



**MATTHEW G. BEVIN**  
Governor

**Commonwealth of Kentucky**  
**FINANCE AND ADMINISTRATION CABINET**  
**Office of Financial Management**  
702 Capital Avenue  
Suite 76  
Frankfort, Kentucky 40601  
(502) 564-2924  
(502) 564-7416 Facsimile

**WILLIAM M. LANDRUM III**  
Secretary

**RYAN BARROW**  
Executive Director

April 22, 2019

William E. Summers, V  
Chairman  
Kentucky Housing Corporation  
1231 Louisville Road  
Frankfort, KY 40601-6191

Dear Chairman Summers:

This letter will advise that the Office of Financial Management ("OFM") of the Finance and Administration Cabinet has reviewed and is hereby approving the issuance of the Kentucky Housing Corporation Multifamily Housing Revenue Bonds (Westminster Village Apartments Project), Series 2019 in a principal amount of \$8,500,000 (the "Bonds"). The Bonds, by their terms, provide that payment of principal and interest thereon are not an obligation of the Commonwealth of Kentucky or its departments or agencies.

Pursuant to OAG 83-453, OFM has restricted its review and approval process to reviewing certain documents incidental to the issue and to obtaining assurance that the documents include language which provides that the Bonds and interest thereon shall not be deemed to constitute a debt, liability or obligation of the Kentucky Housing Corporation ("KHC") or the Commonwealth of Kentucky or any political subdivision thereof. OFM notes that the approval of this issue by the Capital Projects and Bond Oversight Committee ("CPBO") occurred on October 16, 2018. The closing documentation was received from KHC on April 22, 2019. The attached includes a finalized listing of costs related to the issuance of the Bonds pursuant to KRS 45.816.

Sincerely,

Sandy Williams  
Deputy Executive Director

Attachments

## FINAL BOND ISSUE REPORT

Name of Bond Issue:	Kentucky Housing Corporation Tax-Exempt Conduit Multifamily Housing Revenue Bonds (Westminster Village), Series 2019
Purpose of Issue:	The bonds will be used to finance the acquisition, rehabilitation and equipping of the Westminster Village Project, a one hundred and thirty-two unit property located at 1501 Versailles Road, Lexington, Kentucky 40504. The Kentucky Housing Corporation has conducted a public hearing concerning the proposed project on October 11, 2018 following the delivery of notice to the public on September 26, 2018.
Name of Project:	Westminster Village Apartments
Date of Sale:	March 19, 2019
Date of Issuance:	March 22, 2019
Rating:	Standard & Poor's (AA+)
Net Proceeds:	\$8,500,000
Cost of Issuance:	See Exhibit A attached (costs of issuance paid from owner equity)
Bond Discount:	\$0
Debt Service Reserve Fund:	\$0, but a \$634,629 operating reserve will be funded from equity.
Insurance Premium:	N/A
Total Project Cost:	\$17,837,196
Term:	April 1, 2022
Net Interest Rate:	2.00%
Average Debt Service:	\$190,000
Gross Debt Service:	\$9,010,000
First Call Date:	April 1, 2021
Premium at First Call:	No premium
Method of Sale:	Public Offering
Bond Counsel:	Dinsmore & Shohl LLP
Underwriter Counsel:	Norris George & Ostrow PLLC
Financial Advisor:	N/A
Underwriter:	Citigroup Global Markets, Inc.
Trustee:	U.S. Bank National Association
Developer:	Allied Real Estate Partners, LLC

## **EXHIBIT A**

### **Project Funding Sources:**

Mortgage Loan	\$ 7,061,000
Tax Credit Equity	5,368,955
HUD Flex Subsidy Loan	1,687,806
Lexington AHTF - Residual Receipts	200,000
Lexington AHTF - Deferred Payment Loan	200,000
City of Lexington HOME Loan	138,479
Seller Loan	3,027,444
Deferred Developer Fee	<u>153,512</u>
<b>TOTAL</b>	<b>\$ 17,837,196</b>

