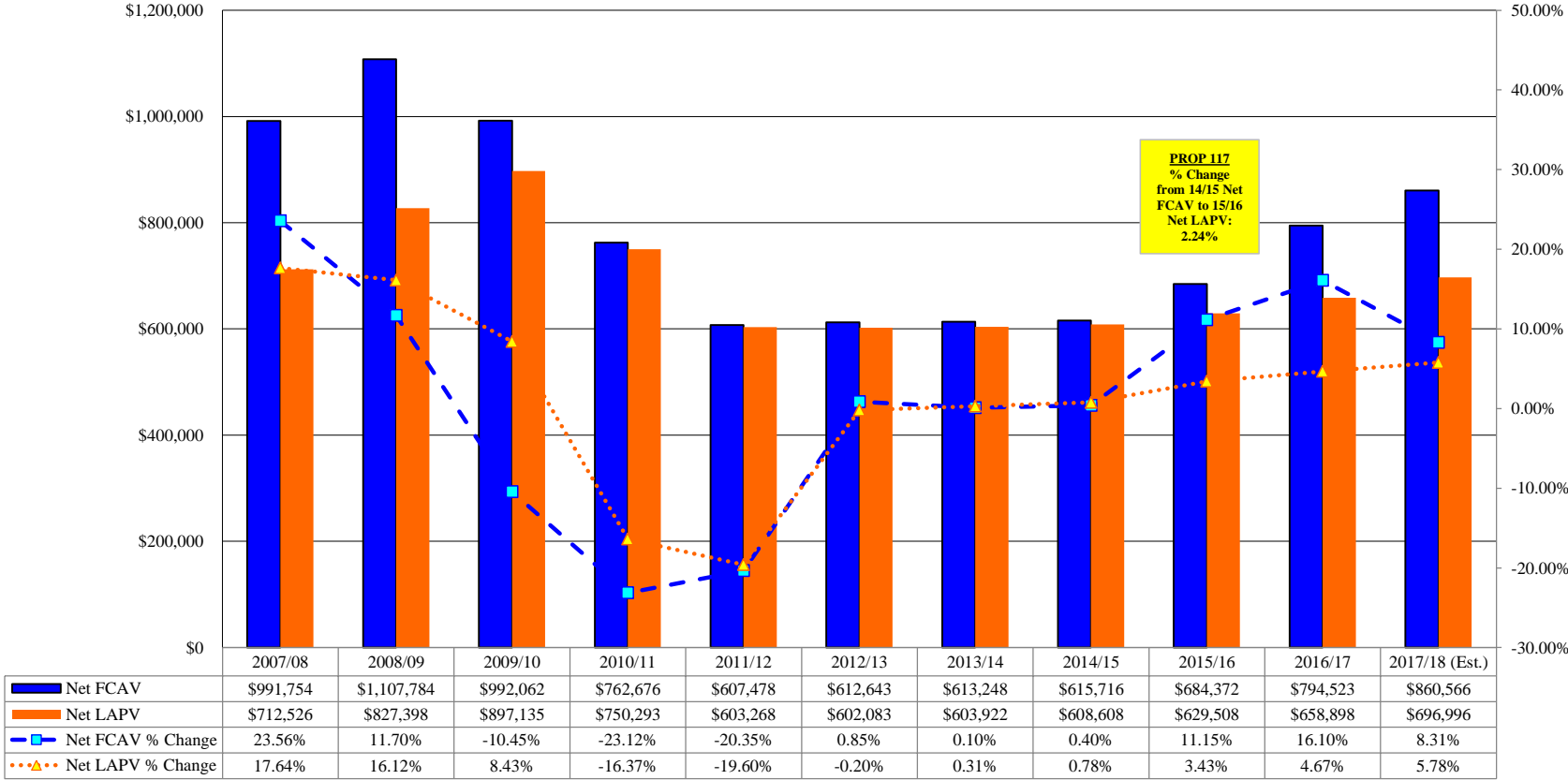


**LAKE HAVASU UNIFIED SCHOOL DISTRICT NO. 1
OF MOHAVE COUNTY, ARIZONA**

Assessed Valuations (\$000s)

	with 2016/17			with 2017/18 (Est.)		
	Net FCAV	Net LAPV	Net AV for Taxes	Net FCAV	Net LAPV	Net AV for Taxes
5-Year Average:	5.72%	1.80%	1.65%	7.21%	2.99%	2.64%
10-Year Average:	0.99%	1.52%	-1.04%	-0.53%	0.34%	-2.82%



Net FCAV = Net Full Cash Assessed Value (To Calculate Capacity)
 Net LAPV = Net Limited Assessed Property Value (To Calculate Taxes)
 Net AV = Net Assessed Property Value for Secondary Tax Purposes

Source: State and County Abstract of the Assessment Roll, Arizona Department of Revenue, Property Tax Rates and Assessed Values, Arizona Tax Research Association and Assessor of the County.

