

Capital Accretion Bonds is a fancy way of saying there are insufficient tolls in the early years to pay interest on those bonds so interest accumulates and is added to the principal.

A Optimization
Structure - Current Market

Here is the low interest Federal TIFIA loan that KABATA didn't get in 2010, but is "counting on".

SOURCES	TAX-EXEMPT	TAXABLE	TIFIA	EQUITY	TOTAL PRIVATE FINANCING	PUBLIC INVESTMENT	TOTAL
Current Interest Bonds	356,159,159	-	-	-	356,159,159	-	356,159,159
Capital Accretion Bonds	40,792,688	-	-	-	40,792,688	-	40,792,688
TIFIA	-	-	306,019,062	-	306,019,062	-	306,019,062
Equity	-	-	-	78,605,917	78,605,917	-	78,605,917
Premium / Original Issue Discount	-	-	-	-	-	-	-
Public Funds Available	-	-	-	-	-	-	-
1) Federal	-	-	-	-	-	112,572,342	112,572,342
2) State Match	-	-	-	-	-	17,324,917	17,324,917
3) 2011 State Grant	-	-	-	-	-	-	-
4) State Grant	-	-	-	-	-	150,000,000	150,000,000
5) State Commerce Grant	-	-	-	-	-	15,000,000	15,000,000
Total	396,951,847	-	306,019,062	78,605,917	781,576,826	294,897,259	1,076,474,085

USES	TAX-EXEMPT	TAXABLE	TIFIA	EQUITY	TOTAL PRIVATE FINANCING	PUBLIC INVESTMENT	TOTAL
Deposit to Construction Fund	269,467,758	-	305,269,062	75,962,117	650,698,937	62,495,013	713,193,950
Deposit for Port MacKenzie Road Upgrade	-	-	-	-	-	15,000,000	15,000,000
Deposit for KABATA Development Costs	-	-	-	-	-	67,402,246	67,402,246
Deposit to State Reserve Fund	-	-	-	-	-	150,000,000	150,000,000
Upfront Payment to TIFIA (2)	10,000,000	-	-	-	10,000,000	-	10,000,000
Deposit to Capitalized Interest Fund	66,277,301	-	-	-	66,277,301	-	66,277,301
Deposit to Prepaid Interest Fund	-	-	-	1,105,300	1,105,300	-	1,105,300
Debt Service Reserve Fund	39,695,185	-	-	-	39,695,185	-	39,695,185
Bond Insurance Premium	-	-	-	-	-	-	-
Cost of Issuance	7,939,037	-	750,000	-	8,689,037	-	8,689,037
Underwriter's Discount	1,984,759	-	-	-	1,984,759	-	1,984,759
Other Transaction Costs (1)	1,587,807	-	-	1,538,500	3,126,307	-	3,126,307
Concession (Shortfall)/Surplus	-	-	-	-	-	-	-
Total	396,951,847	-	306,019,062	78,605,917	781,576,826	294,897,259	1,076,474,085

Equity Contribution (12% IRR)	78,605,917
Construction Fund Surplus / (Shortfall)	989
Equity as % of Financing, Including Public Funds	20.102%
Equity as % of Financing, Excluding Public Funds	10.057%
Delivery Date	12/1/12
Rates as of	11/22/10
Cap I Date	12/1/2015
Cap I Earnings Rate	0.50%
Bond Yield	6.904%
Arbitrage Yield	6.904%
True Interest Cost	6.838%
Minimum Coverage	1.39x
Average Coverage	1.89x
Final Maturity	12/1/2043
Total Qualified Project Costs	918,057,185
TIFIA 33% Limitation	306,019,062

(1) Includes stipend, success fee, and upfront administrative costs to KABATA
(2) For subsidy cost of credit assistance

This \$78 Million, is all that the Private "Partner" is putting into this deal See page 4 to see what they get!

The \$150 million "Reserve Fund" requested in HB 159 and SB 79 is committed to the project financing on day 1 and is not in some sort of reserve fund held for unexpected developments.

**Knik Arm Bridge and Toll Authority
 Federalization of Sections 2-5, with TIFIA Optimization
 Private Model - Availability Payment Structure - Current Market**

ASSUMPTIONS

Derivation of DSRF Requirement

Tax-Exempt	
10% of Par	39,695,185
Maximum Annual Debt Service	63,872,500
125% of Average Annual Debt Service	46,966,930
Minimum of 3 tests	39,695,185

Taxable Bonds	
Maximum Annual Debt Service	-
50% of Average Annual Debt Service	-
Deposit	-

TIFIA Eligible Costs

Project Costs	715,882,350
KABATA Debt Service Reserve Fund Deposit	39,695,185
KABATA Capitalized Interest Deposit	66,277,301
Bond Insurance	-
Cost of Issuance	8,689,037
Development Phase: Public Investment (1)	82,402,246
Underwriter's Discount	1,984,759
Upfront Payment	3,126,307
Total Eligible TIFIA Costs	918,057,185

Maximum Capacity Constraint	306,019,062
Actual TIFIA Loan Amount Used	306,019,062

2016 Initial Toll Rate	\$5.00
2011 Initial Toll Rate (PV @ 2.50%)	\$4.42
Annual Toll Rate Increase After 2016	2.500%

Costs of Issuance	
Bonds	2.000%
TIFIA	750,000

Underwriter's Discount	
Bonds	0.500%

Insurance (% of Total DS)	0.000%
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(1) Includes \$15 million commerce grant for Pt Mackenzie Rd upgrade and \$67.4 million KABATA development phase expenses

**Knik Arm Bridge and Toll Authority
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Private Model - Availability Payment Structure - Current Market**

EBITDA

Date	Toll Revenue	Availability Payment (1)	Interest Income Earnings	2.50% O&M	2.50% Tolling Operations	2.50% Renewal CapEx	Cash Available for Debt Service
Total	-	3,227,382,614	73,039,140	(124,880,463)	(203,564,078)	(115,404,536)	2,856,572,677
2013	-	-	-	-	-	-	-
2014	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-
2016	-	35,768,500	1,190,856	(1,861,725)	(1,704,000)	(867,505)	32,526,125
2017	-	39,599,240	1,190,856	(2,165,827)	(1,905,000)	(868,374)	35,850,894
2018	-	45,503,210	1,190,856	(2,020,124)	(2,091,000)	(876,619)	41,706,322
2019	-	51,483,338	1,190,856	(2,145,107)	(2,263,000)	(878,383)	47,387,703
2020	-	53,542,672	1,190,856	(2,107,097)	(2,412,000)	(879,333)	49,335,097
2021	-	55,684,378	1,190,856	(2,397,298)	(2,553,000)	(1,186,478)	50,738,458
2022	-	57,911,753	1,190,856	(2,273,668)	(2,699,000)	(1,187,486)	52,942,455
2023	-	60,228,224	1,190,856	(2,565,983)	(2,853,000)	(2,404,138)	53,595,959
2024	-	62,637,353	1,190,856	(2,412,134)	(3,014,000)	(2,404,364)	55,997,710
2025	-	65,142,847	1,190,856	(2,707,185)	(3,209,000)	(2,405,465)	58,012,052
2026	-	67,748,561	1,190,856	(2,559,033)	(3,411,000)	(2,398,129)	60,571,254
2027	-	70,458,503	1,190,856	(2,771,252)	(3,623,000)	(2,399,297)	62,855,810
2028	-	73,276,843	1,190,856	(2,714,878)	(3,844,000)	(1,177,536)	66,731,285
2029	-	76,207,917	1,190,856	(3,145,128)	(4,077,000)	(1,178,775)	68,997,870
2030	-	79,256,233	1,190,856	(2,779,103)	(4,300,000)	(1,180,051)	72,187,935
2031	-	82,426,483	1,190,856	(3,119,068)	(4,521,000)	(1,914,812)	74,062,459
2032	-	85,723,542	1,190,856	(3,055,620)	(4,752,000)	(1,916,166)	77,190,612
2033	-	89,152,484	1,190,856	(3,539,869)	(4,995,000)	(1,917,560)	79,890,910
2034	-	92,718,583	1,190,856	(3,241,707)	(5,248,000)	(2,005,203)	83,414,529
2035	-	95,036,548	1,190,856	(3,393,322)	(5,547,000)	(3,750,337)	83,536,745
2036	-	97,412,461	1,190,856	(3,439,126)	(5,810,000)	(4,823,693)	84,530,498
2037	-	99,847,773	1,190,856	(3,984,154)	(6,086,000)	(4,825,262)	86,143,212
2038	-	102,343,967	1,190,856	(3,648,569)	(6,375,000)	(4,826,879)	88,684,375
2039	-	104,902,567	1,190,856	(3,951,142)	(6,675,000)	(4,742,338)	90,724,942
2040	-	107,525,131	1,190,856	(3,734,881)	(6,991,165)	(3,000,399)	94,989,541
2041	-	110,213,259	1,190,856	(4,484,201)	(7,322,305)	(2,172,044)	97,425,564
2042	-	112,968,590	1,190,856	(4,106,497)	(7,669,130)	(2,283,067)	100,100,751
2043	-	115,792,805	40,886,040	(4,447,045)	(8,032,383)	(2,284,941)	141,914,476
2044	-	118,687,625	-	(4,356,582)	(8,412,841)	(2,286,872)	103,631,330
2045	-	121,654,816	-	(4,889,477)	(8,811,320)	(2,288,860)	105,665,159
2046	-	124,696,186	-	(4,621,899)	(9,228,673)	(6,464,809)	104,380,806
2047	-	127,813,591	-	(5,005,188)	(9,665,794)	(8,843,749)	104,298,860
2048	-	131,008,931	-	(4,903,372)	(10,123,619)	(8,845,922)	107,136,018
2049	-	134,284,154	-	(5,680,450)	(10,603,130)	(8,848,159)	109,152,415
2050	-	137,641,258	-	(5,019,368)	(11,105,353)	(8,988,800)	112,527,737
2051	-	141,082,289	-	(5,633,384)	(11,631,364)	(6,082,732)	117,734,809

(1) Escalates at 4.0% through 20 years, 2.5% thereafter.

**Knik Arm Bridge and Toll Authority
Federalization of Sections 2-5, with TIFIA Optimization
Private Model - Availability Payment Structure - Current M**

This is the cash put up by the private "partner". A little more than 10% of the project construction cost.

