

Summary of Line of Credit RFP Responses

(expiration dates extended to accommodate 5/4/2020 meeting)

Bank A

- \$12,000,000 Revolving line of Credit
- Taxable rate is 86% of Wall Street Journal Prime (WSJP), fixed for 365 days (today's rate is 2.79%)
- Tax-exempt rate is 61.1% of WSJP, fixed for 365 days (today's rate is 1.985%)
- Each rate would have a floor rate based on year one interest rate, also fixed rate would adjust each year based on WSJP.
- Origination fees is 25 basis points of the loan. Availability fee is 25 basis points of the loan.
- Availability fee will be calculated and paid annually, but will be reduced by the amount of actual interest paid during each respective 365-day period. Availability Fee will be 75 bps if compensating balance requirement is not met.
- Maturity is 5 years (60 months).
- All fees incurred, up to \$7,500 will be paid by the borrower.
- Must maintain minimum deposit balance of \$1,000,000, based on 12 month average, with bank.

Bank B

- \$12,000,000 Revolving line of Credit
- 2.749% tax exempt, non-bank qualified fixed rate, on 360 day basis.
- Interest only due monthly for 24 months then converting outstanding principal balance to monthly principal and interest payments for 5 year amortization.
- No fees associated with this transaction.
- All required location documentation will be drawn by city's council and will be paid by the City directly to that attorney.
- Maturity is 5 years (60 months).
- Proposal expires April 10th. (He may extend this offer longer if you want me to check)

Bank C

- \$12,000,000 Line of Credit
- One month LIBOR plus 1.30%, variable. Indicative 3—day LIBOR is 0.92%. If loan closed 4/2/20, the initial rate would have been 2.22%. Tax exempt rate at 0.79 of taxable rate or 1.75%.
- Interest only payments due monthly on any outstanding principal balance; with principal due in full at maturity.
- Origination fee is 20 basis points payable at closing.
- Maturity of 36 months and may be renewable on the approval of the bank.
- City agrees to work in good faith to broaden the banking relationship with bank.
- Proposal expires May 4th.

Bank D

- \$10,000,000 Revolving Line of credit
- Interest rate:
 - Option 1: Fixed/Tax exempt: 2.10% for years from issue date.
 - Option 2: Variable/Taxable: 1 year treasury + 1.5% with floor of 1.5% for a period of three years from issue date.
- Interest payments made quarterly and principal due at maturity.
- No origination fee.
- No closing expenses to be charged to the City by the bank other than those associated with the preparation of the closing documents and legal option by bank legal counsel.
- Proposal expires May 2nd.

Bank E

- \$12,000,000 taxable revolving line of credit
- Borrower is responsible for all out of pocket cost of the lender in connection with the negotiation, execution, delivery, administration and enforcement of the loan documents.
- Interest will be payable monthly on the first calendar day of the moth. Principal will be payable at maturity.
- Required to move operations account (requires programming changes)
- Proposal expires April 30th.
- Option 1:
 - o Interest rate is rate per annum equal to a minimum of 30-day LIBOR plus 110 (1.1%) basis points. During the term of the loan, the variable rate will adjust monthly according to the changes in 30-day LIBOR. The LIBOR index will have a rate floor of 0.00%. Rate on April 2, 2020, the variable rate would be 2.08%. If the Index can't be determined they will use 3% plus rate listed above. Total rate would be 4.1%.
 - o Maturity 1 year from closing
 - o Facility Fees: none.
- Option 2:
 - o Interest rate is rate per annum equal to a minimum of 30-day LIBOR plus 125 (1.25%) basis points. During the term of the loan, the variable rate will adjust monthly according to the changes in 30-day LIBOR. The LIBOR index will have a rate floor of 0.00%. Rate on April 2, 2020, the variable rate would be 2.23%. If the Index can't be determined they will use 3% plus rate listed above. Total rate would be 4.25%.
 - o Maturity: 3 years from closing.
 - o Facility Fees: 15 basis points unused fee