



# Susquehanna Group Advisors, Inc.

Financial Management and Business Consulting

July 1, 2014

Board of Commissioners  
County of Lancaster  
150 North Queen Street  
Seventh Floor, Suite 715  
Lancaster, Pennsylvania 17603

## Commissioners:

This report is made pursuant to Section 8026 of the Local Government Unit Debt Act, 53 PA.C.S. § 8001 *et seq.*, as amended and supplemented, in connection with the application by the County of Lancaster, Pennsylvania (the "County") for exclusion of certain lease rental debt as self-liquidating debt. The lease rental debt for which exclusion is sought will be evidenced by the County's guaranty of \$63,590,000 Hotel Room Rental Tax Revenue Bonds, Series of 2014 (the "Bonds") to be issued by the Lancaster County Convention Center Authority (the "Authority"). The Bonds will finance (i) the current refunding of the Authority's Amended and Restated Hotel Room Rental Tax Revenue Bonds, Series of 2003 (the "2003 Bonds"); (ii) the current refunding of the Authority's Amended and Restated Hotel Room Rental Tax Revenue Bonds, Series of 2007 (the "2007 Bonds" and together with the 2003 Bonds, the "Prior Bonds"); and (iii) the payment of the costs and expenses associated with the issuance of the Bonds. The Prior Bonds were originally issued by the Authority to finance, among other things, the funding of the design, acquisition, construction, furnishing and equipping of a multi-purpose convention center facility and related and ancillary facilities containing approximately 200,000 square feet (the "Facilities")

## INTRODUCTION

The Authority is a third class county convention center authority existing under provisions of the Pennsylvania Third Class County Convention Center Authority Act, Act of August 9, 1955, P.L. 323, No. 130 (see, 16 P.S. § 2399.1 *et seq.*), as amended and supplemented (the "Act"), pursuant to action by the governing bodies of the County and the City of Lancaster, Lancaster County, Pennsylvania. The County, pursuant to the Act, heretofore enacted Ordinance No. 45 on September 15, 1999 (the "Ordinance"), that imposed an excise tax on the consideration received by each operator of a hotel within the County from each transaction of renting a room or rooms to accommodate transients (the "Hotel Room Rental Tax"). The Ordinance and the Act provide, among other things, that 100% of revenues derived from the Hotel Room Rental Tax shall be for the use of the Authority for convention center purposes for fiscal years 2015 to and including 2018, which 100% portion herein is referred to as the "Room Rental Tax Revenues". From 2019 to and including 2047, 80% of the revenues derived from the Hotel Room Rental Tax shall be available to pay debt service on the Bonds. The rate of tax authorized under the Act to be imposed is limited to 5.00%, and the rate of tax presently imposed by the County under the Ordinance is 3.90%.

The Authority will issue the Bonds, in the maximum principal amount of \$63,590,000, which Bonds will be issued under a Trust Indenture (the "Indenture") between the Authority and a trustee (the "Trustee"). The maximum and estimated annual net debt service for the Bonds is set forth in Tables 1 and 2. The Bonds will be secured under the Indenture by a pledge of the Room Rental Tax Revenues and other available revenues as described in the Indenture (the "Pledged Revenues").

The Pledged Revenues are expected to be sufficient to pay the estimated net debt service on the Bonds.

The Authority is undertaking the Refunding in order to reduce its annual interest expense and third-party credit costs.

In preparing this Report, we have relied upon certain information received from the Authority and other professional advisors to the Authority.

#### REQUIRED INFORMATION

1. The maximum principal amount of the Bonds will be \$63,590,000. The Bonds will mature on December 1, 2047, and will bear interest at the maximum rate set forth in Table 1 herein. The dates and amounts of maximum debt service of the Bonds payable on such dates, including the principal payments of the Bonds, are set forth in Table 1.

The estimated amount of the net annual debt service for each year during the life of the Bonds is shown on Table 2.

2. Based upon the foregoing and other assumptions contained in this report, we are of the opinion that the estimated Pledged Revenues to be derived from the Hotel Room Rental Tax and available excess Debt Service Reserve Fund proceeds, as needed, for each year of the life of the Bonds, are reasonably expected to be sufficient in each such year to pay the estimated amount of net annual debt service of the Bonds. The computation showing such estimated Pledged Revenues compared with the estimated amount of net annual debt service on the Bonds is set forth in Table 3 herein.
3. The estimates of Pledged Revenues have been computed from our best estimates of the Pledged Revenues to be obtained from the Hotel Room Rental Tax and other available revenues, based on historical Hotel Room Rental Tax collections since 2000 and growth assumptions deemed reasonable for this purpose by us. Actual Hotel Room Rental Tax collections from 2000 to 2013 are set forth in Table 4 herein. During the period from 2000 to 2013, the average annual increase in collections was greater than 3%. In Table 3, estimated Pledged Revenues are based upon an estimated Hotel Room Rental Tax growth rate of 1% annually for the life of the Bonds.

