



July 2, 2024

City of Hendersonville, NC
160 Sixth Ave. E
Hendersonville, NC 28792

ATT: John Buchanan
Finance Director

Proposal for Acquisition & Finance of: (8) New Police Vehicles and Related Equipment and (1) Environmental Services Pick-up Truck

Dear John,

As per your request, we are enclosing under same cover our proposal for the above captioned transaction. This transaction is structured on a semi-annual basis with 8 semi-annual payments and calculated at an annual percentage rate of 4.49%.

United Financial will take a security interest only in the vehicles and equipment we are financing. There are no direct bank closing costs or origination fees related to the transaction and the rate is fixed for the duration of the financial commitment. Please review the PAYMENTS section of the attached proposal regarding rate lock-in periods and rate adjustment terms.

The Concluding Payment is calculated at 101% of the outstanding balance after each scheduled payment for the first half of the transaction and at 100% of the outstanding balance after each scheduled payment for the remaining term of the transaction. See attached Repayment Schedule B for details.

We utilize Lease Purchase documentation that has been accepted by the LGC in the past in the event LGC approval is required. Rates assume a Bank Qualified, Tax-Exempt transaction.

If you have any questions or need additional information, please contact me at your convenience. Thank you for the opportunity to provide this proposal to you.

Very truly yours,

John M. Tench

CB

John M. Tench
Senior Vice President
Director of Municipal Finance

Phone 828-684-5643
Fax 828-684-5616



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ATT: John Buchanan
Finance Director

Proposal for Acquisition & Finance of: (8) New Police Vehicles and Related Equipment and (1) Environmental Services Pick-up Truck

Dear John,

As a follow-up to your recent request for a proposal regarding the above referenced transaction, United Financial is pleased to offer a finance proposal as follows:

LESSOR: United Financial, *A Division of HomeTrust Bank*

LESSEE: City of Hendersonville, NC

COLLATERAL: Equipment described above.

AMOUNT: Up to \$570,000.00

START DATE: Immediately upon funding (anticipated to be August 1, 2024)

TERM: 4 Years

PAYMENTS: Lease payments will consist of (8) semi-annual payments of 79,785.43 comprised of principal and interest beginning 6/1/2025.

Terms will be held for six months from the date of the proposal.

EXPIRATION: Lease payment terms quoted herein are subject to transaction being documented by 9/2/2024.

LEGAL TITLE: Legal Title to the Equipment during the Lease Term shall vest in the Lessee with Lessor perfecting a first security interest through Equipment Title, UCC, or other filing instruments as may be required by law.

NET LEASE: The Lease will be a net lease, under which all cost and responsibility of maintenance, insurance, taxes and other items of a similar nature shall be for the account of Lessee.

INSURANCE: Lessee shall provide evidence of insurance coverage at the time of delivery of the Equipment, in accordance with the provisions of the Lease.

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FINANCIALS: Lessee shall furnish Lessor with its last three, (3) fiscal years financial statements and its latest interim financial statements, plus such other pertinent information as Lessor may reasonably request.

APPROVAL: Closing of the transaction(s) described herein, and the implementation hereof is expressly conditioned upon approval of Lessor's Senior Loan Committee, the receipt, review and acceptance of properly executed documentation acceptable to Lessor, and the absence of any material adverse change in Lessee's financial condition prior to deliver and acceptance of the Equipment.

ACCEPTANCE: Lessee acknowledges that the terms and conditions of this proposal are satisfactory and that upon execution hereof by Lessee this proposal shall constitute a valid and binding obligation of Lessee. As further condition to Lessor's approval hereof, Lessee must acknowledge its acceptance of this proposal by signing below in the space provided and returning it to the Lessor by 8/2/2024.

TERMS PRESENTED IN THIS PROPOSAL SHALL SURVIVE CLOSING.

Important Information You Need to Know About Opening a New Account

To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each individual or business that opens an account.


What This Means for You

When you open an account, we will ask for your name, address, date of birth, and other information that allows us to identify you. We may also ask to see your driver's license or other identifying documents.

In most instances, this disclosure does not apply to municipalities.

If you determine that this finance structure meets the needs of your organization, please have the appropriate officer indicate the chosen option, place their signature at the bottom of this page, and return it to us via fax, email or US Postal Service. Upon receipt of the signed proposal, we will be in touch with you to make provision for documenting the finance. Thank you for the opportunity to submit this proposal letter for your review and approval. Should you have any questions or comments regarding the terms and conditions, or if we can be of any further assistance to you, please do not hesitate to call.

Sincerely,

John M. Tench 
John M. Tench
Senior Vice President
Director of Municipal Finance

ACCEPTED BY:

SIGNATURE: _____

NAME: _____ **TITLE:** _____ **DATE:** _____

City of Hendersonville, NC

Nominal Annual Rate: 4.490%

AMORTIZATION SCHEDULE - Normal Amortization, 360 Day Year

Payment Date	Date	Payment	Interest	Principal	Concluding
					Payment
Loan	8/1/2024			\$570,000.00	
1	6/1/2025	\$79,785.43	\$21,327.50	\$58,457.93	\$516,657.49
2	12/1/2025	\$79,785.43	\$11,484.12	\$68,301.31	\$447,673.17
3	6/1/2026	\$79,785.43	\$9,950.76	\$69,834.67	\$377,140.15
4	12/1/2026	\$79,785.43	\$8,382.97	\$71,402.46	\$305,023.66
5	6/1/2027	\$79,785.43	\$6,779.98	\$73,005.45	\$228,998.17
6	12/1/2027	\$79,785.43	\$5,141.01	\$74,644.42	\$154,353.75
7	6/1/2028	\$79,785.43	\$3,465.24	\$76,320.19	\$78,033.56
8	12/1/2028	\$79,785.43	\$1,751.87	\$78,033.56	\$0.00
Grand Totals		\$638,283.44	\$68,337.34	\$570,000.00	