

**Pathway Lending
Target Budget Proposal - 2018**

| | | Target Budget 2018 |
|--|--|-------------------------------|
| Revenue | | |
| Financing Revenue | | |
| Interest Income on Loans | | 5,973,382 |
| Interest Income on Deposits | | 187,500 |
| Fee Income | | 373,170 |
| Total Financing Revenue | | 6,534,052 |
| Less: Interest Expense | | 2,123,927 |
| Net Interest Income | | 4,410,125 |
| Less : Allowance for Loan Losses | | |
| Accrual Expense | | 660,917 |
| Actual Net Writeoffs(Recoveries) | | 414,525 |
| Total Allowance for Loan Losses | | 1,075,442 |
| Net Income after Interest and Loan Losses | | 3,334,683 |
| Sustainable Programs/Grants/Contributions/Contracts | | |
| BDS Contributions | | 300,000 |
| SBA Technical Assistance Grant | | 240,000 |
| TA Billable to Clients | | 12,000 |
| WBC Grant | | 150,000 |
| TVA MWB Grant | | 10,000 |
| TVA Contract | | 50,000 |
| Event Income/Membership/Scholarships | | 30,000 |
| MDHA | | 110,000 |
| FATA | | 250,000 |
| 504/TNROF (AL/Prime prior years) | | 405,455 |
| TVA & insurance | | 5,600 |
| Miscellaneous Grants/Other for Related Expenses | | 55,000 |
| Total Grant Revenue | | 1,618,055 |
| Total Net Operating Revenue | | 4,952,738 |
| Operating Expenses | | |
| Financing Expenses | | |
| Financing Personnel Expenses | | 3,527,456 |
| G & A Expenses | | 1,747,462 |
| Total Financing Expenses | | 5,274,918 |
| Corporate Operating Expenses | | |
| Personnel Expenses | | 695,171 |
| G & A Expenses | | 124,720 |
| Total Corporate Expenses | | 819,891 |
| Total Operating Expenses | | 6,094,809 |
| Inc (Dec) Net Assets Before Program Expansion | | |
| Development and Capital Grants | | (1,142,071) |
| Program Expansion/Development Operating Grants | | |
| CDFI/Management Challenge | | 916,905 |
| Total Program E/D Operating Grants | | 916,905 |
| Operating Income Before Capital Grants | | (225,166) |
| Capital Grants/Contributions (for Lending Funds) | | 3,500,000 |
| Increase (Decrease) in Net Assets | | 3,274,834 |