



**United Financial**  
A Division of HomeTrust Bank  
**876 Brevard Rd**  
**Asheville, NC. 28806**

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July 11, 2023

City of Hendersonville, NC  
160 Sixth Avenue East  
Hendersonville, NC 28792

ATT: John Buchanan, Finance Director

Re: Finance proposal for: The acquisition and finance of new rolling stock and equipment.

Dear John,

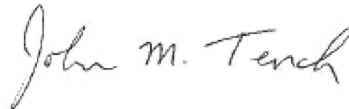
As per your request, we are enclosing under same cover our proposal for the above captioned transaction. As we discussed in our last conversation this transaction is structured on an annual basis with eight (8) semi-annual payments beginning six months after funding and each six months thereafter. This transaction is calculated at an annual percentage rate of 3.80% and assumes a Non-Bank Qualified Tax Exempt transaction.

United Financial will take a security interest only in the vehicles and related 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. There is a prepayment penalty of 1.0% during the first half of the Installment Contract period. No prepayment penalty for the remaining two years of the 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.

Will we utilize the same documentation template used in our most recent transaction as created jointly by the City and Bank legal counsels.

Very truly yours,



John M. Tench  
Senior Vice President  
Director of Municipal Finance

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**Ph. #/828-684-5643**  
**Fax #/828-684-5616**



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July 11, 2023

City of Hendersonville, NC  
160 Sixth Avenue East  
Hendersonville, NC 28792

ATT: John Buchanan, Finance Director

**Amended Proposal for Acquisition & Finance of:** New Rolling Stock and Equipment

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:

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

**BORROWER:** City of Hendersonville, NC

**COLLATERAL:** Rolling Stock and Equipment described above.

**AMOUNT:** Up to \$902,000.00

**START DATE:** Anticipated closing date November 15, 2023.

**TERM:** Four Years

**PAYMENTS:** Payments will consist of eight (8) semi-annual payments of \$122,601.73 comprised of principal and interest beginning May 15, 2024. (See amortization Schedules B and B1)

Terms will be held through November 15, 2023 (also subject to Expiration and Acceptance terms below).

**EXPIRATION:** Payment terms quoted herein are subject to transaction being documented by 11/15/2023.

**LEGAL TITLE:** Legal Title to the Equipment during the Term of the Installment Contract shall vest in the name of the Borrower with Lender perfecting a first security interest through Equipment Title, UCC, or other filing instruments as may be required by law.

**INSURANCE:** Borrower shall provide evidence of insurance coverage at the time of delivery of the Equipment, in accordance with the provisions of the Installment Contract.

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

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

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

**ACCEPTANCE:** Borrower acknowledges that the terms and conditions of this proposal are satisfactory and that upon execution hereof by Borrower this proposal shall constitute a valid and binding obligation of Borrower. As further condition to Lender's approval hereof, Borrower must acknowledge its acceptance of this proposal by signing below in the space provided and returning it to the Lender by August 15, 2023.

**TERMS PRESENTED IN THIS PROPOSAL SHALL SURVIVE CLOSING.**

**Important Information You Need to Know About Opening a New Account**

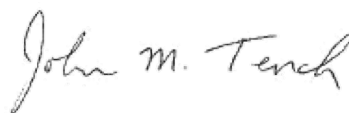
To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each individual or business that opens an account.

**What This Means for You**

When you open an account, we will ask for your signor(s) name(s) and a copy of their current driver's license if not already on record with the bank.

If you determine that this finance structure meets the needs of your organization, please have the appropriate officer indicate acceptance by placing 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  
Senior Vice President  
Director of Municipal Finance

**ACCEPTED BY:**

**SIGNATURE:** \_\_\_\_\_

**NAME:** \_\_\_\_\_ **TITLE:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

## REPAYMENT SCHEDULE B1

Compound Period: Semiannual

Nominal Annual Rate: 3.800%

## AMORTIZATION SCHEDULE - Normal Amortization, 360 Day Year

	Date	Payment	Interest	Principal	Concluding Payment
Loan	11/15/2023			\$ 802,000.00	
1	5/15/2024	\$ 109,009.52	\$ 15,238.00	\$ 93,771.52	\$ 715,310.76
2	11/15/2024	\$ 109,009.52	\$ 13,456.34	\$ 95,553.18	\$ 618,802.05
3	5/15/2025	\$ 109,009.52	\$ 11,640.83	\$ 97,368.69	\$ 520,459.68
4	11/15/2025	\$ 109,009.52	\$ 9,790.83	\$ 99,218.69	\$ 420,248.80
5	5/15/2026	\$ 109,009.52	\$ 7,905.67	\$ 101,103.85	\$ 314,984.07
6	11/15/2026	\$ 109,009.52	\$ 5,984.70	\$ 103,024.82	\$ 211,959.25
7	5/15/2027	\$ 109,009.52	\$ 4,027.23	\$ 104,982.29	\$ 106,976.96
8	11/15/2027	\$ 109,009.52	\$ 2,032.56	\$ 106,976.96	\$ -
Grand Totals		\$ 872,076.16	\$ 70,076.16	\$ 802,000.00	

Compound Period: Semiannual

Nominal Annual Rate: 3.800%

AMORTIZATION SCHEDULE - Normal Amortization, 360 Day Year

	Date	Payment	Interest	Principal	Concluding Payment
Loan	11/15/2023			\$ 100,000.00	
1	5/15/2024	\$ 13,592.21	\$ 1,900.00	\$ 11,692.21	\$ 89,190.87
2	11/15/2024	\$ 13,592.21	\$ 1,677.85	\$ 11,914.36	\$ 77,157.36
3	5/15/2025	\$ 13,592.21	\$ 1,451.48	\$ 12,140.73	\$ 64,895.23
4	11/15/2025	\$ 13,592.21	\$ 1,220.80	\$ 12,371.41	\$ 52,400.10
5	5/15/2026	\$ 13,592.21	\$ 985.74	\$ 12,606.47	\$ 39,274.82
6	11/15/2026	\$ 13,592.21	\$ 746.22	\$ 12,845.99	\$ 26,428.83
7	5/15/2027	\$ 13,592.21	\$ 502.15	\$ 13,090.06	\$ 13,338.77
8	11/15/2027	\$ 13,592.21	\$ 253.44	\$ 13,338.77	\$ -
Grand Totals		\$ 108,737.68	\$ 8,737.68	\$ 100,000.00	