

## NEW BOND ISSUE REPORT

### **BOND ISSUE**

Name of Bond Issue: Kentucky Housing Corporation Conduit Revenue Bonds (Jefferson Landing), Series 2021

Purpose of Issue: The bonds will be used to finance the acquisition, Construction and equipping of the Jefferson Landing, a multifamily residential rental facility consisting of two hundred and forty (240) units, located in Jefferson County, Kentucky, at 1014 Jefferson View Way, Louisville, 40219. The Kentucky Housing Corporation has conducted a public hearing concerning the proposed project on December 14, 2020 following the delivery of notice to the public at least seven day prior to such hearing.

Name of Project: Jefferson Landing

Anticipated Date of Sale: January 14, 2021

Anticipated Date of Issuance: January 14, 2021

Anticipated Ratings: Private Placement

Anticipated Net Proceeds: \$35,000,000

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

Bond Discount: \$0

Debt Service Reserve Fund: \$0, but a \$1,205,717 operating reserve will be funded from equity.

Insurance Premium: N/A

Total Project Cost: \$33,815,621

Terms of Issue: Net interest rate: 4.30% until 1/1/2023; 3.95% thereafter  
Term: January 1, 2061 (480 months)  
Average debt service: \$1,732,544  
Gross debt service: \$69,692,141

First Call Date: 24 months

Premium at First Call: No premium

Method of Sale: Public Offering

Bond Counsel: Dinsmore & Shohl LLP

Underwriter Counsel: N/A

Financial Advisor: N/A

Bond Purchaser: Red Stone Partners

Trustee: Huntington National Bank

## **Exhibit A**

### **Project Funding Sources:**

KHC Tax-Exempt Bonds	\$35,000,000
Tax Credit Equity	\$14,966,413
Soft Funds	\$1,500,000
Seller Note	\$1,912,500
Deferred Developer Fee	<u>\$6,863,931</u>
	\$60,242,844

### **Costs of Issuance:**

Origination Fee	\$175,000
KHC Counsel	\$48,000
KHC Financing Fee	\$182,729
KHC Application Fee & Expenses	\$3,500
KHC Admin Fee	\$5,000
Bond Counsel	\$125,000
Trustee Counsel	\$8,500
Borrowers Counsel	\$35,000
TEFRA/Publication/Print	<u>\$5,000</u>
	\$587,729

# About LDG

LDG was founded by Chris Dischinger and Mark Lechner in 1994 based on their shared belief that “Everyone deserves a quality place to live.”

Since 2002, the company has focused on developing rental housing as well as affordable housing communities using 9 percent housing credits and 4 percent Tax- Exempt Bonds. Using this model, LDG has developed over 15,000 units of affordable housing for working families and seniors in dozens of communities located in 17 states including Kentucky, Texas, Louisiana, Tennessee and Georgia.

To support its work and continued growth, LDG has three main divisions all focused on maximizing returns and maintaining the high-quality standards of each community long after construction has ended. This “full-service” model ensures LDG’s partners have a “one-stop shopping experience” when working to bring more affordable housing options to their respective communities.

LDG prides itself in being a part of the communities it serves and has more than 100 employees in its offices located in Louisville, Austin, Nashville and Atlanta.



Everyone deserves a quality place to live.





**Andy Beshear**  
Governor

**Commonwealth of Kentucky**  
**FINANCE AND ADMINISTRATION CABINET**  
**Office of Financial Management**  
702 Capital Avenue  
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**Holly M. Johnson**  
Secretary

**Ryan Barrow**  
Executive Director

November 6, 2020

Mr. Russ Kerdolff, Comptroller  
Northern Kentucky University  
605 Administration Center  
Highland Heights, KY 41099

Dear Mr. Kerdolff,

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 Northern Kentucky University debt issuance of the \$5,775,000 General Receipts Bonds, 2020 Series A; and \$3,440,000 General Receipts Bonds, 2020 Series B.

Sincerely,

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

Ryan Barrow  
Executive Director

Attachments

**OFM APPROVAL PURSUANT TO KRS 42.420**  
**NORTHERN KENTUCKY UNIVERSITY**  
**\$5,775,000 GENERAL RECEIPTS BONDS, 2020 SERIES A**  
**\$3,440,000 GENERAL RECEIPTS BONDS, 2020 SERIES B**  
**DATED NOVEMBER 4, 2020**

**DESCRIPTION:**

Bond proceeds of the 2020 Series A and Series B will be used to 1) finance new housing project(s); 2) refund certain outstanding Northern Kentucky University Bonds for present value savings; and 3) pay associated costs of issuance.