The Trust Indenture for the Bonds mandates that the Hotel Room Rental Tax collections are first applied to debt service, and then to operating expenses. In most revenue backed transactions involving special tax or dedicated user fees, operating expenses are paid before debt service, leaving debt service coverage at greater risk than the Facilities debt service. We note this as a substantial and critical aspect of deeming the Bonds to be self liquidating under the Local Government Unit Debt Act.

There are risk factors that may negatively affect Hotel Room Rental Tax collections over the life of the Bonds, including a significant decline in tourism in central Pennsylvania, a nationwide

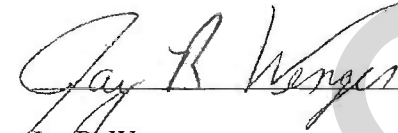
recession that would cause hotel room rates and occupancy to decline and consumer taxes imposed by the federal, state or local government that would significantly increase hotel costs. These risks are mitigated by (i.) the current level of excess debt service coverage, and (ii.) 14 years of historical collections data (which includes a period of significant economic downturn) that demonstrates average annual growth three times greater than what is projected in Table 3. Assuming a 0% growth rate for hotel room taxes, the Hotel Room Rental Tax collections would be sufficient to cover debt service, including the years the Authority will receive 80% of the tax revenue. The only assumption we make relative to room tax collections is that the gross collections will increase by 1% annually. Occupancy and RevPar in the County have been consistently strong and our report does not assume a specific increase in occupancy or RevPar.

Lancaster County is among the largest tourist markets in the mainland United States and has prospered for decades, even in economic downturns. In 2013, more than \$10,000,000 people visited Lancaster County and tourism accounts for nearly \$2,000,000,000 of economic activity annually, according to the Lancaster County Tourism Bureau. The County's proximity to major metropolitan markets, including Philadelphia, Baltimore, Washington D.C and New York City provides access to a large population that is within driving distance of the County. Tourism in Lancaster County is not a new or nascent industry and does not rely on any one specific venue.

4. The professionals of Susquehanna Group Advisors have more than 25 years of relevant experience and over that time have been actively involved in the financing of projects of similar size and character. We, therefore, certify that we are qualified to act with regard to the type of project being financed.

Certified this 1st day of July, 2014.

SUSQUEHANNA GROUP ADVISORS, INC.



Jay R. Wenger  
Title: Managing Director

Table 1

## MAXIMUM DEBT SERVICE

County of Lancaster, Pennsylvania  
 Guaranty Agreement Relating to  
 \$63,590,000  
 Lancaster County Convention Center Authority  
 Hotel Room Rental Tax Revenue Bonds, Series of 2014

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
08/01/2014			450,429.17	450,429.17	
09/01/2014			821,370.83	821,370.83	
10/01/2014			794,875.00	794,875.00	
11/01/2014			821,370.83	821,370.83	
12/01/2014			794,875.00	794,875.00	
12/31/2014					3,682,920.83
01/01/2015			821,370.83	821,370.83	
02/01/2015			821,370.83	821,370.83	
03/01/2015			741,883.33	741,883.33	
04/01/2015			821,370.83	821,370.83	
05/01/2015			794,875.00	794,875.00	
06/01/2015			821,370.83	821,370.83	
07/01/2015			794,875.00	794,875.00	
08/01/2015			821,370.83	821,370.83	
09/01/2015			821,370.83	821,370.83	
10/01/2015			794,875.00	794,875.00	
11/01/2015			821,370.83	821,370.83	
12/01/2015	370,000	15.000%	794,875.00	1,164,875.00	
12/31/2015					10,040,979.14
01/01/2016			816,591.67	816,591.67	
02/01/2016			816,591.67	816,591.67	
03/01/2016			763,908.33	763,908.33	
04/01/2016			816,591.67	816,591.67	
05/01/2016			790,250.00	790,250.00	
06/01/2016			816,591.67	816,591.67	
07/01/2016			790,250.00	790,250.00	
08/01/2016			816,591.67	816,591.67	
09/01/2016			816,591.67	816,591.67	
10/01/2016			790,250.00	790,250.00	
11/01/2016			816,591.67	816,591.67	
12/01/2016	410,000	15.000%	790,250.00	1,200,250.00	
12/31/2016					10,051,050.02
01/01/2017			811,295.83	811,295.83	
02/01/2017			811,295.83	811,295.83	
03/01/2017			732,783.33	732,783.33	
04/01/2017			811,295.83	811,295.83	
05/01/2017			785,125.00	785,125.00	
06/01/2017			811,295.83	811,295.83	
07/01/2017			785,125.00	785,125.00	
08/01/2017			811,295.83	811,295.83	
09/01/2017			811,295.83	811,295.83	
10/01/2017			785,125.00	785,125.00	
11/01/2017			811,295.83	811,295.83	
12/01/2017	460,000	15.000%	785,125.00	1,245,125.00	
12/31/2017					10,012,354.14
01/01/2018			805,354.17	805,354.17	
02/01/2018			805,354.17	805,354.17	
03/01/2018			727,416.67	727,416.67	
04/01/2018			805,354.17	805,354.17	
05/01/2018			779,375.00	779,375.00	
06/01/2018			805,354.17	805,354.17	
07/01/2018			779,375.00	779,375.00	

