

Private Placement Bonds

Local Lender Financing

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| Issuer: | Appleton Redevelopment Authority (ARA) |
| Description: | Bonds placed with local lenders (5) |
| Trustee: | BMO Harris Bank, N.A. |
| Amount of Bonds: | \$31,000,000 |
| Dated Date: | Ready to close pending approved Pledge and Security agreements |
| Interest Rate: | 5-year treasury rate + 220 bps (2.20%) 4.53% as of 1/12/18 |
| Maturity: | 25 year maturity, no stated amortization schedule |
| Interest Payments: | Quarterly |
| Principal Payments: | Quarterly; room tax collections in excess of interest due |
| Prepayment Option: | Prepayment allowed anytime; no prepayment penalty |
| Tax Status: | Taxable according to the lenders tax status |
| Security: | Pledge of a portion of the Hotel/Motel Room taxes |
| Debt Service Coverage: | No debt service coverage required |
| Debt Service Reserve Fund: | Minimum of \$1,500,000 required; initial fund balance to be no less than \$3.4 million |