

Ashland School District No. 5
Full Faith and Credit Financing Agreement, Series 2025 (Federally Taxable)
\$5,358,564
Summary of Bids

Bank	Interest Rate	Total Bank Fees	All-In TIC	Maximum Annual Debt Service	1st Call Date	Notes	Bank Counsel Name
Cashmere Valley Bank	6.500%	\$ -	7.039%	\$ 1,031,981	Callable at any time	7 Years Amortization	--
Cashmere Valley Bank	6.500%	\$ -	7.222%	\$ 1,401,128	Callable at any time	5 Years Amortization	--



TERM SHEET
(For Discussion Purposes Only)
November 12, 2025

RE: Jackson County School District No. 5, Jackson County, Oregon (the "District")
Full Faith and Credit Financing Agreement Series, 2025 (Federally Taxable)
(the "Financing Agreement")

Thank you for the opportunity to propose the following structure for the Jackson County School District No. 5 proposed Full Faith and Credit Financing Agreement Series, 2025 (Federally Taxable). Cashmere Valley Bank (the "Bank") has outlined general terms below for discussion purposes only. All terms are subject to credit approval, and do not constitute a commitment to lend money.

1. **Borrower:** Jackson County School District No. 5, Jackson County, Oregon
2. **Amount:** \$5,393,563.56
3. **Tax Status:** Federally Taxable
4. **Purpose:** The proceeds from the Financing Agreement would be used to refund the Districts Full Faith and Credit Tax Anticipation Note, Series 2025 used to meet cash-flow needs and pay costs of issuance.
5. **Maturity Date:** The Financing Agreement would mature on June 15, 2032.
6. **Financing Agreement Description**
 - a. **Interest Rate:** The Financing Agreement would be dated the date of delivery to the Bank and would accrue interest on the basis of 30/360 days. Interest would accrue on the outstanding balance from the date of issuance and delivery to the Bank. The outstanding balance of the Financing Agreement would accrue interest at a federally taxable fixed rate of 6.50% *per annum* on the outstanding balance to the maturity date or date of prepayment in full.
 - b. **Terms:** Principal of the Financing Agreement would be due annually on each June 15, beginning June 15, 2026 to the Maturity Date. Interest on the Financing Agreement would be due semiannually on each June 15 and December 15, beginning June 15, 2026 to the Maturity Date. A sample amortization schedule is attached hereto as Exhibit A.
 - c. **Security:** The Financing Agreement would be secured by and payable from all lawfully available funds of the District, including any property taxes levied by and for the District within the restrictions of Sections 11 and 11b, Article XI of the Oregon Constitution. Pursuant to ORS 287A.315, the District will pledge its full faith and credit to pay the Financing Agreement, and the obligations of the District to pay the Financing agreement will not be subject to appropriation. The Financing Agreement will not be secured by a lien on any revenues or other property of the District. The Financing Agreement will not constitute a debt or indebtedness of Jackson County, the State of Oregon, or any political subdivision thereof other than the District.
7. **Transferability:** The Bank would hold the Financing Agreement with no intent to sell or transfer. The Financing Agreement may be transferred only in whole to a qualified investor or as would be further described in the Financing Agreement documents.
8. **Prepayment:** The District may choose to prepay the Financing Agreement in whole or in part at any time without penalty. In the event of a prepayment in whole or part, the payment would first satisfy accrued interest with the balance reducing principal outstanding. Any prepayment would not change the interest rate or final maturity of the Financing Agreement.

After any prepayment of principal, the resulting principal balance of the Financing Agreement will be amortized to the maturity date to achieve roughly equal annual installments of principal and interest.

9. **Fees:** The Bank would not charge a fee to the District. The District would be responsible for all other costs of issuing the Financing Agreement. Costs of issuance may be paid directly on behalf of the District by the Bank with proceeds of the Financing Agreement.
10. **Additional Terms:** The Financing Agreement documents would be in the standard form customarily required for tax-exempt municipal funding and would include additional terms and conditions not discussed above. The District would provide or make available to the Bank its financial report in a timely fashion on an annual basis or during the period the Financing Agreement is outstanding and held by the Bank. At the date of closing of the Financing Agreement, the financial condition and credit of the District and all other features of this transaction would be as represented to the Bank without material adverse change. In the event of adverse material changes in the credit worthiness of the District, including litigation involving or claims filed against the District, any future commitment would terminate upon notice by the Bank. Any future commitment would be non-assignable by the District. If after closing, the District defaults on the Financing Agreement, a default rate would apply as defined in the Financing Agreement Documents or Authorizing Documents. If the District chooses Cashmere Valley Bank to provide the financing, the Bank would need approximately two weeks from the date of acceptance to closing. The Bank documents required for closing would be executed copies or originals of (1) the authorizing ordinance, (2) a valid legal opinion and (3) the Financing Agreement.

ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER OREGON AND WASHINGTON LAW.

Thank you for this opportunity to discuss this financing with the District and its finance team.

Respectfully,

CASHMERE VALLEY BANK

EXHIBIT A

<u>Payment Period</u>	<u>Beginning</u>	<u>Principal</u>	<u>Interest Rate</u>	<u>Interest</u>	<u>Ending</u>	<u>Cashflow</u>
12/04/25	\$ -				5,393,564.00	5,393,564.00
06/15/26	5,393,564.00	(369,769.00)	6.50%	(186,003.05)	5,023,795.00	(555,772.05)
12/15/26	5,023,795.00	-	6.50%	(163,273.34)	5,023,795.00	(163,273.34)
06/15/27	5,023,795.00	(719,318.00)	6.50%	(163,273.34)	4,304,477.00	(882,591.34)
12/15/27	4,304,477.00	-	6.50%	(139,895.50)	4,304,477.00	(139,895.50)
06/15/28	4,304,477.00	(762,837.00)	6.50%	(139,895.50)	3,541,640.00	(902,732.50)
12/15/28	3,541,640.00	-	6.50%	(115,103.30)	3,541,640.00	(115,103.30)
06/15/29	3,541,640.00	(808,988.00)	6.50%	(115,103.30)	2,732,652.00	(924,091.30)
12/15/29	2,732,652.00	-	6.50%	(88,811.19)	2,732,652.00	(88,811.19)
06/15/30	2,732,652.00	(857,932.00)	6.50%	(88,811.19)	1,874,720.00	(946,743.19)
12/15/30	1,874,720.00	-	6.50%	(60,928.40)	1,874,720.00	(60,928.40)
06/15/31	1,874,720.00	(909,837.00)	6.50%	(60,928.40)	964,883.00	(970,765.40)
12/15/31	964,883.00	-	6.50%	(31,358.70)	964,883.00	(31,358.70)
06/15/32	964,883.00	(964,883.00)	6.50%	(31,358.70)	-	(996,241.70)
				(1,384,743.91)		

BOND SUMMARY STATISTICS

Ashland School District No. 5 Full Faith and Credit Financing Agreement, Series 2025 Proposed Final Numbers 5 Years

Dated Date	12/04/2025
Delivery Date	12/04/2025
Last Maturity	06/15/2030
Arbitrage Yield	6.498695%
True Interest Cost (TIC)	6.498695%
Net Interest Cost (NIC)	6.500000%
All-In TIC	7.221722%
Average Coupon	6.500000%
Average Life (years)	2.840
Duration of Issue (years)	2.592
Par Amount	5,358,563.56
Bond Proceeds	5,358,563.56
Total Interest	989,325.80
Net Interest	989,325.80
Total Debt Service	6,347,889.36
Maximum Annual Debt Service	1,401,128.25
Average Annual Debt Service	1,401,128.25

<i>Bond Component</i>	<i>Par Value</i>	<i>Price</i>	<i>Average Coupon</i>	<i>Average Life</i>	<i>PV of 1 bp change</i>
Bond Component	5,358,563.56	100.000	6.500%	2.840	1,372.06
	5,358,563.56			2.840	1,372.06

	<u>TIC</u>	<u>All-In TIC</u>	<u>Arbitrage Yield</u>
Par Value	5,358,563.56	5,358,563.56	5,358,563.56
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount			
- Cost of Issuance Expense		-96,000.00	
- Other Amounts			
Target Value	5,358,563.56	5,262,563.56	5,358,563.56
Target Date	12/04/2025	12/04/2025	12/04/2025
Yield	6.498695%	7.221722%	6.498695%

BOND PRICING

Ashland School District No. 5 Full Faith and Credit Financing Agreement, Series 2025 Proposed Final Numbers 5 Years

