

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE UNION COUNTY EDUCATIONAL SERVICES COMMISSION APPROVING THE LEASE PURCHASE FINANCING OF CAPITAL IMPROVEMENTS AT ITS PROPERTY KNOWN AS 53 CARDINAL DRIVE, WESTFIELD NEW JERSEY AND PROVIDING FURTHER FOR THE OPTION FOR FUTURE FINANCING AT ITS PROPERTY KNOWN AS 45 CARDINAL DRIVE, WESTFIELD, NEW JERSEY BY MEANS OF A LEASE PURCHASE AGREEMENT, APPROVING THE FORM OF CERTAIN AGREEMENTS INCLUDING A LEASE PURCHASE AGREEMENT, A GROUND LEASE AGREEMENT AND AN ESCROW AGREEMENT, AUTHORIZING EXECUTION OF SUCH AGREEMENTS AND OTHER AGREEMENTS AND DOCUMENTS AND AUTHORIZING OTHER ACTIONS AS ARE NECESSARY TO ACCOMPLISH THE TRANSACTION**

WHEREAS, The Board of Directors of the Union County Educational Services Commission (the "Commission") is created and exists pursuant to N.J.S.A. 18A:6-51 et seq. and is charged by law with the responsibility of carrying on programs of educational research and development and of providing to public school districts and other educational agencies various educational and administrative services approved by the New Jersey State Department of Education, including alternative education program services, special education services, cooperative purchasing and business services, cooperative transportation services and various other adult education services; and

WHEREAS, the Commission is authorized by law to purchase, lease/purchase or lease real and personal property necessary for its statutory purposes; and

WHEREAS, the Commission desires to make improvements to its real properties known as 53 and 45 Cardinal Drive, Westfield, New Jersey in two phases, with Phase I involving improvements at 53 Cardinal Drive for educational purposes, including classroom space, bathrooms and HVAC work and other related improvements and costs to meet the purposes of the Commission, including equipment, furnishings and financing costs as necessary (the "Project"), and to finance the Project by means of a lease purchase financing, and to provide

further for a future Phase II financing for the improvement of 45 Cardinal Drive, Westfield, New Jersey and construction of a stand- alone gym to serve the facilities; and

WHEREAS, the Commission, with the assistance of its Financial Advisor, Phoenix Advisors (the “Financial Advisor”), and its Special Counsel, McManimon, Scotland & Baumann, LLC (the “Special Counsel”), has explored various forms of financing, received two written proposals pursuant to a Request for Proposals and now desires to award the proposal submitted by Webster Public Finance Corporation and to enter into a lease purchase agreement, a ground lease agreement and other agreements and documents to finance the Project; now, therefore,

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE UNION COUNTY EDUCATIONAL SERVICES COMMISSION, NEW JERSEY (with at least two thirds of the full membership thereof affirmatively concurring) AS FOLLOWS:

Section 1. The Commission hereby approves the Proposal submitted by Webster Public Finance Corporation attached hereto to provide lease purchase financing for the Project in an amount not to exceed \$8,300,000 with such financing maturing over 20 years and upon terms and conditions set forth in the Proposal.

Section 2. The Commission hereby authorizes the execution and the delivery of and the performance by the Commission of its obligations under a lease purchase agreement in an amount not to exceed \$8,300,000, to be dated such date, and with such other terms and conditions set forth in this resolution and as shall be recommended by the Financial Advisor (the “Lease”) and in a form approved by Special Counsel.

Section 3. The Commission hereby authorizes the execution and the delivery of and the performance by the Commission of its obligations under a ground lease agreement with

respect to the subject property, to be dated such date as recommended by the Financial Advisor (the "Ground Lease") and in such form as approved by Special Counsel.

Section 4. The Commission hereby authorizes the preparation, the execution and the delivery of and the performance by the Commission of its obligations under such other agreements and documents as may be needed, including an escrow agreement, in a form approved by Special Counsel.

Section 5. The President of the Commission, the Superintendent and/or the Business Administrator/Board Secretary is hereby authorized to execute such agreements or documents authorized herein on behalf of the Commission, and such signatures shall be conclusive evidence that such documents or agreements have been approved as required herein and authorized on behalf of the Commission. The President of the Commission, the Superintendent and/or the Business Administrator/Board Secretary is authorized to attest to the signature or signatures,.