COVERAGE

Date	Cash Available for Debt Service	Senior Debt Service	Senior Lien Coverage	TIFIA DS	Total Coverage	Total Coverage (inc. O&M)	Net Cashflow	PV of Net Cash Flow 12.0%
Total	2,856,572,677	(1,093,198,502)		(839,526,374)			923,847,801	78,605,917
2013	-	-		-			-	0
2014	-	-		-			-	-
2015	-	-		-			-	-
2016	32,526,125	(23,477,000)	1.39x	-	1.39x	1.39x	9,049,125	5,677,533
2017	35,850,894	(23,477,000)	1.53x	-	1.53x	1.53x	12,373,894	6,909,518
2018	41,706,322	(23,477,000)	1.78x	-	1.78x	1.78x	18,229,322	9,059,414
2019	47,387,703	(23,477,000)	2.02x	-	2.02x	2.02x	23,910,703	10,575,727
2020	49,335,097	(22,326,650)	2.21x	(17,946,899)	1.22x	1.22x	9,061,548	3,567,045
2021	50,738,458	(23,477,000)	2.16x	(17,942,149)	1.22x	1.22x	9,319,308	3,264,962
2022	52,942,455	(25,280,932)	2.09x	(17,937,399)	1.22x	1.22x	9,724,124	3,032,028
2023	53,595,959	(25,819,154)	2.08x	(17,932,649)	1.22x	1.22x	9,844,155	2,731,803
2024	55,997,710	(27,784,517)	2.02x	(17,927,899)	1.22x	1.22x	10,285,293	2,540,247
2025	58,012,052	(29,433,628)	1.97x	(17,923,149)	1.22x	1.22x	10,655,275	2,342,136
2026	60,571,254	(31,527,523)	1.92x	(17,918,399)	1.22x	1.22x	11,125,332	2,176,450
2027	62,855,810	(33,397,216)	1.88x	(17,913,649)	1.22x	1.22x	11,544,944	2,010,092
2028	66,731,285	(36,565,619)	1.82x	(17,908,899)	1.22x	1.22x	12,256,766	1,899,277
2029	68,997,870	(38,420,643)	1.80x	(17,904,149)	1.22x	1.22x	12,673,078	1,747,764
2030	72,187,935	(41,029,528)	1.76x	(17,899,399)	1.22x	1.22x	13,259,008	1,627,421
2031	74,062,459	(42,564,501)	1.74x	(17,894,649)	1.22x	1.22x	13,603,308	1,486,010
2032	77,190,612	(45,122,846)	1.71x	(17,889,899)	1.22x	1.22x	14,177,867	1,378,403
2033	79,890,910	(47,331,921)	1.69x	(17,885,149)	1.22x	1.22x	14,673,840	1,269,689
2034	83,414,529	(50,213,094)	1.66x	(17,880,399)	1.22x	1.22x	15,321,036	1,179,859
2035	83,536,745	(50,317,612)	1.66x	(17,875,649)	1.22x	1.22x	15,343,483	1,051,609
2036	84,530,498	(51,133,590)	1.65x	(17,870,899)	1.22x	1.22x	15,526,010	947,062
2037	86,143,212	(52,454,841)	1.64x	(17,866,149)	1.22x	1.22x	15,822,222	858,963
2038	88,684,375	(54,534,009)	1.63x	(17,861,399)	1.22x	1.22x	16,288,967	787,025
2039	90,724,942	(56,204,528)	1.61x	(17,856,649)	1.22x	1.22x	16,663,765	716,566
2040	94,989,541	(59,690,584)	1.59x	(17,851,899)	1.22x	1.22x	17,447,058	667,719
2041	97,425,564	(61,683,924)	1.58x	(17,847,149)	1.22x	1.22x	17,894,491	609,508
2042	100,100,751	(63,872,500)	1.57x	(17,842,399)	1.22x	1.22x	18,385,852	557,355
2043	141,914,476	(29,104,140)	4.88x	(86,744,405)	1.23x	1.23x	26,065,931	703,250
2044	103,631,330	-		(84,597,005)	1.22x	1.22x	19,034,325	457,048
2045	105,665,159	-		(86,257,273)	1.22x	1.22x	19,407,886	414,755
2046	104,380,806	-		(85,208,821)	1.22x	1.22x	19,171,984	364,643
2047	104,298,860	-		(85,141,939)	1.22x	1.22x	19,156,922	324,276
2048	107,136,018	-		-			107,136,018	1,614,036
2049	109,152,415	-		-			109,152,415	1,463,522
2050	112,527,737	-		-			112,527,737	1,342,808
2051	117,734,809	-		-			117,734,809	1,250,395

KABATA has factored in a 12% compounded annual return for the private partner. The PV indicates present value of their \$78 Million equity contribution compounded over 35 years. If a private partner accepts the risk of lending on non-investment grade deals, a 12% return might be justified. This return is excessive for a private partner where the state is guaranteeing the annual "availability payments".

**Knik Arm Bridge and Toll Authority
Federalization of Sections 2-5, with TIFIA Optimization
Private Model - Availability Payment Structure - Current Market**

The red flag of negative amortization or negative equity from Capital Accretion Bonds. Paying \$248 Million for an original debt of \$41 Million

ANNUAL DEBT SERVICE

Date	Tax-Exempt CIB Annual DS	Tax-Exempt CAB Annual DS	Taxable CIB Annual DS	Total Senior Annual DS	Capl Interest Draws	Prepaid Interest Draws	Net Senior Annual DS	TIFIA Annual DS	Net Annual DS
Total	916,352,037	248,427,817	-	1,164,779,853	(70,431,001)	(1,150,350)	1,093,198,502	839,526,374	1,932,724,876
2013	23,477,000	-	-	23,477,000	(23,477,000)	-	-	-	-
2014	23,477,000	-	-	23,477,000	(23,477,000)	-	-	-	-
2015	23,477,000	-	-	23,477,000	(23,477,000)	-	-	-	-
2016	23,477,000	-	-	23,477,000	-	-	23,477,000	-	23,477,000
2017	23,477,000	-	-	23,477,000	-	-	23,477,000	-	23,477,000
2018	23,477,000	-	-	23,477,000	-	-	23,477,000	-	23,477,000
2019	23,477,000	-	-	23,477,000	-	-	23,477,000	-	23,477,000
2020	23,477,000	-	-	23,477,000	-	(1,150,350)	22,326,650	17,946,899	40,273,549
2021	23,477,000	-	-	23,477,000	-	-	23,477,000	17,942,149	41,419,149
2022	25,280,932	-	-	25,280,932	-	-	25,280,932	17,937,399	43,218,331
2023	25,819,154	-	-	25,819,154	-	-	25,819,154	17,932,649	43,751,803
2024	27,784,517	-	-	27,784,517	-	-	27,784,517	17,927,899	45,712,417
2025	29,433,628	-	-	29,433,628	-	-	29,433,628	17,923,149	47,356,778
2026	31,527,523	-	-	31,527,523	-	-	31,527,523	17,918,399	49,445,922
2027	33,397,216	-	-	33,397,216	-	-	33,397,216	17,913,649	51,310,865
2028	36,565,619	-	-	36,565,619	-	-	36,565,619	17,908,899	54,474,519
2029	38,420,643	-	-	38,420,643	-	-	38,420,643	17,904,149	56,324,792
2030	41,029,528	-	-	41,029,528	-	-	41,029,528	17,899,399	58,928,927
2031	42,564,501	-	-	42,564,501	-	-	42,564,501	17,894,649	60,459,150
2032	45,122,846	-	-	45,122,846	-	-	45,122,846	17,889,899	63,012,745
2033	47,331,921	-	-	47,331,921	-	-	47,331,921	17,885,149	65,217,070
2034	12,129,670	38,083,424	-	50,213,094	-	-	50,213,094	17,880,399	68,093,493
2035	12,129,670	38,187,942	-	50,317,612	-	-	50,317,612	17,875,649	68,193,261
2036	12,129,670	39,003,920	-	51,133,590	-	-	51,133,590	17,870,899	69,004,489
2037	12,129,670	40,325,171	-	52,454,841	-	-	52,454,841	17,866,149	70,320,990
2038	12,129,670	42,404,340	-	54,534,009	-	-	54,534,009	17,861,399	72,395,409
2039	12,129,670	44,074,859	-	56,204,528	-	-	56,204,528	17,856,649	74,061,178
2040	53,342,423	6,348,161	-	59,690,584	-	-	59,690,584	17,851,899	77,542,483
2041	61,683,924	-	-	61,683,924	-	-	61,683,924	17,847,149	79,531,073
2042	63,872,500	-	-	63,872,500	-	-	63,872,500	17,842,399	81,714,899
2043	29,104,140	-	-	29,104,140	-	-	29,104,140	86,744,405	115,848,545
2044	-	-	-	-	-	-	-	84,597,005	84,597,005
2045	-	-	-	-	-	-	-	86,257,273	86,257,273
2046	-	-	-	-	-	-	-	85,208,821	85,208,821
2047	-	-	-	-	-	-	-	85,141,939	85,141,939
2048	-	-	-	-	-	-	-	-	-
2049	-	-	-	-	-	-	-	-	-
2050	-	-	-	-	-	-	-	-	-
2051	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-

KABATA cannot start to pay making payments on those Capital Accretion Bonds until 2034 so the project would pay \$208 million in accumulated interest to pay off the original \$41 million in principal. Let's call a project where the principal amount owed goes up in the early years and not down as the first red flag of negative amortization or negative equity.

**Knik Arm Bridge and Toll Authority
Federalization of Sections 2-5, with TIFIA Optimization
Private Model - Availability Payment Structure - Current Market**

At least they admit it is a Shortfall

Total \$3.2 Billion! Availability Payments over 35 years.

