



All of **us** serving you®

Government Leasing and Finance

November 18, 2020

City of San Marcos, TX

At your request, U.S. Bancorp Government Leasing and Finance, Inc. ("USBGLF") has prepared for your consideration the following proposal for financing ("Proposal"). **This is only a proposal and does not represent a commitment by U.S. Bancorp Government Leasing and Finance, Inc.**

Customer:	City of San Marcos, TX						
Lessor:	U.S. Bancorp Government Leasing and Finance, Inc.						
PROPERTY:	Electric Utility equipment: Large Bucket						
EXPIRATION:	February 17, 2021						
LEASE QUOTE:	Amount	Rate	Payments	Factor	Pmts / Year	Term	Adv. / Arr.
	249,722.00	1.01%	84,078.57	0.3366887	1	36 Months	Advance
	249,722.00	1.14%	51,083.06	0.2045597	1	60 Months	Advance
	249,722.00	1.32%	37,093.26	0.1485382	1	84 Months	Advance

Notes: There are no fees associated with this offer including the establishment and use of a U.S. Bank N.A. escrow account should one be required.

The Lease will be structured as a tax-exempt municipal lease, with title in the Lessee's name and USBGLF holding a security interest in the equipment during the term. The lease is "triple-net" with the Lessee responsible for taxes, maintenance and insurance. Documentation will be provided by USBGLF, including (i) standard representations, warranties and covenants by the Lessee pertaining to the accuracy of information, organization, authority, essential use, compliance with laws, pending legal action, location and use of collateral, insurance, financial reporting and financial covenants; and (ii) standard USBGLF provisions pertaining to events of default and remedies available upon default. This offer is subject to the execution of all documentation by the Lessee within a reasonable time and in form and substance acceptable to Lessee, USBGLF and USBGLF's counsel, including terms and conditions not outlined in this Proposal.

This Proposal is conditioned on there being no material adverse change in the financial condition of the Lessee. Additionally, the terms and conditions outlined herein are subject to final review and approval (including collateral and essential use review) by USBGLF's business, legal, credit, and equipment risk management personnel.

Sincerely,

Tasha Barreau

Tasha Barreau
Vice President
U.S. Bancorp Government Leasing & Finance, Inc.
Phone: 303-330-4160
Email: tasha.barreau@usbank.com

Payment Schedules

Assume a January 25, 2021 commencement

3 years

Totals	252,235.70	249,722.00	2,513.70	0.00
<u>Date</u>	<u>Payment</u>	<u>Principal</u>	<u>Interest</u>	<u>Prepayment Balance</u>
25-Jan-2021	84,078.57	84,078.57	0.00	170,612.74
25-Jan-2022	84,078.57	82,405.57	1,673.00	85,735.00
25-Jan-2023	84,078.57	83,237.86	840.70	0.00

5 years

Totals	255,415.29	249,722.00	5,693.29	0.00
<u>Date</u>	<u>Payment</u>	<u>Principal</u>	<u>Interest</u>	<u>Prepayment Balance</u>
25-Jan-2021	51,083.06	51,083.06	0.00	204,598.11
25-Jan-2022	51,083.06	48,818.58	2,264.48	154,314.98
25-Jan-2023	51,083.06	49,375.11	1,707.95	103,458.62
25-Jan-2024	51,083.06	49,937.98	1,145.08	52,022.49
25-Jan-2025	51,083.06	50,507.28	575.78	0.00

7 Years

Totals	259,652.79	249,722.00	9,930.79	0.00
<u>Date</u>	<u>Payment</u>	<u>Principal</u>	<u>Interest</u>	<u>Prepayment Balance</u>
25-Jan-2021	37,093.26	37,093.26	0.00	219,007.61
25-Jan-2022	37,093.26	34,286.56	2,806.70	183,692.45
25-Jan-2023	37,093.26	34,739.14	2,354.12	147,911.14
25-Jan-2024	37,093.26	35,197.70	1,895.56	111,657.52
25-Jan-2025	37,093.26	35,662.30	1,430.95	74,925.34
25-Jan-2026	37,093.26	36,133.05	960.21	37,708.30
25-Jan-2027	37,093.26	36,610.00	483.25	0.00