

NEW BOND ISSUE REPORT

Name of Bond Issue: Kentucky Housing Corporation Tax-Exempt Conduit Multifamily Housing Revenue Bonds (Abel Court and Dudley Court Project), Series 2019

Purpose of Issue: The bonds will be used to finance the acquisition, rehabilitation and equipping of 48 units located at 1020 Old Barren River Road, Bowling Green, Kentucky and 96 units located at 801 McGuire Avenue, Paducah, Kentucky. The properties are currently financed by the United States Department of Agriculture, Rural Development and utilized as rural affordable housing. The rehabilitation of the units will not displace any existing tenant and will improve the quality of housing for the residents. All state and local officials have been notified about the upcoming project. The Kentucky Housing Corporation has conducted a public hearing concerning the proposed project on October 3, 2019 following the delivery of notice to the public on or prior to September 26, 2019.

Name of Project: Abel Court & Dudley Court Project

Date of Sale: October 31, 2019

Date of Issuance: November 7, 2019

Anticipated Ratings: Standard & Poor's (A-1+)

Anticipated Net Proceeds: \$15,000,000

Cost of Issuance: See Exhibit A attached (costs of issuance paid from owner equity)

Debt Service Reserve Fund: \$0, but an operating reserve equal to six months of operating expenses and replacement reserves will be funded from equity.

Total Project Cost: \$26,214,700

Net Interest Rate: 1.75%

Term: 36 months

Average Debt Service: \$262,500

Gross Debt Service: \$787,500

First Call Date: November 2021

Premium at First Call: No premium

Method of Sale: Public Offereing

Bond Counsel: Dinsmore & Shohl LLP

Underwriter: Raymond James & Associates, Inc.

Underwriter Counsel: Tiber Hudson LLC

Financial Advisor: N/A

Trustee: U.S. Bank, National Association

Developer: LSA Grier Group Developer LLC

Exhibit A

Project Funding Sources:

Senior Loan	\$12,637,500
Soft Funds	1,800,000
Tax Credit Equity Contribution	8,280,266
Construction Period Cash Flow	870,169
Deferred Developer Fee	<u>2,626,765</u>
TOTAL	\$26,214,700

Costs of Issuance:

Underwriter Fee	\$90,000
Underwriter Expenses	2,530
Underwriter Counsel	50,000
Issuer Fee	175,000
Issuer Counsel	15,000
Bond Counsel	78,000
Trustee Fee	3,500
Trustee Counsel	7,500
Rating Agency	5,500
Printer	2,500
I-Preo	1,452
DTC	800
CUSIP	<u>278</u>
TOTAL	\$432,060



Summary

Since 2009, LSA and its principal, David Iskowitz, have been heavily involved in all aspects of Affordable Housing related finance. In some transactions LSA was the primary financial investor, but in transactions in which LSA has served as an advisor on behalf of other capital providers, LSA has generally acted as sole asset manager for sourced capital.

Below please find a summary sampling of Relevant and representative transactions:

Substantial Rehabilitation LIHTC

LSA is the lead sponsor and Developer of substantial rehabilitation tax credit developments which are currently under construction:

- Haynes Garden Apartments
 - 208-unit family-oriented project located in Nashville, TN
 - 100% Project-Based section 8
 - Total Budgeted Hard Costs – \$50,000 per Unit
 - Total Development Cost – \$60,000,000
 - General Contractor – ABS Building Solutions
 - Architect – Fielder and Associates
 - Credit Investor – PNC Equity
 - Bond Underwriter – Raymond James
 - First Lender – Dwight Capital
 - Status – Under Construction
- South Central Village of Clarksville
 - 134-unit senior project located in Clarksville, TN
 - 100% Project-Based section 8
 - Total Budgeted Hard Costs – \$45,000 per Unit
 - Total Development Cost – \$25,000,000
 - General Contractor – ABS Building Solutions
 - Architect – Fielder and Associates
 - Credit Investor – PNC Equity
 - Bond Underwriter – Raymond James
 - First Lender – Key Bank
 - Non-Profit Manager – Oakland Heights Manor, Inc.
 - Status – Under Construction

Preservation Housing Direct ownership

LSA is the 100% owner of properties which have project-based Section-8 contracts. LSA is in application to resyndicate these projects as substantial rehabilitation LIHTC projects:

- Abel Court
 - 48-unit family-oriented project located in Bowling Green, KY
 - 100% Project-Based section 8
 - Total Budgeted Hard Costs –\$50,000 per Unit
 - Total estimated Development Cost – \$7,000,000
 - General Contractor – ABS Building Solutions
 - Architect – Fielder and Associates
 - Credit Investor – TBD
 - Bond Underwriter – Raymond James
 - First Lender – Key Bank
 - Status – in bond/credit application
 - Site Control – 100% ownership
- Dudley Court
 - 96-unit family-oriented project located in Paducah, KY
 - 100% Project-Based section 8
 - Total Budgeted Hard Costs –\$45,000 per Unit
 - Total estimated Development Cost – \$17,000,000
 - General Contractor – TBD
 - Architect – Fielder and Associates
 - Credit Investor – TBD
 - Bond Underwriter – Raymond James
 - First Lender – Key Bank
 - Status – in bond/credit application
 - Site Control – 100% ownership
- South Central Village of the Elderly
 - 61-unit senior-oriented project located in Cleveland, MS
 - 100% Project-Based section 8
 - Total Budgeted Hard Costs – \$40,000 per Unit
 - Total estimated Development Cost – \$10,000,000
 - Architect – Fielder and Associates
 - Credit Investor – TBD
 - Bond Underwriter – Raymond James
 - First Lender – Key Bank
 - Non-Profit Manager – Oakland Heights Manor, Inc.
 - Status – Bidding out contracts
 - Site Control – 100% ownership

Supportive Housing

LSA is the lead Sponsor and Developer of several homeless oriented developments in Los Angeles. These projects are being developed in close coordination with the County of Los Angeles Department of Health Services.

- 2919 S Broadway located in Los Angeles, CA
 - 54-bed transitional housing facility
 - Primary service administrator – Brilliant Corners, Inc.
 - Service Provider – Exodus Recovery Inc.
 - Total Development Cost - \$5,000,000
 - Architect – Olfati Design Group
 - General Contractor – Remodeling Design Specialists
 - First Lender – Self financed
 - Subsidy – 15-year Master Rental Subsidy Agreement
 - Status – Under Construction
 - Site Control – 100% Ownership
- 10117 Tujunga Canyon Boulevard located in Los Angeles, CA
 - 38-bed Recuperative Care facility
 - Primary service administrator – Brilliant Corners, Inc.
 - Service Provider – TBD
 - Total Development Cost - \$3,000,000
 - General Contractor – Remodeling Design Specialists
 - First Lender – Self financed
 - Subsidy – TBD
 - Status – in planning
 - Site Control – under contract; closing expected 4/15/2018
- Hope on Alvarado located in Los Angeles, CA
 - 84-unit Permanent Supportive Housing Facility
 - Primary service administrator – Brilliant Corners, Inc.
 - Service Provider – Homeless Healthcare Los Angeles
 - Total Development Cost - \$26,000,000
 - Architect – KTG Y
 - General Contractor – Utopia Development
 - First Lender – TBD
 - Tax Credit Investor - TBD
 - Subsidy – 15-Year Master Rental Subsidy Agreement
 - Status – Permitting
 - Site Control – under contract; closing expected 9/1/2018

Affordable Housing Support Guarantee

LSA has lent its balance sheet to guarantee construction completion and tax credit delivery for Hotel President, a historic and affordable rehabilitation on a section 8 senior project in Iowa,

- Hotel President
 - 84-unit senior oriented historic development located in Waterloo, IA
 - 100% Project-Based section 8
 - Total Budgeted Hard Costs – \$55,000 per Unit
 - Total Development Cost – \$12,000,000
 - LIHTC Credit Investor – RBC
 - Federal Historic Credit Investor – RBC
 - State Historic Credit Investor – Hershey's Corp.
 - Non-Profit General Partner – Affordable Living Foundation of America
 - Construction Lender – Steans Bank
 - Permanent First Lender – Cedar Rapids Bank and Trust
 - Status – Converted
 - Site Control – 25% beneficial interest in Administrative General Partner

Affordable Housing Debt Placements

LSA has deployed over \$40 million in pre-development and bridge loans utilizing both taxable and tax-exempt facilities to Low Income Housing Developers and nonprofits for resyndication and preservation of low-income housing, in exchange for an interest carry and a share of the developer fee. LSA has worked closely with developers to finalize (i) construction / permanent financing, (ii) subordinate debt, and (iii) LIHTC equity, as well as to stabilize operations for future preservation.

