Characteristics of Direct Purchase

Borrower: Town of Bennett

Location: Adams & Arapahoe County, Colorado

Par Amount of Financing: Estimated up to $1,400,000 Series 2017 Lease Purchase

Borrower Background: The Town of Bennett is a statutory town in Adams and Arapahoe counties with a population of approximately 2,454. The Town was formed on January 22, 1930. The Town encompasses approximately 5.56 square miles, and is located approximately 25 miles east of downtown Denver, and 20 miles east of Denver International Airport.

Financing Plan: The Series 2017 Lease Purchase will be used to finance costs associated with the construction of a new town hall.

Amortization: Semi-annual interest payments (calculated 30/360) on June 1 and December 1 with first interest payment beginning June 1, 2017 and principal amortization from December 1, 2017. (Preliminary subject to change. Please indicate if a minimum amortization is required where applicable).

Loan Arranger: George K. Baum & Company (“GKB”)

Special Counsel: Kutak Rock

Type of Financing: Fixed rate or adjustable rate bank direct Lease Purchase.

Tax Status: Interest on the Series 2017 Lease Purchase is tax exempt.

Bank Qualified: Series 2017 Lease Purchase will be eligible for Bank Qualification.

Security for Lease Purchase: The Lease Purchase has an interest in payments under a lease purchase agreement. The revenue is subject to annual appropriation from any of the Town’s lawfully available funds. The Town Hall acts as the leased property.

Leased Property: The property consists of the new town hall, which is expected to be completed in December 2017. The town hall will be 7,200 square feet once completed. The new town hall will be a pre-engineered building to be located on land owned by the Town.

Amortization: The Lease Purchase will amortize over 20 years with principal amortizing annually starting 12/1/2017. Below is a sample amortization schedule:

2017: $65,100
2018: $53,100
2019: $54,700
2020: $56,400
2021: $58,100
2022: $59,800
2023: $61,600
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REQUEST FOR PROPOSALS
For Direct Purchase
Series 2017 Lease Purchase
Proposals due February 27, 2017 at 4:00 pm MST

2024: $63,500
2025: $65,400
2026: $67,300
2027: $69,300
2028: $71,400
2029: $73,600
2030: $75,800
2031: $78,100
2032: $80,400
2033: $82,800
2034: $85,300
2035: $87,800
2036: $90,500

Lease Purchase Term: 20 years or longer
Expected Closing Timeframe: End of March 2017
Description of the Facility: Direct Purchase Series 2017 Lease Purchase
Town Financial Information: https://www.colorado.gov/pacific/townofbennett/financial-report
Contacts: Alan Matlosz – 303.391.5503 – matlosz@gkbaum.com
Brandon Sherwood – 303.391.5485 – sherwood@gkbaum.com
**TOWN OF BENNETT**  
**REQUEST FOR PROPOSALS**  
For Direct Purchase  
Series 2017 Lease Purchase  
**Proposals due February 27, 2017 at 4:00 pm MST**

**Direct Purchase Submittal Requirements**

Proposers should feel free to comment on any other term sheet items. Proposers should follow a term sheet format in structuring the proposal.

<table>
<thead>
<tr>
<th>Financial Institution:</th>
<th>Full name of the proposing bank or financial institution</th>
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<tbody>
<tr>
<td>Type of Facility:</td>
<td>Direct Purchase (Please list any draw-down covenants)</td>
</tr>
<tr>
<td>Amount</td>
<td>Estimated $1,400,000 2017 Lease Purchase</td>
</tr>
<tr>
<td>Term of Facility:</td>
<td>20 years or longer</td>
</tr>
<tr>
<td>Prepayment:</td>
<td>Please specify prepayment penalties (if any) for each interest rate mode.</td>
</tr>
<tr>
<td>Amortization:</td>
<td>Please specify the required amortization for the Lease Purchase.</td>
</tr>
<tr>
<td>Interest Rate Mode:</td>
<td>Fixed rate (as long as possible)</td>
</tr>
<tr>
<td>Interest Rate &amp; Fees:</td>
<td>Please provide indications of interest rates for all proposed terms for a direct purchase. If applicable, proposers should indicate any annual fee in basis points. Also, please indicate the amount of up-front or origination fees, if any, and the formulas for calculating all interest rates and fees. The most recent audits and budget can be found on the Town of Bennett website.</td>
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<thead>
<tr>
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<th>Direct Purchase</th>
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<tbody>
<tr>
<td>Up-front Fee, if any</td>
<td></td>
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<tr>
<td>Interest Rates:</td>
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<td>_-year term</td>
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<tr>
<td>Other Fees</td>
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<tr>
<td>Prepayment Fees (if any)</td>
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**Other Fees:** Please indicate other fees or expenses, if any, to be paid by the Town, including out of pocket and cost of counsel to the financial institution. The Town requires that the financial institution indicate a capped amount for its out-of-pocket expenses and legal fees. The capped fees should take into consideration the fact that the Town intends for Kutak Rock to have primary drafting responsibility for the financial documents.

Also, indicate if the payment of any fees or expenses is not contingent upon closing. Indicate your preferred schedule and method for payment of fees.

**Financial Institution Counsel:** Please indicate the name of the law firm and lead attorney that your financial institution intends to retain as counsel and their fee for this transaction.

**Terms and Conditions:** Indicate your terms and conditions and any covenants that would need to be included.

- **Covenants:** Please list all major documents required by the bank, including any additional documents or agreements, such as a security agreement, etc.

- **Reporting Requirements:** Please specify the on-going reporting requirements for the Bank.

**Governing Law:** State of Colorado
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Contact: Name, title, address, phone number of the contact person authorized to negotiate on behalf of the financial institution.

Proposal Due Date

Proposals are due electronically no later than February 27, 2017, at 4:00 pm (Mountain Time). Late proposals will not be accepted. All proposals must be signed by an officer authorized to commit and negotiate on behalf of the financial institution.

Terms and Conditions

The Town of Bennett reserves the right to reject any or all proposals, to conduct interviews, and to negotiate final terms with proposers. Nothing in this RFP, the responses, or in the acceptance of any responses in whole or in part shall oblige the Town to complete negotiations with the related financial institution. The Town will not provide an engagement letter to any financial institution. The Town reserves the right to end, in its sole discretion, negotiations with a financial institution at any time up to the consummation of the transactions arising from this RFP.

Evaluation Criteria

The Town will evaluate proposals received on the following objectives:

1) Interest Rate
2) Early redemption provisions
3) Term (Rate lock period)

Additional Information and Questions

For general information and questions please call Brandon Sherwood at 303.391.5485. Contact with the Town during the RFP process is not permitted. Thank you in advance for your interest in this important financing.