### **Costs of Issuance:**

Origination Fee	\$ 51,377
KHC Counsel	12,500
KHC Financing Fee	56,634
KHC Application Fee	3,500
KHC Admin Fee	5,000
Bond Counsel	63,500
Lender Counsel	35,000
Borrowers Counsel	12,000
TEFRA/Publication/Print	<u>5,000</u>
<b>TOTAL</b>	<b>\$ 244,511</b>



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**WILLIAM M. LANDRUM III**  
Secretary

**RYAN BARROW**  
Executive Director

April 9, 2019

Mr. Eugene Hutchins  
Executive Director & Chief Executive Officer  
Kentucky Higher Education Assistance Authority/  
Kentucky Higher Education Student Loan Corporation  
P.O. Box 798  
Frankfort, KY 40602-0798

Dear Mr. Hutchins:

Pursuant to KRS 42.420, the Office of Financial Management is required to review and approve the issuance of bonds by all state agencies. The attached information constitutes our review and approval of the issuance by the Kentucky Higher Education Student Loan Corporation of its \$17,100,000 Student Loan Revenue Bonds, Senior Series 2019A-1, \$60,985,000 Student Loan Revenue Bonds, Senior Series 2019A-2 and \$17,250,000 Student Loan Revenue Bonds, Senior Series 2019B-1.

Sincerely,

Ryan Barrow  
Executive Director  
Office of Financial Management

**Attachments**

c: David Carlsen  
Kentucky Higher Education Student Loan Corporation

Kenneth Roberts  
Hawkins Delafield & Wood LLP

**OFM APPROVAL PURSUANT TO KRS 42.420**  
**\$95,335,000**  
**KENTUCKY HIGHER EDUCATION STUDENT LOAN CORPORATION**  
**STUDENT LOAN REVENUE BONDS**

**SERIES:** Senior Series 2019A-1 (Tax-Exempt Fixed Rate), Senior Series 2019A-2 (Taxable Fixed Rate), and Subordinate Series 2019B-1 (Tax-Exempt Fixed Rate)

**DESCRIPTION:** Bond proceeds will be used to purchase, originate, and finance Kentucky Advantage Education Loans.

**PAR AMOUNT:** \$95,335,000

**PRICING DATE:** 04/04/2019

**CLOSING DATE:** 04/11/2019

**FINAL MATURITY:** 06/01/2036

**TIC:** 3.56%

**NIC:** 3.67%

**ALL-IN-TIC:** 3.56%

**METHOD OF SALE:** Negotiated

**UNDERWRITER:** Bank of America Merrill Lynch

**RATING:** S&P: A (sf)/ BBB (sf)  
Fitch: Asf/BBBsf

**SOURCES AND USES OF FUNDS:**

**SOURCES OF FUNDS:**

Bond Proceeds	\$ 99,466,646
Corporation Contribution	<u>11,272,428</u>
<b>Total Sources</b>	<b>\$ 110,739,074</b>

**USES OF FUNDS:**

Corporation Contribution of Eligible Loans	\$ 11,272,428
Eligible Loans to be Financed	25,538,878
Pre-Funding Amount	70,358,068
Tax-Exempt Debt Service Reserve Subaccount	1,100,000
Taxable Debt Service Reserve Subaccount	<u>2,469,700</u>
<b>Total Uses</b>	<b>\$ 110,739,074</b>

**GROSS SPREAD/UNDERWRITER'S DISCOUNT:**

	\$/Bond	Amount
Takedown	\$ 5.850	\$ 557,694
Management Fee	3.350	319,372
Expenses	0.130	12,394
Underwriter Counsel Fee	<u>0.550</u>	<u>52,434</u>
<b>Total Gross Spread</b>	<b>\$ 9.880</b>	<b>\$ 941,894</b>

## PROFESSIONAL SERVICES:

Pursuant to KRS Chapter 45, the Issuer is providing information on all costs associated, either directly or indirectly, with this bond issuance. Costs are actual or estimated as of the date of closing of the issue.