Section 6. The Board President, the Superintendent and/or the Business Administrator/Board Secretary is hereby authorized to deliver the Lease, the ground lease agreement, the escrow agreement, and such other agreements, documents and certificates as may be necessary to consummate the transaction in forms prepared or approved by Special Counsel, and to direct the deposit and investment of the Lease proceeds in the escrow for the term of the Lease or such shorter period as may be necessary in accordance with the requirements of law. The Business Administrator/Board Secretary is also authorized to pay any agreed upon fees and costs of issuance from the Lease proceeds. The Board President, the Superintendent and/or the Business Administrator/Board Secretary or other appropriate Commission representatives are also authorized and directed to take on behalf of the Commission such other actions as shall be necessary and appropriate to accomplish the lease purchase financing in accordance with the

terms of the Lease and this resolution and pursuant to the terms of the agreements and instruments authorized to be prepared hereby and to accomplish the performance of the obligations of the Commission in respect thereto.

Section 7. This lease purchase financing transaction shall be undertaken as a private placement.

Section 8. The payments of rent or other monies due under the Lease shall be made only from funds appropriated annually by the Commission in accordance with law or from other lawful sources. The Commission does not have taxing power.

Section 9. The proceeds of the sale of the Lease shall be applied to (i) pay costs of the Project, (ii) pay accrued interest on the Lease, if any, and (iii) pay the costs of entering into the Lease.

Section 10. The Commission hereby covenants that it will comply with any conditions subsequent imposed by the Internal Revenue Code of 1986, as amended (the "Code"), in order to preserve the exemption from taxation of the interest portion of rent due under the Lease, including the requirement to rebate all net investment earnings on the gross proceeds above the yield on the Lease, if applicable.

Section 11. The Commission hereby declares its intent to issue the Lease in the expected maximum principal amount of the Lease set forth herein and to use the proceeds of the Lease to pay or to reimburse expenditures for the costs of the Project for which the Lease is authorized herein. This resolution is a declaration of intent within the meaning and for the purposes of Treasury Regulations Section 1.150-2 or any successor provisions of federal income tax law.

Section 12. When referred to herein, the office of Business Administrator/Board Secretary shall include any acting, interim or assistant Board Secretary or Business

Administrator acting in that capacity on behalf of the Commission, the office of the Superintendent shall include any acting or interim superintendent, and the reference to the Commission President shall include the Vice-President in the event of the absence or unavailability of the Commission President.

Sections 13. This resolution shall take effect immediately.

# Webster Public Finance Corporation Proposal



Troy Grasinger  
Managing Director  
Webster Public Finance Corporation  
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310-415-1791

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**TERM SHEET**

**DATE:** February 23, 2026

**LESSEE:** Union County Educational Services Commission, New Jersey (the "Commission").

**FINANCIAL ADVISOR TO THE BOARD:** Phoenix Advisors

**COUNSEL TO THE BOARD:** Mcmanimon, Scotland & Baumann, LLC

**PURCHASER/LENDER:** Webster Public Finance Corporation, a subsidiary of Webster Bank, National Association

**ESCROW AGENT:** Webster Bank, N.A.

**COUNSEL TO THE LENDER:** Gilmore & Bell, P.C.

**TYPE OF FINANCING:** Lease Purchase

**LEASED PROPERTY:** The Commission's property located at 53 Cardinal Drive, Westfield, NJ 07090.

**COMMENCEMENT DATE:** Currently scheduled for April 1, 2026

**AMOUNT TO BE FINANCED:** Not to exceed \$8,300,000

**INTEREST RATE:** 4.495% (fixed until Final Maturity)

**TAX STATUS:** Tax-Exempt, Non-Bank Qualified

**FINAL MATURITY:** October 1, 2046

**LEASE PAYMENTS:** In accordance with the Estimated Amortization Schedule attached hereto.

**OPTIONAL PREPAYMENT:**

The Commission shall have the right to prepay the outstanding balance in whole, but not in part, on any payment date on or after October 1, 2031 by paying a prepayment price equal to the outstanding balance, together with all accrued interest and a prepayment premium as set forth below:

<b>Prepayment Period</b>	<b>Prepayment Premium</b>
October 1, 2031	1%
October 1, 2033	At par

The Commission shall give the Lender written notice of its intention to exercise its option not less than 60 days in advance of the date of exercise.