AVAILABILITY PAYMENT SURPLUS (SHORTFALL)

Date	Toll Revenue	Availability Payment	KABATA Administrative Costs	Net State Surplus (Shortfall)	PV @ 5.000%	Cumulative Deficit/Return
Total	4,812,777,321	(3,227,382,614)	(178,187,102)	1,407,207,605	252,331,221	
2013	-	-	-	-	-	-
2014	-	-	-	-	-	-
2015	-	-	-	-	-	-
2016	16,023,500	(35,768,500)	(2,945,406)	(22,690,406)	(18,623,073)	(22,690,406)
2017	24,542,600	(39,599,240)	(3,028,146)	(18,084,786)	(14,127,806)	(40,775,192)
2018	32,020,423	(45,503,210)	(3,113,227)	(16,596,013)	(12,340,063)	(57,371,205)
2019	38,481,071	(51,483,338)	(3,200,716)	(16,202,983)	(11,467,292)	(73,574,187)
2020	43,310,858	(53,542,672)	(3,290,682)	(13,522,495)	(9,109,090)	(87,096,683)
2021	47,408,267	(55,684,378)	(3,383,196)	(11,659,308)	(7,475,551)	(98,755,990)
2022	51,683,477	(57,911,753)	(3,478,330)	(9,706,607)	(5,923,660)	(108,462,597)
2023	56,142,817	(60,228,224)	(3,576,159)	(7,661,566)	(4,450,333)	(116,124,164)
2024	60,792,822	(62,637,353)	(3,676,761)	(5,521,291)	(3,052,586)	(121,645,455)
2025	67,281,244	(65,142,847)	(3,780,212)	(1,641,816)	(863,980)	(123,287,270)
2026	73,915,922	(67,748,561)	(3,886,597)	2,280,765	1,142,384	(121,006,506)
2027	80,840,283	(70,458,503)	(3,995,997)	6,385,783	3,044,375	(114,620,723)
2028	88,064,665	(73,276,843)	(4,108,499)	10,679,323	4,845,962	(103,941,400)
2029	95,599,741	(76,207,917)	(4,224,192)	15,167,632	6,550,981	(88,773,768)
2030	102,270,339	(79,256,233)	(4,343,167)	18,670,938	7,675,506	(70,102,829)
2031	108,421,773	(82,426,483)	(4,465,517)	21,529,773	8,424,276	(48,573,056)
2032	114,816,860	(85,723,542)	(4,591,339)	24,501,979	9,125,287	(24,071,077)
2033	121,463,939	(89,152,484)	(4,720,732)	27,590,723	9,780,493	3,519,646
2034	128,371,610	(92,718,583)	(4,853,798)	30,799,229	10,391,776	34,318,875
2035	137,646,376	(95,036,548)	(4,990,642)	37,622,186	12,082,206	71,941,061
2036	144,260,514	(97,412,461)	(5,131,373)	41,716,680	12,751,586	113,657,741
2037	151,116,178	(99,847,773)	(5,276,100)	45,992,305	13,381,103	159,650,046
2038	158,224,462	(102,343,967)	(5,424,939)	50,455,556	13,972,303	210,105,602
2039	165,593,713	(104,902,567)	(5,578,007)	55,113,739	14,526,682	265,218,741
2040	173,306,224	(107,525,131)	(5,735,426)	60,049,667	15,064,170	325,264,408
2041	181,377,984	(110,213,259)	(5,878,811)	65,285,914	15,589,612	390,550,322
2042	189,825,730	(112,968,590)	(6,025,781)	70,831,358	16,098,805	461,381,680
2043	198,666,977	(115,792,805)	(6,176,426)	76,697,746	16,592,161	538,079,426
2044	207,920,058	(118,687,625)	(6,330,837)	82,901,596	17,070,078	620,981,022
2045	217,604,157	(121,654,816)	(6,489,105)	89,460,234	17,532,947	710,441,256
2046	227,739,355	(124,696,186)	(6,651,335)	96,391,834	17,981,147	806,833,090
2047	238,346,667	(127,813,591)	(6,817,619)	103,715,457	18,415,050	910,548,547
2048	249,448,086	(131,008,931)	(6,988,059)	111,451,097	18,835,018	1,021,999,644
2049	261,066,633	(134,284,154)	(7,162,761)	119,619,718	19,241,403	1,141,619,362
2050	273,226,398	(137,641,258)	(7,341,830)	128,243,311	19,634,550	1,269,862,673
2051	285,952,596	(141,082,289)	(7,525,375)	137,344,932	20,014,795	1,407,207,605

Those annual availability payments start at \$35.7 million in the year the Bridge opens in 2016 and gradually balloon to be \$141 million in the year 2051 before all the bonds are finally paid off by the private partner. This is the "Balloon Payment" red flag

This line shows KABATA's promise that Alaska will eventually see a Toll Surplus. The "Billion dollar profit".

This, along with the requirement under HB 158 and SB 80 that KABATA's obligations become "obligations of the state", is the full risk of this "Government Guaranteed Loan". This page shows the latest estimate of KABATA's "availability payments" to the private partner: \$3.2 billion over 35 years or \$3,227,382,614 to be exact, that is money that KABATA estimates they would be obligated to pay to a private partner over the next 35 years. KABATA would get the toll revenue and use it in part to make availability payments to the private partner sufficient to cover Bridge operating costs and the funds for the private partner to pay off the bonds. The private partner will use the KABATA contract to then get the investment credit rating from a rating agency that they need to go to market to sell the bonds. NOTE that KABATA's 2010 TIFIA "Letter of Interest" showed "availability payments" of \$6.3 Billion over a 55 year period. That's a \$3 billion discrepancy which can only be explained in part by the \$150 million in this year's application from the state, shortening the time period to pay off the bonds, and dropping the private partner return from over \$3 billion in last year's application to \$924 million in this year's application.

**Knik Arm Bridge and Toll Authority
Federalization of Sections 2-5, with TIFIA Optimization
Private Model - Availability Payment Structure - Current Market
General Inputs**

STATE RESERVE FUND

Date	Beginning Balance	Excess Revenues	Interest @ 3.000%	State Replenish (1)	Draws on Reserve (2)	Surplus Withdrawals (3)	Ending Balance
Total		1,530,494,875	154,264,158	-	(123,287,270)	(1,561,471,763)	
2013	150,000,000	-	4,500,000	-	-	-	154,500,000
2014	154,500,000	-	4,635,000	-	-	-	159,135,000
2015	159,135,000	-	4,774,050	-	-	-	163,909,050
2016	163,909,050	-	4,917,272	-	(22,690,406)	-	146,135,915
2017	146,135,915	-	4,384,077	-	(18,084,786)	-	132,435,207
2018	132,435,207	-	3,973,056	-	(16,596,013)	-	119,812,251
2019	119,812,251	-	3,594,368	-	(16,202,983)	-	107,203,635
2020	107,203,635	-	3,216,109	-	(13,522,495)	-	96,897,249
2021	96,897,249	-	2,906,917	-	(11,659,308)	-	88,144,859
2022	88,144,859	-	2,644,346	-	(9,706,607)	-	81,082,598
2023	81,082,598	-	2,432,478	-	(7,661,566)	-	75,853,509
2024	75,853,509	-	2,275,605	-	(5,521,291)	-	72,607,823
2025	72,607,823	-	2,178,235	-	(1,641,816)	-	73,144,242
2026	73,144,242	2,280,765	2,194,327	-	-	-	77,619,334
2027	77,619,334	6,385,783	2,328,580	-	-	-	86,333,698
2028	86,333,698	10,679,323	2,590,011	-	-	-	99,603,031
2029	99,603,031	15,167,632	2,988,091	-	-	-	117,758,754
2030	117,758,754	18,670,938	3,532,763	-	-	-	139,962,455
2031	139,962,455	21,529,773	4,198,874	-	-	(15,691,102)	150,000,000
2032	150,000,000	24,501,979	4,500,000	-	-	(29,001,979)	150,000,000
2033	150,000,000	27,590,723	4,500,000	-	-	(32,090,723)	150,000,000
2034	150,000,000	30,799,229	4,500,000	-	-	(35,299,229)	150,000,000
2035	150,000,000	37,622,186	4,500,000	-	-	(42,122,186)	150,000,000
2036	150,000,000	41,716,680	4,500,000	-	-	(46,216,680)	150,000,000
2037	150,000,000	45,992,305	4,500,000	-	-	(50,492,305)	150,000,000
2038	150,000,000	50,455,556	4,500,000	-	-	(54,955,556)	150,000,000
2039	150,000,000	55,113,139	4,500,000	-	-	(59,613,139)	150,000,000
2040	150,000,000	60,045,667	4,500,000	-	-	(64,545,667)	150,000,000
2041	150,000,000	65,285,914	4,500,000	-	-	(69,785,914)	150,000,000
2042	150,000,000	70,831,358	4,500,000	-	-	(75,331,358)	150,000,000
2043	150,000,000	76,697,746	4,500,000	-	-	(81,197,746)	150,000,000
2044	150,000,000	82,901,596	4,500,000	-	-	(87,401,596)	150,000,000
2045	150,000,000	89,460,234	4,500,000	-	-	(93,960,234)	150,000,000
2046	150,000,000	96,391,834	4,500,000	-	-	(100,891,834)	150,000,000
2047	150,000,000	103,715,457	4,500,000	-	-	(108,215,457)	150,000,000
2048	150,000,000	111,451,097	4,500,000	-	-	(115,951,097)	150,000,000
2049	150,000,000	119,619,718	4,500,000	-	-	(124,119,718)	150,000,000
2050	150,000,000	128,243,311	4,500,000	-	-	(132,743,311)	150,000,000
2051	150,000,000	137,344,932	4,500,000	-	-	(141,844,932)	150,000,000

- (1) If ending balance falls below \$50 million, the State will replenish the account back to \$50 million.
- (2) In the event of a negative Draws on Reserve balance, the reserve fund will be tapped to make up his shortfall.
- (3) If ending balance exceeds \$150 million plus state replenishment, if any, the balance over such amount is available for release.

These "excess" revenues require large scale population increases in the MSB to happen on or near Pt. MacKenzie. If KABATA's toll forecasts fall short, there will not be any "excess". Note that Wilbur Smith Associates in their toll and traffic forecast state *"The results contained in this report are not intended to be used to secure or obtain project financing and should be used for planning purposes only. This material should not be disclosed in any official statement, prospectus, private placement memorandum or other document used to facilitate, offer, buy or sell securities."* This is the undocumented income touted as being "investment grade" by KABATA.

Notice the promise that the State WILL replenish the account. That is what happens if HB 158 and SB 80 are passed, which make KABATA's Debts, "Obligations of the State". That is having "The Juneaus" co-signing on the loan.

**Knik Arm Bridge and Toll Authority
Federalization of Sections 2-5, with TIFIA Optimization
Private Model - Availability Payment Structure - Current Market**

No more comments from this point on.