<i>Bond Component</i>	<i>Maturity Date</i>	<i>Amount</i>	<i>Rate</i>	<i>Yield</i>	<i>Price</i>
Bond Component:					
	06/15/2026	558,580.36	6.500%	6.500%	100.000
	06/15/2027	1,089,129.34	6.500%	6.500%	100.000
	06/15/2028	1,159,922.75	6.500%	6.500%	100.000
	06/15/2029	1,235,317.73	6.500%	6.500%	100.000
	06/15/2030	1,315,613.38	6.500%	6.500%	100.000
		5,358,563.56			

Dated Date	12/04/2025	
Delivery Date	12/04/2025	
First Coupon	06/15/2026	
Par Amount	5,358,563.56	
Original Issue Discount		
Production	5,358,563.56	100.000000%
Underwriter's Discount		
Purchase Price	5,358,563.56	100.000000%
Accrued Interest		
Net Proceeds	5,358,563.56	

SOURCES AND USES OF FUNDS

**Ashland School District No. 5
Full Faith and Credit Financing Agreement, Series 2025
Proposed Final Numbers
5 Years**

Dated Date 12/04/2025
Delivery Date 12/04/2025

Sources:

Bond Proceeds:	
Par Amount	5,358,563.56
	<hr/> 5,358,563.56 <hr/>

Uses:

Refunding Escrow Deposits:	
Cash Deposit	5,262,563.56
Cost of Issuance:	
Bond Counsel	45,000.00
Placement Agent	50,000.00
MDAC	<hr/> 1,000.00
	96,000.00
	<hr/> 5,358,563.56 <hr/>

BOND DEBT SERVICE

Ashland School District No. 5 Full Faith and Credit Financing Agreement, Series 2025 Proposed Final Numbers 5 Years

Dated Date 12/04/2025
Delivery Date 12/04/2025

<i>Period Ending</i>	<i>Principal</i>	<i>Coupon</i>	<i>Interest</i>	<i>Debt Service</i>	<i>Annual Debt Service</i>
06/15/2026	558,580.36	6.500%	184,796.02	743,376.38	743,376.38
12/15/2026			155,999.45	155,999.45	
06/15/2027	1,089,129.34	6.500%	155,999.45	1,245,128.79	1,401,128.24
12/15/2027			120,602.75	120,602.75	
06/15/2028	1,159,922.75	6.500%	120,602.75	1,280,525.50	1,401,128.25
12/15/2028			82,905.26	82,905.26	
06/15/2029	1,235,317.73	6.500%	82,905.26	1,318,222.99	1,401,128.25
12/15/2029			42,757.43	42,757.43	
06/15/2030	1,315,613.38	6.500%	42,757.43	1,358,370.81	1,401,128.24
	5,358,563.56		989,325.80	6,347,889.36	6,347,889.36

ESCROW REQUIREMENTS

Ashland School District No. 5
Full Faith and Credit Financing Agreement, Series 2025
Proposed Final Numbers
5 Years

<i>Period Ending</i>	<i>Interest</i>	<i>Principal Redeemed</i>	<i>Total</i>
12/15/2025	142,563.56	5,120,000	5,262,563.56
	142,563.56	5,120,000	5,262,563.56

BOND SUMMARY STATISTICS

Ashland School District No. 5 Full Faith and Credit Financing Agreement, Series 2025 Proposed Final Numbers 7 Years

Dated Date	12/04/2025
Delivery Date	12/04/2025
Last Maturity	06/15/2032
Arbitrage Yield	6.499024%
True Interest Cost (TIC)	6.499024%
Net Interest Cost (NIC)	6.500000%
All-In TIC	7.039409%
Average Coupon	6.500000%
Average Life (years)	3.964
Duration of Issue (years)	3.468
Par Amount	5,358,563.56
Bond Proceeds	5,358,563.56
Total Interest	1,380,848.50
Net Interest	1,380,848.50
Total Debt Service	6,739,412.06
Maximum Annual Debt Service	1,031,981.44
Average Annual Debt Service	1,031,981.43

<i>Bond Component</i>	<i>Par Value</i>	<i>Price</i>	<i>Average Coupon</i>	<i>Average Life</i>	<i>PV of 1 bp change</i>
Bond Component	5,358,563.56	100.000	6.500%	3.964	1,823.08
	5,358,563.56			3.964	1,823.08