**LAKE HAVASU UNIFIED SCHOOL DISTRICT NO. 1
OF MOHAVE COUNTY, ARIZONA**

**November 8, 2016 Bond Program for \$49.050 million
Assumes up to \$11.460 Maximum Available for Technology, F&E and Computers**

SCENARIO 1 - Estimated Debt Service Requirements and Projected Impact on the Secondary Tax Rate

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
Fiscal Year	Combined Valuation (a)	\$16,900,000 School Improvement Bonds Project of 2016 Series A (2017) Bonds Dated: 5/01/17		\$16,000,000 School Improvement Bonds Project of 2016 Series B (2020) Bonds Dated: 4/01/20		\$16,150,000 School Improvement Bonds Project of 2016 Series C (2023) Bonds Dated: 4/01/23		Estimated Additional Debt Service	Secondary Bond Tax Rate (b)	November 8, 2016 M&O Override Levy (\$4.0 MM)	Secondary M&O Tax Rate (b)	Estimated Combined Secondary Tax Rate (b)	Override Tax Rate as Estimated at time of VIP	Based on Estimated Net FCAV Net Class "B" Bonding Capacity (f)
		Principal	Estimated Interest (c)	Principal	Estimated Interest (d)	Principal	Estimated Interest (e)							
2016/17	\$658,898,253													\$158,904,644
2017/18	696,995,539	\$700,000	\$690,083					\$1,390,083	\$0.20	\$3,987,287	\$0.57	\$0.77	\$0.78	142,004,644
2018/19	717,905,405	1,000,000	567,000					1,567,000	0.22	3,987,287	0.56	0.77	0.78	161,076,662
2019/20	739,442,567	1,200,000	532,000					1,732,000	0.23	3,987,287	0.54	0.77	0.78	151,394,962
2020/21	761,625,844		490,000	\$600,000	\$800,000			1,890,000	0.25	3,987,287	0.52	0.77	0.78	158,072,811
2021/22	784,474,620		490,000	950,000	616,000			2,056,000	0.26	3,987,287	0.51	0.77	0.78	164,314,996
2022/23	808,008,858	790,000	490,000	1,500,000	578,000			3,358,000	0.42	2,658,191	0.33	0.74	0.74	154,926,445
2023/24	832,249,124	820,000	462,350	595,000	518,000	\$1,100,000	\$1,009,375	4,504,725	0.54	1,329,096	0.16	0.70	0.70	163,202,239
2024/25	857,216,598	850,000	433,650	615,000	494,200	1,550,000	752,500	4,695,350	0.55			0.55	0.55	171,882,606
2025/26	882,933,096	880,000	403,900	640,000	469,600	525,000	675,000	3,593,500	0.41	Calculated using 15% of projected 2017/18 RCL		0.41	0.55	181,247,934
2026/27	909,421,089	910,000	373,100	665,000	444,000	550,000	648,750	3,590,850	0.39			0.39	0.55	189,833,772
2027/28	936,703,721	940,000	341,250	695,000	417,400	575,000	621,250	3,589,900	0.38			0.38	0.55	198,695,835
2028/29	950,754,277	975,000	308,350	720,000	389,600	605,000	592,500	3,590,450	0.38			0.38	0.55	204,375,423
2029/30	965,015,591	1,005,000	274,225	750,000	360,800	635,000	562,250	3,587,275	0.37			0.37	0.55	210,197,054
2030/31	979,490,825	1,045,000	239,050	780,000	330,800	665,000	530,500	3,590,350	0.37			0.37	0.54	216,161,510
2031/32	994,183,187	1,080,000	202,475	810,000	299,600	700,000	497,250	3,589,325	0.36			0.36	0.54	222,279,583
2032/33	1,009,095,935	1,115,000	164,675	845,000	267,200	735,000	462,250	3,589,125	0.36			0.36	0.54	228,552,077
2033/34	1,024,232,374	1,155,000	125,650	880,000	233,400	770,000	425,500	3,589,550	0.35			0.35	0.54	234,984,808
2034/35	1,039,595,860	1,195,000	85,225	915,000	198,200	810,000	387,000	3,590,425	0.35			0.35	0.54	241,583,605
2035/36	1,055,189,798	1,240,000	43,400	950,000	161,600	850,000	346,500	3,591,500	0.34			0.34	0.54	248,354,309
2036/37	1,071,017,645			990,000	123,600	895,000	304,000	2,312,600	0.22			0.22	0.37	255,302,774
2037/38	1,087,082,909			1,030,000	84,000	940,000	259,250	2,313,250	0.21			0.21	0.37	261,154,865
2038/39	1,103,389,153			1,070,000	42,800	985,000	212,250	2,310,050	0.21			0.21	0.36	267,151,463
2039/40	1,119,939,990					1,035,000	163,000	1,198,000	0.11			0.11	0.19	273,293,460
2040/41	1,136,739,090					1,085,000	111,250	1,196,250	0.11			0.11	0.19	278,476,762
2041/42	1,153,790,177					1,140,000	57,000	1,197,000	0.10			0.10	0.19	283,772,288
		<u>\$16,900,000</u>		<u>\$16,000,000</u>		<u>\$16,150,000</u>		<u>\$71,212,558</u>						