CONSTRUCTION FUND

Date	Days 30/360	Beginning Balance	Bond Proceeds Initial Deposit	Federal Monies Initial Deposit	Equity Deposit	TIFIA Deposit	Shortfall	Total Deposits	Interest Earnings 0.50%	Draws	Ending Balance
Total			269,467,758	62,495,013	75,962,117	306,019,062	-	713,943,950	1,939,396	715,882,350	
12/1/12		-	269,467,758	62,495,013	-	-	-	331,962,771	-	-	331,962,771
1/1/13	30	331,962,771	-	-	-	-	-	-	138,318	5,347,627	326,753,461
2/1/13	30	326,753,461	-	-	-	-	-	-	136,147	5,347,627	321,541,981
3/1/13	30	321,541,981	-	-	-	-	-	-	133,976	5,347,627	316,328,329
4/1/13	30	316,328,329	-	-	-	-	-	-	131,803	5,973,680	310,486,453
5/1/13	30	310,486,453	-	-	-	-	-	-	129,369	5,973,680	304,642,142
6/1/13	30	304,642,142	-	-	-	-	-	-	126,934	5,973,680	298,795,397
7/1/13	30	298,795,397	-	-	-	-	-	-	124,498	16,108,405	282,811,490
8/1/13	30	282,811,490	-	-	-	-	-	-	117,838	16,108,405	266,820,924
9/1/13	30	266,820,924	-	-	-	-	-	-	111,175	16,108,405	250,823,695
10/1/13	30	250,823,695	-	-	-	-	-	-	104,510	14,959,802	235,968,403
11/1/13	30	235,968,403	-	-	-	-	-	-	98,320	14,959,802	221,106,921
12/1/13	30	221,106,921	-	-	-	-	-	-	92,128	14,959,802	206,239,247
1/1/14	30	206,239,247	-	-	-	-	-	-	85,933	9,061,439	197,263,741
2/1/14	30	197,263,741	-	-	-	-	-	-	82,193	9,061,439	188,284,495
3/1/14	30	188,284,495	-	-	-	-	-	-	78,452	9,061,439	179,301,508
4/1/14	30	179,301,508	-	-	-	-	-	-	74,709	29,910,416	149,465,801
5/1/14	30	149,465,801	-	-	-	-	-	-	62,277	29,910,416	119,617,662
6/1/14	30	119,617,662	-	-	-	-	-	-	49,841	29,910,416	89,757,086
7/1/14	30	89,757,086	-	-	-	-	-	-	37,399	41,020,571	48,773,914
8/1/14	30	48,773,914	-	-	-	-	-	-	20,322	41,020,571	7,773,665
9/1/14	30	7,773,665	-	-	33,244,650	-	-	33,244,650	3,239	41,020,571	983
10/1/14	30	983	-	-	27,385,245	-	-	27,385,245	0	27,385,245	983
11/1/14	30	983	-	-	15,332,222	12,053,024	-	27,385,245	0	27,385,245	984
12/1/14	30	984	-	-	-	27,385,245	-	27,385,245	0	27,385,245	984
1/1/15	30	984	-	-	-	10,209,114	-	10,209,114	0	10,209,114	984
2/1/15	30	984	-	-	-	10,209,114	-	10,209,114	0	10,209,114	985
3/1/15	30	985	-	-	-	10,209,114	-	10,209,114	0	10,209,114	985
4/1/15	30	985	-	-	-	35,140,824	-	35,140,824	0	35,140,824	986
5/1/15	30	986	-	-	-	35,140,824	-	35,140,824	0	35,140,824	986
6/1/15	30	986	-	-	-	35,140,824	-	35,140,824	0	35,140,824	986
7/1/15	30	986	-	-	-	30,057,730	-	30,057,730	0	30,057,730	987
8/1/15	30	987	-	-	-	30,057,730	-	30,057,730	0	30,057,730	987
9/1/15	30	987	-	-	-	30,057,730	-	30,057,730	0	30,057,730	988
10/1/15	30	988	-	-	-	13,452,596	-	13,452,596	0	13,452,596	988
11/1/15	30	988	-	-	-	13,452,596	-	13,452,596	0	13,452,596	988
12/1/15	30	988	-	-	-	13,452,596	-	13,452,596	0	13,452,596	989
1/1/16	30	989	-	-	-	-	-	-	0	-	989
2/1/16	30	989	-	-	-	-	-	-	0	-	990
3/1/16	30	990	-	-	-	-	-	-	0	-	990
4/1/16	30	990	-	-	-	-	-	-	0	-	991
5/1/16	30	991	-	-	-	-	-	-	0	-	991
6/1/16	30	991	-	-	-	-	-	-	0	-	991
7/1/16	30	991	-	-	-	-	-	-	0	-	992
8/1/16	30	992	-	-	-	-	-	-	0	-	992
9/1/16	30	992	-	-	-	-	-	-	0	-	993
10/1/16	30	993	-	-	-	-	-	-	0	-	993
11/1/16	30	993	-	-	-	-	-	-	0	-	993
12/1/16	30	993	-	-	-	-	-	-	0	-	994
1/1/17	30	994	-	-	-	-	-	-	0	-	994
2/1/17	30	994	-	-	-	-	-	-	0	-	995
3/1/17	30	995	-	-	-	-	-	-	0	-	995
4/1/17	30	995	-	-	-	-	-	-	0	-	996

**Knik Arm Bridge and Toll Authority
Federalization of Sections 2-5, with TIFIA Optimization
Private Model - Availability Payment Structure - Current Market**

ANNUAL COSTS (000's)

	2012	3/31/13	6/30/13	9/30/13	12/31/13	3/31/14	6/30/14	9/30/14	12/31/14	3/31/15	6/30/15	9/30/15	12/31/15	3/31/16	6/30/16	9/30/16	12/31/16	QE	Total Cost
Construction Summary																			
Section:																			
2. Port MacKenzie Northern Route	-	26	842	2,204	2,196	-	1,625	2,447	853	-	1,310	1,804	1,144	-	-	-	-	-	14,452
3. West Approach	-	35	4,162	5,283	4,668	36	11,191	11,231	1,034	-	893	213	308	-	-	-	-	-	39,063
4. Bridge	-	-	-	2,181	22,028	22,249	38,781	42,141	30,204	27,163	54,091	44,441	4,886	-	-	-	-	-	307,795
5. East Approach	-	-	-	-	-	-	83	13,903	9,872	64	33,695	33,908	20,146	-	-	-	-	-	111,671
6. MOA Future Port Expansion	-	-	66	2,801	2,706	-	-	-	1,308	-	1,339	100	-	-	-	-	-	-	8,320
7. Retaining Wall	-	-	1,067	6,422	7,025	-	1,469	10,646	14,764	-	6,337	1,504	800	-	-	-	-	-	14,514
8. Cherry Hill	-	-	-	-	-	-	31,581	38,444	20,920	-	3,516	2,861	-	-	-	-	-	-	35,520
9. Government Hill	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	97,323
Construction Summary	-	61	6,138	38,520	38,623	22,284	84,731	118,812	78,956	27,227	101,181	84,832	27,284	-	-	-	-	-	628,649
Toll Technology																			
Engineering	-	-	-	-	-	-	-	-	-	-	542	1,642	2,974	-	-	-	-	-	5,157
Project Management	-	4,750	5,500	4,250	4,250	3,000	3,000	2,250	1,500	1,500	1,500	1,500	2,000	-	-	-	-	-	35,000
ICAP	-	850	1,900	2,400	1,850	1,900	2,000	2,000	1,700	1,900	2,200	2,200	8,100	-	-	-	-	-	29,000
Toll Facility/Building	-	382	801	2,161	156	-	-	-	-	-	-	-	-	-	-	-	-	-	3,500
ROW (primarily Government Hill)	-	10,000	3,582	995	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Construction Summary	-	16,043	17,921	48,325	44,879	27,184	89,731	123,062	82,156	30,627	105,422	90,173	40,358	-	-	-	-	-	14,576
Total costs attributable to Sections 2-5:	-	16,043	14,613	36,754	33,572	27,184	54,730	72,216	43,664	30,627	93,762	85,427	39,174	-	-	-	-	-	547,767
Total costs attributable to Sections 6-9:	-	-	3,308	11,571	11,307	-	35,001	50,846	38,492	-	11,861	4,747	1,183	-	-	-	-	-	168,116
Construction Summary	-	16,043	17,921	48,325	44,879	27,184	89,731	123,062	82,156	30,627	105,422	90,173	40,358	-	-	-	-	-	715,882

**Knik Arm Bridge and Toll Authority
Federalization of Sections 2-5, with TIFIA Optimization
Private Model - Availability Payment Structure - Current Market**