<u>Firm</u>	<u>Service</u>	<u>Fee</u>
Hawkins, Delafield & Wood	Bond Counsel	\$ 95,335
SL Capital Strategies	Financial Advisor	100,000
Standard & Poors	Rating Services	100,000
Fitch	Rating Services	110,000
Office of Financial Management	OFM Fee	23,834
Bank of New York	Acceptance Fee	2,500
	First Year Fee	7,150
	Counsel Fee	25,000
Imagemaster	Printer Fee	4,250
Courier Journal	TEFRA Notice	1,613
State Journal	TEFRA Notice	150
Misc Corporation Costs		10,000
Misc. Trustee Expense Deposit		<u>50,000</u>
<b>TOTAL</b>		<b>\$ 529,832</b>



In the opinion of Hawkins Delafield & Wood LLP, Bond Counsel to the Corporation (“Bond Counsel”), under existing statutes and court decisions and assuming continuing compliance with certain tax covenants described herein, (i) interest on the Series 2019A-1 Bonds and the Series 2019B-1 Bonds is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), (ii) interest on the Series 2019A-1 Bonds and the Series 2019B-1 Bonds, however, is treated as a preference item in calculating the alternative minimum tax under the Code, and (iii) interest on the Series 2019A-2 Bonds is included in gross income for federal income tax purposes pursuant to the Code. In addition, in the opinion of Bond Counsel, under existing statutes and court decisions, all of the Offered Bonds and the income thereon and the transfer thereof, including any profit made on the sale thereof, shall at all times be exempt from taxation or assessment of any type by the Commonwealth of Kentucky, its agencies and departments and by all political subdivisions within the Commonwealth of Kentucky. See “TAX MATTERS” herein.



\$95,335,000

# KENTUCKY HIGHER EDUCATION STUDENT LOAN CORPORATION

## Student Loan Revenue Bonds, Series 2019

**\$17,100,000**  
**Senior Series 2019A-1**  
**(Tax-Exempt AMT Fixed Rate Bonds)**

**\$60,985,000**  
**Senior Series 2019A-2**  
**(Taxable Fixed Rate Bonds)**

**\$17,250,000**  
**Subordinate Series 2019B-1**  
**(Tax-Exempt AMT Fixed Rate Bonds)**

Dated: Date of Issuance

Price: As shown on inside cover page

Due: As shown on inside cover page

The Student Loan Revenue Bonds, Series 2019, consisting of \$17,100,000 Student Loan Revenue Bonds, Senior Series 2019A-1 (the “Series 2019A-1 Bonds”), \$60,985,000 Student Loan Revenue Bonds, Senior Series 2019A-2 (the “Series 2019A-2 Bonds,” and together with the Series 2019A-1 Bonds, the “Senior Offered Bonds”) and \$17,250,000 Student Loan Revenue Bonds, Subordinate Series 2019B-1 (the “Series 2019B-1 Bonds,” and together with the Senior Offered Bonds, the “Offered Bonds”) are being issued by the Kentucky Higher Education Student Loan Corporation (the “Corporation”), an independent *de jure* municipal corporation and political subdivision of the Commonwealth of Kentucky (the “Commonwealth”), pursuant to the provisions of the Indenture of Trust, dated as of May 1, 2014 (as previously supplemented and amended, the “Original Indenture”), and the Fourth Supplemental Indenture of Trust, dated as of April 1, 2019 (the “Fourth Supplemental Indenture” and, together with the Original Indenture, the “Indenture”), each between the Corporation and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”). The Senior Offered Bonds are being issued as senior bonds (and, together with two series of existing senior bonds outstanding under the Indenture and any other senior bonds issued under the Indenture in the future, are collectively referred to herein as “Senior Bonds”), and the Series 2019B-1 Bonds are being issued as the first series of subordinate bonds under the Indenture (and, together with any other subordinate bonds issued under the Indenture in the future on a parity therewith, are collectively referred to herein as “Subordinate Bonds”). See “DESCRIPTION OF THE OFFERED BONDS—Subordination of Series 2019B-1 Bonds” herein.

