

CONNELL EQUIPMENT LEASING COMPANY

A DIVISION OF CONNELL FINANCE COMPANY, INC.

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8/05/2022

Kevin Kuchenbecker

Fair Market Value Leasing Proposal for lessee: **City of Deadwood**

Dear Kevin

Thank you for providing us the opportunity to present our proposal to lease equipment. This proposal is subject to final investment and credit committee approval, review of the final equipment listing, specifications, and mutual agreement on lease documentation.

Proposed Financing Plan

Connell Equipment Leasing Company would enter into a master lease agreement under which equipment would be leased. For pricing purposes, we have assumed that lease would commence

11/1/2023

Individual deliveries of equipment would be added to a Master Lease Agreement by means of individual lease supplements. Interim rent would be calculated from the date of delivery and acceptance of each item of equipment through the lease commencement date (the first day of the following month), at the daily equivalent of the lease rate factor.

Commencing the first day of the month following equipment delivery the lessee would pay based on conditions noted on Exhibit A. The assumptions that we have incorporated in our proposal are outlined in Exhibit A. If you require a proposal based on different assumptions, please let us know so that we can alter our proposal to reflect your specific requirements. After you have had the opportunity to review the attached proposal, I will contact you to answer any questions that you may have. Thank you once again for your time and consideration.

Very truly yours,

Connell Equipment Leasing Company

Jeff O'Hearn
Vice President
ohearn@connellco.com
908-723-9646

Exhibit A

Fair Market Value Leasing Proposal for lessee: City of Deadwood

Prepared by Connell Equipment Leasing Company

Date 7/26/2022

Lease Type: Fair Market Value (FMV)

End of Lease Options: 1. Extend Lease
2. Purchase Equipment at FMV value provided at lease end
3. Return Equipment

Lease Terms (months): 48

Estimated Delivery Date (for pricing purposes): 11/1/2023

Lease Commencement Dates (for pricing purposes): 11/1/2023

First Rental Payment Date (for pricing purposes): 11/1/2023

Periodicity: Advance

Lease Rate Factor: As a percent of equipment cost per month (see next page)

2023 LEASE RATE FACTORS (PAGE 3)

#	Qty.	Make	Model	Description	OEC Each	Lease Term in Months	Hour Usage per year	Lease Rate Factor	Yearly Rent
1	1	Tennant	S30	sweeper	\$65,915.62	48	430	25.4684%	\$16,787.65