\$11,460,000	= Amt Avail for Tech, F&E	\$2,900,000	\$4,260,000	\$4,300,000
\$7,835,000	= Technology, F&E, Com	\$2,800,000	\$2,500,000	\$2,535,000

- (a) Fiscal year 2017/18 is estimated by the County and assumes 5.78% growth. Fiscal years 2018/19 through and including 2027/28 assume 3.00% growth. Subsequent fiscal years assume 1.50% growth.
(Per Arizona Revised Statutes 35-454: "(g) For the first five years of the estimated debt retirement schedule, the average of the annual percentage growth for the previous ten years in the net assessed valuation of the political subdivision. (ii) For the remaining years of the estimated debt retirement schedule, twenty per cent of the average of the annual percentage growth for the previous ten years in the net assessed valuation of the political subdivision.")
- (b) Secondary tax rates are per \$100 of assessed valuation. Fiscal year 2017/18 assumes a delinquency rate of 3.24%. Subsequent projected tax rates are not adjusted for interest earnings, arbitrage rebate or delinquent tax collections (if any).
- (c) Interest is estimated at 3.50% for the Bonds.
- (d) Interest is estimated at 4.00% for the Bonds.
The interest rates assumed in this presentation are based on current market conditions and similar credits (with an adjustment to reflect the estimated issuance date).
The actual results may differ, and Stifel makes no commitment to underwrite at these levels.
- (e) Interest is estimated at 5.00% for the Bonds.
- (f) Capacity is calculated using the following assumptions: Fiscal year 2017/18 is estimated by the County and assumes 5.78% growth. Fiscal years 2018/19 through and including 2027/28 assume 3.00% growth. Subsequent fiscal years assume 1.50% growth.

Note: The information in this analysis is not intended to be used as the primary basis for determining an issuer's bonding capacity, tax rate or ability to sell bonds. This analysis is based on assumptions provided by sources considered to be reliable, including the issuer, but is not guaranteed as to accuracy and does not purport to be complete. Any information expressed in this analysis is subject to change.

**LAKE HAVASU UNIFIED SCHOOL DISTRICT NO. 1
OF MOHAVE COUNTY, ARIZONA**

**November 8, 2016 Bond Program for \$49.050 million
Assumes up to \$12.295 Maximum Available for Technology, F&E and Computers**

SCENARIO 2 - Estimated Debt Service Requirements and Projected Impact on the Secondary Tax Rate

\$748,540.28 = Excess 2016 Bond Revenue Debt Service Account
\$0.11 = Application to reduce primary tax rate