The Offered Bonds are issuable only as fully registered bonds and when issued shall be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”), which shall act as securities depository for the Offered Bonds. Purchasers of the Offered Bonds will not receive certificates representing their beneficial ownership interests in the Offered Bonds. Purchases and sales by the beneficial owners of the Offered Bonds shall be made in book-entry form in the principal amount of \$5,000 or any integral multiple thereof. Payments of principal, redemption price, and interest with respect to the Offered Bonds are to be made directly to DTC by the Trustee or its successor, so long as DTC or Cede & Co. is the registered owner of the Offered Bonds. Disbursement of such payments to Participants (as defined herein) in DTC is the responsibility of DTC and the disbursement of such payments to the beneficial owners is the responsibility of the Participants, as more fully described herein. See “DESCRIPTION OF THE OFFERED BONDS—Book-Entry-Only System” herein.

Interest on the Offered Bonds is payable semiannually on each June 1 and December 1, commencing December 1, 2019, as described herein, except that current payment of interest on the Series 2019B-1 Bonds may be suspended under certain circumstances while Senior Bonds remain Outstanding and, if suspended, would remain payable as Subordinate Carry-over Interest (as defined herein) to the extent provided in the Indenture. The Indenture provides that neither a failure to pay principal of or current interest on the Series 2019B-1 Bonds while Senior Bonds remain Outstanding, nor a failure to pay Subordinate Carry-over Interest, that results from an insufficiency of funds that are available under the Indenture for such purposes, from the nonoccurrence of a Subordinate Restoration Interest Date (as defined herein) or from prior principal payment of the related Series 2019B-1 Bond would constitute an Event of Default thereunder. See “DESCRIPTION OF THE OFFERED BONDS—Subordination of Series 2019B-1 Bonds” and “Subordinate Carry-over Interest” herein and “CERTAIN INVESTMENT CONSIDERATIONS—Subordinate Status of the Series 2019B-1 Bonds; Subordinate Carry-over Interest” herein.

The Offered Bonds are subject to redemption without premium prior to maturity as described herein. See “DESCRIPTION OF THE OFFERED BONDS—Redemption Provisions” herein. The Offered Bonds are being issued for the purposes of: (a) financing Eligible Loans and (b) making deposits to the Debt Service Reserve Fund. The Offered Bonds, together with all Outstanding Bonds and any other Additional Bonds that may be issued under the Indenture, are payable solely from Revenues and other amounts pledged pursuant to the Indenture and from moneys and securities held in certain funds and accounts established therein. See “SECURITY AND SOURCES OF PAYMENT FOR THE OFFERED BONDS” herein. All capitalized terms used in this Official Statement and not otherwise defined herein have the same meanings as assigned in the Indenture. See “APPENDIX B—SUMMARY OF CERTAIN PROVISIONS IN THE INDENTURE” hereto.

Potential investors should review this Official Statement in its entirety and should carefully consider the features of the Offered Bonds described herein and the considerations summarized under the caption “CERTAIN INVESTMENT CONSIDERATIONS” herein prior to determining whether the Offered Bonds are a suitable investment for them in light of their financial circumstances and investment objectives. Certain of such considerations apply differently to the Senior Offered Bonds and to the Series 2019B-1 Bonds and may affect the security or the full and timely payment of the Series 2019B-1 Bonds even if they do not so affect the Senior Offered Bonds.

THE OFFERED BONDS ARE SPECIAL AND LIMITED OBLIGATIONS OF THE CORPORATION, SECURED BY AND PAYABLE FROM SPECIFIC REVENUES, FUNDS AND OTHER ASSETS PLEDGED THEREFOR AS HEREIN DESCRIBED. THE OFFERED BONDS DO NOT CONSTITUTE A DEBT, LIABILITY OR OBLIGATION OF THE COMMONWEALTH OR ANY POLITICAL SUBDIVISION THEREOF. THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE OFFERED BONDS IS NOT SECURED BY A PLEDGE OF THE FAITH AND CREDIT OR THE TAXING POWER OF THE COMMONWEALTH OR ANY POLITICAL SUBDIVISION THEREOF. KENTUCKY'S NAME IS ON THE OFFERED BONDS FOR THE BENEFIT AND CONVENIENCE OF OTHER ENTITIES IN THE COMMONWEALTH. HOWEVER, THE ONLY SECURITY WHICH IS PLEDGED FOR THE OFFERED BONDS IS THE INDEPENDENT REVENUES AND ASSETS FROM THE PROJECT. THE GENERAL ASSEMBLY DOES NOT INTEND TO APPROPRIATE ANY COMMONWEALTH FUNDS TO FULFILL THE FINANCIAL OBLIGATION REPRESENTED BY THE OFFERED BONDS. THE CORPORATION HAS NO TAXING POWER.

