

# KleinBank

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February 11, 2011

Mr. Merton T. Auger  
City Administrator  
City of Buffalo  
212 Central Ave.  
Buffalo, MN 55313

Mr. Gary Kawlewski  
Director of Finance & Operation  
214 1<sup>st</sup> Ave. NE  
Buffalo, MN 55313

RE: (8) Tennis Courts located at Buffalo Middle School

Dear Mr. Auger and Mr. Kawlewski,

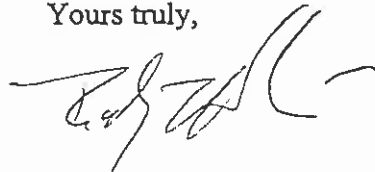
The KleinBank of Buffalo is please to offer the following bid to the City of Buffalo & ISD 877 for the purchase of above reference lease-purchase. The terms are as follows:

<b>Amount:</b>	<b>\$500,000.00</b>
<b>Term:</b>	<b>7 – years</b>
<b>Rate:</b>	<b>4.25%</b>
<b>Repayment:</b>	<b>Semiannually \$41,806.91</b>
<b>Prepayment Penalty:</b>	<b>None</b>
<b>Purchase Option:</b>	<b>\$1.00</b>
<b>Escrow Agent:</b>	<b>Title Mark</b>

I enclosed an amortization schedule for your file. As in the past we also request a letter from your legal council regarding the tax-exempt and bank qualified status and all lease document to be approve by our legal council.

I appreciate all of the past business and the opportunity to be of further service to the City of Buffalo and ISD 877.

Yours truly,



Randy L. Haskins  
President



Member FDIC

Premier

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**Note Model Statement**


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Date Quoted: Feb 11, 2011  
 Product: Product Not Defined  
 Interest Method: [6] 365/360 Payments P&I

Note Date: Mar 22, 2011  
 Maturity Date: Apr 01, 2018

Principal Advance: \$500,000.00

Amount Financed: \$500,000.00  
 Finance Charge: \$85,296.68  
 APR: 4.3094%

Total Principal: \$500,000.00  
 Total Interest: \$85,296.68  
**Total of Payments: \$585,296.68**

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**Payment Schedule**


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Description	Date	Frequency	Number	Amount
Regular Payment	Oct 01, 2011	Semiannually	13	\$41,806.91
Regular Payment	Apr 01, 2018	Semiannually	1	\$41,806.85

Premier

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**Amortization Schedule**


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Date	Description	Total Payment	P&I Payment	Principal Payment	Interest Payment	Principal Balance
Mar 22, 2011	Initial Loan					500,000.00
⊕ Oct 01, 2011	Regular Payment	41,806.91	41,806.91	30,414.55	11,392.36	469,585.45
⊕	<b>2011 Totals</b>	<b>41,806.91</b>	<b>41,806.91</b>	<b>30,414.55</b>	<b>11,392.36</b>	
⊕ Apr 01, 2012	Regular Payment	41,806.91	41,806.91	31,661.91	10,145.00	437,923.54
⊕ Oct 01, 2012	Regular Payment	41,806.91	41,806.91	32,345.94	9,460.97	405,577.60
⊕	<b>2012 Totals</b>	<b>83,613.82</b>	<b>83,613.82</b>	<b>64,007.85</b>	<b>19,605.97</b>	
⊕ Apr 01, 2013	Regular Payment	41,806.91	41,806.91	33,092.63	8,714.28	372,484.97
⊕ Oct 01, 2013	Regular Payment	41,806.91	41,806.91	33,759.69	8,047.22	338,725.28
⊕	<b>2013 Totals</b>	<b>83,613.82</b>	<b>83,613.82</b>	<b>66,852.32</b>	<b>16,761.50</b>	
⊕ Apr 01, 2014	Regular Payment	41,806.91	41,806.91	34,529.03	7,277.88	304,196.25
⊕ Oct 01, 2014	Regular Payment	41,806.91	41,806.91	35,235.01	6,571.90	268,961.24
⊕	<b>2014 Totals</b>	<b>83,613.82</b>	<b>83,613.82</b>	<b>69,764.04</b>	<b>13,849.78</b>	
⊕ Apr 01, 2015	Regular Payment	41,806.91	41,806.91	36,027.98	5,778.93	232,933.26
⊕ Oct 01, 2015	Regular Payment	41,806.91	41,806.91	36,774.59	5,032.32	196,158.67
⊕	<b>2015 Totals</b>	<b>83,613.82</b>	<b>83,613.82</b>	<b>72,802.57</b>	<b>10,811.25</b>	
⊕ Apr 01, 2016	Regular Payment	41,806.91	41,806.91	37,569.07	4,237.84	158,589.60
⊕ Oct 01, 2016	Regular Payment	41,806.91	41,806.91	38,380.72	3,426.19	120,208.88
⊕	<b>2016 Totals</b>	<b>83,613.82</b>	<b>83,613.82</b>	<b>75,949.79</b>	<b>7,664.03</b>	
⊕ Apr 01, 2017	Regular Payment	41,806.91	41,806.91	39,224.09	2,582.82	80,984.79
⊕ Oct 01, 2017	Regular Payment	41,806.91	41,806.91	40,057.31	1,749.60	40,927.48
⊕	<b>2017 Totals</b>	<b>83,613.82</b>	<b>83,613.82</b>	<b>79,281.40</b>	<b>4,332.42</b>	
⊕ Apr 01, 2018	Regular Payment	41,806.85	41,806.85	40,927.48	879.37	
⊕	<b>2018 Totals</b>	<b>41,806.85</b>	<b>41,806.85</b>	<b>40,927.48</b>	<b>879.37</b>	
⊕	<b>Grand Total</b>	<b>585,296.68</b>	<b>585,296.68</b>	<b>500,000.00</b>	<b>85,296.68</b>	