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08/01/2018			805,354.17	805,354.17	
09/01/2018			805,354.17	805,354.17	
10/01/2018			779,375.00	779,375.00	
11/01/2018			805,354.17	805,354.17	
12/01/2018	510,000	15.000%	779,375.00	1,289,375.00	
12/31/2018					9,992,395.86
01/01/2019			798,766.67	798,766.67	
02/01/2019			798,766.67	798,766.67	
03/01/2019			721,466.67	721,466.67	
04/01/2019			798,766.67	798,766.67	
05/01/2019			773,000.00	773,000.00	
06/01/2019			798,766.67	798,766.67	
07/01/2019			773,000.00	773,000.00	
08/01/2019			798,766.67	798,766.67	
09/01/2019			798,766.67	798,766.67	
10/01/2019			773,000.00	773,000.00	
11/01/2019			798,766.67	798,766.67	
12/01/2019	570,000	15.000%	773,000.00	1,343,000.00	
12/31/2019					9,974,833.36
01/01/2020			791,404.17	791,404.17	
02/01/2020			791,404.17	791,404.17	
03/01/2020			740,345.83	740,345.83	
04/01/2020			791,404.17	791,404.17	
05/01/2020			765,875.00	765,875.00	
06/01/2020			791,404.17	791,404.17	
07/01/2020			765,875.00	765,875.00	
08/01/2020			791,404.17	791,404.17	
09/01/2020			791,404.17	791,404.17	
10/01/2020			765,875.00	765,875.00	
11/01/2020			791,404.17	791,404.17	
12/01/2020	630,000	15.000%	765,875.00	1,395,875.00	
12/31/2020					9,973,675.02
01/01/2021			783,266.67	783,266.67	
02/01/2021			783,266.67	783,266.67	
03/01/2021			707,466.67	707,466.67	
04/01/2021			783,266.67	783,266.67	
05/01/2021			758,000.00	758,000.00	
06/01/2021			783,266.67	783,266.67	
07/01/2021			758,000.00	758,000.00	
08/01/2021			783,266.67	783,266.67	
09/01/2021			783,266.67	783,266.67	
10/01/2021			758,000.00	758,000.00	
11/01/2021			783,266.67	783,266.67	
12/01/2021	690,000	15.000%	758,000.00	1,448,000.00	
12/31/2021					9,912,333.36
01/01/2022			774,354.17	774,354.17	
02/01/2022			774,354.17	774,354.17	
03/01/2022			699,416.67	699,416.67	
04/01/2022			774,354.17	774,354.17	
05/01/2022			749,375.00	749,375.00	
06/01/2022			774,354.17	774,354.17	
07/01/2022			749,375.00	749,375.00	

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Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
08/01/2022			774,354.17	774,354.17	
09/01/2022			774,354.17	774,354.17	
10/01/2022			749,375.00	749,375.00	
11/01/2022			774,354.17	774,354.17	
12/01/2022	755,000	15.000%	749,375.00	1,504,375.00	
12/31/2022					9,872,395.86
01/01/2023			764,602.08	764,602.08	
02/01/2023			764,602.08	764,602.08	
03/01/2023			690,608.33	690,608.33	
04/01/2023			764,602.08	764,602.08	
05/01/2023			739,937.50	739,937.50	
06/01/2023			764,602.08	764,602.08	
07/01/2023			739,937.50	739,937.50	
08/01/2023			764,602.08	764,602.08	
09/01/2023			764,602.08	764,602.08	
10/01/2023			739,937.50	739,937.50	
11/01/2023			764,602.08	764,602.08	
12/01/2023	830,000	15.000%	739,937.50	1,569,937.50	
12/31/2023					9,832,572.89
01/01/2024			753,881.25	753,881.25	
02/01/2024			753,881.25	753,881.25	
03/01/2024			705,243.75	705,243.75	
04/01/2024			753,881.25	753,881.25	
05/01/2024			729,562.50	729,562.50	
06/01/2024			753,881.25	753,881.25	
07/01/2024			729,562.50	729,562.50	
08/01/2024			753,881.25	753,881.25	
09/01/2024			753,881.25	753,881.25	
10/01/2024			729,562.50	729,562.50	
11/01/2024			753,881.25	753,881.25	
12/01/2024	900,000	15.000%	729,562.50	1,629,562.50	
12/31/2024					9,800,662.50
01/01/2025			742,256.25	742,256.25	
02/01/2025			742,256.25	742,256.25	
03/01/2025			670,425.00	670,425.00	
04/01/2025			742,256.25	742,256.25	
05/01/2025			718,312.50	718,312.50	
06/01/2025			742,256.25	742,256.25	
07/01/2025			718,312.50	718,312.50	
08/01/2025			742,256.25	742,256.25	
09/01/2025			742,256.25	742,256.25	
10/01/2025			718,312.50	718,312.50	
11/01/2025			742,256.25	742,256.25	
12/01/2025	980,000	15.000%	718,312.50	1,698,312.50	
12/31/2025					9,719,468.75
01/01/2026			729,597.92	729,597.92	
02/01/2026			729,597.92	729,597.92	
03/01/2026			658,991.67	658,991.67	
04/01/2026			729,597.92	729,597.92	
05/01/2026			706,062.50	706,062.50	
06/01/2026			729,597.92	729,597.92	
07/01/2026			706,062.50	706,062.50	