TAX-EXEMPT CURRENT INTEREST BONDS

Date	Notional	Principal	Proceeds	Coupon	Yield	Price	Interest	Total Debt Service	Annual Debt Service
Total		356,159,159	356,159,159				560,192,878	916,352,037	916,352,037
12/1/12									
6/1/13	356,159,159						11,738,500	11,738,500	
12/1/13	356,159,159	-	-	3.08%	3.080%	100.00	11,738,500	11,738,500	23,477,000
6/1/14	356,159,159						11,738,500	11,738,500	
12/1/14	356,159,159	-	-	3.53%	3.530%	100.00	11,738,500	11,738,500	23,477,000
6/1/15	356,159,159						11,738,500	11,738,500	
12/1/15	356,159,159	-	-	3.82%	3.820%	100.00	11,738,500	11,738,500	23,477,000
6/1/16	356,159,159						11,738,500	11,738,500	
12/1/16	356,159,159	-	-	4.12%	4.120%	100.00	11,738,500	11,738,500	23,477,000
6/1/17	356,159,159						11,738,500	11,738,500	
12/1/17	356,159,159	-	-	4.43%	4.430%	100.00	11,738,500	11,738,500	23,477,000
6/1/18	356,159,159						11,738,500	11,738,500	
12/1/18	356,159,159	-	-	4.70%	4.700%	100.00	11,738,500	11,738,500	23,477,000
6/1/19	356,159,159						11,738,500	11,738,500	
12/1/19	356,159,159	-	-	4.95%	4.950%	100.00	11,738,500	11,738,500	23,477,000
6/1/20	356,159,159						11,738,500	11,738,500	
12/1/20	356,159,159	-	-	5.18%	5.180%	100.00	11,738,500	11,738,500	23,477,000
6/1/21	356,159,159						11,738,500	11,738,500	
12/1/21	356,159,159	-	-	5.39%	5.390%	100.00	11,738,500	11,738,500	23,477,000
6/1/22	356,159,159						11,738,500	11,738,500	
12/1/22	356,159,159	1,803,932	1,803,932	5.58%	5.580%	100.00	11,738,500	13,542,432	25,280,932
6/1/23	354,355,227						11,688,170	11,688,170	
12/1/23	354,355,227	2,442,813	2,442,813	5.73%	5.730%	100.00	11,688,170	14,130,984	25,819,154
6/1/24	351,912,414						11,618,184	11,618,184	
12/1/24	351,912,414	4,548,150	4,548,150	5.87%	5.870%	100.00	11,618,184	16,166,334	27,784,517
6/1/25	347,364,264						11,484,696	11,484,696	
12/1/25	347,364,264	6,464,237	6,464,237	6.00%	6.000%	100.00	11,484,696	17,948,933	29,433,628
6/1/26	340,900,027						11,290,769	11,290,769	
12/1/26	340,900,027	8,945,986	8,945,986	6.09%	6.090%	100.00	11,290,769	20,236,754	31,527,523
6/1/27	331,954,041						11,018,363	11,018,363	
12/1/27	331,954,041	11,360,490	11,360,490	6.18%	6.180%	100.00	11,018,363	22,378,853	33,397,216
6/1/28	320,593,551						10,667,324	10,667,324	
12/1/28	320,593,551	15,230,971	15,230,971	6.26%	6.260%	100.00	10,667,324	25,898,295	36,565,619
6/1/29	305,362,580						10,190,595	10,190,595	
12/1/29	305,362,580	18,039,453	18,039,453	6.34%	6.340%	100.00	10,190,595	28,230,048	38,420,643
6/1/30	287,323,127						9,618,744	9,618,744	
12/1/30	287,323,127	21,792,040	21,792,040	6.42%	6.420%	100.00	9,618,744	31,410,784	41,029,528
6/1/31	265,531,088						8,919,220	8,919,220	
12/1/31	265,531,088	24,726,062	24,726,062	6.51%	6.510%	100.00	8,919,220	33,645,281	42,564,501
6/1/32	240,805,026						8,114,386	8,114,386	
12/1/32	240,805,026	28,894,073	28,894,073	6.59%	6.590%	100.00	8,114,386	37,008,459	45,122,846
6/1/33	211,910,953						7,162,327	7,162,327	
12/1/33	211,910,953	33,007,267	33,007,267	6.65%	6.650%	100.00	7,162,327	40,169,594	47,331,921
6/1/34	178,903,685						6,064,835	6,064,835	
12/1/34	178,903,685	-	-	6.70%	6.700%	100.00	6,064,835	6,064,835	12,129,670
6/1/35	178,903,685						6,064,835	6,064,835	
12/1/35	178,903,685	-	-	6.78%	6.780%	100.00	6,064,835	6,064,835	12,129,670
6/1/36	178,903,685						6,064,835	6,064,835	
12/1/36	178,903,685	-	-	6.78%	6.780%	100.00	6,064,835	6,064,835	12,129,670
6/1/37	178,903,685						6,064,835	6,064,835	
12/1/37	178,903,685	-	-	6.78%	6.780%	100.00	6,064,835	6,064,835	12,129,670
6/1/38	178,903,685						6,064,835	6,064,835	
12/1/38	178,903,685	-	-	6.78%	6.780%	100.00	6,064,835	6,064,835	12,129,670
6/1/39	178,903,685						6,064,835	6,064,835	
12/1/39	178,903,685	-	-	6.78%	6.780%	100.00	6,064,835	6,064,835	12,129,670
6/1/40	178,903,685						6,064,835	6,064,835	
12/1/40	178,903,685	41,212,753	41,212,753	6.78%	6.780%	100.00	6,064,835	47,277,588	53,342,423
6/1/41	137,690,932						4,667,723	4,667,723	
12/1/41	137,690,932	52,348,478	52,348,478	6.78%	6.780%	100.00	4,667,723	57,016,201	61,683,924
6/1/42	85,342,454						2,893,109	2,893,109	
12/1/42	85,342,454	58,086,282	58,086,282	6.78%	6.780%	100.00	2,893,109	60,979,391	63,872,500
6/1/43	27,256,172						923,984	923,984	
12/1/43	27,256,172	27,256,172	27,256,172	6.78%	6.780%	100.00	923,984	28,180,156	29,104,140
6/1/44	-						-	-	
12/1/44	-	-	-	6.78%	6.780%	100.00	-	-	-
6/1/45	-						-	-	
12/1/45	-	-	-	6.78%	6.780%	100.00	-	-	-
6/1/46	-						-	-	
12/1/46	-	-	-	6.78%	6.780%	100.00	-	-	-
6/1/47	-						-	-	
12/1/47	-	-	-	6.78%	6.780%	100.00	-	-	-
6/1/48	-						-	-	
12/1/48	-	-	-	6.78%	6.780%	100.00	-	-	-
6/1/49	-						-	-	
12/1/49	-	-	-	6.78%	6.780%	100.00	-	-	-
6/1/50	-						-	-	
12/1/50	-	-	-	6.78%	6.780%	100.00	-	-	-

**Knik Arm Bridge and Toll Authority
Federalization of Sections 2-5, with TIFIA Optimization
Private Model - Availability Payment Structure - Current Market**

TAX-EXEMPT CAPITAL APPRECIATION BONDS

Date	Notional	Initial Proceeds	Yield	Price	Accreted Interest	Maturity Value
Total		40,792,688			207,635,128	248,427,817
12/1/12	40,792,688					
6/1/13	42,320,517					
12/1/13	43,905,729	-	3.830%	96.28	-	-
6/1/14	45,550,098					
12/1/14	47,255,883	-	4.280%	91.88	-	-
6/1/15	49,026,260					
12/1/15	50,862,489	-	4.570%	87.32	-	-
6/1/16	52,767,004					
12/1/16	54,743,574	-	4.870%	82.49	-	-
6/1/17	56,794,038					
12/1/17	58,920,661	-	5.180%	77.44	-	-
6/1/18	61,127,845					
12/1/18	63,417,640	-	5.450%	72.42	-	-
6/1/19	65,792,889					
12/1/19	68,256,884	-	5.700%	67.47	-	-
6/1/20	70,813,789					
12/1/20	73,465,540	-	5.930%	62.66	-	-
6/1/21	76,217,527					
12/1/21	79,071,704	-	6.140%	58.03	-	-
6/1/22	82,033,094					
12/1/22	85,105,716	-	6.330%	53.62	-	-
6/1/23	88,293,642					
12/1/23	91,600,707	-	6.480%	49.58	-	-
6/1/24	95,031,996					
12/1/24	98,590,559	-	6.620%	45.77	-	-
6/1/25	102,283,306					
12/1/25	106,113,830	-	6.750%	42.19	-	-
6/1/26	110,088,413					
12/1/26	114,211,444	-	6.840%	39.00	-	-
6/1/27	118,489,874					
12/1/27	122,927,459	-	6.930%	35.99	-	-
6/1/28	127,531,188					
12/1/28	132,308,259	-	7.010%	33.21	-	-
6/1/29	137,262,943					
12/1/29	142,404,535	-	7.090%	30.59	-	-
6/1/30	147,738,398					
12/1/30	153,271,439	-	7.170%	28.14	-	-
6/1/31	159,012,343					
12/1/31	164,967,654	-	7.260%	25.80	-	-
6/1/32	171,146,663					
12/1/32	177,556,377	-	7.340%	23.65	-	-
6/1/33	184,206,299					
12/1/33	191,105,735	-	7.400%	21.74	-	-
6/1/34	198,262,943					
12/1/34	205,688,902	7,618,208	7.450%	20.00	30,465,216	38,083,424
6/1/35	173,890,586					
12/1/35	180,412,481	7,053,313	7.480%	18.47	31,134,629	38,187,942
6/1/36	147,561,499					
12/1/36	153,099,281	6,678,251	7.490%	17.12	32,325,669	39,003,920
6/1/37	118,379,978					
12/1/37	122,826,129	6,399,605	7.500%	15.87	33,925,566	40,325,171
6/1/38	85,600,829					
12/1/38	88,818,124	6,236,406	7.510%	14.71	36,167,933	42,404,340
6/1/39	48,159,507					
12/1/39	49,970,650	6,005,640	7.520%	13.63	38,069,218	44,074,859
6/1/40	6,117,786					
12/1/40	6,348,161	801,265	7.530%	12.62	5,546,896	6,348,161
6/1/41	-					
12/1/41	-	-	0.000%	-	-	-
6/1/42	-					
12/1/42	-	-	0.000%	-	-	-
6/1/43	-					
12/1/43	-	-	0.000%	-	-	-
6/1/44	-					
12/1/44	-	-	0.000%	-	-	-
6/1/45	-					
12/1/45	-	-	0.000%	-	-	-
6/1/46	-					
12/1/46	-	-	0.000%	-	-	-
6/1/47	-					
12/1/47	-	-	0.000%	-	-	-
6/1/48	-					
12/1/48	-	-	0.000%	-	-	-
6/1/49	-					
12/1/49	-	-	0.000%	-	-	-
6/1/50	-					
12/1/50	-	-	0.000%	-	-	-

**Knik Arm Bridge and Toll Authority
 Federalization of Sections 2-5, with TIFIA Optimization
 Private Model - Availability Payment Structure - Current Market**

