

**Palestine Independent School District**  
**Outstanding Maintenance Tax Note Debt Service**  
**Annual Debt Service Requirement**

<b>Date</b>	<b>Principal/ Sinking Fund <sup>(1)</sup></b>	<b>Interest</b>	<b>QSCB Federal Subsidy <sup>(2)</sup></b>	<b>Est. Subsidy Reduction <sup>(3)</sup></b>	<b>Total Net Debt Service</b>
08/31/14	\$340,000.00	\$29,536.00	\$0.00	\$0.00	\$369,536.00
08/31/15	350,000.00	387,274.26	(364,810.26)	26,266.34	372,464.00
08/31/16	360,000.00	310,311.40	(295,127.40)	21,249.17	375,184.00
08/31/17	370,000.00	302,823.40	(295,127.40)	21,249.17	377,696.00
08/31/18	530,000.00	295,127.40	(295,127.40)	21,249.17	530,000.00
08/31/19	530,000.00	295,127.40	(295,127.40)	21,249.17	530,000.00
08/31/20	530,000.00	295,127.40	(295,127.40)	21,249.17	530,000.00
08/31/21	530,000.00	295,127.40	(295,127.40)	21,249.17	530,000.00
08/31/22	530,000.00	295,127.40	(295,127.40)	21,249.17	530,000.00
08/31/23	530,000.00	295,127.40	(295,127.40)	21,249.17	530,000.00
08/31/24	530,000.00	295,127.40	(295,127.40)	21,249.17	530,000.00
08/31/25	535,000.00	295,127.40	(295,127.40)	21,249.17	535,000.00
08/31/26	535,000.00	295,127.40	(295,127.40)	21,249.17	535,000.00
08/31/27	535,000.00	295,127.40	(295,127.40)	21,249.17	535,000.00
08/31/28	535,000.00	295,127.40	(295,127.40)	21,249.17	535,000.00
08/31/29	570,000.00	295,127.40	(295,127.40)	21,249.17	570,000.00
<b>Total</b>	<b>\$7,840,000.00</b>	<b>\$4,571,473.86</b>	<b>(\$4,496,593.86)</b>	<b>\$323,754.76</b>	<b>\$7,914,880.00</b>

<sup>(1)</sup> Represents scheduled sinking fund installment payments for the District's Series 2014 QSCMTN in fiscal year 2018-2029. Principal payment on note due 8-15-2029.

<sup>(2)</sup> Represents federal subsidy on the District's Series 2014 QSCMTN, which the District must apply for prior to each interest payment date.

<sup>(3)</sup> The estimated reduction reflects automatic reductions in federal spending due to the federal Balanced Budget and Emergency Deficit Control Act of 1985, as amended. The automatic reductions have included a cut in the subsidy payments made to issuers of QSCBs. For fiscal year 2014, the cut was a 7.2% reduction in the subsidy payments made to all issuers of QSCBs. Such reductions are subject to change, but at this time we have assumed a reduction of 7.2% for planning purposes.

**Palestine Independent School District**  
**Unlimited Tax School Building Bonds, Series 2009**  
**Annual Debt Service Requirement**

<b>Date</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>
08/31/14	\$1,265,000.00	\$2,994,522.51	\$4,259,522.51
08/31/15	1,305,000.00	2,957,553.76	4,262,553.76
08/31/16	1,345,000.00	2,916,122.51	4,261,122.51
08/31/17	1,390,000.00	2,869,941.26	4,259,941.26
08/31/18	1,440,000.00	2,819,516.26	4,259,516.26
08/31/19	1,495,000.00	2,764,450.63	4,259,450.63
08/31/20	1,555,000.00	2,706,717.50	4,261,717.50
08/31/21	1,615,000.00	2,645,650.00	4,260,650.00
08/31/22	1,680,000.00	2,579,750.00	4,259,750.00
08/31/23	1,765,000.00	2,497,612.50	4,262,612.50
08/31/24	1,865,000.00	2,397,787.50	4,262,787.50
08/31/25	1,970,000.00	2,292,325.00	4,262,325.00
08/31/26	2,080,000.00	2,180,950.00	4,260,950.00
08/31/27	2,195,000.00	2,063,387.50	4,258,387.50
08/31/28	2,320,000.00	1,939,225.00	4,259,225.00
08/31/29	2,455,000.00	1,807,912.50	4,262,912.50
08/31/30	2,585,000.00	1,675,775.00	4,260,775.00
08/31/31	2,715,000.00	1,543,275.00	4,258,275.00
08/31/32	2,855,000.00	1,404,025.00	4,259,025.00
08/31/33	3,005,000.00	1,257,525.00	4,262,525.00
08/31/34	3,155,000.00	1,103,525.00	4,258,525.00
08/31/35	3,330,000.00	933,075.00	4,263,075.00
08/31/36	3,515,000.00	744,837.50	4,259,837.50
08/31/37	3,715,000.00	546,012.50	4,261,012.50
08/31/38	3,925,000.00	335,912.50	4,260,912.50
08/31/39	4,145,000.00	113,987.50	4,258,987.50
<b>Total</b>	<b>\$60,685,000.00</b>	<b>\$50,091,374.43</b>	<b>\$110,776,374.43</b>