The Wait Is Over.

SANTA CRUZ FIBER
QUICK FACTS

- Population: 62,864
- Square Miles: 12.74
- Median Household Income: $61,600
- Median Home Price: $700,000
- Households: 20,990
- Persons per Household: 2.49
- Visitors per Year: 3-4 million
- Days of Sun per Year: 262
• Cost Estimate
• Financial Model
• Timeline
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- Cost Estimate
- Financial Model
- Market Survey

$35-52 million
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- Cost Estimate
- Financial Model
- Market Survey

- 34% “Take Rate”
  - Double Cruzio’s Market Share
  - Sustainable for City’s Debt & Maintenance
 Wholesale Rates

Table 1: Potential Discounts on Cruzio’s Fees to City as Take Rate Rises

<table>
<thead>
<tr>
<th>Take Rate</th>
<th>Per Passing (Years 1 – 4)</th>
<th>Per Passing (Year 5)</th>
<th>Per Subscriber (Years 1 – 4)</th>
<th>Per Subscriber (Year 5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>18%</td>
<td>$6.00</td>
<td>$6.00</td>
<td>$37.25</td>
<td>$37.25</td>
</tr>
<tr>
<td>34%</td>
<td>$6.00</td>
<td>$6.00</td>
<td>$30.00</td>
<td>$22.00</td>
</tr>
<tr>
<td>40%</td>
<td>$6.00</td>
<td>$6.00</td>
<td>$30.00</td>
<td>$19.25</td>
</tr>
<tr>
<td>50%</td>
<td>$6.00</td>
<td>$5.00</td>
<td>$30.00</td>
<td>$18.00</td>
</tr>
<tr>
<td>54%</td>
<td>$6.00</td>
<td>$4.40</td>
<td>$30.00</td>
<td>$18.00</td>
</tr>
<tr>
<td>60%</td>
<td>$6.00</td>
<td>$4.15</td>
<td>$30.00</td>
<td>$17.00</td>
</tr>
<tr>
<td>70%</td>
<td>$6.00</td>
<td>$4.00</td>
<td>$30.00</td>
<td>$15.50</td>
</tr>
</tbody>
</table>
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- Cost Estimate
- Financial Model
- Market Survey

- 34% “Take Rate”
- Cruzio pays per passing & per subscriber
- Debt Guarantee 80/20
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- Layer 1 - $35 Million
- Bond Debt $45-50 Million
- 20% debt backfill

- Layer 2 & 3 - $1-2 Million
- Wholesale fee
- 80% debt backfill
2016 – Contract, Engineering, Prepare Bonds
2017 – Bond Issuance & Construction
2018 – Complete Construction by Year 3
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