TAX-EXEMPT CAPITALIZED INTEREST FUND

Date	Beginning Balance	Deposits	Interest 0.50%	Import From DSRF Fund	Interest Draws	Ending Balance
Total		66,277,301	581,133	3,572,567	70,431,001	
12/1/12		66,277,301				66,277,301
6/1/13	66,277,301		165,693	595,428	11,738,500	55,299,922
12/1/13	55,299,922		138,250	595,428	11,738,500	44,295,099
6/1/14	44,295,099		110,738	595,428	11,738,500	33,262,765
12/1/14	33,262,765		83,157	595,428	11,738,500	22,202,849
6/1/15	22,202,849		55,507	595,428	11,738,500	11,115,284
12/1/15	11,115,284		27,788	595,428	11,738,500	-
6/1/16	-		-	-	-	-
12/1/16	-		-	-	-	-
6/1/17	-		-	-	-	-
12/1/17	-		-	-	-	-
6/1/18	-		-	-	-	-
12/1/18	-		-	-	-	-
6/1/19	-		-	-	-	-
12/1/19	-		-	-	-	-
6/1/20	-		-	-	-	-
12/1/20	-		-	-	-	-
6/1/21	-		-	-	-	-
12/1/21	-		-	-	-	-
6/1/22	-		-	-	-	-
12/1/22	-		-	-	-	-
6/1/23	-		-	-	-	-
12/1/23	-		-	-	-	-
6/1/24	-		-	-	-	-
12/1/24	-		-	-	-	-
6/1/25	-		-	-	-	-
12/1/25	-		-	-	-	-
6/1/26	-		-	-	-	-
12/1/26	-		-	-	-	-
6/1/27	-		-	-	-	-
12/1/27	-		-	-	-	-
6/1/28	-		-	-	-	-
12/1/28	-		-	-	-	-
6/1/29	-		-	-	-	-
12/1/29	-		-	-	-	-
6/1/30	-		-	-	-	-
12/1/30	-		-	-	-	-
6/1/31	-		-	-	-	-
12/1/31	-		-	-	-	-
6/1/32	-		-	-	-	-
12/1/32	-		-	-	-	-
6/1/33	-		-	-	-	-
12/1/33	-		-	-	-	-
6/1/34	-		-	-	-	-
12/1/34	-		-	-	-	-
6/1/35	-		-	-	-	-
12/1/35	-		-	-	-	-
6/1/36	-		-	-	-	-
12/1/36	-		-	-	-	-
6/1/37	-		-	-	-	-
12/1/37	-		-	-	-	-
6/1/38	-		-	-	-	-
12/1/38	-		-	-	-	-
6/1/39	-		-	-	-	-
12/1/39	-		-	-	-	-
6/1/40	-		-	-	-	-
12/1/40	-		-	-	-	-
6/1/41	-		-	-	-	-
12/1/41	-		-	-	-	-
6/1/42	-		-	-	-	-
12/1/42	-		-	-	-	-
6/1/43	-		-	-	-	-
12/1/43	-		-	-	-	-
6/1/44	-		-	-	-	-
12/1/44	-		-	-	-	-
6/1/45	-		-	-	-	-
12/1/45	-		-	-	-	-
6/1/46	-		-	-	-	-
12/1/46	-		-	-	-	-
6/1/47	-		-	-	-	-
12/1/47	-		-	-	-	-
6/1/48	-		-	-	-	-
12/1/48	-		-	-	-	-
6/1/49	-		-	-	-	-
12/1/49	-		-	-	-	-
6/1/50	-		-	-	-	-
12/1/50	-		-	-	-	-

**Knik Arm Bridge and Toll Authority
Federalization of Sections 2-5, with TIFIA Optimization
Private Model - Availability Payment Structure - Current Market**

TAX-EXEMPT DEBT SERVICE RESERVE FUND

Date	Beginning Balance	Deposits	Interest 3.000%	Export to Capint Fund	Export to Revenue Fund	Ann. Export to Revenue Fund	Ending Balance
Total		39,695,185	36,916,522	(3,572,567)	(73,039,140)	(73,039,140)	
12/1/12		39,695,185					39,695,185
6/1/13	39,695,185		595,428	(595,428)	-		39,695,185
12/1/13	39,695,185		595,428	(595,428)	-		39,695,185
6/1/14	39,695,185		595,428	(595,428)	-		39,695,185
12/1/14	39,695,185		595,428	(595,428)	-		39,695,185
6/1/15	39,695,185		595,428	(595,428)	-		39,695,185
12/1/15	39,695,185		595,428	(595,428)	-		39,695,185
6/1/16	39,695,185		595,428	-	(595,428)		39,695,185
12/1/16	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/17	39,695,185		595,428	-	(595,428)		39,695,185
12/1/17	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/18	39,695,185		595,428	-	(595,428)		39,695,185
12/1/18	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/19	39,695,185		595,428	-	(595,428)		39,695,185
12/1/19	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/20	39,695,185		595,428	-	(595,428)		39,695,185
12/1/20	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/21	39,695,185		595,428	-	(595,428)		39,695,185
12/1/21	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/22	39,695,185		595,428	-	(595,428)		39,695,185
12/1/22	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/23	39,695,185		595,428	-	(595,428)		39,695,185
12/1/23	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/24	39,695,185		595,428	-	(595,428)		39,695,185
12/1/24	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/25	39,695,185		595,428	-	(595,428)		39,695,185
12/1/25	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/26	39,695,185		595,428	-	(595,428)		39,695,185
12/1/26	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/27	39,695,185		595,428	-	(595,428)		39,695,185
12/1/27	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/28	39,695,185		595,428	-	(595,428)		39,695,185
12/1/28	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/29	39,695,185		595,428	-	(595,428)		39,695,185
12/1/29	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/30	39,695,185		595,428	-	(595,428)		39,695,185
12/1/30	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/31	39,695,185		595,428	-	(595,428)		39,695,185
12/1/31	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/32	39,695,185		595,428	-	(595,428)		39,695,185
12/1/32	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/33	39,695,185		595,428	-	(595,428)		39,695,185
12/1/33	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/34	39,695,185		595,428	-	(595,428)		39,695,185
12/1/34	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/35	39,695,185		595,428	-	(595,428)		39,695,185
12/1/35	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/36	39,695,185		595,428	-	(595,428)		39,695,185
12/1/36	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/37	39,695,185		595,428	-	(595,428)		39,695,185
12/1/37	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/38	39,695,185		595,428	-	(595,428)		39,695,185
12/1/38	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/39	39,695,185		595,428	-	(595,428)		39,695,185
12/1/39	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/40	39,695,185		595,428	-	(595,428)		39,695,185
12/1/40	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/41	39,695,185		595,428	-	(595,428)		39,695,185
12/1/41	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/42	39,695,185		595,428	-	(595,428)		39,695,185
12/1/42	39,695,185		595,428	-	(595,428)	(1,190,856)	39,695,185
6/1/43	39,695,185		595,428	-	(595,428)		39,695,185
12/1/43	39,695,185		595,428	-	(40,290,612)	(40,886,040)	-
6/1/44	-		-	-	-		-
12/1/44	-		-	-	-		-
6/1/45	-		-	-	-		-
12/1/45	-		-	-	-		-
6/1/46	-		-	-	-		-
12/1/46	-		-	-	-		-
6/1/47	-		-	-	-		-
12/1/47	-		-	-	-		-
6/1/48	-		-	-	-		-
12/1/48	-		-	-	-		-
6/1/49	-		-	-	-		-
12/1/49	-		-	-	-		-
6/1/50	-		-	-	-		-
12/1/50	-		-	-	-		-

**Knik Arm Bridge and Toll Authority
Federalization of Sections 2-5, with TIFIA Optimization
Private Model - Availability Payment Structure - Current Market**

PREPAID INTEREST FUND (PAID FROM EQUITY)

Date	Beginning Balance	Deposits	Interest 0 50%	Import From DSRF Fund	Tax-Exempt Interest Draws	Taxable Interest Draws	Ending Balance
Total		1,105,300	45,051	-	1,150,350	-	
12/1/12		1,105,300					1,105,300
6/1/13	1,105,300		2,763	-	-	-	1,108,063
12/1/13	1,108,063		2,770	-	-	-	1,110,833
6/1/14	1,110,833		2,777	-	-	-	1,113,610
12/1/14	1,113,610		2,784	-	-	-	1,116,394
6/1/15	1,116,394		2,791	-	-	-	1,119,185
12/1/15	1,119,185		2,798	-	-	-	1,121,983
6/1/16	1,121,983		2,805	-	-	-	1,124,788
12/1/16	1,124,788		2,812	-	-	-	1,127,600
6/1/17	1,127,600		2,819	-	-	-	1,130,419
12/1/17	1,130,419		2,826	-	-	-	1,133,245
6/1/18	1,133,245		2,833	-	-	-	1,136,078
12/1/18	1,136,078		2,840	-	-	-	1,138,918
6/1/19	1,138,918		2,847	-	-	-	1,141,766
12/1/19	1,141,766		2,854	-	-	-	1,144,620
6/1/20	1,144,620		2,862	-	-	-	1,147,482
12/1/20	1,147,482		2,869		1,150,350		-
6/1/21	-		-	-	-	-	-
12/1/21	-		-	-	-	-	-
6/1/22	-		-	-	-	-	-
12/1/22	-		-	-	-	-	-
6/1/23	-		-	-	-	-	-
12/1/23	-		-	-	-	-	-
6/1/24	-		-	-	-	-	-
12/1/24	-		-	-	-	-	-
6/1/25	-		-	-	-	-	-
12/1/25	-		-	-	-	-	-
6/1/26	-		-	-	-	-	-
12/1/26	-		-	-	-	-	-
6/1/27	-		-	-	-	-	-
12/1/27	-		-	-	-	-	-
6/1/28	-		-	-	-	-	-
12/1/28	-		-	-	-	-	-
6/1/29	-		-	-	-	-	-
12/1/29	-		-	-	-	-	-
6/1/30	-		-	-	-	-	-
12/1/30	-		-	-	-	-	-
6/1/31	-		-	-	-	-	-
12/1/31	-		-	-	-	-	-
6/1/32	-		-	-	-	-	-
12/1/32	-		-	-	-	-	-
6/1/33	-		-	-	-	-	-
12/1/33	-		-	-	-	-	-
6/1/34	-		-	-	-	-	-
12/1/34	-		-	-	-	-	-
6/1/35	-		-	-	-	-	-
12/1/35	-		-	-	-	-	-
6/1/36	-		-	-	-	-	-
12/1/36	-		-	-	-	-	-
6/1/37	-		-	-	-	-	-
12/1/37	-		-	-	-	-	-
6/1/38	-		-	-	-	-	-
12/1/38	-		-	-	-	-	-
6/1/39	-		-	-	-	-	-
12/1/39	-		-	-	-	-	-
6/1/40	-		-	-	-	-	-
12/1/40	-		-	-	-	-	-
6/1/41	-		-	-	-	-	-
12/1/41	-		-	-	-	-	-
6/1/42	-		-	-	-	-	-
12/1/42	-		-	-	-	-	-
6/1/43	-		-	-	-	-	-
12/1/43	-		-	-	-	-	-
6/1/44	-		-	-	-	-	-
12/1/44	-		-	-	-	-	-
6/1/45	-		-	-	-	-	-
12/1/45	-		-	-	-	-	-
6/1/46	-		-	-	-	-	-
12/1/46	-		-	-	-	-	-
6/1/47	-		-	-	-	-	-
12/1/47	-		-	-	-	-	-
6/1/48	-		-	-	-	-	-
12/1/48	-		-	-	-	-	-