BOND DEBT SERVICE

County of Lancaster, Pennsylvania  
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Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
08/01/2026			729,597.92	729,597.92	
09/01/2026			729,597.92	729,597.92	
10/01/2026			706,062.50	706,062.50	
11/01/2026			729,597.92	729,597.92	
12/01/2026	1,065,000	15.000%	706,062.50	1,771,062.50	
12/31/2026					9,655,427.11
01/01/2027			715,841.67	715,841.67	
02/01/2027			715,841.67	715,841.67	
03/01/2027			646,566.67	646,566.67	
04/01/2027			715,841.67	715,841.67	
05/01/2027			692,750.00	692,750.00	
06/01/2027			715,841.67	715,841.67	
07/01/2027			692,750.00	692,750.00	
08/01/2027			715,841.67	715,841.67	
09/01/2027			715,841.67	715,841.67	
10/01/2027			692,750.00	692,750.00	
11/01/2027			715,841.67	715,841.67	
12/01/2027	1,150,000	15.000%	692,750.00	1,842,750.00	
12/31/2027					9,578,458.36
01/01/2028			700,987.50	700,987.50	
02/01/2028			700,987.50	700,987.50	
03/01/2028			655,762.50	655,762.50	
04/01/2028			700,987.50	700,987.50	
05/01/2028			678,375.00	678,375.00	
06/01/2028			700,987.50	700,987.50	
07/01/2028			678,375.00	678,375.00	
08/01/2028			700,987.50	700,987.50	
09/01/2028			700,987.50	700,987.50	
10/01/2028			678,375.00	678,375.00	
11/01/2028			700,987.50	700,987.50	
12/01/2028	1,245,000	15.000%	678,375.00	1,923,375.00	
12/31/2028					9,521,175.00
01/01/2029			684,906.25	684,906.25	
02/01/2029			684,906.25	684,906.25	
03/01/2029			618,625.00	618,625.00	
04/01/2029			684,906.25	684,906.25	
05/01/2029			662,812.50	662,812.50	
06/01/2029			684,906.25	684,906.25	
07/01/2029			662,812.50	662,812.50	
08/01/2029			684,906.25	684,906.25	
09/01/2029			684,906.25	684,906.25	
10/01/2029			662,812.50	662,812.50	
11/01/2029			684,906.25	684,906.25	
12/01/2029	1,340,000	15.000%	662,812.50	2,002,812.50	
12/31/2029					9,404,218.75
01/01/2030			667,597.92	667,597.92	
02/01/2030			667,597.92	667,597.92	
03/01/2030			602,991.67	602,991.67	
04/01/2030			667,597.92	667,597.92	
05/01/2030			646,062.50	646,062.50	
06/01/2030			667,597.92	667,597.92	
07/01/2030			646,062.50	646,062.50	

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Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
08/01/2030			667,597.92	667,597.92	
09/01/2030			667,597.92	667,597.92	
10/01/2030			646,062.50	646,062.50	
11/01/2030			667,597.92	667,597.92	
12/01/2030	1,445,000	15.000%	646,062.50	2,091,062.50	
12/31/2030					9,305,427.11
01/01/2031			648,933.33	648,933.33	
02/01/2031			648,933.33	648,933.33	
03/01/2031			586,133.33	586,133.33	
04/01/2031			648,933.33	648,933.33	
05/01/2031			628,000.00	628,000.00	
06/01/2031			648,933.33	648,933.33	
07/01/2031			628,000.00	628,000.00	
08/01/2031			648,933.33	648,933.33	
09/01/2031			648,933.33	648,933.33	
10/01/2031			628,000.00	628,000.00	
11/01/2031			648,933.33	648,933.33	
12/01/2031	1,555,000	15.000%	628,000.00	2,183,000.00	
12/31/2031					9,195,666.64
01/01/2032			628,847.92	628,847.92	
02/01/2032			628,847.92	628,847.92	
03/01/2032			588,277.08	588,277.08	
04/01/2032			628,847.92	628,847.92	
05/01/2032			608,562.50	608,562.50	
06/01/2032			628,847.92	628,847.92	
07/01/2032			608,562.50	608,562.50	
08/01/2032			628,847.92	628,847.92	
09/01/2032			628,847.92	628,847.92	
10/01/2032			608,562.50	608,562.50	
11/01/2032			628,847.92	628,847.92	
12/01/2032	1,670,000	15.000%	608,562.50	2,278,562.50	
12/31/2032					9,094,462.52
01/01/2033			607,277.08	607,277.08	
02/01/2033			607,277.08	607,277.08	
03/01/2033			548,508.33	548,508.33	
04/01/2033			607,277.08	607,277.08	
05/01/2033			587,687.50	587,687.50	
06/01/2033			607,277.08	607,277.08	
07/01/2033			587,687.50	587,687.50	
08/01/2033			607,277.08	607,277.08	
09/01/2033			607,277.08	607,277.08	
10/01/2033			587,687.50	587,687.50	
11/01/2033			607,277.08	607,277.08	
12/01/2033	1,790,000	15.000%	587,687.50	2,377,687.50	
12/31/2033					8,940,197.89
01/01/2034			584,156.25	584,156.25	
02/01/2034			584,156.25	584,156.25	
03/01/2034			527,625.00	527,625.00	
04/01/2034			584,156.25	584,156.25	
05/01/2034			565,312.50	565,312.50	
06/01/2034			584,156.25	584,156.25	
07/01/2034			565,312.50	565,312.50	