**ONE-TIME PREPAYMENT:**

Webster understands the Commission intends to incur additional financial obligations secured by the Leased Property at a future date. At such time, Webster will work with the Commission on mutually agreeable terms. In the event that Webster and the Commission are not able to reach such terms, Webster will allow for a one-time prepayment in whole, and at par, for the refunding of the Lease Purchase.

**DOCUMENTATION:**

This financing is subject to the execution of mutually acceptable documentation to be prepared by Bond Counsel at the Commission's expense. Documents will include those that are normal and customary for a transaction of this type and size and may include, but are not limited to:

- Ground Lease and Lease Purchase Agreement
- Title Insurance Policy in form reasonably acceptable to Lender
- Environmental questionnaire
- Evidence of Insurance
- Opinions of Counsel, including Legal and Tax Opinions
- Evidence of filings and recordings

**FEES OF THE LENDER:**

\$5,000 for Bank Counsel. Any costs of issuance incurred by the Commission, such as financial advisory, placement agent, legal counsel, title company and escrow services shall be the responsibility of the Commission and can be included in the Amount to be Financed.

**ASSIGNMENT BY THE LENDER:**

The Lender shall have the right at any time to further assign its interest in this financing, but no such assignment shall be effective unless and until a notice has been delivered to the Commission that discloses the name and address of the assignee. Such assignment, transfer or conveyance shall be made only to (i) an affiliate of the Lender or (ii) banks, insurance companies or other financial institutions or their affiliates.

**IRS CIRCULAR 230 DISCLOSURE:**

The Lender and its affiliates do not provide tax advice. Accordingly, any discussion of U.S. tax matters contained herein (including any attachments) is not written or intended to be used, and cannot be used, in connection with the promotion, marketing or recommendation by anyone unaffiliated with the Lender of any of the matters addressed herein or for the purpose of avoiding U.S. tax-related penalties.

**ADVISORY DISCLOSURE:**

The Lender is not a registered municipal advisor as defined under the Dodd-Frank Wall Street Reform and Consumer Protection Act and its related rules and regulations. In providing this Term Sheet, the Lender is not providing any advice, advisory services, or recommendations with respect to the structure, timing, terms, or similar matters concerning an issuance of municipal securities. This Term Sheet is a commercial, arms-length proposal that does not create a fiduciary duty by Lender to the Commission. The Commission may engage, separately and at its own cost, an advisor to review this Term Sheet and the proposed transaction on the Commission's behalf.

**CREDIT APPROVAL:**

This Term Sheet is subject to formal credit approval by Lender and the execution of mutually acceptable documentation.

**PROPOSAL EXPIRATION:**

Unless accepted by the Commission or extended in writing by Lender at its sole discretion, this Term Sheet shall expire on March 5, 2026. Once accepted, this Term Sheet shall expire if the financing is not completed by April 1, 2026.

Upon receipt of the signed Term Sheet, we will endeavor to provide you with a timely commitment and we will use good faith efforts to close on the financing based on the terms herein. It is a pleasure to offer this financing proposal to the Commission, and we look forward to your favorable review.

Respectfully –

Troy Grasinger  
Managing Director  
Webster Public Finance Corporation

**Agreed to and Accepted by:**  
Union County ESC, New Jersey

\_\_\_\_\_ (Signature)

\_\_\_\_\_ (Name)

\_\_\_\_\_ (Title)

\_\_\_\_\_ (Date)

