

Town of Castle Rock, Colorado

2019 Stormwater Enterprise Loan Financing

Summary of Key Terms from RFP Respondents

	BOK Financial	FirstBank	JP Morgan Chase Bank	Key Government Finance	Sterling National Bank ⁽¹⁾	Vectra Bank ⁽²⁾	Wells Fargo
Lowest Rate	2.18%	2.31%	1.79%	2.104%	2.390%	2.16%	1.98%
Interest Accrual	Interest would accrue only on drawn funds	Interest would accrue only on drawn funds	Interest would accrue only on drawn funds	Interest would accrue on full amount (see Other below)	Loan would be fully drawn at closing	Yes if fully drawn at closing. No if drawn per schedule (see Other below)	Interest would accrue only on drawn funds
Total Repayment Cost	\$10,885,056.94	\$10,967,652.08	\$10,637,271.53	\$10,929,668.00	\$11,052,963.20	\$10,897,740.80	\$10,757,987.50
Call Feature of Lowest Rate	Non-Callable	Dec 2025 (Prior at 1% Premium)	Non-Callable	Dec 2021 (Prior at 1% Premium)	Dec 2026 (Prior at 2% or 1% premium)	Callable at Any Time	Non-Callable
Alternate Rates and Call Features	2.27% with 7-year call 2.38% with 5-year call 2.58% call after 35 months		1.86% with 7-year Call	2.207% for fully funded loan	n/a	n/a	2.49% callable on 12/1/2024
Rate Locked	No (Rate may be locked within 30 days of funding upon credit approval and written acceptance)	No (Rate Lock Agreement is required)	No (Requires rate lock agreement)	No (Two party email confirmation required by 11/8)	Yes (Term sheet must be accepted by 11/15)	Locked for 60 Days	No (Enter into Rate Lock Agreement; Breakage Fee Required)
Draw Schedule Fixed	Draw schedule would be fixed	Draw schedule could be flexible	Draw schedule would be fixed	Yes (provide alternate rate for draw flexibility)	Loan would be fully drawn at closing	Loan would be fully drawn at closing or would have draw flexibility (see Other below)	Minimal Flexibilty
Bank Qualified?	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Upfront or Legal Fees	\$6,000	Legal Fees (Amount not specified)	\$10,000	NTE \$8,500	\$0.00 (But they do require external counsel)	\$0.00	NTE \$30,000
Legal Counsel	Disnmore & Shohl	Lewis Roca Rotherberger Christie	Kutak Rock - Denver	Kutak Rock - Omaha	Gilmore & Bell	Internal	Chapman & Cutler
Event of Taxability	Yes	n/a	n/a	Yes	n/a	n/a	Yes
Default Rate	Yes	n/a	n/a	Yes	n/a	n/a	Yes
Other	n/a	n/a	n/a	Funds will be only be dispersed according to draw schedule	Offering escrow with interest earned at 1.4%	Only first draw will be at 2.16%. Can draw entire \$9.5 million at 2.16%. Any future draw will be set by index at time of draw	Significant legal requirements

(1) Total repayment for Sterling National Bank assumes a borrowing of \$9,440,000 at closing with it invested at 1.4% to meet the full projected draw schedule of \$9,500,000

(2) Total repayment for Vectra assumes a borrowing of \$9,440,000 at closing with it invested at 1.4% to meet the full projected draw schedule of \$9,500,000