



THE CORPORATION OF THE TOWN OF COBOURG

BY-LAW NUMBER 011-2013

A BY-LAW TO AUTHORIZE THE RENEWAL OF AN EXISTING BANK LOAN WITH THE ROYAL BANK OF CANADA FOR THE PURPOSE OF FINANCING THE REMAINING BALANCE ON THE ORIGINAL LOAN USED TO ACQUIRE THE NORTHAM INDUSTRIAL PARK IN COBOURG.

WHEREAS the Municipal Act, 2001 as amended (the "Act") provides that a municipality may incur a debt for municipal purposes, whether by borrowing money or in any other way, and may issue debentures and prescribed financial instruments and enter prescribed financial agreements for or in relation to the debt.

AND WHEREAS on March 3, 2003 the Municipal Council of the Corporation of the Town of Cobourg (the "Corporation") passed By-Law Number 11 - 2003 to authorize the borrowing of \$14,000,000 (\$5,896,167 of which may be raised by the issue of refinancing debentures in the final year of maturity) towards the cost of the acquisition of land from the Ontario Realty Corporation, being Northam Industrial Park.

AND WHEREAS March 4, 2013 marks the tenth anniversary of the acquisition of Northam Industrial Park by the Corporation and the maturity of the initial ten year term of financing of this purchase.

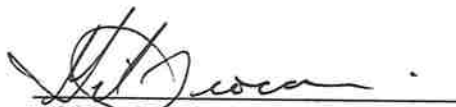
AND WHEREAS no additional debt has been issued during the initial ten year term of financing with respect to this purchase.

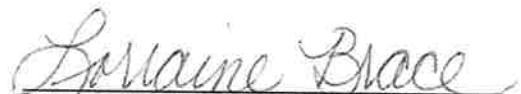
NOW THEREFORE the Municipal Council of the Corporation of the Town of Cobourg enacts as follows:

1. That the renewal of the remaining balance of the original bank loan, being \$5,904,527.88 over a five year term at an interest rate of 2.33% is hereby authorized and approved.
2. That the Mayor and Treasurer are hereby authorized to enter into a renewal agreement with the Bank. The renewal of the bank loan shall be in accordance with the provisions of the Municipal Act S.O. 2001, C.25 as amended and Ontario Regulation 276/02.
3. That the bank loan shall be expressed and payable in lawful money of Canada and shall be issued in the name of the Bank with provision for payment of principal and interest by automatic withdrawal at the Cobourg branch of the Royal Bank of Canada, 66 King Street West, Cobourg, Ontario or otherwise, if authorized in writing.
4. That the bank loan shall be payable in monthly installments of principal on the fourth day of each month starting April 4, 2013 and ending March 4, 2018 in the amounts as set out in the Schedule "A" attached hereto (Schedule "A"), forming part hereof.

5. That interest is to be calculated and compounded monthly not in advance at 2.33% (percent) per annum ("Interest Rate") (and on default, both before and after default and judgment) and shall be payable in monthly installments on the fourth day of each month starting April 4, 2013 and ending March 4, 2018 in the amounts as set out in Schedule "A". Any amounts payable as interest on overdue interest shall be paid out of current revenues. Interest shall be computed from the date of renewal of the bank loan.
6. That the bank loan shall be payable within a term not to exceed five (5) years.
7. That this By-Law shall come into force and have effect immediately from and after the passing thereof.

READ a first, second and third time and finally passed in Open Council this 4th day of March, 2013.


MAYOR


MUNICIPAL CLERK

Schedule "A"

Loan Amortization



Inputs

Loan Principal Amount
Annual Interest Rate
Loan Period in Years
Base Year of Loan
Base Month of Loan

Loan 1
\$5,904,527.88
2.33%
5
2013
4



Key Figures

Annual Loan Payments \$1,251,823.56
Monthly Payments \$104,318.63
Interest in First Calendar Year \$96,192.02
Interest Over Term of Loan \$354,589.92
Sum of All Payments \$6,259,117.80

Payments in First 12 Months

Year	Month	Balance	Payments	Principal	Interest	Cumulative Principal	Cumulative Interest	Ending Balance
	Apr	\$5,904,527.88	\$104,318.63	\$92,909.26	\$11,409.37	\$92,909.26	\$11,409.37	\$5,811,618.62
	May	\$5,811,618.62	\$104,318.63	\$93,088.79	\$11,229.84	\$185,998.05	\$22,639.21	\$5,718,529.83
	Jun	\$5,718,529.83	\$104,318.63	\$93,268.67	\$11,049.96	\$279,266.72	\$33,689.17	\$5,625,261.16
	Jul	\$5,625,261.16	\$104,318.63	\$93,448.89	\$10,869.74	\$372,715.61	\$44,558.91	\$5,531,812.27
	Aug	\$5,531,812.27	\$104,318.63	\$93,629.46	\$10,689.17	\$466,345.07	\$55,248.08	\$5,438,182.81
	Sep	\$5,438,182.81	\$104,318.63	\$93,810.39	\$10,508.24	\$560,155.46	\$65,756.32	\$5,344,372.42
	Oct	\$5,344,372.42	\$104,318.63	\$93,991.66	\$10,326.97	\$654,147.12	\$76,083.29	\$5,250,380.76
	Nov	\$5,250,380.76	\$104,318.63	\$94,173.28	\$10,145.35	\$748,320.40	\$86,228.64	\$5,156,207.48
	Dec	\$5,156,207.48	\$104,318.63	\$94,355.25	\$9,963.38	\$842,675.65	\$96,192.02	\$5,061,852.23
2014	Jan	\$5,061,852.23	\$104,318.63	\$94,537.57	\$9,781.06	\$937,213.22	\$105,973.08	\$4,967,314.66
	Feb	\$4,967,314.66	\$104,318.63	\$94,720.25	\$9,598.38	\$1,031,933.47	\$115,571.46	\$4,872,594.41
	Mar	\$4,872,594.41	\$104,318.63	\$94,903.28	\$9,415.35	\$1,126,836.75	\$124,986.81	\$4,777,691.13

Yearly Schedule of Balances and Payments

Year	Balance	Payments	Principal	Interest	Cumulative Principal	Cumulative Interest	Ending Balance
2014	\$5,061,852.23	\$1,251,823.56	\$1,147,307.84	\$104,515.72	\$1,989,983.49	\$200,707.74	\$3,914,544.39
2015	\$3,914,544.39	\$1,251,823.56	\$1,173,089.64	\$78,733.92	\$3,163,073.13	\$279,441.66	\$2,741,454.75
2016	\$2,741,454.75	\$1,251,823.56	\$1,200,716.42	\$51,107.14	\$4,363,789.55	\$330,548.80	\$1,540,738.33
2017	\$1,540,738.33	\$1,251,823.56	\$1,228,993.83	\$22,829.73	\$5,592,783.38	\$353,378.53	\$311,744.50
2018	\$311,744.50	\$312,955.89	\$311,744.50	\$1,211.39	\$5,904,527.88	\$354,589.92	\$0.00