The Project referred to in the immediately preceding paragraph, and in certain similar statements included elsewhere in this Official Statement, is the Corporation's program for the financing of Eligible Loans through the application of moneys held or pledged pursuant to the Indenture as such terms are defined herein. See “SECURITY AND SOURCES OF PAYMENT FOR THE OFFERED BONDS” herein.

The Offered Bonds have not been registered under the Securities Act of 1933, as amended, nor has the Indenture been qualified under the Trust Indenture Act of 1939, as amended, in reliance upon certain exemptions set forth in such acts. Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved these securities or passed upon the accuracy or adequacy of this Official Statement.

The Offered Bonds are offered when, as and if issued and received by the Underwriter, subject to prior sale, to withdrawal or modification of the offering without notice, to the approval of legality by Hawkins Delafield & Wood LLP, Bond Counsel to the Corporation, and to certain other matters. Certain legal matters in connection with the Offered Bonds will be passed upon for the Corporation by its General Counsel and for the Underwriter by its counsel, Kutak Rock LLP. The Offered Bonds are expected to be available for delivery in New York, New York through the facilities of DTC on or about April 11, 2019.

**BofA Merrill Lynch**

April 5, 2019

## MATURITY SCHEDULE

### \$17,100,000 STUDENT LOAN REVENUE BONDS, SENIOR SERIES 2019A-1 (Tax-Exempt AMT Fixed Rate Bonds)

Maturity Due June 1	Principal Amount	Interest Rate	Yield	Price	CUSIP**
2022	\$ 700,000	5.00%	2.28%	108.191%	49130NEC9
2023	1,200,000	5.00	2.36	110.349	49130NED7
2024	2,000,000	5.00	2.46	112.188	49130NEE5
2025	2,100,000	5.00	2.57	113.715	49130NEF2
2026	3,000,000	5.00	2.69	114.909	49130NEG0
2027	3,000,000	5.00	2.79	115.988	49130NEH8
2028	3,000,000	5.00	2.88	116.924	49130NEJ4
2029	2,100,000	5.00	3.01	117.273	49130NEK1

### \$60,985,000 STUDENT LOAN REVENUE BONDS, SENIOR SERIES 2019A-2 (Taxable Fixed Rate Bonds)

Maturity Due June 1	Principal Amount	Interest Rate	Price	CUSIP**
2020	\$1,975,000	3.003%	100.00%	49130NEL9
2021	2,000,000	3.153	100.00	49130NEM7
2022	3,300,000	3.142	100.00	49130NEN5
2023	3,100,000	3.215	100.00	49130NEP0
2024	3,485,000	3.365	100.00	49130NEQ8
2025	5,700,000	3.456	100.00	49130NER6
2026	6,560,000	3.556	100.00	49130NES4
2027	5,000,000	3.658	100.00	49130NET2
2028	4,000,000	3.758	100.00	49130NEU9
2029	2,500,000	3.858	100.00	49130NEV7

\$23,365,000 3.835% Term Bond Due June 1, 2034 - Yield 3.835%, Price 100.00%,  
CUSIP No. 49130NEW5\*\*

### \$17,250,000 STUDENT LOAN REVENUE BONDS, SUBORDINATE SERIES 2019B-1

(Tax-Exempt AMT Fixed Rate Bonds)

\$17,250,000 5.00% Term Bond Due June 1, 2036 - Yield 3.87%\*, Price 109.397%,  
CUSIP No. 49130NEX3\*\*

\*\* The CUSIP numbers have been assigned by an independent company not affiliated with the Corporation or the Underwriter and are included solely for the convenience of the owners of the Offered Bonds. Neither the Corporation nor the Underwriter is responsible for the selection or uses of the CUSIP numbers, and no representation is made as to their correctness on the Offered Bonds or as indicated above. The CUSIP numbers are subject to being changed after the issuance of the Offered Bonds as a result of various subsequent actions including, but not limited to, a refunding of a portion of the Offered Bonds.