Tax-Exempt Housing Bond Acquisitions

LSA has deployed over \$40 million in capital to acquire privately placed tax-exempt bonds secured by mortgages on affordable housing projects financed with LIHTC and/or supported by a HUD-based housing assistance payment (HAP) contract both on the primary and secondary markets

Partnership LP Interests (1602 Tax Credit Exchange Program)

LSA deployed capital to acquire limited partnership interests related to family and senior projects, representing over 1,500 units with total development costs close to \$300 million.

99.99% limited partnership interests were acquired to utilize the tax benefits from the project/partnerships that received grants under the tax credit exchange program per section 1602 of the American Recovery and Reinvestment Act. Investors receive a small portion of project cash flow, as well as project losses that offset earned income, and a significant capital account basis as a result of the government grants.

Affordable Housing Tender Option Bond (TOB) Program

LSA led the acquisition of a controlling residual interest Class B certificate of a Freddie Mac-insured certificate, related to 69 underlying multifamily housing bond transactions totaling ~\$500 million, along with payment and termination obligations on an interest-rate swap serving as a hedge, and structured a multi-tiered tax exempt trust structure which allowed for Deutsche Bank to invest a sub certificate. LSA continues to retain a significant residual cash-flow position (\$1MM+ per year) from this transaction.

GNMA-backed Municipal Bond Acquisition/Restructuring

LSA deployed over \$35 million in capital to acquire whole issues of various municipal housing bonds secured by GNMA securities and whole note taxable HUD Loans.

Grant Anticipation Loans

LSA deployed \$9 million as mezzanine debt to affordable housing projects in San Francisco to bridge a funding delay of certain awarded infill infrastructure grants in response to a credit deterioration of the State of California

Such loan was secured by a forward commitment by the state to fund the amounts pursuant to Proposition 13. This was necessary as the projects were financed with a HUD 221(d)(4) loan and HUD would not recognize the availability of the sufficient funds to complete the rehabilitations without LSA's placement of the funds.

Acute Care Medical Financing

Downey Regional Medical Center: LSA deployed over \$30 million in bankruptcy exit financing for Downey Regional Medical Center, a 50(C)(3) hospital, through a complex municipal bonds acquisition which created both high yield taxable bonds and zero-coupon tax-exempt bonds. Which were secured by the real property-related collateral (hospital and leasehold interest, parking lot, gross receipts, rehab building) and a subordination of fee-simple ownership in the underlying land which was on 99-year lease from the City of Downey.

Daughters of Charity Health Systems: LSA sourced 3 capital partners to infuse \$260 million into the Daughters of Charity Health Systems— a 6 hospital system which \$1.4 billion in annual revenue. The transaction is the largest non-profit hospital transaction in state history. LSA brought in the new management team, sourced a \$100 million contribution, sourced \$160 million in debt financing, and shepherded the transaction through the legal details in seeing a transaction of this magnitude close.

Hospitality Acquisitions

LSA deployed approximately \$20 million in capital to acquire of various hospitality assets, with nationwide franchisees, in five states.

NEW BOND ISSUE REPORT

Name of Bond Issue:	Kentucky Housing Corporation Tax-Exempt Conduit Multifamily Housing Revenue Bonds (Volunteer Management & Development Portfolio II Project), Series 2019
Purpose of Issue:	The bonds will be used to finance the acquisition, rehabilitation and equipping of the properties listed in Exhibit A. The properties are currently financed by the United States Department of Agriculture, Rural Development and utilized as rural affordable housing. The rehabilitation of the units will not displace any existing tenant and will improve the quality of housing for the residents. All state and local officials have been notified about the upcoming project. The Kentucky Housing Corporation has conducted a public hearing concerning the proposed project on June 25, 2019 following the delivery of notice to the public on or prior to June 18, 2019.
Name of Project:	Volunteer Management & Development Portfolio II
Date of Sale:	October 31, 2019
Date of Issuance:	November 7, 2019
Anticipated Ratings:	Standard & Poor's (A-1+)
Anticipated Net Proceeds:	\$12,800,000
Cost of Issuance:	See Exhibit B attached (costs of issuance paid from owner equity)
Debt Service Reserve Fund:	\$0; each project will maintain an operating reserve equal to 6 months of the respective operating expenses and a replacement reserve fund for ongoing repairs, each will be funded from and cash flow.
Total Project Cost:	\$34,020,672
Net Interest Rate:	1.75%
Term:	36 months
Average Debt Service:	\$224,000
Gross Debt Service:	\$672,000
First Call Date:	November 2021
Premium at First Call:	No premium
Method of Sale:	Public Offering
Bond Counsel:	Dinsmore & Shohl LLP
Underwriter:	Raymond James & Associates, Inc.
Underwriter Counsel:	Tiber Hudson LLC
Financial Advisor:	N/A
Trustee:	Regions Bank
Developer:	Volunteer Management & Development, Inc.