**ESTIMATED AMORTIZATION SCHEDULE**

Union County ESC, NJ				
Date	Payment	Interest	Principal	Balance
04/01/2026				8,300,000.00
10/01/2026	501,218.66	188,298.14	312,920.52	7,987,079.48
04/01/2027	181,199.06	181,199.06	0.00	7,987,079.48
10/01/2027	501,218.66	181,199.06	320,019.60	7,667,059.88
04/01/2028	173,938.93	173,938.93	0.00	7,667,059.88
10/01/2028	501,218.66	173,938.93	327,279.73	7,339,780.15
04/01/2029	166,514.09	166,514.09	0.00	7,339,780.15
10/01/2029	501,218.66	166,514.09	334,704.57	7,005,075.58
04/01/2030	158,920.81	158,920.81	0.00	7,005,075.58
10/01/2030	501,218.66	158,920.81	342,297.85	6,662,777.73
04/01/2031	151,155.26	151,155.26	0.00	6,662,777.73
10/01/2031	501,218.66	151,155.26	350,063.40	6,312,714.33
04/01/2032	143,213.54	143,213.54	0.00	6,312,714.33
10/01/2032	501,218.66	143,213.54	358,005.12	5,954,709.21
04/01/2033	135,091.65	135,091.65	0.00	5,954,709.21
10/01/2033	501,218.66	135,091.65	366,127.01	5,588,582.20
04/01/2034	126,785.50	126,785.50	0.00	5,588,582.20
10/01/2034	501,218.66	126,785.50	374,433.16	5,214,149.04
04/01/2035	118,290.91	118,290.91	0.00	5,214,149.04
10/01/2035	501,218.66	118,290.91	382,927.75	4,831,221.29
04/01/2036	109,603.61	109,603.61	0.00	4,831,221.29
10/01/2036	501,218.66	109,603.61	391,615.05	4,439,606.24
04/01/2037	100,719.23	100,719.23	0.00	4,439,606.24
10/01/2037	501,218.66	100,719.23	400,499.43	4,039,106.81
04/01/2038	91,633.29	91,633.29	0.00	4,039,106.81
10/01/2038	501,218.66	91,633.29	409,585.37	3,629,521.44
04/01/2039	82,341.22	82,341.22	0.00	3,629,521.44
10/01/2039	501,218.66	82,341.22	418,877.44	3,210,644.00
04/01/2040	72,838.35	72,838.35	0.00	3,210,644.00
10/01/2040	501,218.66	72,838.35	428,380.31	2,782,263.69
04/01/2041	63,119.89	63,119.89	0.00	2,782,263.69
10/01/2041	501,218.66	63,119.89	438,098.77	2,344,164.92
04/01/2042	53,180.95	53,180.95	0.00	2,344,164.92
10/01/2042	501,218.66	53,180.95	448,037.71	1,896,127.21
04/01/2043	43,016.53	43,016.53	0.00	1,896,127.21
10/01/2043	501,218.66	43,016.53	458,202.13	1,437,925.08
04/01/2044	32,621.52	32,621.52	0.00	1,437,925.08
10/01/2044	501,218.66	32,621.52	468,597.14	969,327.94
04/01/2045	21,990.68	21,990.68	0.00	969,327.94
10/01/2045	501,218.66	21,990.68	479,227.98	490,099.96
04/01/2046	11,118.66	11,118.66	0.00	490,099.96
10/01/2046	501,218.66	11,118.70	490,099.96	0.00
<b>Totals</b>	<b>12,562,885.54</b>	<b>4,262,885.54</b>	<b>8,300,000.00</b>	



**CERTIFICATE**

I, **Eric Larson, Business Administrator/Board Secretary of The Board of Directors of the Union County Educational Services Commission**, hereby certify that the Resolution attached hereto is a true and complete copy of the Resolution, as it appears in the official minutes of the meeting of the Commission, that was duly adopted by the Board of Directors of the Commission at their regular meeting held on March 4, 2026 in accordance with the requirements of the Open Public Meetings Law of New Jersey by the vote set forth below and that the aforesaid resolution has not been amended, modified or repealed and remains in full force and effect.

AYES:

NAYS:

ABSTENTIONS:

ABSENT:

**IN WITNESS WHEREOF I have hereunto set my hand and affixed the corporate seal of the Commission this \_\_\_ day of \_\_\_\_\_, 2026.**

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**Eric Larson, Business Administrator/Board Secretary**