\* Priced to the Optional Redemption Date.





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**WILLIAM M. LANDRUM III**  
Secretary

**RYAN BARROW**  
Executive Director

April 25, 2019

William M. Landrum III  
Secretary  
Finance and Administration Cabinet  
State Property and Buildings Commission  
702 Capital Avenue  
Frankfort, KY 40601

Dear Secretary Landrum,

Pursuant to KRS 42.420, the Office of Financial Management is required to review and approve the issuance of debt by all state agencies. The attached constitutes the review and approval of the \$13,195,000 State Property and Buildings Commission Revenue Refunding Bonds, Project No. 121 dated April 25, 2019.

Sincerely,

A handwritten signature in blue ink, appearing to read "Ryan Barrow".

Ryan Barrow  
Executive Director

Attachments

**OFM APPROVAL PURSUANT TO KRS 42.420**  
**\$13,195,000**  
**COMMONWEALTH OF KENTUCKY**  
**STATE PROPERTY AND BUILDINGS COMMISSION**  
**REVENUE REFUNDING BONDS, PROJECT NO. 121**  
**DATED APRIL 25, 2019**

**DESCRIPTION:**

The Bonds are being issued to provide funds with which to 1.) currently refund and retire all the outstanding State Property and Buildings Commission Revenue Bonds, Project No. 93; and 2.) pay associated costs of issuance.

**PAR AMOUNT:** \$13,195,000  
**PRICING DATE:** 04/11/2019  
**CLOSING DATE:** 04/25/2019  
**DATED DATE:** 04/25/2019  
**FINAL MATURITY:** 02/01/2029

**ARBITRAGE YIELD:** 2.582%  
**NIC:** 2.899%  
**TIC:** 2.636%  
**All-In TIC:** 2.719%  
**BENCHMARK:**  
(as of 4/11/2019) 3.850% BBWK20GO

**METHOD OF SALE:** Negotiated  
**UNDERWRITER:** J.J.B. Hilliard, W.L. Lyons, LLC

**RATINGS:** Moody's: A1  
Fitch: A+

## SOURCES AND USES OF FUNDS

### Sources of Funds

Principal Amount of Series A Bonds	\$13,195,000.00
Plus Net Original Issue Premium	<u>1,918,639.40</u>
<b>TOTAL SOURCES</b>	<b>\$15,113,639.40</b>

### Uses of Funds

Refunding Escrow Deposits	\$14,989,146.79
Costs of Issuance	<u>124,492.61</u>
<b>TOTAL SOURCES</b>	<b>\$15,113,639.40</b>

\*Includes underwriters' discount, legal fees, printing, rating agency fees, and miscellaneous costs.

## REFUNDING:

Par Amount of Refunded Bonds:	\$	14,750,000
Net PV Savings:	\$	2,076,830.23
Percentage Savings of Refunded Bonds:		14.080%

[Remainder of this page intentionally left blank]

**PROFESSIONAL SERVICES:**

Pursuant to KRS Chapter 45, the Issuer is providing information on all costs associated, either directly or indirectly, with this bond issuance. Costs are actual or estimated as of the date of closing of the issue.

<u>Firm</u>	<u>Service</u>	<u>Fee</u>
Dinsmore & Shohl	Bond Counsel	\$10,000.00
Moody's	Rating Service	25,000.00
Fitch	Rating Service	16,000.00
BNY Mellon	Trustee	4,900.00
OFM	Financial Advisor	3,298.75
McElwee & Quinn	Printer	790.00
Misc./Contingency		<u>8,778.37</u>
TOTAL		\$68,767.12

**GROSS SPREAD/UNDERWRITER'S DISCOUNT:**

	<b>Per Bond</b>	<b>Total</b>
Underwriter's Average Takedown	3.52643	\$46,531.25
Underwriter's Other Fee	0.12840	1,694.24
Underwriter's Counsel	<u>0.56840</u>	<u>7,500.00</u>
TOTAL	4.22323	\$55,725.49