Exhibit A

	1	2	3	4	5	6	7	8	TOTAL
Property Name	Wingo Apts.	Mur-Cal Apts.	Hazel Apts.	Logan Heights Apts.	Mayfield Manor II Apts.	Legion Manor Apts.	Dixon Manor Apts.	Parkway Square Apts.	
Street Address	910 Atlantic Ave	910 Northwood Dr.	101 Center St.	921 W. 9th St.	320 E. James St.	520 Cadiz St.	1080 U.S. Highway 41A S.	1001 Airport Rd.	
City	Wingo	Murray	Hazel	Russellville	Mayfield	Princeton	Dixon	Fulton	
State	Kentucky	Kentucky	Kentucky	Kentucky	Kentucky	Kentucky	Kentucky	Kentucky	
Zip	42088	42071	42049	42276	42066	42445	42409	42041	
County	Graves	Calloway	Calloway	Logan	Graves	Caldwell	Webster	Fulton	
QCT/DDA?		QCT			QCT				
Census Tract									
Original Placed in Service Date	1983	1981	1992	1986	2000	1999	1995	1984	
Total Units	16	48	12	24	23	20	20	24	187
Tax-Exempt Bond Request	\$1,200,000	\$2,800,000	\$900,000	\$1,600,000	\$1,700,000	\$1,500,000	\$1,400,000	\$1,700,000	\$12,800,000

Exhibit B

Project Funding Sources:

Tax-Exempt Bonds	\$12,800,000
Permanent Loan (USDA 515)	5,990,000
Permanent Loan (USDA 538)	782,387
USDA Rural Development	5,300,261
Private Equity	6,168,018
KHC Home Loan	1,915,000
Project Reserves	617,429
Deferred Developer Fee	<u>447,577</u>
TOTAL	\$34,020,672

Costs of Issuance:

Underwriter Fees & Expenses	\$81,456
Underwriter Counsel	50,000
Bond Counsel	65,000
Issuer Counsel	15,000
KHC Admin Fee	10,000
Rating Agency	5,500
Printer	<u>2,500</u>
TOTAL	\$229,456

CHRIS A. TURSKY

60 MILLER AVENUE
JACKSON, TN 38305

Resume of Experience

Developer

EDUCATION: Bachelor of Science in Regional Planning with a co-major in Geography. Minor in Business Administration from the University of Wisconsin.

BACKGROUND: Direct involvement in real estate development and management, zoning and building construction. Responsible for the financial analysis and projections, project financing and management of accounts.

EXPERIENCE: Approximately 25 years of direct involvement of RRH 515 project development and management. Management experience includes hiring resident managers, initial rent-up and continued supervision of projects.

President of Volunteer Management and Development Company, Inc. and General Partner of the following projects:

Crofton Manor Apartments
Crofton, KY 24 units
RD-RRH 515 – LIHTC
May 1993 – present

Dixon Manor Apartments
Dixon, KY 20 units
RD-RRH 515 – LIHTC
May 1995 – present

Country Square Apts.
Manchester, TN 50 units
RD-RRH 515
October 2006 – 2012

Eaglewood VIII Apts.
Covington, TN 40 units
RD-RRH 515 – LIHTC
January 1990 – present

Fulton Manor I Apts.
Fulton, KY 24 units
RD-RRH 515 – LIHTC
April 1990 – present

Fulton Manor II Apts.
Fulton, KY 14 units
RD-RRH 515 – LIHTC
January 1992 – present