**Knik Arm Bridge and Toll Authority
Federalization of Sections 2-5, with TIFIA Optimization
Private Model - Availability Payment Structure - Current Market**

TIFIA DEBT SCHEDULE

Date	TIFIA Draws	Notional Value	Principal/ Maturity Value	Yield	Interest	Accreted Interest	Interest Paid	TIFIA Payments	Ongoing TIFIA Servicing Fee	Accreted Servicing Cost	Total TIFIA DS	Annual Total TIFIA Payments	Ending Balance
Total	306,019,062		375,492,614		533,133,312	69,407,552	463,725,760	839,218,374	374,000	66,000	839,526,374	839,526,374	
12/1/12	-	-	-	-	-	-	-	-	-	-	-	-	-
6/1/13	-	-	-	4.750%	-	-	-	-	-	-	-	-	-
12/1/13	-	-	-	4.750%	-	-	-	-	-	-	-	-	-
6/1/14	-	-	-	4.750%	-	-	-	-	-	-	-	-	-
12/1/14	39,438,269	-	-	4.750%	936,920	936,920	-	-	11,000	11,000	-	-	11,000
6/1/15	136,049,815	39,449,269	-	4.750%	4,190,355	4,190,355	-	-	-	-	-	-	40,386,189
12/1/15	130,530,978	176,436,004	-	4.750%	7,390,248	7,390,248	-	-	11,000	11,000	-	-	180,637,359
6/1/16	-	311,168,337	-	4.750%	7,565,766	7,565,766	-	-	-	-	-	-	318,558,585
12/1/16	-	318,558,585	-	4.750%	7,745,715	7,745,715	-	-	11,000	11,000	-	-	326,135,351
6/1/17	-	326,135,351	-	4.750%	7,929,675	7,929,675	-	-	-	-	-	-	333,881,066
12/1/17	-	333,881,066	-	4.750%	8,118,266	8,118,266	-	-	11,000	11,000	-	-	341,821,741
6/1/18	-	341,821,741	-	4.750%	8,311,075	8,311,075	-	-	-	-	-	-	349,940,008
12/1/18	-	349,940,008	-	4.750%	8,508,724	8,508,724	-	-	11,000	11,000	-	-	358,262,083
6/1/19	-	358,262,083	-	4.750%	8,710,807	8,710,807	-	-	-	-	-	-	366,770,807
12/1/19	-	366,770,807	-	4.750%	8,917,950	8,917,950	-	-	11,000	11,000	-	-	375,492,614
6/1/20	-	375,492,614	-	4.750%	9,125,000	9,125,000	8,917,950	8,917,950	-	-	8,917,950	-	375,492,614
12/1/20	-	375,492,614	100,000	4.750%	9,332,000	9,332,000	9,125,000	9,125,000	11,000	-	9,028,950	17,946,899	375,392,614
6/1/21	-	375,392,614	-	4.750%	9,539,000	9,539,000	9,332,000	9,332,000	-	-	8,915,575	-	375,392,614
12/1/21	-	375,392,614	100,000	4.750%	9,746,000	9,746,000	9,539,000	9,539,000	11,000	-	9,026,575	17,942,149	375,292,614
6/1/22	-	375,292,614	-	4.750%	9,953,000	9,953,000	9,746,000	9,746,000	-	-	8,913,200	-	375,292,614
12/1/22	-	375,292,614	100,000	4.750%	10,160,000	10,160,000	9,953,000	9,953,000	11,000	-	9,024,200	17,937,399	375,192,614
6/1/23	-	375,192,614	-	4.750%	10,367,000	10,367,000	10,160,000	10,160,000	-	-	8,910,825	-	375,192,614
12/1/23	-	375,192,614	100,000	4.750%	10,574,000	10,574,000	10,367,000	10,367,000	11,000	-	9,021,825	17,932,649	375,092,614
6/1/24	-	375,092,614	-	4.750%	10,781,000	10,781,000	10,574,000	10,574,000	-	-	8,908,450	-	375,092,614
12/1/24	-	375,092,614	100,000	4.750%	10,988,000	10,988,000	10,781,000	10,781,000	11,000	-	9,019,450	17,927,899	374,992,614
6/1/25	-	374,992,614	-	4.750%	11,195,000	11,195,000	10,988,000	10,988,000	-	-	8,906,075	-	374,992,614
12/1/25	-	374,992,614	100,000	4.750%	11,402,000	11,402,000	11,195,000	11,195,000	11,000	-	9,017,075	17,923,149	374,892,614
6/1/26	-	374,892,614	-	4.750%	11,609,000	11,609,000	11,402,000	11,402,000	-	-	8,903,700	-	374,892,614
12/1/26	-	374,892,614	100,000	4.750%	11,816,000	11,816,000	11,609,000	11,609,000	11,000	-	9,014,700	17,918,399	374,792,614
6/1/27	-	374,792,614	-	4.750%	12,023,000	12,023,000	11,816,000	11,816,000	-	-	8,901,325	-	374,792,614
12/1/27	-	374,792,614	100,000	4.750%	12,230,000	12,230,000	12,023,000	12,023,000	11,000	-	9,012,325	17,913,649	374,692,614
6/1/28	-	374,692,614	-	4.750%	12,437,000	12,437,000	12,230,000	12,230,000	-	-	8,898,950	-	374,692,614
12/1/28	-	374,692,614	100,000	4.750%	12,644,000	12,644,000	12,437,000	12,437,000	11,000	-	9,009,950	17,908,899	374,592,614
6/1/29	-	374,592,614	-	4.750%	12,851,000	12,851,000	12,644,000	12,644,000	-	-	8,896,575	-	374,592,614
12/1/29	-	374,592,614	100,000	4.750%	13,058,000	13,058,000	12,851,000	12,851,000	11,000	-	9,017,575	17,904,149	374,492,614
6/1/30	-	374,492,614	-	4.750%	13,265,000	13,265,000	13,058,000	13,058,000	-	-	8,894,200	-	374,492,614
12/1/30	-	374,492,614	100,000	4.750%	13,472,000	13,472,000	13,265,000	13,265,000	11,000	-	9,005,200	17,899,399	374,392,614
6/1/31	-	374,392,614	-	4.750%	13,679,000	13,679,000	13,472,000	13,472,000	-	-	8,891,825	-	374,392,614
12/1/31	-	374,392,614	100,000	4.750%	13,886,000	13,886,000	13,679,000	13,679,000	11,000	-	9,002,825	17,894,649	374,292,614
6/1/32	-	374,292,614	-	4.750%	14,093,000	14,093,000	13,886,000	13,886,000	-	-	8,889,450	-	374,292,614
12/1/32	-	374,292,614	100,000	4.750%	14,300,000	14,300,000	14,093,000	14,093,000	11,000	-	9,000,450	17,889,899	374,192,614
6/1/33	-	374,192,614	-	4.750%	14,507,000	14,507,000	14,300,000	14,300,000	-	-	8,887,075	-	374,192,614
12/1/33	-	374,192,614	100,000	4.750%	14,714,000	14,714,000	14,507,000	14,507,000	11,000	-	9,008,075	17,885,149	374,092,614
6/1/34	-	374,092,614	-	4.750%	14,921,000	14,921,000	14,714,000	14,714,000	-	-	8,884,700	-	374,092,614
12/1/34	-	374,092,614	100,000	4.750%	15,128,000	15,128,000	14,921,000	14,921,000	11,000	-	8,995,700	17,880,399	373,992,614

**Knik Arm Bridge and Toll Authority
Federalization of Sections 2-5, with TIFIA Optimization
Private Model - Availability Payment Structure - Current Market**