**BOND SUMMARY STATISTICS:**

	<b>Series A</b>	<b>Series B</b>
Par Amount:	\$5,775,000	\$3,440,000
Pricing Date:	10/15/2020	10/15/2020
Closing Date:	11/04/2020	11/04/2020
Dated Date:	11/04/2020	11/04/2020
Final Maturity:	09/01/2027	09/01/2027
Arbitrage Yield:	0.814%	0.918%
TIC:	0.950%	1.095%
NIC:	1.002%	1.132%
All-In TIC:	1.126%	1.277%
Benchmark:	2.35% (10/15/2020)	(BBWK20GO)
Method of Sale:	Competitive	
Purchaser:	Series A – Stifel, Nicolaus & Co., Inc. Series B – Stifel, Nicolaus & Co., Inc.	

**RATINGS:**                      Moody's:              A1

**SOURCES AND USES OF FUNDS:****SOURCES OF FUNDS:**

	<b>Series A (\$)</b>	<b>Series B (\$)</b>
Par Amount of Bonds	5,775,000.00	3,440,000.00
Net Premium	486,393.10	210,432.60
<b>TOTAL SOURCES</b>	<b>6,261,393.10</b>	<b>3,650,432.60</b>

**USES OF FUNDS:**

Project Fund Deposit		3,600,000.00
Refunding Escrow Deposit	6,186,736.06	
Cost of Issuance*	42,894.54	26,352.60
Underwriter's Discount	31,762.50	24,080.00
<b>TOTAL USES</b>	<b>6,261,393.10</b>	<b>3,650,432.60</b>

\*Includes municipal advisor, legal fees, rating agency fees, trustee fees, and miscellaneous costs.

**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.

<b><u>Firm</u></b>	<b><u>Service</u></b>	<b><u>Fee (\$)</u></b>
Baird	Financial Advisor	20,000.00
Dinsmore & Shohl	Bond Counsel	20,874.20
OFM	Financial Advisor	2,303.75
Moody's	Rating Agency	20,500.00
US Bank	Trustee	2,000.00
Misc./Contingency		3,569.19
		<b>69,247.14</b>

**ATTACHMENTS:**

Official Statement Cover  
Debt Service Schedule

**NEW ISSUE**  
**Book-Entry-Only**  
**Bank-Qualified**

**RATING: Moody's: "A1" (enhanced)**  
**"A1" (underlying)**  
**(See "Rating" herein)**

*In the opinion of Bond Counsel for the 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 MATTERS," interest on the 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 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 MATTERS" herein.*

**NORTHERN KENTUCKY UNIVERSITY**  
**\$5,775,000 GENERAL RECEIPTS REFUNDING BONDS, 2020 SERIES A**

**And**

**\$3,440,000 GENERAL RECEIPTS BONDS, 2020 SERIES B**

**Dated: Date of delivery**

**Due: As shown on inside cover**

The Northern Kentucky University General Receipts Refunding Bonds, 2020 Series A (the "Series A Bonds") and General Receipts Bonds, 2020 Series B (the "Series B Bonds" and together with the Series A Bonds, the "Series 2020 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 Series 2020 Bonds. Purchasers will not receive certificates representing their ownership interest in the Series 2020 Bonds purchased. So long as DTC or its nominee is the registered owner of the Series 2020 Bonds, payments of the principal of and interest due on the Series 2020 Bonds will be made directly to DTC.

The Series 2020 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 on the inside cover. Principal of, and interest on the Series 2020 Bonds will be paid directly to DTC by U.S. Bank, National Association, having offices in Louisville, Kentucky, as Trustee and Paying Agent. The Series 2020 Bonds shall be issued only as fully registered bonds.

The Series 2020 Bonds constitute special obligations of Northern 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 Series 2020 Bonds constitute Obligations under the Trust Agreement dated as of May 1, 2007 between the University and the Trustee, and the payment of the principal of, premium, if any, and interest on Series 2020 Bonds is secured by a pledge of the University's General Receipts, as defined in the Trust Agreement. See "SECURITY FOR THE BONDS."

The Series 2020 Bonds are issued subject to the approval of legality by Dinsmore & Shohl LLP, Covington, Kentucky, Bond Counsel. Delivery of the Series 2020 Bonds is expected on November 4, 2020, in New York, New York, through the facilities of DTC.

