



203 E. PARK AVENUE, LIBERTYVILLE, ILLINOIS 60048

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December 5, 2022

Nederland Fire Protection District
640 W. 4th Street
Nederland, CO 80466

Re: Lease-Purchase Financing of a Pierce Saber 4x4 Engine (Per Bid #1177) - FULL PREPAY OPTION

Ladies and Gentlemen:

We are pleased to provide Nederland Fire Protection District with the following lease-purchase financing proposal. Tax-exempt leasing is a financing tool that allows municipal/VFD entities to purchase needed equipment immediately and pay for it over time. It's also a terrific way to avoid inflation by protecting you from future price increases! Under a lease-purchase financing arrangement, each payment you make is applied to principal and interest and, at the end of the term, YOU own the equipment outright. The illustration below shows payments for 10- and 15-year terms:

Equipment Cost*:	\$900,719.00
Full Prepay Discount**:	<u>(30,492.00)</u>
Finance Amount:	\$870,227.00
Term:	<u>10-years</u>
Interest Rate:	5.35%
Rate Factor:	.13171
Annual Payment:	\$114,617.60
	<u>15-years^</u>
	5.45%
	.09929
	\$86,404.84

Rates, factors and payments assume that the Customer is a municipal, tax-exempt entity and the purchase of the equipment falls within the type of equipment allowed as tax-exempt under the I.R.S. Code. In the event this purchase is not exempt, the rate and payments will be adjusted accordingly. Further, it is assumed that the transaction will be "bank-qualified" and that the customer will not issue more than \$10 million in tax-exempt leases or bonds in the current calendar year.

This quote is valid for 14 days and is subject to credit approval, proper documentation and legal review and acceptance of Advance Payment Bond. THERE ARE NO UPFRONT POINTS, FEES OR CLOSING COSTS.

*- A Performance Bond (with a Dual Obligee Rider) is required on all Full Prepayment transactions, the cost of which has been included in the Equipment Cost. In order to qualify for the Full Prepayment Discount shown, the manufacturer must be paid in full within 30 days from the date of the purchase order so *time is of the essence*.

[^] - *This an adjustable rate loan with a 10-year rate re-set. After the 10th year, at the sole discretion of the Lessor, payments can be adjusted based on the Constant Maturity Index and will remain fixed for the remaining payments.*

Tax-Exempt Leasing Corp. is a privately-held equipment finance company providing innovative financing solutions to tax-exempt entities nationwide. We understand our customers' needs and provide them with competitive rates and superior customer service.

We appreciate this opportunity and look forward to hearing from you. Please let me know if I can answer any questions, if you need any additional proposals or options, or if you wish to proceed. I can be reached at 888-247-0771 or via cell phone at 708-347-6367.

Kind Regards,

Joanne Delegan
Senior Account Executive