ -	\$ -	\$ -	\$ -
Admissions	\$ 874,879	\$ 1,499,525	\$ 2,491,657	\$ 3,450,856	\$ 2,975,000	\$ 2,940,000	\$ 4,117,500	\$ 5,557,500
Other	\$ 48,802	\$ 107,957	\$ 62,024	\$ 59,933	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Total Admission Revenue	\$ 923,681	\$ 1,607,482	\$ 2,553,681	\$ 3,510,789	\$ 3,025,000	\$ 2,990,000	\$ 4,167,500	\$ 5,607,500
Total Funds Available	\$ 4,549,102	\$ 6,167,776	\$ 7,095,477	\$ 8,294,939	\$ 7,809,150	\$ 7,785,198	\$ 9,812,698	\$ 12,102,698
Expenditures								
Personal Services	\$ 2,268,843	\$ 3,082,108	\$ 3,397,244	\$ 3,719,355	\$ 3,500,000	\$ 3,500,000	\$ 4,000,000	\$ 4,300,000
Purchased Services	\$ 745,875	\$ 856,732	\$ 973,345	\$ 1,709,087	\$ 1,500,000	\$ 1,500,000	\$ 1,700,000	\$ 2,100,000
Supplies	\$ 424,405	\$ 461,582	\$ 598,137	\$ 556,638	\$ 500,000	\$ 500,000	\$ 600,000	\$ 700,000
Property Plant & Eq	\$ 350,292	\$ 242,050	\$ 300,057	\$ 1,163,136	\$ 300,000	\$ 300,000	\$ 400,000	\$ 500,000
Other Expenses	\$ 118,765	\$ 408,502	\$ 394,004	\$ 101,307	\$ 200,000	\$ 200,000	\$ 300,000	\$ 400,000
Aid & Public Assist	\$ 218,676	\$ 108,757	\$ 163,262	\$ 11,577	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Intragov Transfers	\$ 560,563	\$ 667,024	\$ 7,706	\$ 964	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Total Expenditures	\$ 4,687,419 (R/I closed, reopen 5-02)	\$ 5,826,755 (F/F closed)	\$ 5,833,755 (F/F closed, reopen 3-02)	\$ 7,262,064*	\$ 6,200,000 (PKS closes 11/03)	\$ 6,200,000 (PKS closed)	\$ 7,200,000 (PKS closed reopen 3-06)	\$ 8,200,000
Total Funds less Expenditures	\$ (138,317)	\$ 341,021	\$ 1,261,722	\$ 1,032,875	\$ 1,609,150	\$ 1,585,198	\$ 2,612,698	\$ 3,902,698
Debt Payment (Estimate)***	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 205,982	\$ 2,024,336
Admission Fund Balance	\$ 1,329,612	\$ 1,670,634	\$ 2,932,356	\$ 3,334,630	\$ 4,943,780	\$ 4,528,978 **	\$ 6,935,694	\$ 8,814,056

FY 2006 includes \$850,000 additional PKS operating appropriation

FY 2007 includes \$1.7 M additional PKS operating appropriation

*Includes approximately \$1.4 million in non-recurring costs for design fees at PKS and a changing exhibit at RI

