



30 Lisbon Street  
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1.800.966.9172  
Androscogginbank.com

July 17, 2023

Town of Casco  
Attn: Anthony Ward, Town Manager  
635 Meadow Road  
Casco, ME 04015

**MUNICIPAL LEASE PURCHASE PROPOSAL**

**Lessee:** Town of Casco

**Equipment:** One (1) New Fire Engine with equipment and accessories (as detailed in invoices and proposals to be provided by the Lessee prior to closing).

**Cost of Equipment:** \$675,000.00

**Lease Term:** 10 Years

**Interest Rate:** 5.47% (Fixed Tax-Exempt)

**Number of Payments:** Ten (10) Annual payments of principal and Interest

**Payment Amount:** One (1): \$80,000.00 (One-Time Payment due at closing)

Nine (9): \$85,493.12\* Regular Annual Payments (\*Final payment may vary.)

**First Payment Due:** The first payment of principal and interest shall be due at the time of closing. A closing date is scheduled for August 30, 2023, but may be changed upon request.

**Purchase Option:** One Dollar (\$1.00) at end of lease term.

**Prepayment:** There are no prepayment penalties.

**Insurance:** Prior to delivery of the leased assets, Lessee at its sole cost and expense, will provide all-inclusive physical damage and liability insurance in the joint names of the Lessee and Lessor, in amounts satisfactory to Lessor, and forward proof of said coverage to Lessor.

**Title (if required)** Lessee shall be listed as owner and Lessor listed as lien holder on BMV title documents and UCC-1 filing statements as required. Lessor will also hold a security interest in any lease escrow account associated with this transaction.

**Non-appropriation:** The lease will contain a non-appropriation clause.

**Confirmation:** Lessee to confirm that anticipated total borrowings for 2023 year will not exceed Ten Million dollars (\$10,000,000.), making the lease "Bank Qualified".

**Type of Lease:** The lease shall be considered a Municipal Lease/Purchase by all parties. Lessee is a State or a political subdivision thereof, within the meaning of Section 103 of the Internal Revenue Code of 1986.

**Advances / Deposits:** If Lessor advances any deposits or pays any invoices prior to Delivery and Acceptance of the equipment by Lessee, interest will accrue at the above rate on said payments and be due at closing.

**Legal Opinion:** Leases greater than One Hundred Thousand dollars (\$100,000.00) require Lessee to provide an Opinion of Counsel. Said opinion must state that the lease represents a valid and binding obligation of the lessee and further that the lease is a "qualified tax exempt obligation" for the purposes of Section 265 (b) (3) (B) (ii) of the Internal Revenue Code of 1986, as amended.

**Financial Data:** Lessee will provide Androscoggin Bank with its most recent audited financial statement, current year's budget, annual report, a copy of meeting minutes or Board order approving the transaction, and any other supporting data requested during the term of the lease.

**Lease Rates:** This Lease request will be closed within 60 days of the original proposal date, or the stated rate will be subject to change based on public sector rates then existing in the market.

**Expiration:** This lease proposal shall expire if not accepted by a duly qualified Lessee official by 5:00 PM on August 30, 2023.

Thank you for the opportunity to present this lease proposal for your consideration. If you are in agreement with the terms of the proposal, please sign and return it via email. Should you have questions regarding this proposal, please contact me at 207-330-0531.

Sincerely,



John Simko  
Director of Government Banking

**AWARD / ACKNOWLEDGEMENT (please signed and return via email):**

This proposal is accepted and this financing is awarded to Androscoggin Bank.

\_\_\_\_\_  
Name & Title

\_\_\_\_\_  
Date:

Note Model Statement

Date Quoted: Jul 17, 2023  
Product: Product Not Defined  
Interest Method: [1] 365/365 Payments P&I

Note Date: Aug 30, 2023  
Maturity Date: Aug 30, 2032  
  
Principal Advance: \$675,000.00  
  
Amount Financed: \$675,000.00  
Finance Charge: \$174,438.03  
  
Total Principal: \$675,000.00  
Total Interest: \$174,438.03  
Total of Payments: \$849,438.03

Payment Schedule

Description	Date	Frequency	Number	Amount
Fixed Regular Payment	Aug 31, 2023	One Time	1	\$80,000.00
Regular Payment	Aug 30, 2024	Annually	8	\$85,493.12
Regular Payment	Aug 30, 2032	Annually	1	\$85,493.07

Amortization Schedule						
Date	Description	Total Payment	P&I Payment	Principal Payment	Interest Payment	Principal Balance
Aug 30, 2023	Beginning Balance					675,000.00
+ Aug 31, 2023	Fixed Regular Payment	80,000.00	80,000.00	79,898.85	101.15	595,101.15
+ 2023 Totals		80,000.00	80,000.00	79,898.85	101.15	
+ Aug 30, 2024	Regular Payment	85,493.12	85,493.12	52,941.09	32,552.03	542,160.06
+ 2024 Totals		85,493.12	85,493.12	52,941.09	32,552.03	
+ Aug 30, 2025	Regular Payment	85,493.12	85,493.12	55,836.97	29,656.15	486,323.09
+ 2025 Totals		85,493.12	85,493.12	55,836.97	29,656.15	
+ Aug 30, 2026	Regular Payment	85,493.12	85,493.12	58,891.25	26,601.87	427,431.84
+ 2026 Totals		85,493.12	85,493.12	58,891.25	26,601.87	
+ Aug 30, 2027	Regular Payment	85,493.12	85,493.12	62,112.60	23,380.52	365,319.24
+ 2027 Totals		85,493.12	85,493.12	62,112.60	23,380.52	
+ Aug 30, 2028	Regular Payment	85,493.12	85,493.12	65,455.41	20,037.71	299,863.83
+ 2028 Totals		85,493.12	85,493.12	65,455.41	20,037.71	
+ Aug 30, 2029	Regular Payment	85,493.12	85,493.12	69,090.57	16,402.55	230,773.26
+ 2029 Totals		85,493.12	85,493.12	69,090.57	16,402.55	
+ Aug 30, 2030	Regular Payment	85,493.12	85,493.12	72,869.83	12,623.29	157,903.43
+ 2030 Totals		85,493.12	85,493.12	72,869.83	12,623.29	
+ Aug 30, 2031	Regular Payment	85,493.12	85,493.12	76,855.81	8,637.31	81,047.62
+ 2031 Totals		85,493.12	85,493.12	76,855.81	8,637.31	
+ Aug 30, 2032	Regular Payment	85,493.07	85,493.07	81,047.62	4,445.45	
+ 2032 Totals		85,493.07	85,493.07	81,047.62	4,445.45	
+ Grand Total		849,438.03	849,438.03	675,000.00	174,438.03	