



401 E Broad St • PO Box 1065 • Dunn, North Carolina 28335
(910) 230-3510 • CityofDunn.org

October 24, 2025

City of Dunn

Request for Proposal for Installment Financing Agreement – Park Project

The City of Dunn, North Carolina desires to enter into an installment financing agreement pursuant to N.C.G.S §160A-20 in the principal amount not to exceed \$148,000 for the purpose of financing the cost of the items described below. The City of Dunn is soliciting your proposal to provide the necessary financing, subject to the terms and conditions set forth in this Request for Proposal.

A. Pertinent Information

The city has recently purchased the property located at 400 E Townsend Street. The property includes a house on a 0.31-acre lot. The property will provide neighborhood access to the adjacent Codrington Park, which borders the rear of the property. Future plans for the use of the house are not yet determined. The total project budget is \$188,000 and includes city reserve funds of \$40,000.

The financing will be bank eligible under Section 265 of the Internal Revenue Code of 1986.

B. Contract Specifications

1. The desired amount of the financing is not to exceed \$148,000.
2. The desired term of the financing is 59 months. The City of Dunn desires the debt service payment schedule to reflect amortization over a 5-year period, with the final payment due in month fifty-nine (59).
3. Installment payments are to be made annually in arrears.
4. The interest rate(s) shall be fixed for the term.
5. The interest rate(s) proposed must be guaranteed for at least forty-five (45) days. The proposals will be presented to the city council on November 18, 2025, for approval and the City of Dunn desires to close the transaction by December 17, 2025.
6. Prepayment terms will be negotiated between the City of Dunn and the successful bidder. The City of Dunn desires prepayment of principal at any time without penalty.
7. The Installment Financing Agreement must not contain a non-substitution clause and there must be a non-appropriation clause in the installment financing agreement.

Where community begins!

C. Submission of Proposal

Two copies of your proposal must be received by **2:00 pm on November 6, 2025**, in the office of Cary McNallan, Finance Director, for the City of Dunn, 401 E. Broad St., Dunn N. C. 28334. You may also submit your proposal via email at cmcnallan@dunn-nc.org.

Proposals must specify at a minimum the following information.

1. The term of the financing.
2. The interest rate.
3. The terms of repayment. Please attach a sample debt service amortization schedule.
4. Proposed terms for optional prepayment. Please also state whether you would allow prepayment without penalty from excess proceeds.
5. A list of all additional costs to be associated with this transaction, including origination or placement fees, escrow fees, counsel fees and expenses. State whether or not any such fees or expenses will be capped.
6. A statement to the effect that the bank agrees to the contract specifications set forth in Part B of the Request for Proposal.
7. Bids should be based on gross funding of the Project (without consideration of investment earnings).

The City of Dunn reserves the right to request additional information from the bidders and reserves the right to reject all proposals and to waive any irregularity or informality. Although the selection will be based substantially on lowest total financing cost (including both interest cost and up-front fees and expenses), the City of Dunn reserves the right to select the bidder that best meets the needs of the City of Dunn.

If further information is needed or if you have any questions regarding this Request for Proposal, please contact Cary McNallan at 910-230-3515.