Galloway Manor Apts.
Galloway, TN 36 units
RD-RRH 515 – LIHTC
January 1993 – present

Haywood Manor Apts.
Brownsville, TN 25 units
RD-RRH 515
August 2000 – present

Resume of Experience Continued

Hickman Manor I Apts.
Hickman, KY 24 units
RD-RRH 515 – LIHTC
November 1990 – present

Hill Crest Place Apts.
Lexington, TN 48 units
RD-RRH 515
January 2001 – present

Legion Manor Apts.
Princeton, KY 20 units
RD-RRH 515 – LIHTC
March 1999 – present

Mayfield Manor I Apts.
Mayfield, KY 24 units
RD-RRH 515 – LIHTC
September 1998 – present

Ridgeview Apartments
Brownsville, TN 25 units
RD-RRH 515 – LIHTC
September 2002 – present

Rossville Manor Apts.
Rossville, TN 36 units
RD-RRH 515 – LIHTC
December 1991 – present

Bluegrass Place I Apts.
Glasgow, KY 48 units
RD-RRH 515 – LIHTC
November 2004 – present

Happy Valley Apts.
Cave City, KY 24 units
RD-RRH 515 – LIHTC
November 2004 – present

Hickman Manor II Apts.
Hickman, KY 16 units
RD-RRH 515 – LIHTC
December 1993 – present

Lake Street Apts.
Somerville, TN 25 units
RD-RRH 515 – LIHTC
January 2002 – present

Lexington Civic Apts.
Lexington, TN 25 units
RD-RRH 515 – LIHTC
February 1990 – present

Mayfield Manor II Apts.
Mayfield, KY 23 units
RD-RRH 515 – LIHTC
April 2000 – present

Parkway Square Apts.
Fulton, KY 24 units
RD-RRH 515 - LIHTC
June 2002 – present

Whispering Oaks Apts.
Jackson, TN 50 units
June 1994 – July 2005

Bluegrass Place II Apts.
Glasgow, KY 36 units
RD-RRH 515 – LIHTC
November 2004 – present

Tanglewood Apts.
Murray, KY 40 units
LIHTC
February 2005 – present

Resume of Experience Continued

Mallard Cove Apts.
Decherd, TN 40 units
RD-RRH 515
October 2006 – present

Hills at Spring Branch Apts.
Burkesville, KY 24 units
RD-RRH 515 – LIHTC
November 2006 – present

Holly Tree Apts.
Manchester, TN 24 units
RD-RRH 515
May 2007 – present

Maple Grove Apts.
Lewisburg, TN 90 units
RD-RRH 515
October 2006 – present

Logan Heights Apartments
Russellville, KY 24 units
RD-RRH 515
June 2010 – present

Stonewater Place Apts
Jackson, TN 120 units
2013 – Present

Foxtail Grove Apts.
Somerville, TN 24 units
RD-RRH 515
May 2007 – present

The Pines at Cumberland Apts.
Albany, KY 24 units
RD-RRH 515 – LIHTC
November 2006 – present

Hazelwood Apts.
Morrison, TN 24 units
RD-RRH 515
September 2007 – present

Hillside Terrace Apts.
Lewisburg, TN 34 units
HUD
January 2010 - present

Bardwell Manor Apts.
Bardwell, KY 20 units
RD-RRH 515
January 2013 - present



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

September 11, 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 (McDeane Apartments Project), Series 2019 in a principal amount of \$18,000,000 (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 April 16, 2019. The attached includes a finalized listing of costs related to the issuance of the Bonds pursuant to KRS 45.816.

Sincerely,

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

Ryan Barrow
Executive Director

Attachments

FINAL BOND ISSUE REPORT

Name of Bond Issue: Kentucky Housing Corporation Tax-Exempt Conduit Multifamily Housing Revenue Bonds (McDeane Apartments), Series 2019

Purpose of Issue: The bonds will be used to finance the acquisition, construction and equipping of the McDeane Apartments Project, a one hundred and ninety-eight unit property to be located at 5618 McDeane Road, Louisville, Kentucky 40216. The Kentucky Housing Corporation conducted a public hearing concerning the proposed project on March 28, 2019 following the delivery of notice to the public on or prior to March 13, 2019.

