



NON-BINDING PROPOSAL

May 6, 2022

Trailer Estates Park & Recreation District

SouthState Bank ("the Bank") is pleased to have the opportunity to consider your loan request on behalf of Trailer Estates Park & Recreation District.

- Borrower:** Trailer Estates Park & Recreation District (the "District")
- Purpose:** The proceeds of the loan are expected to be used for the following purposes:
- Seawall Repair – approximately \$1,000,000
 - Building Improvements – approximately \$450,000
 - Loan costs – approximately \$50,000
- Amount and Type:** Not to exceed \$1,500,000.00. The loan will be taxable and is anticipated to close by June 2, 2022.
- Collateral:** Levy of non-ad valorem special assessments imposed on the properties benefited by the Project. A Debt Service Reserve equal to 10% of Maximum Annual Debt Service to be established.
- Maturity Date:** Option A: 05/01/2037
Option B: 05/01/2042
- Interest Rate:** Option A: The interest rate shall be a taxable rate of **4.90%** for the term of the loan provided the loan is closed by June 2, 2022 (calculated on the basis of a 30-day month and 360-day year).
- Option B: The interest rate shall be a taxable rate of **5.05%** for the term of the loan provided the loan is closed by June 2, 2022 (calculated on the basis of a 30-day month and 360-day year).
- Repayment Terms:** Principal payable annually on May 1, beginning May 1, 2023. Interest payable beginning November 1, 2022; interest payment frequency may be monthly, quarterly or semiannually as mutually agreed upon between the Bank and Borrower.
- Prepayment Penalty:** The Borrower may prepay in part or full without a prepayment penalty except for refinancing with another financial or lending institution or affiliates thereof. In such event, the prepayment fee shall be 1.0% of the principal balance of the loan for years one through five. There will be no prepayment fee thereafter.
- Late Fees:** Bank may, at its option collect from the Borrower a late charge of five percent (5.00%) of any payment not received by Bank within ten (10) days after the payment is due.
- Event of Default:** Upon an event of default, the Bank may recover from the Borrower all expenses incurred including without limitation reasonable attorney's fees, at all levels of the proceedings, whether incurred in connection with



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collection, bankruptcy, proceedings, trial, appeal or otherwise.

- Default Rate:** 3% above the Note rate.
- Bank Fees:** Bank fees including its Counsel review shall not exceed \$15,000. The Bank's Counsel will be Michael Wiener at Holland & Knight LLP. Bank counsel will review documents prepared by Bond Counsel to the Borrower.
- Warranties:** The Bank warrants to the District that it will comply with all applicable federal, state, and local laws, regulations, and orders in providing the services under the proposed documents.
- Covenants:**
- 1.) Audited Annual Financials within 270 days of fiscal year end and the District Budget within 60 days of adoption shall be provided to the Bank by the Borrower.
 - 2.) Borrower shall provide such other financial information from time to time as is reasonably requested by the Bank.
 - 3.) Borrower will comply with the terms of the Assessment Proceedings and covenants to levy assessments sufficient to pay debt service on the Series 2022 Note, subject to the limitation of maximum assessment levels in the assessment proceedings. The assessments will be collected pursuant to the uniform method of collection.
 - 4.) Borrower will do all things required to be eligible to receive each of the sources of Pledged Revenues and will diligently enforce its right to receive the Pledged Revenue and to remain as a park & recreation district.
- Conditions:**
- 1.) Formal approval and authorization from Trailer Estates Park & Recreation District. The District must also amend and approve a resolution allowing for assessments to be levied for the entire term of the loan.
 - 2.) Loan documents to be satisfactorily reviewed and approved by Bank's Counsel.



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This Non-Binding Proposal is solely and exclusively intended to serve as a summary of potential credit facility terms and conditions as a basis for preliminary discussion purposes only and to demonstrate SouthState Bank’s interest in reviewing your loan request and, subject to SouthState Bank’s underwriting requirements, and submission of your request for approval. This proposal may not include all of the terms and provisions that may be contained in any binding commitment letter which may later be offered to you. No oral communications between the parties shall be deemed to supersede this Non-Binding Proposal or indicate any commitment to extend credit in any form.

We appreciate this opportunity to submit our proposal to Trailer Estates Park & Recreation District for consideration. If you have any questions, please do not hesitate to call, or email us at the contact information below.

Sincerely,

Noel M. Daluise

05/06/2022

Noel M. Daluise / Vice President

Date

Acceptance:

By accepting this Non-Binding Proposal, you acknowledge and agree to the terms hereof, including without limitation the non-binding nature of this Proposal.

Trailer Estates Park & Recreation District
Authorized Signor

Date

Print Name: _____