BOND DEBT SERVICE

County of Lancaster, Pennsylvania  
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 \$63,590,000  
 Lancaster County Convention Center Authority  
 Hotel Room Rental Tax Revenue Bonds, Series of 2014

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
08/01/2034			584,156.25	584,156.25	
09/01/2034			584,156.25	584,156.25	
10/01/2034			565,312.50	565,312.50	
11/01/2034			584,156.25	584,156.25	
12/01/2034	1,920,000	15.000%	565,312.50	2,485,312.50	
12/31/2034					8,797,968.75
01/01/2035			559,356.25	559,356.25	
02/01/2035			559,356.25	559,356.25	
03/01/2035			505,225.00	505,225.00	
04/01/2035			559,356.25	559,356.25	
05/01/2035			541,312.50	541,312.50	
06/01/2035			559,356.25	559,356.25	
07/01/2035			541,312.50	541,312.50	
08/01/2035			559,356.25	559,356.25	
09/01/2035			559,356.25	559,356.25	
10/01/2035			541,312.50	541,312.50	
11/01/2035			559,356.25	559,356.25	
12/01/2035	2,055,000	15.000%	541,312.50	2,596,312.50	
12/31/2035					8,640,968.75
01/01/2036			532,812.50	532,812.50	
02/01/2036			532,812.50	532,812.50	
03/01/2036			498,437.50	498,437.50	
04/01/2036			532,812.50	532,812.50	
05/01/2036			515,625.00	515,625.00	
06/01/2036			532,812.50	532,812.50	
07/01/2036			515,625.00	515,625.00	
08/01/2036			532,812.50	532,812.50	
09/01/2036			532,812.50	532,812.50	
10/01/2036			515,625.00	515,625.00	
11/01/2036			532,812.50	532,812.50	
12/01/2036	2,200,000	15.000%	515,625.00	2,715,625.00	
12/31/2036					8,490,625.00
01/01/2037			504,395.83	504,395.83	
02/01/2037			504,395.83	504,395.83	
03/01/2037			455,583.33	455,583.33	
04/01/2037			504,395.83	504,395.83	
05/01/2037			488,125.00	488,125.00	
06/01/2037			504,395.83	504,395.83	
07/01/2037			488,125.00	488,125.00	
08/01/2037			504,395.83	504,395.83	
09/01/2037			504,395.83	504,395.83	
10/01/2037			488,125.00	488,125.00	
11/01/2037			504,395.83	504,395.83	
12/01/2037	2,350,000	15.000%	488,125.00	2,838,125.00	
12/31/2037					8,288,854.14
01/01/2038			474,041.67	474,041.67	
02/01/2038			474,041.67	474,041.67	
03/01/2038			428,166.67	428,166.67	
04/01/2038			474,041.67	474,041.67	
05/01/2038			458,750.00	458,750.00	
06/01/2038			474,041.67	474,041.67	
07/01/2038			458,750.00	458,750.00	

BOND DEBT SERVICE

County of Lancaster, Pennsylvania  
 Guaranty Agreement Relating to  
 \$63,590,000  
 Lancaster County Convention Center Authority  
 Hotel Room Rental Tax Revenue Bonds, Series of 2014

