



203 E. PARK AVENUE, LIBERTYVILLE, ILLINOIS 60048



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www.taxexemptleasing.com

April 15, 2021

Town of Munster  
1005 Ridge Road  
Munster, IN 46321

Re: Lease-Purchase of a New 2021 Vactor 2100i Combination Sewer Cleaner/2022 International HV Tandem Axle Chassis

Ladies and Gentlemen:

We are pleased to provide the Town of Munster, IN with the following lease-purchase financing proposal. As you already know, tax-exempt leasing is a financing tool that allows municipal 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 annual payments for 5- and 7-year terms:

Equipment Cost:	\$472,570.00	
Finance Amount:	\$472,570.00	
Term:	<u>5-years</u>	<u>7-years</u>
Interest Rate:	2.79%	2.89%
ARREARS Rate Factor:	.21705	.15984
Annual Arrears Payment*:	\$102,571.32	\$75,535.59
<u>ADVANCE</u> Rate Factor:	.21116	.15535
Annual <u>Advance</u> Payment**:	\$99,787.88	\$73,413.75

*Interest rates, factors and payments assume that the Customer is a 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.*

\*-With annual ARREARS payments, the first payment is due one year from the date of the lease contract with subsequent payments due annually thereafter.

\*\* -With annual ADVANCE payments, the first payment is due on the lease date with subsequent payments due annually thereafter.

**QUOTED RATES ARE VALID FOR 14 DAYS AND ARE SUBJECT TO CREDIT APPROVAL AND PROPER DOCUMENTATION.**

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 Deigan  
Senior Account Executive