

September 26, 2025

Sean O'Keefe
Town Manager
Town of Howey-in-the-Hills
101 N. Palm Avenue
Howey-in-the-Hills, FL 34737

Re: Florida Municipal Loan Council Financing Programs

Dear Mr. O'Keefe,

We understand that the Town of Howey-in-the-Hills (the "Town") is interested in working with the Florida Municipal Loan Council ("FMLC") and utilizing one of its financing programs. The purpose of this letter is to document the Town's intent to move forward with using the FMLC's financing programs for funding the construction of a new water plant as well as other improvements to the water system and to outline the services provided by the FMLC.

The FMLC offers two financing programs:

- Competitive Capital Access Program (Bank Loan Program)
- Fixed-Rate Bond Program (Bond Issue Program)

The services provided by the FMLC under both programs are described in Exhibit A. The Florida League of Cities serves as Administrator (the "Administrator") for the FMLC.

The compensation for the Florida Municipal Loan Council (FMLC) shall be determined in accordance with the Compensation Schedule attached as Exhibit B. All compensation shall be due upon the closing of the financing. The fee amounts listed are estimates and may be adjusted until the loan has closed. If fee amounts are adjusted, the borrower will receive an amended Letter of Intent from the FMLC. In the event that the financing does not close, no fees shall be due.

The FMLC and the Administrator do not serve as a financial advisor or as a municipal advisor in connection with the issuance of financing. Please note nothing in this letter is an expressed nor an implied commitment by the FMLC or the Administrator to provide financing.

We look forward to working with the Town on this financing.

Sincerely,

FLORIDA LEAGUE OF CITIES, as Administrator for the FMLC

Paul Shamoun, Director of Financial Services



Accepted:

Town of Howey-in-the-Hills, Florida

Signature: _____

Printed Name: _____

Title: _____



Exhibit A

Description of Services

Competitive Capital Access Program (Bank Loan Program):

Services through closing –

- Team of professionals (Bond Counsel, Financial Advisor)
- Coordination of RFP process and professionals
- Pre-reviewed form set of bond documents
- Assist in the closing of the financing

FMLC Fixed-Rate Bond Program (Bond Issue Program):

Services through closing –

- Team of bond professionals (Bond Counsel, Financial Advisor, Underwriter, Disclosure Counsel, Trustee)
- Coordination of professionals and issuance process
- Access to bond insurance*
- Access to an existing surety bond to fund reserve requirements*
- Assist in the closing of the financing

*Subject to a credit review by bond insurer

Ongoing Administrative Services –

- Florida League of Cities serves as the Administrator over the life of the loan
- Arbitrage Rebate Calculations
- Continuing Disclosure Services
- Monthly Account Statements and Reconciliation
- Investment of Bond Proceeds
- Audit Confirmations
- Oversight by FMLC Board of Directors



Exhibit B

Compensation Schedule*

Standard Fee Schedule

Competitive Capital Access Program (Bank Loan Program):

An upfront fee to be collected through the cost of issuance for each borrower at the rate of 10/100 of 1% (.001) with a minimum fee of \$7,500 and a maximum fee of \$25,000 per loan.

FMLC Fixed-Rate Bond Program (Bond Issue Program):

For administrative services rendered through closing, an upfront fee to be collected through the costs of issuance for each borrower at the rate of 5/100 of 1% (.0005) with a minimum fee of \$17,500 per bond issue.

For ongoing administrative services, the fee shall be computed annually for each borrower at the rate of 10/100 of 1% (.001) of the principal balance outstanding, with a minimum annual fee of \$7,500 and a maximum annual fee of \$25,000.

Negotiated Fees

The Administrator is authorized by the FMLC to negotiate fees with borrowers for services when the Standard Fee Schedule is not adequate and does not reflect current market conditions. The Administrator is authorized to adjust Program Administration fees to which the borrower will receive an amended Letter of Intent from the FMLC. Any upfront fees collected are pursuant to a financing agreement.

* Fee amounts provided in Exhibit B are an estimate and are subject to changes, If fee amounts are adjusted, the borrower will receive an amended Letter of Intent from the FMLC.