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
08/01/2038			474,041.67	474,041.67	
09/01/2038			474,041.67	474,041.67	
10/01/2038			458,750.00	458,750.00	
11/01/2038			474,041.67	474,041.67	
12/01/2038	2,510,000	15.000%	458,750.00	2,968,750.00	
12/31/2038					8,091,458.36
01/01/2039			441,620.83	441,620.83	
02/01/2039			441,620.83	441,620.83	
03/01/2039			398,883.33	398,883.33	
04/01/2039			441,620.83	441,620.83	
05/01/2039			427,375.00	427,375.00	
06/01/2039			441,620.83	441,620.83	
07/01/2039			427,375.00	427,375.00	
08/01/2039			441,620.83	441,620.83	
09/01/2039			441,620.83	441,620.83	
10/01/2039			427,375.00	427,375.00	
11/01/2039			441,620.83	441,620.83	
12/01/2039	2,645,000	15.000%	427,375.00	3,072,375.00	
12/31/2039					7,844,729.14
01/01/2040			407,456.25	407,456.25	
02/01/2040			407,456.25	407,456.25	
03/01/2040			381,168.75	381,168.75	
04/01/2040			407,456.25	407,456.25	
05/01/2040			394,312.50	394,312.50	
06/01/2040			407,456.25	407,456.25	
07/01/2040			394,312.50	394,312.50	
08/01/2040			407,456.25	407,456.25	
09/01/2040			407,456.25	407,456.25	
10/01/2040			394,312.50	394,312.50	
11/01/2040			407,456.25	407,456.25	
12/01/2040	2,810,000	15.000%	394,312.50	3,204,312.50	
12/31/2040					7,620,612.50
01/01/2041			371,160.42	371,160.42	
02/01/2041			371,160.42	371,160.42	
03/01/2041			335,241.67	335,241.67	
04/01/2041			371,160.42	371,160.42	
05/01/2041			359,187.50	359,187.50	
06/01/2041			371,160.42	371,160.42	
07/01/2041			359,187.50	359,187.50	
08/01/2041			371,160.42	371,160.42	
09/01/2041			371,160.42	371,160.42	
10/01/2041			359,187.50	359,187.50	
11/01/2041			371,160.42	371,160.42	
12/01/2041	2,685,000	15.000%	359,187.50	3,044,187.50	
12/31/2041					7,055,114.61
01/01/2042			336,479.17	336,479.17	
02/01/2042			336,479.17	336,479.17	
03/01/2042			303,916.67	303,916.67	
04/01/2042			336,479.17	336,479.17	
05/01/2042			325,625.00	325,625.00	
06/01/2042			336,479.17	336,479.17	
07/01/2042			325,625.00	325,625.00	

BOND DEBT SERVICE

County of Lancaster, Pennsylvania  
 Guaranty Agreement Relating to  
 \$63,590,000  
 Lancaster County Convention Center Authority  
 Hotel Room Rental Tax Revenue Bonds, Series of 2014

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
08/01/2042			336,479.17	336,479.17	
09/01/2042			336,479.17	336,479.17	
10/01/2042			325,625.00	325,625.00	
11/01/2042			336,479.17	336,479.17	
12/01/2042	5,930,000	15.000%	325,625.00	6,255,625.00	
12/31/2042					9,891,770.86
01/01/2043			259,883.33	259,883.33	
02/01/2043			259,883.33	259,883.33	
03/01/2043			234,733.33	234,733.33	
04/01/2043			259,883.33	259,883.33	
05/01/2043			251,500.00	251,500.00	
06/01/2043			259,883.33	259,883.33	
07/01/2043			251,500.00	251,500.00	
08/01/2043			259,883.33	259,883.33	
09/01/2043			259,883.33	259,883.33	
10/01/2043			251,500.00	251,500.00	
11/01/2043			259,883.33	259,883.33	
12/01/2043	3,275,000	15.000%	251,500.00	3,526,500.00	
12/31/2043					6,334,916.64
01/01/2044			217,581.25	217,581.25	
02/01/2044			217,581.25	217,581.25	
03/01/2044			203,543.75	203,543.75	
04/01/2044			217,581.25	217,581.25	
05/01/2044			210,562.50	210,562.50	
06/01/2044			217,581.25	217,581.25	
07/01/2044			210,562.50	210,562.50	
08/01/2044			217,581.25	217,581.25	
09/01/2044			217,581.25	217,581.25	
10/01/2044			210,562.50	210,562.50	
11/01/2044			217,581.25	217,581.25	
12/01/2044	3,450,000	15.000%	210,562.50	3,660,562.50	
12/31/2044					6,018,862.50
01/01/2045			173,018.75	173,018.75	
02/01/2045			173,018.75	173,018.75	
03/01/2045			156,275.00	156,275.00	
04/01/2045			173,018.75	173,018.75	
05/01/2045			167,437.50	167,437.50	
06/01/2045			173,018.75	173,018.75	
07/01/2045			167,437.50	167,437.50	
08/01/2045			173,018.75	173,018.75	
09/01/2045			173,018.75	173,018.75	
10/01/2045			167,437.50	167,437.50	
11/01/2045			173,018.75	173,018.75	
12/01/2045	3,660,000	15.000%	167,437.50	3,827,437.50	
12/31/2045					5,697,156.25
01/01/2046			125,743.75	125,743.75	
02/01/2046			125,743.75	125,743.75	
03/01/2046			113,575.00	113,575.00	
04/01/2046			125,743.75	125,743.75	
05/01/2046			121,687.50	121,687.50	
06/01/2046			125,743.75	125,743.75	
07/01/2046			121,687.50	121,687.50	

