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Town of Howey-in-the-Hills, Florida

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**Summary of Indicative Terms**

**10/25/2024**

*United Community Bank (“Bank”), on behalf of itself and any designated affiliate (individually and collectively, “Lender”) is pleased to provide this Summary of Indicative Terms (“Term Sheet”) for discussion. This Term Sheet is a basic outline of the potential terms on which Lender would consider providing or arranging the loan described below. This is not an offer, agreement, or commitment by Lender to lend. Lender will not be bound to any agreement unless or until Lender’s authorized representative signs definitive loan documentation stating that it constitutes the entire understanding and agreement of the parties as to the matters set forth therein. If the terms of a financing transaction are ultimately approved and agreed by Lender, the definitive loan documentation will contain other customary provisions, including, without limitation, representations and warranties, covenants, conditions, specified events of default and other provisions, all of which must be satisfactory to Lender in all respects.*

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<b>Borrower:</b>	Town of Howey-in-the-Hills (the “Borrower” or the “Town”)
<b>Lender:</b>	United Community Bank (Taxable) or United Community Public Finance, Inc., as designated in advance of closing (Tax-Exempt).
<b>Loan:</b>	\$250,000
<b>Use of Proceeds:</b>	To in part, finance the Boardwalk improvement to the SM Mason Preserve.
<b>Security:</b>	The Town will pledge its Park and Recreation Impact Fees and will further secure this financing with the Town’s General Fund.
<b>Guarantor(s):</b>	None
<b>Maturity:</b>	60 months (fully amortizing).
<b>Repayment:</b>	Fully funded at closing. Monthly Principal and Interest payments.
<b>Interest Rate:</b>	Taxable Fixed Rate: 6.86% Tax-Exempt Fixed Rate: 5.42%

	<p>*The rates above are indicative as of 10/24/2024. Rates can be locked for 30 days. Otherwise, the rate will float until 1 week prior to closing.</p> <p>Accrual Basis: 30/360</p> <p>The Borrower will pay to the Lender prepayment compensation in connection with any prepayment of the Loan based on the Lender's standard make-whole terms for fixed rate loans.</p>
<b>Fees:</b>	<p>\$1,250</p>
<b>Financial and Other Covenants:</b>	<p>Usual and customary covenants, reporting requirements, representations and warranties and events of default, for transactions of this type, including, without limitations, the following reporting requirements:</p> <ul style="list-style-type: none"> <li>• Annual Financial Statements within 210 days of fiscal year end.</li> <li>• Annual budget within 30 days of adoption.</li> </ul>
<b>Conditions Precedent, Other Terms, and Notes:</b>	<ol style="list-style-type: none"> <li>1. Borrower's Counsel Opinion (Tax-Exempt only): An opinion of Borrower's counsel covering matters customary to transactions such as this and in all respects acceptable to the Bank, Lender and its counsel.</li> <li>2. Bond Counsel Opinion (Tax-Exempt only): An approving opinion of bond counsel related to the loan in form and substance satisfactory to the Lender and for Tax-Exempt options, shall include, without limitation, an opinion delivered at the time of conversion that the interest rate on the loan is excludable from gross income for Federal income tax purposes.</li> <li>3. Other Items: Lender shall have received such other documents, instruments, approvals or opinions as may be reasonably requested.</li> <li>4. Estimated Bond Counsel fees of \$35,000. If the Town does not have Bond Counsel selected, UCB can provide a list of firms (Tax-Exempt only).</li> </ol>

<b>Lender's Legal Counsel:</b>	<p>Estimated fees for the closing of the loan will not exceed \$7,500 (Tax-Exempt only). All legal fees shall be paid by the Borrower whether or not the Loan described herein is closed.</p>
<b>Governing Law &amp; Jurisdiction:</b>	<p>State of Florida</p>
<b>Municipal Advisor Disclosure:</b>	<p>Please note: (i) the transaction contemplated herein is an arm's length commercial transaction between Borrower and the Lender; (ii) in connection with such transaction, the Lender is acting solely as a principal and not as an advisor including, without limitation, a "Municipal Advisor" as such term is defined in Section 15B of the Securities and Exchange Act of 1934, as amended, and the related final rules (the "Municipal Advisor Rules"), agent, or a fiduciary of Borrower; (iii) to the extent applicable, Bank is relying on the bank exemption in the Municipal Advisor Rules (or such other applicable exemptions, including as it relates to general information); (iv) Lender has not provided any advice or assumed any advisory or fiduciary responsibility in favor of Borrower with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto; (v) Lender has financial and other interests that differ from those of Borrower; and (vi) Borrower has consulted with its own financial, legal, accounting, tax and other advisors, as applicable, to the extent it deemed appropriate (including any Municipal Advisors). Nothing herein is intended to serve as legal, tax or accounting advice. Borrower may be required to certify to the foregoing in a closing certificate.</p>
<b>Patriot Act:</b>	<p>Pursuant to the requirements of the Patriot Act, the Lender and its affiliates are required to obtain, verify and record information that identifies loan obligors, which information includes name, address, tax identification number and other information regarding obligors that will allow the Lender to identify obligors in accordance with the Patriot Act, and the Lender is hereby so authorized. This notice is given in accordance with the requirements of the Patriot Act and is effective for the Lender and its affiliates.</p>

<b>Expiration Date:</b>	This Term Sheet shall expire on November 14, 2024, unless a formal commitment letter has been issued prior to such date.
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Thank you for the opportunity to continue to offer commercial banking services to the town of Howey in the Hills as a valued client of United Community.



**Brad White**  
Commercial Relationship Manager

Accepted on this day, \_\_\_\_\_, 2024 by: **Town of Howey in the Hills**

**Signature** \_\_\_\_\_

**Print Name** \_\_\_\_\_

**Title** \_\_\_\_\_