**STIFEL**

Dated: October 15, 2020

**\$5,775,000**  
**GENERAL RECEIPTS REFUNDING BONDS,**  
**2020 SERIES A**

<u>Date</u> <u>September 1</u>	<u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>CUSIP</u> <sup>1</sup> <u>665304</u>	<u>Date</u> <u>September 1</u>	<u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>CUSIP</u> <sup>1</sup> <u>665304</u>
2021	\$755,000	3.000%	0.400%	GX3	2025	\$845,000	3.000%	0.800%	HB0
2022	780,000	3.000	0.500%	GY1	2026	870,000	3.000	0.900%	HC8
2023	800,000	3.000	0.600%	GZ8	2027	900,000	3.000	1.000%	HD6
2024	825,000	3.000	0.700%	HA2					

**\$3,440,000**  
**GENERAL RECEIPTS BONDS,**  
**2020 SERIES B**

<u>Date</u> <u>September 1</u>	<u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>CUSIP</u> <sup>1</sup> <u>665304</u>	<u>Date</u> <u>September 1</u>	<u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>CUSIP</u> <sup>1</sup> <u>665304</u>
2021	\$450,000	3.000%	0.500%	HE4	2025	\$505,000	3.000%	0.900%	HJ3
2022	465,000	3.000%	0.600%	HF1	2026	520,000	2.000%	1.000%	HK0
2023	480,000	3.000%	0.700%	HG9	2027	530,000	2.000%	1.100%	HL8
2024	490,000	3.000%	0.850%	HH7					

<sup>1</sup> Copyright, American Bankers Association. CUSIP data herein are provided by Standard & Poor's, CUSIP Service Bureau, a division of The McGraw-Hill Companies, Inc. The CUSIP numbers listed above are being provided solely for the convenience of holders only at the time of issuance of the Series 2020 Bonds and the University and the Underwriters do not make any representation with respect to such numbers or undertake any responsibility for their accuracy now or at any time in the future. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Series 2020 Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Series 2020 Bonds.



## BOND DEBT SERVICE

Northern Kentucky University  
General Receipts Refunding Bonds, 2020 Series A  
\*\*\*FINAL NUMBERS\*\*\*

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
03/01/2021			56,306.25	56,306.25	
06/30/2021					56,306.25
09/01/2021	755,000	3.000%	86,625.00	841,625.00	
03/01/2022			75,300.00	75,300.00	
06/30/2022					916,925.00
09/01/2022	780,000	3.000%	75,300.00	855,300.00	
03/01/2023			63,600.00	63,600.00	
06/30/2023					918,900.00
09/01/2023	800,000	3.000%	63,600.00	863,600.00	
03/01/2024			51,600.00	51,600.00	
06/30/2024					915,200.00
09/01/2024	825,000	3.000%	51,600.00	876,600.00	
03/01/2025			39,225.00	39,225.00	
06/30/2025					915,825.00
09/01/2025	845,000	3.000%	39,225.00	884,225.00	
03/01/2026			26,550.00	26,550.00	
06/30/2026					910,775.00
09/01/2026	870,000	3.000%	26,550.00	896,550.00	
03/01/2027			13,500.00	13,500.00	
06/30/2027					910,050.00
09/01/2027	900,000	3.000%	13,500.00	913,500.00	
06/30/2028					913,500.00
	5,775,000		682,481.25	6,457,481.25	6,457,481.25

SAVINGS

Northern Kentucky University  
General Receipts Refunding Bonds, 2020 Series A  
\*\*\*FINAL NUMBERS\*\*\*

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 11/04/2020 @ 0.8144324%
06/30/2021	109,253.13	56,306.25	52,946.88	52,807.20
06/30/2022	994,681.26	916,925.00	77,756.26	77,155.53
06/30/2023	996,506.26	918,900.00	77,606.26	76,393.76
06/30/2024	992,368.76	915,200.00	77,168.76	75,358.85
06/30/2025	992,268.76	915,825.00	76,443.76	74,057.57
06/30/2026	986,206.26	910,775.00	75,431.26	72,496.52
06/30/2027	988,509.38	910,050.00	78,459.38	74,812.84
06/30/2028	993,281.25	913,500.00	79,781.25	75,476.12
	7,053,075.06	6,457,481.25	595,593.81	578,558.39

Savings Summary

PV of savings from cash flow	578,558.39
Plus: Refunding funds on hand	1,840.79
Net PV Savings	580,399.18