Name of Project: McDeane Apartments

Date of Sale: September 11, 2019

Date of Issuance: September 11, 2019

Rating: Not Rated/Private Placement

Net Proceeds: \$18,000,000

Cost of Issuance: See Exhibit A attached (costs of issuance paid from owner equity)

Bond Discount: \$0

Debt Service Reserve Fund: \$0, but a \$897,619 operating reserve and \$100,000 lease up reserve will be funded from equity.

Insurance Premium: N/A

Total Project Cost: \$33,592,611

Term: September 8, 2040

Net Interest Rate: 4.95%

Average Debt Service: \$1,034,401

Gross Debt Service: \$31,341,571

First Call Date: May 2024

Premium at First Call: No premium

Method of Sale: Private Placement

Bond Counsel: Dinsmore & Shohl LLP

Underwriter Counsel: N/A

Financial Advisor: N/A

Purchaser: HOPE of Kentucky, LLC (construction period) & Cedar Rapids Bank and Trust Company (upon completion of construction)

Trustee: U.S. Bank National Association

EXHIBIT A

Project Funding Sources:

Private Equity Investment	\$ 8,804,934
General Partner Capital Contribution	100
HOPE of KY/Cedar Rapids Bank & Trust	18,000,000
Louisville Metro AHTF	2,500,000
Cedar Rapids Bank & Trust	1,000,000
Deferred Developer Fee	<u>3,287,577</u>
TOTAL	\$ 33,592,611

Costs of Issuance:

Loan Fees	\$ 190,250
KHC Fees	188,097
Hope of Kentucky Fee	187,015
Hope of Kentucky Legal Fee	29,500
Bond Counsel	86,500
Bridge Loan Origination Fee	28,467
Cedar Rapids Bank Legal Fee	18,500
Issuer Counsel	13,500
LAHTF Legal Fee	<u>8,750</u>
TOTAL	\$ 750,579



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

September 27, 2019

Mr. Barry Poynter,
Vice President for Finance and Administration
Eastern Kentucky University
521 Lancaster Avenue, CPO 15A
Richmond, Kentucky 40475

Dear Mr. Poynter,

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 recent Eastern Kentucky University debt issuance of the \$5,265,000 General Receipts Refunding Bonds, 2019 Series A.

Sincerely,

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

Ryan Barrow
Executive Director

Attachments

OFM APPROVAL PURSUANT TO KRS 42.420
EASTERN KENTUCKY UNIVERSITY
\$5,265,000 GENERAL RECEIPTS REFUNDING BONDS, 2019 SERIES A
DATED SEPTEMBER 27, 2019

DESCRIPTION:

Bond proceeds of the 2019 Series A will be used to 1.) currently refund the outstanding Eastern Kentucky University General Receipts Bonds, 2009 Series A; and 2.) pay associated costs of issuance.

BOND SUMMARY STATISTICS:

Par Amount:	\$5,265,000
Pricing Date:	08/27/2019
Closing Date:	09/27/2019
Dated Date:	09/27/2019
Final Maturity:	05/01/2028
Arbitrage Yield:	1.523%
TIC:	1.665%
NIC:	1.782%
All-In TIC:	1.906%
Benchmark (BBWK20GO):	2.970% (08/29/2019)
Method of Sale:	Competitive
Purchaser:	Hutchinson, Shockey, Erley & Co.

RATINGS:

	<u>Enhanced</u>	<u>Underlying</u>
Moody's:	A1	A2

SOURCES AND USES OF FUNDS:

SOURCES OF FUNDS:

Par Amount of Bonds	\$	5,265,000.00
Net Original Issue Premium		<u>627,872.25</u>
TOTAL SOURCES	\$	5,892,872.25

USES OF FUNDS:

Refunding Escrow Deposit	\$	5,793,561.16
Cost of Issuance*		63,673.72
Underwriter's Discount		<u>35,637.37</u>
TOTAL USES	\$	5,892,872.25

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

REFUNDING:

Par Amount of Refunded Bonds:	\$	5,700,000.00
Net PV Savings:	\$	588,141.28
Percentage Savings of Refunded Bonds:		10.318%