**Admission Fund Balance is reduced by \$2 million for an emergency one year debt payment reserve

***Interest, LOC Fees, and Remarketing Fees assumed to be capitalized through May 1,2006

North Carolina Aquariums Budget Projections 2000-2007

Assuming No Additional State Appropriation for Operating PKS

	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
State Appropriation	\$ 3,625,421	\$ 4,560,294	\$ 4,541,796	\$ 4,784,150	\$ 4,784,150	\$ 4,795,198	\$ 4,795,198	\$ 4,795,198
Admission Revenues								
Roanoke Island	\$ 262,217	\$ 1,060,769	\$ 971,026	\$ 1,231,006	\$ 1,230,000	\$ 1,280,000	\$ 1,500,000	\$ 1,600,000
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Pine Knoll Shores	\$ 387,223	\$ 438,736	\$ 510,160	\$ 543,120	\$ 145,000	\$ -	\$ 717,500	\$ 1,957,500
Other	\$ -	\$ 20	\$ 184	\$ 49	\$ -	\$ -	\$ -	\$ -
Admissions	\$ 874,879	\$ 1,499,525	\$ 2,491,657	\$ 3,450,856	\$ 2,975,000	\$ 2,940,000	\$ 4,117,500	\$ 5,557,500
Other	\$ 48,802	\$ 107,957	\$ 62,024	\$ 59,933	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Total Admission Revenue	\$ 923,681	\$ 1,607,482	\$ 2,553,681	\$ 3,510,789	\$ 3,025,000	\$ 2,990,000	\$ 4,167,500	\$ 5,607,500
Total Funds Available	\$ 4,549,102	\$ 6,167,776	\$ 7,095,477	\$ 8,294,939	\$ 7,809,150	\$ 7,785,198	\$ 8,962,698	\$ 10,402,698
Expenditures								
Personal Services	\$ 2,268,843	\$ 3,082,108	\$ 3,397,244	\$ 3,719,355	\$ 3,500,000	\$ 3,500,000	\$ 4,000,000	\$ 4,300,000
Purchased Services	\$ 745,875	\$ 856,732	\$ 973,345	\$ 1,709,087	\$ 1,500,000	\$ 1,500,000	\$ 1,700,000	\$ 2,100,000
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Total Expenditures	\$ 4,687,419 (R/I closed, reopen 5-02)	\$ 5,826,755 (F/F closed)	\$ 5,833,755 (F/F closed, reopen 3-02)	\$ 7,262,064*	\$ 6,200,000 (PKS closes 11/03)	\$ 6,200,000 (PKS closed)	\$ 7,200,000 (PKS closed reopen 3-06)	\$ 8,200,000
Total Funds less Expenditures	\$ (138,317)	\$ 341,021	\$ 1,261,722	\$ 1,032,875	\$ 1,609,150	\$ 1,585,198	\$ 1,762,698	\$ 2,202,698
Debt Payment (Estimate)***	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 205,982	\$ 2,024,336
Admission Fund Balance	\$ 1,329,612	\$ 1,670,634	\$ 2,932,356	\$ 3,334,630	\$ 4,943,780	\$ 4,528,978**	\$ 6,085,694	\$ 6,264,056

*Includes approximately \$1.4 million in non-recurring costs for design fees at PKS and a changing exhibit at RI

**Admission Fund Balance is reduced by \$2 million for an emergency one year debt payment reserve

***Interest, LOC Fees, and Remarketing Fees assumed to be capitalized through May 1, 2006

**Admission
Fee
Analysis
2001-2008**

Fiscal Year	Month	Visitation	Revenue
2001 (1)	JULY	130,906	\$233,574
2001	AUGUST	99,397	\$283,196
2001	SEPTEMBER	50,753	\$136,447
2001	OCTOBER	30,764	\$67,299
2001	NOVEMBER	20,918	\$58,168
2001	DECEMBER	12,268	\$5,448
2002 (2)	JANUARY	10,045	\$33,273
2002	FEBRUARY	14,431	\$29,643
2002	MARCH	79,471	\$56,489
2002	APRIL	122,404	\$430,407
2002	MAY	132,999	\$498,608
2002	JUNE	179,340	\$659,100
TOTAL		883,696	\$2,491,652
			Actual per capita \$2.82
2002	JULY	216,241	\$756,843
2002	AUGUST	159,781	\$559,223
2002	SEPTEMBER	80,766	\$282,681
2002	OCTOBER	60,041	\$210,143
2002	NOVEMBER	17,128	\$59,948
2002	DECEMBER	25,843	\$90,450
2003	JANUARY	24,997	\$87,489
2003	FEBRUARY	19,013	\$66,545
2003	MARCH	55,106	\$132,431
2003	APRIL	94,792	\$262,069
2003	MAY	109,858	\$353,065
2003	JUNE	150,981	\$589,970
TOTAL		1,014,547	\$3,450,857
			Actual per capita \$3.40
2003 (3)	JULY	200,000	\$700,000
2003	AUGUST	125,000	\$437,500
2003	SEPTEMBER	65,000	\$227,500
2003	OCTOBER	55,000	\$192,500
2003	NOVEMBER	25,000	\$87,500
2003	DECEMBER	20,000	\$70,000
2004 (4) (5)	JANUARY	20,000	\$80,000
2004	FEBRUARY	20,000	\$80,000
2004	MARCH	35,000	\$140,000
2004	APRIL	60,000	\$240,000
2004	MAY	80,000	\$320,000
2004	JUNE	100,000	\$400,000
TOTAL		805,000	\$2,975,000
			Projected per capita \$3.70