## BOND DEBT SERVICE

Northern Kentucky University  
General Receipts Bonds, 2020 Series B  
\*\*\*FINAL NUMBERS\*\*\*

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
03/01/2021			30,127.50	30,127.50	
06/30/2021					30,127.50
09/01/2021	450,000	3.000%	46,350.00	496,350.00	
03/01/2022			39,600.00	39,600.00	
06/30/2022					535,950.00
09/01/2022	465,000	3.000%	39,600.00	504,600.00	
03/01/2023			32,625.00	32,625.00	
06/30/2023					537,225.00
09/01/2023	480,000	3.000%	32,625.00	512,625.00	
03/01/2024			25,425.00	25,425.00	
06/30/2024					538,050.00
09/01/2024	490,000	3.000%	25,425.00	515,425.00	
03/01/2025			18,075.00	18,075.00	
06/30/2025					533,500.00
09/01/2025	505,000	3.000%	18,075.00	523,075.00	
03/01/2026			10,500.00	10,500.00	
06/30/2026					533,575.00
09/01/2026	520,000	2.000%	10,500.00	530,500.00	
03/01/2027			5,300.00	5,300.00	
06/30/2027					535,800.00
09/01/2027	530,000	2.000%	5,300.00	535,300.00	
06/30/2028					535,300.00
	3,440,000		339,527.50	3,779,527.50	3,779,527.50



**ANDY BESHEAR**  
Governor

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

**HOLLY M. JOHNSON**  
Secretary

**RYAN BARROW**  
Executive Director

November 30, 2020

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 (Overlook at Elkhorn Creek Apartments), Series 2020 in a principal amount of \$21,000,000 (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 August 19, 2020. The attached includes a finalized listing of costs related to the issuance of the Bonds pursuant to KRS 45.816.

Sincerely,

Ryan Barrow  
Executive Director

Attachments

## FINAL BOND ISSUE REPORT

### **BOND ISSUE**

Name of Bond Issue:	Kentucky Housing Corporation Tax-Exempt Conduit Multifamily Housing Revenue Bonds (Overlook at Elkhorn Creek Apartments), Series 2020		
Purpose of Issue:	The bonds will be used to finance the acquisition, construction and equipping of the Overlook at Elkhorn Creek Apartments, a multifamily residential rental facility consisting of one hundred and fifty six (156) units, located in Scott County, Kentucky, at Overview Path. The Kentucky Housing Corporation has conducted a public hearing concerning the proposed project on August 13, 2020 following the delivery of notice to the public on August 5, 2020.		
Name of Project:	Overlook at Elkhorn Creek Apartments		
Date of Sale:	November 17, 2020		
Date of Issuance:	November 17, 2020		
Ratings:	Private Placement		
Net Proceeds:	\$21,000,000		
Cost of Issuance:	See Exhibit A attached (costs of issuance paid from owner equity)		
Bond Discount:	\$0		
Debt Service Reserve Fund:	\$0, but a \$831,103 operating reserve will be funded from equity.		
Insurance Premium:	N/A		
Total Project Cost:	\$33,815,621		
Terms of Issue:	Net interest rate:	4.30% until 11/1/2022; 3.95% thereafter	
	Term:	November 1, 2060 (480 months)	
	Average debt service:	\$1,061,413	
	Gross debt service:	\$42,456,593	
First Call Date:	24 months		
Premium at First Call:	No premium		
Method of Sale:	Private Placement		
Bond Counsel:	Dinsmore & Shohl LLP		
Underwriter Counsel:	N/A		
Financial Advisor:	N/A		
Bond Purchaser:	Red Stone Partners		
Trustee:	Huntington National Bank		

**Exhibit A**

**Project Funding Sources:**

KHC Tax-Exempt Bonds	\$21,000,000
Tax Credit Equity	\$8,412,393
Land Cost Deferral	\$1,360,000
Deferred Developer Fee	<u>\$4,154,699</u>
	\$34,927,092

**Costs of Issuance:**

Origination Fee	\$136,500
KHC Counsel	\$15,750
KHC Financing Fee	\$182,729
KHC Application Fee & Expenses	\$3,500
KHC Admin Fee	\$5,000
Bond Counsel	\$125,000
Trustee Counsel	\$5,000
Borrowers Counsel	\$125,000
TEFRA/Publication/Print	<u>\$5,000</u>
	\$603,479