FIRST BANK

July 24, 2026

Greta Gibson
Town of Black Mountain
160 Midland Ave
Black Mountain, NC 28711

Dear Greta:

Thank you for allowing First Bank the opportunity to submit a proposal for a credit facility to finance Law Enforcement vehicles and equipment. The terms of this non-binding proposal are as follows:

Borrower:	Town of Black Mountain
Guarantors:	N/A
Amount:	$260,000 Not to exceed 100% of Total Costs
Purpose:	Finance Law Enforcement vehicles and equipment
Type of Loan:	Commercial Term Loan
Interest Rate:	Fixed Rate of 4.80%.
Term:	48 Months
Repayment:	Annual principal and interest payments based on a 4-year amortization.
Prepayment Penalty:	N/A
Loan Fee:	None
Collateral:	1st lien position on the vehicles and equipment.
Appraisal:	The invoice will serve as the valuation. No additional appraisal will be required.
Additional Requirements:	The loan terms set forth on this Term Sheet are contingent upon the loan meeting all of the requirements for a bank qualified tax-exempt loan under IRS Code Sections 103 and 265 and First Bank policies and procedures. Borrower agrees to take all necessary steps and obtain all approvals required by state and federal statues to obtain a bank qualified tax-exempt loan from First Bank. Those steps include but are not limited to: adequate

	publication of public notice, approval of the loan at a meeting of the Organization as well as a meeting of the sponsoring municipality, if applicable, and all necessary votes required to approve the loan. Borrower further agrees to file an IRS Form 8038G at the time of closing and annually thereafter for so long as the loan shall remain outstanding. Borrower acknowledges that First Bank has the authority, both prior to any loan closing as well as after closing to re-price loans and collect any difference in interest or penalties accrued if the loan is ever deemed not to qualify for the bank qualified tax-exempt interest rate.
Financial Statements:	Borrower shall furnish financial statements annually during the loan, and if requested by First Bank, the Borrower shall provide interim financial statements.
Closing Costs:	None from the bank.
Organizational Documents:	Copies of Borrower Organizational Documents certified by an authorized officer or representative and Certificates of Existences shall be furnished to First Bank prior to the loan closing.
Deposit Relationship:	As First Bank is a depository institution, Borrower agrees to consider moving its primary operating accounts to First Bank.
Miscellaneous:	First Bank may require additional documentation as may reasonably be necessary to assure feasibility and authority of the purposes for which loan proceeds will be used.
Assignment:	This proposal is issued to the borrower and cannot be assigned by the borrower without the written consent of First Bank.

This is a proposal, not a commitment. The commitment will be based on the Bank's review of the Borrower's and Guarantor's current financials and other supporting documents and obtaining final approval by the Bank. The proposed rate and terms are reliant upon borrower's prompt response to proceed with full underwriting. An extended borrower response timeframe could allow changes in market conditions and interest rate pricing.

Formal acknowledgement of proposed terms must be communicated within ten (10) business days of the date of this letter). Subject to underwriting and approval, the rate and terms are offered for a transaction closing within 65 days.

Thank you again for allowing First Bank the opportunity to submit this proposal. If you have any questions, please feel free to call me at 828-712-3981

Sincerely,

Scott Crawford

Senior Vice President
First Bank
11 Church Street
Asheville, NC 28801