2004	JULY	170,000	\$680,000
2004	AUGUST	100,000	\$400,000
2004	SEPTEMBER	55,000	\$220,000
2004	OCTOBER	45,000	\$180,000
2004	NOVEMBER	25,000	\$100,000
2004	DECEMBER	20,000	\$80,000
2005	JANUARY	20,000	\$80,000
2005	FEBRUARY	20,000	\$80,000
2005	MARCH	40,000	\$160,000
2005	APRIL	60,000	\$240,000
2005	MAY	80,000	\$320,000
2005	JUNE	100,000	\$400,000
TOTAL		735,000	\$2,940,000
			Projected per capita \$4.00
2005	JULY	170,000	\$680,000
2005	AUGUST	100,000	\$400,000
2005	SEPTEMBER	55,000	\$220,000
2005	OCTOBER	45,000	\$180,000
2005	NOVEMBER	25,000	\$100,000
2005	DECEMBER	20,000	\$80,000
2006	JANUARY	20,000	\$80,000
2006	FEBRUARY	20,000	\$80,000
2006	MARCH	40,000	\$160,000
2006 (6) (7) (8)	APRIL	125,000	\$593,750
2006	MAY	150,000	\$712,500
2006	JUNE	175,000	\$831,250
TOTAL		945,000	\$4,117,500
			Projected per capita \$4.36
2006	JULY	225,000	\$1,068,750
2006	AUGUST	175,000	\$831,250
2006	SEPTEMBER	100,000	\$475,000
2006	OCTOBER	75,000	\$356,250
2006	NOVEMBER	60,000	\$285,000
2006	DECEMBER	40,000	\$190,000
2007	JANUARY	40,000	\$190,000
2007	FEBRUARY	40,000	\$190,000
2007	MARCH	60,000	\$285,000
2007	APRIL	80,000	\$380,000
2007	MAY	125,000	\$593,750
2007	JUNE	150,000	\$712,500
TOTAL		1,170,000	\$5,557,500
			Projected per capita \$4.75
2007	JULY	200,000	\$950,000
2007	AUGUST	150,000	\$712,500
2007	SEPTEMBER	75,000	\$356,250
2007	OCTOBER	65,000	\$308,750
2007	NOVEMBER	60,000	\$285,000
2007	DECEMBER	30,000	\$142,500
2008	JANUARY	30,000	\$142,500
2008	FEBRUARY	30,000	\$142,500
2008	MARCH	50,000	\$237,500
2008	APRIL	70,000	\$332,500

2008	MAY	100,000	\$475,000
2008	JUNE	150,000	\$712,500
TOTAL		1,010,000	\$4,797,500
			Projected per capita \$4.75

(Revised 7-30-03)

Notes:

- (1) Actual fees collected from July, 2001 through June, 2003
(Ft. Fisher was closed for expansion until March 19, 2002)
- (2) Admission fee increase occurred on January 1, 2002
- (3) Revenue Projections are based on \$3.50 per capita from July, 2003 through December, 2003 (2002-03 actual per capita was \$3.40; when PKS closes the per capita will increase due to the higher admission fees at RI and FF)
- (4) Admission Fee Increase \$1 in each category on January 1, 2004 (RI and FF)
- (5) Revenue Projections are based on \$4.00 per capita from January, 2004 through April, 2006
- (6) PKS re-opens in April, 2006
- (7) Admission fee increase \$1 in each category with PKS opening
- (8) Revenue projections based on \$4.75 per capita

North Carolina Aquarium
Pine Knoll Shores
Expansion Budget
September 2, 2003

I. Construction Costs: \$22.8 million (as calculated from construction documents by an independent professional project estimator and including a 5% contingency and 3% project escalation cost as required by the Office of State Construction)

II. Architectural Costs: \$800,000 (to include on-site construction management, testing, inspections, tap fees, building permits, and project management)

Aquarium Society Costs: \$200,000 (to include project administration, accounting, and insurance)

Total Project Costs:

a. Construction	\$22,800,000
b. Architectural	800,000
c. Society	<u>200,000</u>
d. Total	\$23,800,000

V. Capitalized Interest and Expenses: \$2,860,000

Underwriters Discount: \$78,000

Letter of Credit: \$112,000

VIII. Cost of Issuance: \$150,000

Total Bond Amount: \$27,000,000

X. Maximum Annual Payment: **\$2,027,221**
(based on an average bond rate of 4% per year for the 20 year life of the loan; the past 15 year average bond rate is 3.51%)