	<u>TIC</u>	<u>All-In TIC</u>	<u>Arbitrage Yield</u>
Par Value	5,358,563.56	5,358,563.56	5,358,563.56
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount			
- Cost of Issuance Expense		-96,000.00	
- Other Amounts			
Target Value	5,358,563.56	5,262,563.56	5,358,563.56
Target Date	12/04/2025	12/04/2025	12/04/2025
Yield	6.499024%	7.039409%	6.499024%

BOND PRICING

Ashland School District No. 5
Full Faith and Credit Financing Agreement, Series 2025
Proposed Final Numbers
7 Years

<i>Bond Component</i>	<i>Maturity Date</i>	<i>Amount</i>	<i>Rate</i>	<i>Yield</i>	<i>Price</i>
Bond Component:					
	06/15/2026	362,727.46	6.500%	6.500%	100.000
	06/15/2027	707,252.08	6.500%	6.500%	100.000
	06/15/2028	753,223.47	6.500%	6.500%	100.000
	06/15/2029	802,183.00	6.500%	6.500%	100.000
	06/15/2030	854,324.89	6.500%	6.500%	100.000
	06/15/2031	909,856.01	6.500%	6.500%	100.000
	06/15/2032	968,996.65	6.500%	6.500%	100.000
		5,358,563.56			

Dated Date	12/04/2025	
Delivery Date	12/04/2025	
First Coupon	06/15/2026	
Par Amount	5,358,563.56	
Original Issue Discount		
Production	5,358,563.56	100.000000%
Underwriter's Discount		
Purchase Price	5,358,563.56	100.000000%
Accrued Interest		
Net Proceeds	5,358,563.56	

SOURCES AND USES OF FUNDS

**Ashland School District No. 5
Full Faith and Credit Financing Agreement, Series 2025
Proposed Final Numbers
7 Years**

Dated Date	12/04/2025
Delivery Date	12/04/2025

Sources:

Bond Proceeds:	
Par Amount	5,358,563.56
	<hr/>
	5,358,563.56

Uses:

Refunding Escrow Deposits:	
Cash Deposit	5,262,563.56
Cost of Issuance:	
Bond Counsel	45,000.00
Placement Agent	50,000.00
MDAC	<hr/> 1,000.00
	96,000.00
	<hr/>
	5,358,563.56

BOND DEBT SERVICE

Ashland School District No. 5 Full Faith and Credit Financing Agreement, Series 2025 Proposed Final Numbers 7 Years

Dated Date 12/04/2025
Delivery Date 12/04/2025

<i>Period Ending</i>	<i>Principal</i>	<i>Coupon</i>	<i>Interest</i>	<i>Debt Service</i>	<i>Annual Debt Service</i>
06/15/2026	362,727.46	6.500%	184,796.02	547,523.48	547,523.48
12/15/2026			162,364.67	162,364.67	
06/15/2027	707,252.08	6.500%	162,364.67	869,616.75	1,031,981.42
12/15/2027			139,378.98	139,378.98	
06/15/2028	753,223.47	6.500%	139,378.98	892,602.45	1,031,981.43
12/15/2028			114,899.22	114,899.22	
06/15/2029	802,183.00	6.500%	114,899.22	917,082.22	1,031,981.44
12/15/2029			88,828.27	88,828.27	
06/15/2030	854,324.89	6.500%	88,828.27	943,153.16	1,031,981.43
12/15/2030			61,062.71	61,062.71	
06/15/2031	909,856.01	6.500%	61,062.71	970,918.72	1,031,981.43
12/15/2031			31,492.39	31,492.39	
06/15/2032	968,996.65	6.500%	31,492.39	1,000,489.04	1,031,981.43
	5,358,563.56		1,380,848.50	6,739,412.06	6,739,412.06

ESCROW REQUIREMENTS

Ashland School District No. 5
Full Faith and Credit Financing Agreement, Series 2025
Proposed Final Numbers
7 Years

<i>Period Ending</i>	<i>Interest</i>	<i>Principal Redeemed</i>	<i>Total</i>
12/15/2025	142,563.56	5,120,000	5,262,563.56
	142,563.56	5,120,000	5,262,563.56