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>
Hilliard Lyons	Financial Advisor	\$20,000.00
Dinsmore & Shohl	Bond Counsel	20,000.00
	Legal Expenses/Advertising	871.86
Moody's	Rating Service	18,500.00
US Bank	Trustee	1,000.00
OFM	Financial Advisor	1,316.25
Misc./Contingency		<u>1,985.61</u>
TOTAL		\$63,673.72

ATTACHMENTS:

Official Statement Cover
Debt Service Schedule
Summary of Bonds Refunded
Savings

Book-Entry Only
New Issue – Bank Qualified

Rating: S&P “AA/Stable” (Insured)
Moody’s: “A1” (Underlying: “A2”)
(See “Rating” herein)

In the opinion of Bond Counsel for the 2019 Series A Bonds (defined below), based upon an analysis of laws, regulations, rulings and court decisions, and assuming continuing compliance with certain covenants made by the University, and subject to the conditions and limitations set forth herein under the caption “TAX EXEMPTION,” interest on the 2019 Series A Bonds is excludable from gross income for Federal income tax purposes and is not a specific item of tax preference for purposes of the Federal alternative minimum tax. Interest on the 2019 Series A Bonds is exempt from Kentucky income tax and the 2019 Series A Bonds are exempt from ad valorem taxation by the Commonwealth of Kentucky and any of its political subdivisions. See “TAX EXEMPTION” herein.



OFFICIAL STATEMENT RELATING TO
\$5,265,000
EASTERN KENTUCKY UNIVERSITY
GENERAL RECEIPTS REFUNDING BONDS,
2019 SERIES A

Dated: Date of delivery

Due: May 1 2020 - 2028

The Eastern Kentucky University General Receipts Refunding Bonds, 2019 Series A (the “2019 Series A 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 2019 Series A Bonds. Purchasers will not receive certificates representing their ownership interest in the 2019 Series A Bonds purchased. So long as DTC or its nominee is the registered owner of the 2019 Series A Bonds, payments of the principal of and interest due on the 2019 Series A Bonds will be made directly to DTC.

The 2019 Series A Bonds are in the denomination of \$5,000 or integral multiples thereof and bear interest from their dated date, payable semiannually, in amounts, having maturities, interest rates, yields, and CUSIPs as set forth below. Principal of, premium, if any, and interest on the 2019 Series A Bonds will be paid directly to DTC by U.S. Bank National Association, having offices in Louisville, Kentucky, as Trustee and Paying Agent. The 2019 Series A Bonds shall be issued only as fully registered bonds.

Interest on the 2019 Series A Bonds will be payable from their date of delivery, on May 1 and November 1 of each year, commencing November 1, 2019, and the 2019 Series A Bonds mature on the dates, as shown below:

<u>Year</u> <u>(May 1)</u>	<u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>CUSIP</u> <u>276552</u>	<u>Year</u> <u>(May 1)</u>	<u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>CUSIP</u> <u>276552</u>
2020	\$560,000	5.000%	1.200	GE0	2025	\$600,000	5.000%	1.350 ^c	GK6
2021	495,000	5.000	1.230	GF7	2026	630,000	5.000	1.400 ^c	GL4
2022	515,000	5.000	1.250	GG5	2027	660,000	4.000	1.450 ^c	GM2
2023	545,000	5.000	1.270	GH3	2028	690,000	2.000	1.850 ^c	GN0
2024	570,000	5.000	1.300	GJ9					

The 2019 Series A Bonds are subject to redemption prior to their stated maturities as described herein.

The 2019 Series A Bonds constitute special obligations of Eastern Kentucky University and do not constitute a debt, liability or obligation of the Commonwealth of Kentucky nor a pledge of the full faith and credit of the Commonwealth. The 2019 Series A Bonds constitute Obligations under the Trust Agreement dated as of July 1, 2007 between the University and the Trustee, and the payment of the principal of, premium, if any, and interest on 2019 Series A Bonds is secured by a pledge of the University’s General Receipts, as defined in the Trust Agreement. See “SECURITY FOR THE 2019 Series A Bonds.”

The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under a Municipal Bond Insurance Policy to be issued concurrently with the delivery of the Bonds by Build America Mutual Assurance Company (“BAM”).



The 2019 Series A Bonds are issued subject to the approval of legality by Dinsmore & Shohl LLP, Covington, Kentucky, Bond Counsel. Delivery of the 2019 Series A Bonds is expected on September 27, 2019, in New York, New York, through the facilities of DTC.