SOURCES AND USES OF FUNDS

NC Aquarium Society
Letter of Credit Scenario; Assumes 4.00% Var Rate
(North Carolina Capital Facilities Finance Agency)

Dated Date 11/20/2003
Delivery Date 11/20/2003

Sources:

Bond Proceeds:

Par Amount	26,990,000.00
	<hr/>
	26,990,000.00

Uses:

Project Fund Deposits:

Project Fund	23,800,000.00
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Other Fund Deposits:

Capitalized Interest through May 1, 2006	2,605,382.80
Capitalized Expenses through May 1, 2006	<hr/> 251,965.02
	2,857,347.82

Delivery Date Expenses:

Cost of Issuance	143,500.00
Underwriter's Discount	77,479.00
Letter of Credit (.43%)	<hr/> 111,214.31
	332,193.31

Other Uses of Funds:

Additional Proceeds	458.87
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26,990,000.00

BOND SUMMARY STATISTICS

NC Aquarium Society
Letter of Credit Scenario; Assumes 4.00% Var Rate
(North Carolina Capital Facilities Finance Agency)

Dated Date	11/20/2003
Delivery Date	11/20/2003
Last Maturity	11/01/2026
Arbitrage Yield	4.486983%
True Interest Cost (TIC)	4.669392%
Net Interest Cost (NIC)	4.048274%
All-In TIC	4.723160%
Average Coupon	4.000244%
Average Life (years)	14.556
Duration of Issue (years)	9.764
Par Amount	26,990,000.00
Bond Proceeds	26,990,000.00
Total Interest	15,715,377.76
Net Interest	15,792,856.76
Total Debt Service	42,705,377.76
Maximum Annual Debt Service	2,012,399.99
Average Annual Debt Service	1,861,026.03
Underwriter's Fees (per \$1000)	
Average Takedown	0.555761
Management Fee	1.500000
Other Fee	0.814894
Total Underwriter's Discount	2.870656
Bid Price	99.712934

Bond Component	Par Value	Price	Average Coupon	Average Life
VRDN	26,990,000.00	100.000	4.000%	14.556
	26,990,000.00			14.556

BOND SUMMARY STATISTICS

NC Aquarium Society
Letter of Credit Scenario; Assumes 4.00% Var Rate
(North Carolina Capital Facilities Finance Agency)

	TIC	All-In TIC	Arbitrage Yield
Par Value	26,990,000.00	26,990,000.00	26,990,000.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount	-77,479.00	-77,479.00	
- Cost of Issuance Expense		-143,500.00	
- Other Amounts	-111,214.31	-111,214.31	-111,214.31
Target Value	26,801,306.69	26,657,806.69	26,878,785.69
Target Date	11/20/2003	11/20/2003	11/20/2003
Yield	4.669392%	4.723160%	4.486983%

BOND DEBT SERVICE

NC Aquarium Society
Letter of Credit Scenario; Assumes 4.00% Var Rate
(North Carolina Capital Facilities Finance Agency)

Period Ending	Principal	Coupon	Interest	Debt Service
11/01/2004			1,024,145.12	1,024,145.12
11/01/2005			1,078,856.49	1,078,856.49
11/01/2006	795,000	4.000%	1,079,599.98	1,874,599.98
11/01/2007	830,000	4.000%	1,047,799.99	1,877,799.99
11/01/2008	870,000	4.000%	1,015,298.74	1,885,298.74
11/01/2009	910,000	4.000%	979,125.24	1,889,125.24
11/01/2010	950,000	4.000%	943,399.99	1,893,399.99
11/01/2011	990,000	4.000%	905,400.03	1,895,400.03
11/01/2012	1,035,000	4.000%	866,396.26	1,901,396.26
11/01/2013	1,085,000	4.000%	823,832.22	1,908,832.22
11/01/2014	1,135,000	4.000%	781,000.02	1,916,000.02
11/01/2015	1,185,000	4.000%	735,600.01	1,920,600.01
11/01/2016	1,240,000	4.000%	688,673.93	1,928,673.93
11/01/2017	1,295,000	4.000%	638,160.20	1,933,160.20
11/01/2018	1,355,000	4.000%	586,800.02	1,941,800.02
11/01/2019	1,415,000	4.000%	532,599.99	1,947,599.99
11/01/2020	1,480,000	4.000%	476,327.81	1,956,327.81
11/01/2021	1,550,000	4.000%	416,512.93	1,966,512.93
11/01/2022	1,620,000	4.000%	354,799.99	1,974,799.99
11/01/2023	1,695,000	4.000%	290,000.04	1,985,000.04
11/01/2024	1,770,000	4.000%	222,353.01	1,992,353.01
11/01/2025	1,850,000	4.000%	151,295.76	2,001,295.76
11/01/2026	1,935,000	4.000%	77,399.99	2,012,399.99
	26,990,000		15,715,377.76	42,705,377.76