BOND DEBT SERVICE

County of Lancaster, Pennsylvania  
 Guaranty Agreement Relating to  
 \$63,590,000  
 Lancaster County Convention Center Authority  
 Hotel Room Rental Tax Revenue Bonds, Series of 2014

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
08/01/2046			125,743.75	125,743.75	
09/01/2046			125,743.75	125,743.75	
10/01/2046			121,687.50	121,687.50	
11/01/2046			125,743.75	125,743.75	
12/01/2046	3,660,000	15.000%	121,687.50	3,781,687.50	
12/31/2046					5,140,531.25
01/01/2047			78,468.75	78,468.75	
02/01/2047			78,468.75	78,468.75	
03/01/2047			70,875.00	70,875.00	
04/01/2047			78,468.75	78,468.75	
05/01/2047			75,937.50	75,937.50	
06/01/2047			78,468.75	78,468.75	
07/01/2047			75,937.50	75,937.50	
08/01/2047			78,468.75	78,468.75	
09/01/2047			78,468.75	78,468.75	
10/01/2047			75,937.50	75,937.50	
11/01/2047			78,468.75	78,468.75	
12/01/2047	6,075,000	15.000%	75,937.50	6,150,937.50	
12/31/2047					6,998,906.25
	63,590,000		228,883,150.11	292,473,150.11	292,473,150.11

Table 2

## ESTIMATED NET DEBT SERVICE

County of Lancaster, Pennsylvania  
 Guaranty Agreement Relating to  
 \$63,590,000  
 Lancaster County Convention Center Authority  
 Hotel Room Rental Tax Revenue Bonds, Series of 2014

Period Ending (1)	Principal	Estimated Bond Rate (2)	Estimated Bond Interest (2)	Estimated Net Swap Cash Flow (2)	Estimated Net Debt Service
12/31/2014			502,841.46	1,516,871.61	2,019,713.07
12/31/2015	370,000	2.048%	1,320,411.02	1,516,871.61	3,207,282.63
12/31/2016	410,000	2.048%	1,316,324.69	1,507,553.17	3,233,877.86
12/31/2017	460,000	2.048%	1,304,214.71	1,498,357.69	3,262,572.40
12/31/2018	510,000	2.048%	1,294,663.13	1,486,863.55	3,291,526.68
12/31/2019	570,000	2.048%	1,284,073.29	1,474,521.53	3,328,594.82
12/31/2020	630,000	2.048%	1,275,723.11	1,460,374.42	3,366,097.53
12/31/2021	690,000	2.048%	1,259,155.93	1,445,831.09	3,394,987.02
12/31/2022	755,000	2.048%	1,244,828.49	1,428,783.59	3,428,612.08
12/31/2023	830,000	2.048%	1,229,151.27	1,410,512.56	3,469,663.83
12/31/2024	900,000	2.048%	1,215,237.12	1,390,090.19	3,505,327.31
12/31/2025	980,000	2.048%	1,193,228.80	1,368,977.84	3,542,206.64
12/31/2026	1,065,000	2.048%	1,172,879.69	1,344,930.60	3,582,810.29
12/31/2027	1,150,000	2.048%	1,150,765.53	1,319,157.60	3,619,923.13
12/31/2028	1,245,000	2.048%	1,129,973.76	1,291,014.72	3,665,988.48
12/31/2029	1,340,000	2.048%	1,101,034.64	1,261,504.23	3,702,538.87
12/31/2030	1,445,000	2.048%	1,073,210.33	1,228,770.64	3,746,980.97
12/31/2031	1,555,000	2.048%	1,043,205.67	1,193,801.65	3,792,007.32
12/31/2032	1,670,000	2.048%	1,013,686.61	1,155,890.02	3,839,576.63
12/31/2033	1,790,000	2.048%	976,240.31	1,116,027.59	3,882,267.90
12/31/2034	1,920,000	2.048%	939,072.00	1,072,438.63	3,931,510.63
12/31/2035	2,055,000	2.048%	899,204.24	1,025,974.63	3,980,178.87
12/31/2036	2,200,000	2.048%	858,880.02	976,005.78	4,034,885.80
12/31/2037	2,350,000	2.048%	810,851.51	923,228.69	4,084,080.20
12/31/2038	2,510,000	2.048%	762,055.13	866,133.62	4,138,188.75
12/31/2039	2,645,000	2.048%	709,936.31	805,391.63	4,160,327.94
12/31/2040	2,810,000	2.048%	656,808.96	741,200.77	4,208,009.73
12/31/2041	2,685,000	2.048%	596,666.33	673,546.26	3,955,212.59
12/31/2042	5,930,000	2.048%	540,913.78	608,744.07	7,079,657.85
12/31/2043	3,275,000	2.048%	417,780.62	468,393.58	4,161,174.20
12/31/2044	3,450,000	2.048%	350,735.34	392,054.55	4,192,789.89
12/31/2045	3,660,000	2.048%	278,139.76	311,912.85	4,250,052.61
12/31/2046	3,660,000	2.048%	202,141.84	226,630.85	4,088,772.69
12/31/2047	6,075,000	2.048%	126,144.00	141,426.07	6,342,570.07
	63,590,000		31,250,179.40	36,649,787.88	131,489,967.28

(1) Actual payments exchanged monthly on the 1st day of each month.

