

April 12, 2007

Mr. Michael Kenyon
Manager
Village of Grosse Pointe Shores
795 Lakeshore Drive
Grosse Pointe Shores, MI 48236

Dear Mr. Kenyon:

As you have informed us, the Village is considering a bond issue to renovate its marina. You have asked us to prepare two schedules showing the cash flow of the marina operations and debt payments over the next ten years based on certain assumptions. **Both attached schedules were developed using the following assumptions provided by the Village:**

ASSUMPTIONS

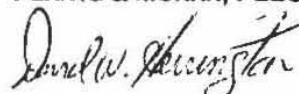
1. Full occupancy every year
2. Operating, repairs and maintenance costs starting at \$55,000 in 2008 and only growing at a 3% annual rate netted against \$10,000 of miscellaneous revenue
3. Marina capital project stays within budget (\$3,800,000)
4. Bonds are issued at 4.5% interest rate
5. At least \$400,000 left in reserve at start of 2008 season
6. One hundred thirty-seven wells with a total of 82,714 square feet of well space

The differences between the two attached schedules are the annual well rates. In Schedule A, the well rate starts at \$3.10 per square foot in 2008 and stays at that rate through 2012. The rate is then stepped up to the projected inflationary rate in 2013. The well rates on Schedule B provide a more gradual rate increase over the ten year period.

In either case (Schedule A or B), the cash flow models indicate a positive cash flow over a ten year period. **The actual results will be impacted directly by the accuracy of the above assumptions.** We have provided you with the cash flow template in case any significant changes occur during the project timeline.

Thank you again for the opportunity to serve you.

Very truly yours,
PLANTE & MORAN, PLLC



David W. Herrington

