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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) Backhoe with equipment and accessories (as detailed in invoices and proposals to be provided by the Lessee prior to closing).

Cost of Equipment: \$178,300.00

Lease Term: 5 Years

Interest Rate: 5.45% (Fixed -Tax Exempt)

Number of Payments: Five (5) Annual payments of principal and Interest

Payment Amount: \$39,541.42* (*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 July 25, 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 30 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 4, 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
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: _____

Lease Amortization Schedule -Town of Casco
5 Year Lease - Backhoe

Annual Rate 5.45%

	Start Date	Amount	Number	Period	End Date
Lease	7/25/2023	\$178,300.00	1		
Payment	7/25/2023	\$39,541.42	5	Annual	7/25/2027

<u>Date</u>	<u>Payment</u>	<u>Interest</u>	<u>Principal</u>	<u>Balance</u>
7/25/2023	\$39,541.42		\$ 39,541.42	\$ 138,758.58
7/25/2024	\$ 39,541.42	\$ 7,562.34	\$ 31,979.08	\$ 106,779.51
7/25/2025	\$ 39,541.42	\$ 5,819.48	\$ 33,721.94	\$ 73,057.57
7/25/2026	\$ 39,541.42	\$ 3,981.64	\$ 35,559.78	\$ 37,497.79
7/5/2027	\$ 39,541.42	\$ 2,043.63	\$ 37,497.79	\$ -
<u>Totals</u>	<u>\$197,707.09</u>	<u>\$ 19,407.09</u>	<u>\$ 178,300.00</u>	