



Truist Financial Corporation

Governmental Finance

2320 Cascade Pointe Blvd. Suite 600
Charlotte, North Carolina 28208
Phone (704) 954-1700
Fax (704) 954-1799

July 1, 2022

Ms. Debbie Hall
Town of Carolina Beach
1121 Lake Park Blvd N.
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 ("Borrower").

PROJECT: Spartan Fire Rescue Apparatus

AMOUNT: \$638,810.00

TERM: 10 years

INTEREST RATE: 3.59%

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 with a one percent prepayment penalty. Alternatively, the Borrower may elect for the transaction to be non-callable for the first half of the term and callable at par thereafter.

**RATE
EXPIRATION:** August 11, 2022

**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) 413-4991 with your questions and comments. We look forward to hearing from you.

Sincerely,

Truist Bank



Andrew G. Smith
Senior Vice President

Carolina Beach, NC - Spartan Fire Rescue Apparatus (DRAFT)

Compounding Period: Annual

Nominal Annual Rate: 3.590%

Cash Flow Data - Loans and Payments

	Event	Date	Amount	Number	Period	End Date
1	Loan	07/01/2022	638,810.00	1		
2	Payment	06/01/2023	Fixed Principal Principal payment amount	10	Annual	06/01/2032
			63,881.00			

TValue Amortization Schedule - Normal, 360 Day Year

	Date	Payment	Interest	Principal	Balance
Loan	07/01/2022				638,810.00
1	06/01/2023	85,221.69	21,340.69	63,881.00	574,929.00
2023 Totals		85,221.69	21,340.69	63,881.00	
2	06/01/2024	84,520.95	20,639.95	63,881.00	511,048.00
2024 Totals		84,520.95	20,639.95	63,881.00	
3	06/01/2025	82,227.62	18,346.62	63,881.00	447,167.00
2025 Totals		82,227.62	18,346.62	63,881.00	
4	06/01/2026	79,934.30	16,053.30	63,881.00	383,286.00
2026 Totals		79,934.30	16,053.30	63,881.00	
5	06/01/2027	77,640.97	13,759.97	63,881.00	319,405.00
2027 Totals		77,640.97	13,759.97	63,881.00	
6	06/01/2028	75,347.64	11,466.64	63,881.00	255,524.00
2028 Totals		75,347.64	11,466.64	63,881.00	
7	06/01/2029	73,054.31	9,173.31	63,881.00	191,643.00
2029 Totals		73,054.31	9,173.31	63,881.00	
8	06/01/2030	70,760.98	6,879.98	63,881.00	127,762.00
2030 Totals		70,760.98	6,879.98	63,881.00	
9	06/01/2031	68,467.66	4,586.66	63,881.00	63,881.00
2031 Totals		68,467.66	4,586.66	63,881.00	
10	06/01/2032	66,174.33	2,293.33	63,881.00	0.00
2032 Totals		66,174.33	2,293.33	63,881.00	
Grand Totals		763,350.45	124,540.45	638,810.00	