NET DEBT SERVICE

NC Aquarium Society
Letter of Credit Scenario; Assumes 4.00% Var Rate
(North Carolina Capital Facilities Finance Agency)

Period Ending	Total Debt Service	Remarketing Fee (.10%)	Letter of Credit (.43%)	Other Expenses	Capitalized Interest through May 1, 2006	Capitalized Expenses through May 1, 2006	Net Debt Service
11/01/2004	1,024,145.12	25,565.53	117,411.00	10,000	1,024,145.12	146,779.84	6,196.69
11/01/2005	1,078,856.49	26,990.00	117,411.00	10,000	1,078,856.49	95,018.50	59,382.50
11/01/2006	1,874,599.98	26,990.00	113,952.62	10,000	535,363.28	13,495.00	1,476,684.32
11/01/2007	1,877,799.99	26,195.00	110,341.98	10,000			2,024,336.97
11/01/2008	1,885,298.74	25,365.00	106,557.33	10,000			2,027,221.07
11/01/2009	1,889,125.24	24,495.00	102,598.68	10,000			2,026,218.92
11/01/2010	1,893,399.99	23,585.00	98,466.02	10,000			2,025,451.01
11/01/2011	1,895,400.03	22,635.00	94,159.36	10,000			2,022,194.39
11/01/2012	1,901,396.26	21,645.00	89,656.94	10,000			2,022,698.20
11/01/2013	1,908,832.22	20,610.00	84,937.00	10,000			2,024,379.22
11/01/2014	1,916,000.02	19,525.00	79,999.57	10,000			2,025,524.59
11/01/2015	1,920,600.01	18,390.00	74,844.62	10,000			2,023,834.63
11/01/2016	1,928,673.93	17,205.00	69,450.41	10,000			2,025,329.34
11/01/2017	1,933,160.20	15,965.00	63,816.95	10,000			2,022,942.15
11/01/2018	1,941,800.02	14,670.00	57,922.47	10,000			2,024,392.49
11/01/2019	1,947,599.99	13,315.00	51,766.98	10,000			2,022,681.97
11/01/2020	1,956,327.81	11,900.00	45,328.74	10,000			2,023,556.55
11/01/2021	1,966,512.93	10,420.00	38,585.98	10,000			2,025,518.91
11/01/2022	1,974,799.99	8,870.00	31,538.71	10,000			2,025,208.70
11/01/2023	1,985,000.04	7,250.00	24,165.18	10,000			2,026,415.22
11/01/2024	1,992,353.01	5,555.00	16,465.38	10,000			2,024,373.39
11/01/2025	2,001,295.76	3,785.00	8,417.57	10,000			2,023,498.33
11/01/2026	2,012,399.99	1,935.00		10,000			2,024,334.99
	42,705,377.76	392,860.53	1,597,794.49	230,000	2,638,364.89	255,293.34	42,032,374.55

CAPITALIZED INTEREST FUND

NC Aquarium Society
Letter of Credit Scenario; Assumes 4.00% Var Rate
(North Carolina Capital Facilities Finance Agency)

Capitalized Interest through May 1, 2006 (CAPI)