TIFIA DEBT SCHEDULE

Date	TIFIA Draws	Notional Value	Principal/ Maturity Value	Yield	Interest	Accreted Interest	Interest Paid	TIFIA Payments	Ongoing TIFIA Servicing Fee	Accreted Servicing Cost	Total TIFIA DS	Annual Total TIFIA Payments	Ending Balance
6/1/35	-	373,992,614	-	4.750%	8,882,325	-	8,882,325	8,882,325	11,000	-	8,882,325	17,875,649	373,992,614
12/1/35	-	373,992,614	100,000	4.750%	8,882,325	-	8,882,325	8,882,325	11,000	-	8,983,325	17,875,649	373,992,614
6/1/36	-	373,992,614	-	4.750%	8,879,950	-	8,879,950	8,879,950	11,000	-	8,979,950	17,870,899	373,992,614
12/1/36	-	373,992,614	100,000	4.750%	8,879,950	-	8,879,950	8,879,950	11,000	-	8,990,950	17,870,899	373,992,614
6/1/37	-	373,792,614	-	4.750%	8,877,575	-	8,877,575	8,877,575	11,000	-	8,877,575	17,866,149	373,792,614
12/1/37	-	373,792,614	100,000	4.750%	8,877,575	-	8,877,575	8,877,575	11,000	-	8,988,575	17,866,149	373,792,614
6/1/38	-	373,692,614	-	4.750%	8,875,200	-	8,875,200	8,875,200	11,000	-	8,986,200	17,861,399	373,692,614
12/1/38	-	373,692,614	100,000	4.750%	8,875,200	-	8,875,200	8,875,200	11,000	-	8,986,200	17,861,399	373,692,614
6/1/39	-	373,592,614	-	4.750%	8,872,825	-	8,872,825	8,872,825	11,000	-	8,872,825	17,856,649	373,592,614
12/1/39	-	373,592,614	100,000	4.750%	8,872,825	-	8,872,825	8,872,825	11,000	-	8,983,825	17,856,649	373,592,614
6/1/40	-	373,492,614	-	4.750%	8,870,450	-	8,870,450	8,870,450	11,000	-	8,870,450	17,851,899	373,492,614
12/1/40	-	373,492,614	100,000	4.750%	8,870,450	-	8,870,450	8,870,450	11,000	-	8,981,450	17,851,899	373,492,614
6/1/41	-	373,392,614	-	4.750%	8,868,075	-	8,868,075	8,868,075	11,000	-	8,868,075	17,847,149	373,392,614
12/1/41	-	373,392,614	100,000	4.750%	8,868,075	-	8,868,075	8,868,075	11,000	-	8,979,075	17,847,149	373,392,614
6/1/42	-	373,292,614	-	4.750%	8,865,700	-	8,865,700	8,865,700	11,000	-	8,865,700	17,842,399	373,292,614
12/1/42	-	373,292,614	100,000	4.750%	8,865,700	-	8,865,700	8,865,700	11,000	-	8,976,700	17,842,399	373,292,614
6/1/43	-	373,192,614	-	4.750%	8,863,325	-	8,863,325	8,863,325	11,000	-	8,863,325	86,744,405	373,192,614
12/1/43	-	373,192,614	69,006,756	4.750%	8,863,325	-	8,863,325	77,870,081	11,000	-	77,881,081	86,744,405	304,185,858
6/1/44	-	304,185,858	-	4.750%	7,224,414	-	7,224,414	7,224,414	11,000	-	7,224,414	304,185,858	304,185,858
12/1/44	-	304,185,858	70,137,177	4.750%	7,224,414	-	7,224,414	77,361,591	11,000	-	77,372,591	84,597,005	234,048,681
6/1/45	-	234,048,681	-	4.750%	5,558,656	-	5,558,656	5,558,656	11,000	-	5,558,656	86,257,273	234,048,681
12/1/45	-	234,048,681	75,128,961	4.750%	5,558,656	-	5,558,656	80,687,617	11,000	-	80,698,617	158,919,721	158,919,721
6/1/46	-	158,919,721	-	4.750%	3,774,343	-	3,774,343	3,774,343	11,000	-	3,774,343	85,208,821	158,919,721
12/1/46	-	158,919,721	77,649,135	4.750%	3,774,343	-	3,774,343	81,423,478	11,000	-	81,434,478	85,208,821	81,270,586
6/1/47	-	81,270,586	-	4.750%	1,930,176	-	1,930,176	1,930,176	11,000	-	1,930,176	85,141,939	81,270,586
12/1/47	-	81,270,586	81,270,586	4.750%	1,930,176	-	1,930,176	83,200,762	11,000	-	83,211,762	85,141,939	-
6/1/48	-	-	-	4.750%	-	-	-	-	-	-	-	-	-
12/1/48	-	-	-	4.750%	-	-	-	-	-	-	-	-	-
6/1/49	-	-	-	4.750%	-	-	-	-	-	-	-	-	-
12/1/49	-	-	-	4.750%	-	-	-	-	-	-	-	-	-
6/1/50	-	-	-	4.750%	-	-	-	-	-	-	-	-	-
12/1/50	-	-	-	4.750%	-	-	-	-	-	-	-	-	-
6/1/51	-	-	-	4.750%	-	-	-	-	-	-	-	-	-
12/1/51	-	-	-	4.750%	-	-	-	-	-	-	-	-	-

**Knik Arm Bridge and Toll Authority
Federalization of Sections 2-5, with TIFIA Optimization
Private Model - Availability Payment Structure - Current Market**

RATES										Market Move	0.00
Year	2/17/11 MMD	BBB- C B Spread	BBB- CAB Spread	AA- CIB Spread	AA- CAB Spread	BBB- C B Rate	BBB- CAB Rate	AA- CIB Rate	AA- CAB Rate		
2011	0.37	2.00	2.75	0.85	1.60	2.370%	3.120%	1.220%	1.970%		
2012	0.71	2.00	2.75	0.85	1.60	2.710%	3.460%	1.560%	2.310%		
2013	1.08	2.00	2.75	0.85	1.60	3.080%	3.830%	1.930%	2.680%		
2014	1.53	2.00	2.75	0.85	1.60	3.530%	4.280%	2.380%	3.130%		
2015	1.82	2.00	2.75	0.85	1.60	3.820%	4.570%	2.670%	3.420%		
2016	2.12	2.00	2.75	0.85	1.60	4.120%	4.870%	2.970%	3.720%		
2017	2.43	2.00	2.75	0.85	1.60	4.430%	5.180%	3.280%	4.030%		
2018	2.70	2.00	2.75	0.85	1.60	4.700%	5.450%	3.550%	4.300%		
2019	2.95	2.00	2.75	0.85	1.60	4.950%	5.700%	3.800%	4.550%		
2020	3.18	2.00	2.75	0.85	1.60	5.180%	5.930%	4.030%	4.780%		
2021	3.39	2.00	2.75	0.85	1.60	5.390%	6.140%	4.240%	4.990%		
2022	3.58	2.00	2.75	0.85	1.60	5.580%	6.330%	4.430%	5.180%		
2023	3.73	2.00	2.75	0.85	1.60	5.730%	6.480%	4.580%	5.330%		
2024	3.87	2.00	2.75	0.85	1.60	5.870%	6.620%	4.720%	5.470%		
2025	4.00	2.00	2.75	0.85	1.60	6.000%	6.750%	4.850%	5.600%		
2026	4.09	2.00	2.75	0.85	1.60	6.090%	6.840%	4.940%	5.690%		
2027	4.18	2.00	2.75	0.85	1.60	6.180%	6.930%	5.030%	5.780%		
2028	4.26	2.00	2.75	0.85	1.60	6.260%	7.010%	5.110%	5.860%		
2029	4.34	2.00	2.75	0.85	1.60	6.340%	7.090%	5.190%	5.940%		
2030	4.42	2.00	2.75	0.85	1.60	6.420%	7.170%	5.270%	6.020%		
2031	4.51	2.00	2.75	0.75	1.50	6.510%	7.260%	5.260%	6.010%		
2032	4.59	2.00	2.75	0.75	1.50	6.590%	7.340%	5.340%	6.090%		
2033	4.65	2.00	2.75	0.75	1.50	6.650%	7.400%	5.400%	6.150%		
2034	4.70	2.00	2.75	0.75	1.50	6.700%	7.450%	5.450%	6.200%		
2035	4.73	2.00	2.75	0.75	1.50	6.730%	7.480%	5.480%	6.230%		
2036	4.74	2.00	2.75	0.75	1.50	6.740%	7.490%	5.490%	6.240%		
2037	4.75	2.00	2.75	0.75	1.50	6.750%	7.500%	5.500%	6.250%		
2038	4.76	2.00	2.75	0.75	1.50	6.760%	7.510%	5.510%	6.260%		
2039	4.77	2.00	2.75	0.75	1.50	6.770%	7.520%	5.520%	6.270%		
2040	4.78	2.00	2.75	0.75	1.50	6.780%	7.530%	5.530%	6.280%		
2041	4.78	2.00		0.75	1.50	6.780%	-	5.530%	6.280%		
2042	4.78	2.00		0.75		6.780%	-	5.530%	-		

**Knik Arm Bridge and Toll Authority
Federalization of Sections 2-5, with TIFIA Optimization
Private Model - Availability Payment Structure - Current Market
General Inputs**

Maintenance Reserve Fund

Year	Beginning Balance	3.000% Interest Earnings	CAPEX Reserve Fund Deposit	CAPEX Expenses Paid from Fund	Capital Improvements Paid from Fund	Ending Balance
Total		7,936,166	129,573,446	(137,468,767)	-	
2015		0	28,125	(28,100)	-	25
2016	25	12,579	867,505	(28,943)	-	851,166
2017	851,166	38,113	868,374	(29,811)	-	1,727,843
2018	1,727,843	64,524	876,619	(30,706)	-	2,638,280
2019	2,638,280	91,850	878,383	(31,627)	-	3,576,886
2020	3,576,886	53,288	879,333	(4,480,594)	-	28,913
2021	28,913	18,161	1,186,478	(33,553)	-	1,199,999
2022	1,199,999	52,709	1,187,486	(73,546)	-	2,366,648
2023	2,366,648	106,461	2,404,138	(40,064)	-	4,837,182
2024	4,837,182	180,631	2,404,364	(36,664)	-	7,385,513
2025	7,385,513	166,000	2,405,465	(6,109,847)	-	3,847,131
2026	3,847,131	150,802	2,398,129	(38,897)	-	6,357,165
2027	6,357,165	128,795	2,399,297	(6,527,276)	-	2,357,981
2028	2,357,981	87,783	1,177,536	(41,266)	-	3,582,035
2029	3,582,035	124,505	1,178,775	(42,504)	-	4,842,811
2030	4,842,811	71,921	1,180,051	(6,070,932)	-	23,851
2031	23,851	28,761	1,914,812	(45,092)	-	1,922,332
2032	1,922,332	85,716	1,916,166	(46,445)	-	3,877,769
2033	3,877,769	144,379	1,917,560	(47,838)	-	5,891,870
2034	5,891,870	206,095	2,005,203	(49,274)	-	8,053,894
2035	8,053,894	148,345	3,750,337	(9,968,470)	-	1,984,105
2036	1,984,105	131,094	4,823,693	(52,274)	-	6,886,618
2037	6,886,618	278,170	4,825,262	(53,843)	-	11,936,207
2038	11,936,207	422,798	4,826,879	(512,738)	-	16,673,146
2039	16,673,146	431,734	4,742,338	(9,306,335)	-	12,540,883
2040	12,540,883	186,301	3,000,399	(15,662,087)	-	65,496
2041	65,496	33,637	2,172,044	(60,600)	-	2,210,577
2042	2,210,577	99,627	2,283,067	(62,418)	-	4,530,853
2043	4,530,853	169,235	2,284,941	(64,291)	-	6,920,739
2044	6,920,739	240,932	2,286,872	(66,219)	-	9,382,324
2045	9,382,324	146,781	2,288,860	(11,268,081)	-	549,885
2046	549,885	103,726	6,464,809	(649,521)	-	6,468,899
2047	6,468,899	325,638	8,843,749	(72,360)	-	15,565,925
2048	15,565,925	598,549	8,845,922	(74,531)	-	24,935,864
2049	24,935,864	879,647	8,848,159	(76,767)	-	34,586,904
2050	34,586,904	671,148	8,988,800	(33,419,400)	-	10,827,451
2051	10,827,451	217,035	6,082,732	(13,268,608)	-	3,858,611
2052	3,858,611	168,220	3,581,345	(83,885)	-	7,524,291
2053	7,524,291	277,916	3,565,531	(86,401)	-	11,281,337
2054	11,281,337	379,337	3,549,243	(822,794)	-	14,387,123
2055	14,387,123	213,221	3,444,666	(18,004,165)	-	40,845

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