HUTCHINSON, SHOCKEY, ERLEY & CO.

Dated: August 27, 2019

BOND DEBT SERVICE

Eastern Kentucky University
 Refunding of Series 2009
 'A1 Enhanced/A2 Issuer'
 Insured by Build America Mutual ('AA')
 (Bank Qualified)
 FINAL NUMBERS AS OF AUGUST 27, 2019

Dated Date 09/27/2019
 Delivery Date 09/27/2019

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
11/01/2019			22,284.17	22,284.17	
05/01/2020	560,000	5.000%	117,975.00	677,975.00	
06/30/2020					700,259.17
11/01/2020			103,975.00	103,975.00	
05/01/2021	495,000	5.000%	103,975.00	598,975.00	
06/30/2021					702,950.00
11/01/2021			91,600.00	91,600.00	
05/01/2022	515,000	5.000%	91,600.00	606,600.00	
06/30/2022					698,200.00
11/01/2022			78,725.00	78,725.00	
05/01/2023	545,000	5.000%	78,725.00	623,725.00	
06/30/2023					702,450.00
11/01/2023			65,100.00	65,100.00	
05/01/2024	570,000	5.000%	65,100.00	635,100.00	
06/30/2024					700,200.00
11/01/2024			50,850.00	50,850.00	
05/01/2025	600,000	5.000%	50,850.00	650,850.00	
06/30/2025					701,700.00
11/01/2025			35,850.00	35,850.00	
05/01/2026	630,000	5.000%	35,850.00	665,850.00	
06/30/2026					701,700.00
11/01/2026			20,100.00	20,100.00	
05/01/2027	660,000	4.000%	20,100.00	680,100.00	
06/30/2027					700,200.00
11/01/2027			6,900.00	6,900.00	
05/01/2028	690,000	2.000%	6,900.00	696,900.00	
06/30/2028					703,800.00
	5,265,000		1,046,459.17	6,311,459.17	6,311,459.17

SAVINGS

Eastern Kentucky University
 Refunding of Series 2009
 'A1 Enhanced/A2 Issuer'
 Insured by Build America Mutual ('AA')
 (Bank Qualified)
 FINAL NUMBERS AS OF AUGUST 27, 2019

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 09/27/2019 @ 1.5248149%
06/30/2020	770,698.76	700,259.17	70,439.59	70,509.56
06/30/2021	770,448.76	702,950.00	67,498.76	65,892.87
06/30/2022	769,448.76	698,200.00	71,248.76	68,518.33
06/30/2023	771,248.76	702,450.00	68,798.76	65,174.77
06/30/2024	772,048.76	700,200.00	71,848.76	67,047.46
06/30/2025	771,848.76	701,700.00	70,148.76	64,486.74
06/30/2026	769,830.00	701,700.00	68,130.00	61,698.51
06/30/2027	771,270.00	700,200.00	71,070.00	63,398.03
06/30/2028	771,450.00	703,800.00	67,650.00	59,429.40
	6,938,292.56	6,311,459.17	626,833.39	586,155.67

Savings Summary

PV of savings from cash flow	586,155.67
Plus: Refunding funds on hand	1,985.61
Net PV Savings	588,141.28

SUMMARY OF BONDS REFUNDED

Eastern Kentucky University
 Refunding of Series 2009
 'A1 Enhanced/A2 Issuer'
 Insured by Build America Mutual ('AA')
 (Bank Qualified)
 FINAL NUMBERS AS OF AUGUST 27, 2019

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
General Receipts Bonds, 2009 Series A, 2009:					
SERIAL	05/01/2022	4.000%	580,000.00	09/27/2019	100.000
	05/01/2023	4.000%	605,000.00	09/27/2019	100.000
	05/01/2024	4.000%	630,000.00	09/27/2019	100.000
	05/01/2025	4.125%	655,000.00	09/27/2019	100.000
	05/01/2026	4.200%	680,000.00	09/27/2019	100.000
	05/01/2027	4.200%	710,000.00	09/27/2019	100.000
	05/01/2028	4.250%	740,000.00	09/27/2019	100.000
TERM	05/01/2021	3.750%	1,100,000.00	09/27/2019	100.000
			5,700,000.00		