Date	Deposit	Interest @ 1%	Principal	Scheduled Draws	Balance
11/20/2003	2,605,382.80				2,605,382.80
12/01/2003			32,535.89	32,535.89	2,572,846.91
01/01/2004			91,692.05	91,692.05	2,481,154.86
02/01/2004			91,692.05	91,692.05	2,389,462.81
03/01/2004			85,542.08	85,542.08	2,303,920.73
04/01/2004			91,441.53	91,441.53	2,212,479.20
05/01/2004		10,762.64	77,729.16	88,491.80	2,134,750.04
06/01/2004			91,441.53	91,441.53	2,043,308.51
07/01/2004			88,491.80	88,491.80	1,954,816.71
08/01/2004			91,441.53	91,441.53	1,863,375.18
09/01/2004			91,441.53	91,441.53	1,771,933.65
10/01/2004			88,491.80	88,491.80	1,683,441.85
11/01/2004		9,543.02	81,898.51	91,441.53	1,601,543.34
12/01/2004			88,491.80	88,491.80	1,513,051.54
01/01/2005			91,441.53	91,441.53	1,421,610.01
02/01/2005			91,441.53	91,441.53	1,330,168.48
03/01/2005			82,818.63	82,818.63	1,247,349.85
04/01/2005			91,692.05	91,692.05	1,155,657.80
05/01/2005		6,891.15	81,843.10	88,734.25	1,073,814.70
06/01/2005			91,692.05	91,692.05	982,122.65
07/01/2005			88,734.25	88,734.25	893,388.40
08/01/2005			91,692.05	91,692.05	801,696.35
09/01/2005			91,692.05	91,692.05	710,004.30
10/01/2005			88,734.25	88,734.25	621,270.05
11/01/2005		4,235.25	87,456.80	91,692.05	533,813.25
12/01/2005			88,734.25	88,734.25	445,079.00
01/01/2006			91,692.05	91,692.05	353,386.95
02/01/2006			91,692.05	91,692.05	261,694.90
03/01/2006			82,818.63	82,818.63	178,876.27
04/01/2006			91,692.05	91,692.05	87,184.22
05/01/2006		1,550.03	87,184.22	88,734.25	
	2,605,382.80	32,982.09	2,605,382.80	2,638,364.89	

NORTH CAROLINA CAPITAL FACILITIES FINANCE AGENCY
Variable Rate Revenue Bonds
(North Carolina Aquarium Society Project), Series 2003

Breakdown of Estimated Cost of Issuance

Issue Size	\$27,000,000
Issuer (<i>NC Capital Facilities Finance Agency</i>)	\$13,500
Bond Counsel (<i>Womble Carlyle</i>)	60,000*
Borrower's Counsel (<i>Smith Anderson</i>)	20,000*
Letter of Credit Fee (1 st Year) (BofA)	111,000*
Letter of Credit Counsel Fee (Hunton & Williams)	15,000*
Local Government Commission Fee	2,500
Trustee Fees (<i>TBD</i>)	
Acceptance Fee	1,500*
Annual Administrative	2,000*
Legal and Expenses	5,000*
Rating Agency:	
<i>TBD</i>	15,000*
Estimated Printing of OS and POS (<i>ImageMaster</i>)	4,000*
Contingency	5,000
Total Cost of Issuance	\$254,500

* Estimate

NORTH CAROLINA CAPITAL FACILITIES FINANCE AGENCY
Variable Rate Revenue Bonds
(North Carolina Aquarium Society Project), Series 2003

Underwriting Fees Information

Components of Underwriters Discount		
Issue Size	\$/\$1,000	\$ Total
\$27,000,000		
Management Fee	0.56	15,000
Sales Commission	1.50	40,500
Underwriting Risk	0.00	0
Expenses	0.81	21,994
Total		7
Expenses:		
Underwriter's Counsel <i>(Including Expenses)</i>		20,000
CUSIP		114
DTC		600
PSA		780
Travel/Lodging/Out-of-Pocket		500
Total Expenses		\$21,994

Note: Annual remarketing fee of .10% (10 basis points)

§ 143B-289.44. North Carolina Aquariums; fees; fund.

(a) Fees. - The Secretary of Environment and Natural Resources may adopt a schedule of uniform entrance fees for the North Carolina Aquariums.

(b) Fund. - The North Carolina Aquariums Fund is hereby created as a special and non-reverting fund. The North Carolina Aquariums Fund shall be used for repair, renovation, expansion, maintenance, educational exhibit construction, and operational expenses at existing Aquariums and to match private funds that are raised for these purposes.

(c) Disposition of Fees. - All entrance fee receipts shall be credited to the North Carolina Aquariums Fund.

(d) The Division of North Carolina Aquariums shall submit to the Joint Legislative Commission on Governmental Operations, the House and Senate Appropriations Subcommittees on Natural and Economic Resources, and the Fiscal Research Division by September 30 of each year a report on the North Carolina Aquariums Fund that shall include the source and amounts of all funds credited to the Fund and the purpose and amount of all expenditures from the Fund during the prior fiscal year.

(1997-286, s. 8; 1997-400, s. 6.3(b); 1997-443, s. 11A.119(b); 1999-49, s. 2.)