COST OF ISSUANCE GRAND TOTAL: \$124,492.61

**ATTACHMENTS:**

Official Statement Cover  
Debt Service Schedule  
Summary of Bonds Refunded  
Savings

*In the opinion of Bond Counsel for the Bonds, based upon an analysis of laws, regulations, rulings and court decisions, and assuming continuing compliance with certain covenants made by the Commission, and subject to the conditions and limitations set forth herein under the caption "TAX TREATMENT," interest on the Bonds is excludible from gross income for Federal income tax purposes and is not a specific item of tax preference for purposes of the Federal individual or corporate alternative minimum taxes. Interest on the Bonds is exempt from Kentucky income tax and the Bonds are exempt from ad valorem taxation by the Commonwealth of Kentucky and any of its political subdivisions. See "TAX TREATMENT" herein for a more complete discussion, and EXHIBIT E – "FORM OF BOND COUNSEL OPINION FOR THE BONDS."*

**\$13,195,000**  
**COMMONWEALTH OF KENTUCKY**  
**STATE PROPERTY AND BUILDINGS COMMISSION**  
**REVENUE REFUNDING BONDS, PROJECT NO. 121**

**Dated: Date of Delivery**

**Due: As shown on the inside cover**

The Revenue Refunding Bonds, Project No. 121 (the "Bonds") will be issued only as fully registered bonds, and when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Bonds. Purchasers will not receive certificates representing their ownership interest in the Bonds purchased. So long as DTC or its nominee is the registered owner of the Bonds, payments of the principal of, premium, if any, and interest due on the Bonds will be made directly to DTC. The Bonds will be issued in denominations of \$5,000 or any integral multiple thereof. The Bonds will bear interest payable on each February 1 and August 1, commencing on August 1, 2019. Principal of, premium, if any, and interest on the Bonds will be paid directly to DTC by The Bank of New York Mellon Trust Company, N.A., Louisville, Kentucky, as Trustee and Paying Agent.

The Bonds mature on the dates and in the principal amounts, bearing semiannual interest and have the prices and/or yields shown on the inside cover.

The Bonds are not subject to optional redemption prior to maturity. The Bonds are subject to mandatory redemption upon a determination of taxability. See "THE BONDS – Redemption".

The Bonds are being issued by the State Property and Buildings Commission (the "Commission"), an independent agency of the Commonwealth of Kentucky (the "Commonwealth"), at the request of the Finance and Administration Cabinet of the Commonwealth (the "Cabinet") pursuant to a Bond Resolution adopted on March 13, 2019 (the "Resolution"), to (i) pay the costs of refunding certain outstanding bonds of the Commission identified in EXHIBIT C – SUMMARY OF PRIOR BONDS, and (ii) pay costs of issuing the Bonds.

THE BONDS ARE SPECIAL AND LIMITED OBLIGATIONS OF THE COMMISSION. THE BONDS DO NOT CONSTITUTE A DEBT, LIABILITY, OR OBLIGATION OF THE COMMONWEALTH, OR A PLEDGE OF THE FULL FAITH AND CREDIT OR TAXING POWER OF THE COMMONWEALTH, BUT ARE PAYABLE SOLELY FROM AMOUNTS DEPOSITED IN CERTAIN FUNDS AND ACCOUNTS CREATED BY THE RESOLUTION AND FROM RENTAL INCOME DERIVED FROM THE BIENNIALLY RENEWABLE LEASE (AS DESCRIBED AND DEFINED HEREIN), THE RENT FROM WHICH IS SUBJECT TO APPROPRIATION BY THE GENERAL ASSEMBLY OF THE COMMONWEALTH ON A BIENNIAL BASIS. THE BONDHOLDERS HAVE NO SECURITY INTEREST IN ANY PROPERTIES CONSTITUTING THE PROJECT (AS DEFINED HEREIN) OR ANY AMOUNTS DERIVED THEREFROM. See "SECURITY FOR THE BONDS" herein.

