



TERM SHEET

This Summary of Terms and Conditions is for discussion purposes only and is not a commitment by Regions Bank (“Bank”). Any commitment will be subject to due diligence and credit approval by Bank. The following is a basic outline of the terms and conditions which are generally available at this time. These terms and conditions are subject to change, in Bank’s sole and absolute discretion, without notice at any time prior to the execution of a binding commitment or agreement.

FACILITY #1

Borrower: Trailer Park & Recreation District

Amount: Up to \$1,500,000

Type: Taxable Fixed Rate Bank Loan

Term: 15-year fully amortizing (final maturity 5/1/2037)

Purpose: Capital Expenditures and cost of issuance related to the 2022 Loan

Interest Rate: 4.11% Fixed (Rate Locked through 6/15/2022). Past 6/15/2022 Rate will be fixed at the higher of 4.11% or 10-Year Treasury plus 112 bps.

Prepayment Penalty:

The Borrower may prepay all or any part of the principal balance of this facility provided that, in addition to all principal, interest and costs owing at the time of prepayment, the Borrower pays a premium as follows: 5% if the prepayment occurs during the first year; 5% if the prepayment occurs during the second year; 4% if the prepayment occurs during the third year; 4% if the prepayment occurs during the fourth year; 3% if the prepayment occurs during fifth year, 3% if prepayment occurs during sixth year, 2% if prepayment occurs during seventh year, and 1% if the prepayment occurs during the eighth year. In no event shall the prepayment premium be less than zero. The Borrower’s notice of its intent to prepay shall be irrevocable. The Borrower agrees that this prepayment premium is payable as liquidated in damages for the loss of bargain, and its payment shall not in any way reduce, affect, or impair any other obligation of the Borrower under these Notes. All partial prepayments of principal shall be applied in the inverse order of maturities.

Repayment: Repayment as outlined in Appendix A of TEPR RFP

Fees: None



Collateral: Levy of non-ad valorem special assessments imposed on the properties benefited by the Project.

Financial Covenants: None

Documentation: This Term Sheet is only a limited summary of certain points of a possible transaction. If the transaction is approved and agreed upon, the documentation will contain other customary provisions, including, but not limited to, representations and warranties, affirmative covenants, negative covenants, events of default, cross-collateralization and cross-default, and opinions of counsel if requested, all of which must be satisfactory to Bank in all respects. Certain due diligence items will also be required by Bank.

Closing Costs: Bank will not incur any expenses whatsoever in connection with its consideration of the transaction or the closing of the transaction. Borrower will be required to pay all costs and expenses incurred for Bank's due diligence in evaluating the transaction and for the closing of the transaction, whether ultimately closed or not, including, without limitation, appraisal fees, inspection fees (including the fees of any independent inspector), surveys, legal fees (including the fees of Bank's counsel), intangible taxes, mortgage taxes, origination fees, recording costs, license and permit fees, and title insurance and other insurance premiums.

Accounts: Borrower will maintain its primary deposit and operating accounts with Bank.

Confidentiality: Borrower agrees to keep this Term Sheet and all of its terms confidential. Borrower is not to disclose this Term Sheet or any of its terms to anyone except as such disclosure is required by law or regulation or as a result of any duly and validly issued legal or administrative procedure.

This Term Sheet is not to be construed as a commitment, but is for discussion purposes only. This Term Sheet and each of the terms contained herein are based on conditions existing as of [5/6/2022], and may be rescinded, modified, or changed at any time by Bank in its sole and absolute discretion without notice.