(2) Based upon the 10-year average of 1-month LIBOR (1.854%).

Table 3

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**PLEDGED REVENUES & ESTIMATED NET DEBT SERVICE**

County of Lancaster, Pennsylvania  
 Guaranty Agreement Relating to  
 \$63,590,000  
 Lancaster County Convention Center Authority  
 Hotel Room Rental Tax Revenue Bonds, Series of 2014

Period Ending	Estimated Pledged Revenues	Estimated Net Debt Service	Available DSRF	Differential
12/31/2014	5,225,137.95	2,019,713.07		3,205,424.88
12/31/2015	5,277,389.33	3,207,282.63		2,070,106.70
12/31/2016	5,330,163.22	3,233,877.86		2,096,285.36
12/31/2017	5,383,464.86	3,262,572.40		2,120,892.46
12/31/2018	5,437,299.50	3,291,526.68		2,145,772.82
12/31/2019 *	4,393,337.99	3,328,594.82		1,064,743.17
12/31/2020	4,437,271.37	3,366,097.53		1,071,173.84
12/31/2021	4,481,644.09	3,394,987.02		1,086,657.07
12/31/2022	4,526,460.53	3,428,612.08		1,097,848.45
12/31/2023	4,571,725.13	3,469,663.83		1,102,061.30
12/31/2024	4,617,442.39	3,505,327.31		1,112,115.08
12/31/2025	4,663,616.81	3,542,206.64		1,121,410.17
12/31/2026	4,710,252.98	3,582,810.29		1,127,442.69
12/31/2027	4,757,355.51	3,619,923.13		1,137,432.38
12/31/2028	4,804,929.06	3,665,988.48		1,138,940.58
12/31/2029	4,852,978.35	3,702,538.87		1,150,439.48
12/31/2030	4,901,508.14	3,746,980.97		1,154,527.17
12/31/2031	4,950,523.22	3,792,007.32		1,158,515.90
12/31/2032	5,000,028.45	3,839,576.63		1,160,451.82
12/31/2033	5,050,028.74	3,882,267.90		1,167,760.84
12/31/2034	5,100,529.02	3,931,510.63		1,169,018.39
12/31/2035	5,151,534.31	3,980,178.87		1,171,355.44
12/31/2036	5,203,049.66	4,034,885.80		1,168,163.86
12/31/2037	5,255,080.15	4,084,080.20		1,170,999.95
12/31/2038	5,307,630.95	4,138,188.75		1,169,442.20
12/31/2039	5,360,707.26	4,160,327.94		1,200,379.32
12/31/2040	5,414,314.34	4,208,009.73		1,206,304.61
12/31/2041	5,468,457.48	3,955,212.59		1,513,244.89
12/31/2042	5,523,142.05	7,079,657.85	2,610,859.00	1,054,343.20
12/31/2043	5,578,373.47	4,161,174.20		1,417,199.27
12/31/2044	5,634,157.21	4,192,789.89		1,441,367.32
12/31/2045	5,690,498.78	4,250,052.61		1,440,446.17
12/31/2046	5,747,403.77	4,088,772.69		1,658,631.08
12/31/2047	5,804,877.81	6,342,570.07	1,500,859.00	963,166.74
	173,612,313.90	131,489,967.28	4,111,718.00	46,234,064.62

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\* Beginning July 2019, the Authority will receive 80% of the Hotel Room Rental Tax.

Table 4

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HISTORICAL HOTEL ROOM RENTAL TAX COLLECTIONS

County of Lancaster, Pennsylvania  
Guaranty Agreement Relating to  
\$63,590,000  
Lancaster County Convention Center Authority  
Hotel Room Rental Tax Revenue Bonds, Series of 2014

Period Ending	Actual HRRT Collections	Percentage Increase/Decrease Over Prior Year
12/31/2000	3,524,843.45	-
12/31/2001	3,673,072.99	4.21%
12/31/2002	3,774,303.69	2.76%
12/31/2003	3,687,680.56	-2.30%
12/31/2004	3,937,999.86	6.79%
12/31/2005	4,104,835.09	4.24%
12/31/2006	4,230,263.69	3.06%
12/31/2007	4,688,980.61	10.84%
12/31/2008	4,486,607.93	-4.32%
12/31/2009	4,143,623.81	-7.64%
12/31/2010	4,572,630.09	10.35%
12/31/2011	4,600,137.40	0.60%
12/31/2012	4,982,587.47	8.31%
12/31/2013	5,130,784.90	2.97%
	59,538,351.53	

Average Annual Growth Rate (2000-2013): 3.07%  
Cumulative Growth Rate (2000-2013): 45.56%