The cover page contains information for quick reference only and is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

The Bonds are offered when, as and if issued and accepted by the Underwriter, subject to the approving legal opinion of Dinsmore & Shohl LLP, Covington, Kentucky, Bond Counsel. Certain legal matters will be passed on for the Underwriter by their counsel, Miller, Canfield, Paddock and Stone, P.L.C., Lansing, Michigan. It is expected that delivery of the Bonds will be made on or about April 25, 2019, in New York, New York, through the facilities of DTC, against payment therefor.



**BOND DEBT SERVICE**

Commonwealth of Kentucky  
 State Property and Buildings Commission  
 Revenue Refunding Bonds, Project No. 121

Dated Date 04/25/2019  
 Delivery Date 04/25/2019

<b>Period Ending</b>	<b>Principal</b>	<b>Coupon</b>	<b>Interest</b>	<b>Debt Service</b>
06/30/2020	1,180,000	5.000%	500,748.33	1,680,748.33
06/30/2021	2,980,000	** %	594,150.00	3,574,150.00
06/30/2022			450,750.00	450,750.00
06/30/2023			450,750.00	450,750.00
06/30/2024			450,750.00	450,750.00
06/30/2025			450,750.00	450,750.00
06/30/2026			450,750.00	450,750.00
06/30/2027	40,000	2.500%	450,750.00	490,750.00
06/30/2028	4,460,000	5.000%	449,750.00	4,909,750.00
06/30/2029	4,535,000	5.000%	226,750.00	4,761,750.00
	13,195,000		4,475,898.33	17,670,898.33



**SAVINGS**

Commonwealth of Kentucky  
 State Property and Buildings Commission  
 Revenue Refunding Bonds, Project No. 121

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 04/25/2019 @ 2.5816949%
06/30/2020	2,000,836.26	1,680,748.33	320,087.93	316,306.72
06/30/2021	3,898,173.76	3,574,150.00	324,023.76	310,154.83
06/30/2022	605,611.26	450,750.00	154,861.26	144,731.85
06/30/2023	527,517.50	450,750.00	76,767.50	70,147.02
06/30/2024	762,517.50	450,750.00	311,767.50	276,323.54
06/30/2025	596,942.50	450,750.00	146,192.50	126,458.89
06/30/2026	513,262.50	450,750.00	62,512.50	52,890.47
06/30/2027	813,262.50	490,750.00	322,512.50	264,585.28
06/30/2028	5,234,012.50	4,909,750.00	324,262.50	259,213.79
06/30/2029	5,085,650.00	4,761,750.00	323,900.00	252,239.48
	20,037,786.28	17,670,898.33	2,366,887.95	2,073,051.86

Savings Summary

PV of savings from cash flow	2,073,051.86
Plus: Refunding funds on hand	3,778.37
Net PV Savings	2,076,830.23

**SUMMARY OF BONDS REFUNDED**

Commonwealth of Kentucky  
State Property and Buildings Commission  
Revenue Refunding Bonds, Project No. 121

Bond	Maturity Date	CUSIP	Interest Rate	Par Amount	Call Date	Call Price
Revenue and Refunding Bonds, Project No. 93 (Unrefunded Portion), PRJ93OUT:						
BOND	02/01/2020	49151FQT0	4.000%	300,000.00	05/28/2019	100.000
	02/01/2020	49151FQU7	5.250%	965,000.00	05/28/2019	100.000
	02/01/2021	49151EZ63	4.000%	2,140,000.00	05/28/2019	100.000
	02/01/2021	49151FQV5	5.250%	1,085,000.00	05/28/2019	100.000
	02/01/2022	49151FQW3	4.125%	75,000.00	05/28/2019	100.000
	02/01/2024	49151FQG8	4.500%	235,000.00	05/28/2019	100.000
	02/01/2025	49151FQJ2	4.600%	80,000.00	05/28/2019	100.000
	02/01/2027	49151FQM5	4.750%	300,000.00	05/28/2019	100.000
	02/01/2028	49151FQP8	4.875%	60,000.00	05/28/2019	100.000
	02/01/2028	49151FQQ6	5.250%	4,675,000.00	05/28/2019	100.000
	02/01/2029	49151FQR4	5.000%	1,275,000.00	05/28/2019	100.000
	02/01/2029	49151FQS2	5.250%	3,560,000.00	05/28/2019	100.000
				14,750,000.00		