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
Fiscal Year	Combined Valuation (a)	Principal	Estimated Interest (c)	Principal	Estimated Interest (d)	Principal	Estimated Interest (e)	Debt Service	Secondary Bond Tax Rate (b)	Levy (\$4.0 MM)	Secondary M&O Tax Rate (b)	Secondary Tax Rate (b)	Estimated at time of VIP	Based on Estimated Net FCAV Net Class "B" Bonding Capacity (f)
2016/17	\$658,898,253													\$158,904,644
2017/18	696,995,539	\$1,450,000	\$690,083 (g)					\$2,140,083	\$0.31	\$3,987,287	\$0.57	\$0.88	\$0.78	142,004,644
2018/19	717,905,405	1,000,000	540,750					1,540,750	0.21	3,987,287	0.56	0.77	0.78	161,826,662
2019/20	739,442,567	1,200,000	505,750					1,705,750	0.23	3,987,287	0.54	0.77	0.78	152,144,962
2020/21	761,625,844		463,750	\$600,000	\$800,000			1,863,750	0.24	3,987,287	0.52	0.77	0.78	158,822,811
2021/22	784,474,620		463,750	950,000	616,000			2,029,750	0.26	3,987,287	0.51	0.77	0.78	165,064,996
2022/23	808,008,858	750,000	463,750	1,500,000	578,000			3,291,750	0.41	2,658,191	0.33	0.74	0.74	155,676,445
2023/24	832,249,124	775,000	437,500	595,000	518,000	\$1,150,000	\$1,009,375	4,484,875	0.54	1,329,096	0.16	0.70	0.70	163,912,239
2024/25	857,216,598	805,000	410,375	615,000	494,200	1,600,000	750,000	4,674,575	0.55			0.55	0.55	172,597,606
2025/26	882,933,096	830,000	382,200	640,000	469,600	520,000	670,000	3,511,800	0.40			0.40	0.55	181,967,934
2026/27	909,421,089	860,000	353,150	665,000	444,000	545,000	644,000	3,511,150	0.39	Calculated using 15% of projected 2017/18 RCL		0.39	0.55	190,498,772
2027/28	936,703,721	890,000	323,050	695,000	417,400	570,000	616,750	3,512,200	0.37			0.37	0.55	199,305,835
2028/29	950,754,277	920,000	291,900	720,000	389,600	600,000	588,250	3,509,750	0.37			0.37	0.55	204,930,423
2029/30	965,015,591	955,000	259,700	750,000	360,800	630,000	558,250	3,513,750	0.36			0.36	0.55	210,692,054
2030/31	979,490,825	985,000	226,275	780,000	330,800	660,000	526,750	3,508,825	0.36			0.36	0.54	216,601,510
2031/32	994,183,187	1,020,000	191,800	810,000	299,600	695,000	493,750	3,510,150	0.35			0.35	0.54	222,654,583
2032/33	1,009,095,935	1,060,000	156,100	845,000	267,200	730,000	459,000	3,517,300	0.35			0.35	0.54	228,862,077
2033/34	1,024,232,374	1,095,000	119,000	880,000	233,400	765,000	422,500	3,514,900	0.34			0.34	0.54	235,234,808
2034/35	1,039,595,860	1,135,000	80,675	915,000	198,200	805,000	384,250	3,518,125	0.34			0.34	0.54	241,768,605
2035/36	1,055,189,798	1,170,000	40,950	950,000	161,600	845,000	344,000	3,511,550	0.33			0.33	0.54	248,474,309
2036/37	1,071,017,645			990,000	123,600	885,000	301,750	2,300,350	0.21			0.21	0.37	255,347,774
2037/38	1,087,082,909			1,030,000	84,000	930,000	257,500	2,301,500	0.21			0.21	0.37	261,189,865
2038/39	1,103,389,153			1,070,000	42,800	980,000	211,000	2,303,800	0.21			0.21	0.36	267,176,463
2039/40	1,119,939,990					1,025,000	162,000	1,187,000	0.11			0.11	0.19	273,313,460
2040/41	1,136,739,900					1,080,000	110,750	1,190,750	0.10			0.10	0.19	278,486,762
2041/42	1,153,790,177					1,135,000	56,750	1,191,750	0.10			0.10	0.19	283,777,288
		<u>\$16,900,000</u>		<u>\$16,000,000</u>		<u>\$16,150,000</u>		<u>\$70,845,933</u>						

\$12,295,000 = Amt Avail for Tech, F&E
\$7,835,000 = Technology, F&E, Cor

\$3,650,000
\$2,800,000

\$4,260,000
\$2,500,000

\$4,385,000
\$2,535,000

- (a) Fiscal year 2017/18 is estimated by the County and assumes 5.78% growth. Fiscal years 2018/19 through and including 2027/28 assume 3.00% growth. Subsequent fiscal years assume 1.50% growth. (Per Arizona Revised Statutes 35-454: "(g) For the first five years of the estimated debt retirement schedule, the average of the annual percentage growth for the previous ten years in the net assessed valuation of the political subdivision. (ii) For the remaining years of the estimated debt retirement schedule, twenty per cent of the average of the annual percentage growth for the previous ten years in the net assessed valuation of the political subdivision.")
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The interest rates assumed in this presentation are based on current market conditions and similar credits (with an adjustment to reflect the estimated issuance date).
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- (e) Interest is estimated at 5.00% for the Bonds.
- (f) Capacity is calculated using the following assumptions: Fiscal year 2017/18 is estimated by the County and assumes 5.78% growth. Fiscal years 2018/19 through and including 2027/28 assume 3.00% growth. Subsequent fiscal years assume 1.50% growth.
- (g) Structured assuming application of \$748,540.28 or \$0.11 to reduce primary tax rate for fiscal year 2017/18.

Note: The information in this analysis is not intended to be used as the primary basis for determining an issuer's bonding capacity, tax rate or ability to sell bonds. This analysis is based on assumptions provided by sources considered to be reliable, including the issuer, but is not guaranteed as to accuracy and does not purport to be complete. Any information expressed in this analysis is subject to change.

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