



June 15, 2022

City of Crest Hill  
1610 Plainfield Road  
Crest Hill, IL 60403

Re: Financing of a 2024 Vactor Sewer Cleaner

Ladies and Gentlemen:

We are pleased to provide the City of Crest Hill, IL with the following lease-purchase financing proposal. Tax-exempt leasing is a financing tool that allows municipal entities to purchase needed equipment immediately and pay for it over time. It's also a terrific way to avoid inflation by protecting you from future price increases!

Under a lease-purchase financing arrangement, each payment you make is applied to principal and interest and, at the end of the term, YOU own the equipment outright. We simply record a security interest in the equipment until the loan has been repaid in full.

The illustration below shows annual payments for a 7-year term.

Equipment Cost:	\$487,410.00
Finance Amount:	\$487,410.00
Term:	<u>7-years</u>
Interest Rate:	3.79%
Annual Arrears Rate Factor:	.16532
Annual Arrears Payment Financing \$487,410*:	\$80,578.62
“ “ “ “ \$412,410*:	\$68,179.62

*Rates, factors and payments assume that the Customer is a municipal, tax-exempt entity and the purchase of the equipment falls within the type of equipment allowed as tax-exempt under the I.R.S. Code. In the event this purchase is not exempt, the rate and payments will be adjusted accordingly. Further, it is assumed that the transaction will be "bank-qualified" and that the customer will not issue more than \$10 million in tax-exempt leases or bonds in the current calendar year.*

**This quote is valid if the transaction is credit approved, documented and funded NO LATER THAN JULY 5, 2022 after which time the rate will be adjusted using then-current rates. THERE ARE NO UPFRONT POINTS, FEES OR CLOSING COSTS.**

\*-For payments due annually in arrears, the first annual payment is due one year from the date of the lease contract with subsequent payments due annually thereafter.

Tax-Exempt Leasing Corp. is a privately-held equipment finance company providing innovative financing solutions to tax-exempt entities nationwide. We understand our customers' needs and provide them with competitive rates and superior customer service. Please let me know if I can answer any questions or if you would like to look at any additional proposals or options. I can be reached at 888-247-0771 or via cell phone at 708-347-6367.

Kind Regards,

Joanne Delegan  
Senior Account Executive