



Governmental Finance

5130 Parkway Plaza Boulevard
Charlotte, North Carolina 28217
Phone (704) 954-1700
Fax (704) 954-1799

July 16, 2020

Ms. Debbie Hall
Town of Carolina Beach, NC
1121 N. Lake Park Blvd
Carolina Beach, NC 28428

Dear Ms. Hall:

Truist Bank ("Lender") is pleased to offer this proposal for the financing requested by the Town of Carolina Beach, NC ("Borrower").

PROJECT: Vehicles & Heavy Equipment

AMOUNT: \$340,000.00

TERM: 5 years

INTEREST RATE: 1.56%

TAX STATUS: Tax Exempt – Bank Qualified

PAYMENTS: Interest: Annual
Principal: Annual

INTEREST RATE CALCULATION: 30/360

SECURITY: Vehicles and Equipment

PREPAYMENT TERMS: Prepayable in whole at any time without penalty

RATE EXPIRATION: August 31, 2020

DOCUMENTATION/ LEGAL REVIEW FEE: N/A

FUNDING: Proceeds will be deposited into an account held at Lender pending disbursement unless equipment is delivered prior to closing.

DOCUMENTATION: Lender proposes to use its standard form financing contracts and related documents for this installment financing. We shall provide a sample of those documents to you should Lender be the successful proposer.

The financing documents shall include provisions that will outline appropriate changes to be implemented in the event that this transaction is determined to be taxable or non-bank qualified in accordance with the Internal Revenue Service Code. All documentation must be deemed appropriate by Lender before closing.

**REPORTING
REQUIREMENTS:**

Lender will require financial statements to be delivered within 270 days after the conclusion of each fiscal year-end throughout the term of the financing.

Should we become the successful proposer, we have attached the form of a resolution that your governing board can use to award the financing to Lender. If your board adopts this resolution, then Lender shall not require any further board action prior to closing the transaction.

Lender shall have the right to cancel this offer by notifying the Borrower of its election to do so (whether this offer has previously been accepted by the Borrower) if at any time prior to the closing there is a material adverse change in the Borrower's financial condition, if we discover adverse circumstances of which we are currently unaware, if we are unable to agree on acceptable documentation with the Borrower or if there is a change in law (or proposed change in law) that changes the economic effect of this financing to Lender.

Costs of counsel for the Borrower and any other costs will be the responsibility of the Borrower.

The stated interest rate assumes that the Borrower expects to borrow no more than \$10,000,000 in the current calendar year and that the financing will qualify as qualified tax-exempt financing under the Internal Revenue Code. Lender reserves the right to terminate this bid or to negotiate a mutually acceptable interest rate if the financing is not qualified tax-exempt financing.

We appreciate the opportunity to offer this financing proposal. Please call me at (803) 251-1328 with your questions and comments. We look forward to hearing from you.

Sincerely,

Truist Bank



Andrew G. Smith
Senior Vice President

Carolina Beach DRAFT Payment Schedule

Compounding Period: Annual
 Nominal Annual Rate: 1.560%

Cash Flow Data - Loans and Payments

Event	Date	Amount	Number	Period	End Date
1 Loan	07/16/2020	340,000.00	1		
2 Payment	07/16/2021	Fixed Principal	5	Annual	07/16/2025
	Principal payment amount	68,000.00			

TValue Amortization Schedule - Normal, 360 Day Year

Date	Payment	Interest	Principal	Balance
Loan 07/16/2020				340,000.00
2021 Totals	0.00	0.00	0.00	
1 07/16/2021	73,304.00	5,304.00	68,000.00	272,000.00
2022 Totals	73,304.00	5,304.00	68,000.00	
2 07/16/2022	72,243.20	4,243.20	68,000.00	204,000.00
2023 Totals	72,243.20	4,243.20	68,000.00	
3 07/16/2023	71,182.40	3,182.40	68,000.00	136,000.00
2024 Totals	71,182.40	3,182.40	68,000.00	
4 07/16/2024	70,121.60	2,121.60	68,000.00	68,000.00
2025 Totals	70,121.60	2,121.60	68,000.00	
5 07/16/2025	69,060.80	1,060.80	68,000.00	0.00
2026 Totals	69,060.80	1,060.80	68,000.00	
Grand Totals	355,912.00	15,912.00	340,000.00	

ANNUAL PERCENTAGE RATE	FINANCE CHARGE	Amount Financed	Total of Payments
The cost of your credit as a yearly rate.	The dollar amount the credit will cost you.	The amount of credit provided to you or on your behalf.	The amount you will have paid after you have made all payments as scheduled.
1.560%	\$15,912.00	\$340,000.00	\$355,912.00