



Commonwealth of Kentucky
Finance and Administration Cabinet
OFFICE OF FINANCIAL MANAGEMENT
Room 76, Capitol Annex
702 Capital Avenue
Frankfort, KY 40601-3462
(502) 564-2924

Andy Beshear
Governor

Holly M. Johnson
Secretary

Ryan Barrow
Executive Director

August 8, 2021

M. B. Denham Jr.
Board Chair
Kentucky Housing Corporation
1231 Louisville Road
Frankfort, KY 40601-6191

Dear Board Chair Denham:

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 Conduit Multifamily Housing Revenue Bonds (Cambridge Square), Series 2021 in a principal amount of \$26,000,000 (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 March 16, 2021. 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 Conduit Revenue Bonds (Cambridge Square), Series 2021 |
| Purpose of Issue: | The bonds will be used to finance the acquisition, rehabilitation and equipping of the Cambridge Square, an existing two hundred (200) unit residential rental multifamily facility located at 101 Promontory Dr, Covington, Kentucky 41015. The Kentucky Housing Corporation has conducted a public hearing concerning the proposed project on March 12, 2021 following the delivery of notice to the public on March 3, 2021. |
| Name of Project: | Cambridge Square |
| Date of Sale: | July 19, 2021 |
| Date of Issuance: | July 22, 2021 |
| Ratings: | Moody's (Aaa/VMIG 1) |
| Net Proceeds: | \$26,000,000 |
| Cost of Issuance: | See Exhibit A attached (costs of issuance paid from owner equity) |
| Bond Discount: | \$0 |
| Debt Service Reserve Fund: | \$0, but a \$744,492.00 operating reserve and a \$350,000 replacement reserve will be funded from equity. |
| Insurance Premium: | N/A |
| Total Project Cost: | \$43,546,867.00 |
| Terms of Issue: | Net interest rate: .30% Term: 36 months Average debt service: \$78,234.23 Gross debt service: \$234,702.70 |
| First Call Date: | 30 months |
| Premium at First Call: | No premium |
| Method of Sale: | Public Offering |
| Bond Counsel: | Dinsmore & Shohl LLP |
| Underwriter Counsel: | Tiber Hudson LLC |
| Financial Advisor: | N/A |
| Underwriter: | Jeffries LLC |
| Trustee: | The Bank of New York Mellon Corporation |

Exhibit A

Project Funding Sources:

| | |
|------------------------|------------------------|
| Tax-Exempt Bonds | \$26,000,000.00 |
| Permanent Loan | \$30,000,000.00 |
| Income from Operations | \$630,867.00 |
| Tax Credit Equity | <u>\$12,916,000.00</u> |
| | \$69,546,867.00 |

Costs of Issuance:

| | |
|---|--------------------|
| Issuer Application Fees | \$9,500.00 |
| Lender Application Fees | \$81,244.00 |
| Issuer Origination Fees | \$112,342.00 |
| Lender Origination Fees | \$300,000.00 |
| KHC Fees - Inspection, Market Analysis, Admin Fee | \$7,000.00 |
| Rating Fee | \$5,500.00 |
| Trustee Fees | \$3,000.00 |
| Annual Issuer Fees | \$32,500.00 |
| FHA Exam and Inspection Fees | \$153,584.00 |
| FHA MIP | \$150,000.00 |
| Underwriting Fees | \$165,551.00 |
| Bond Counsel | \$78,000.00 |
| Lender Counsel | \$28,000.00 |
| Underwriter Counsel | \$50,000.00 |
| Trustee Counsel | \$6,000.00 |
| Issuer Counsel | \$26,000.00 |
| <u>Equity & Other Legal</u> | <u>\$15,000.00</u> |
| Total Fees | \$1,223,221.00 |



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Ryan Barrow
Executive Director

June 2, 2021

Holly M. Johnson
Secretary
Finance and Administration Cabinet
Executive Director
State Property and Buildings Commission
702 Capital Avenue
Frankfort, KY 40601

Dear Secretary Johnson:

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 \$98,995,000 Lexington-Fayette Urban County Government Public Facilities Corporation Lease Revenue Refunding Bonds, Series 2021 (Forward Delivery) dated July 1, 2021.

Sincerely,

Ryan Barrow
Executive Director
Office of Financial Management

Attachments

OFM APPROVAL PURSUANT TO KRS 42.420

\$98,995,000

**LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT PUBLIC FACILITIES CORPORATION
LEASE REVENUE REFUNDING BONDS, SERIES 2021 (FORWARD DELIVERY)
EASTERN STATE HOSPITAL PROJECT**

DESCRIPTION:

The proceeds from the placement of the Series 2021 Bonds will be used to (i) refund the Lexington-Fayette Urban County Government Public Facilities Corporation Lease Revenue Bonds Series 2011 A for net present value savings and, (ii) pay costs of issuance.

BOND SUMMARY STATISTICS:

| | |
|-----------------------|--------------------------|
| Par Amount: | \$98,995,000 |
| Rate Lock Date: | January 8, 2020 |
| Closing Date: | June 2, 2021 |
| Dated Date: | June 2, 2021 |
| Final Maturity: | June 1, 2033 |
| Arbitrage Yield: | 2.770% |
| TIC: | 2.770% |
| NIC: | 2.770% |
| All-In TIC: | 2.801% |
| Benchmark (BBWK20GO): | 2.630% (January 9, 2020) |

RATINGS:

No rating was required for this transaction

SOURCES AND USES OF FUNDS:

SOURCES OF FUNDS:

| | |
|----------------------|-------------------------|
| Par Amount of Bonds | \$ 98,995,000.00 |
| TOTAL SOURCES | \$ 98,995,000.00 |

USES OF FUNDS:

| | |
|-------------------|-------------------------|
| Deposit to Escrow | \$ 98,804,147.85 |
| Costs of Issuance | <u>190,852.15</u> |
| TOTAL USES | \$ 98,995,000.00 |

REFUNDING:

| | |
|---------------------------------------|------------------|
| Par Amount of Refunded Bonds: | \$ 98,790,000.00 |
| Net PV Savings: | \$ 14,734,502.32 |
| Percentage Savings of Refunded Bonds: | 14.9149% |

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.

| Firm | Service | Fee |
|------------------------|---------------------|----------------------|
| Dinsmore & Shohl LLP | Bond Counsel | \$ 77,216.10 |
| Raymond James | Financial Advisor | 77,216.10 |
| Stites & Harbison PLLC | Bank Counsel | 35,000.00 |
| | Contingency / Misc. | <u>1,419.95</u> |
| TOTAL | | \$ 190,852.15 |

ATTACHMENTS:

- Bond Debt Service Schedule
- Savings Schedule
- Summary of Bonds Refunded

BOND DEBT SERVICE

Lexington-Fayette Urban County Government Public Facilities Corporation
 Lease Revenue Refunding Bonds, Series 2021 (Forward Delivery)
 Eastern State Hospital Project
 FINAL

Dated Date 06/02/2021
 Delivery Date 06/02/2021

| Period Ending | Principal | Coupon | Interest | Debt Service | Annual Debt Service | Bond Balance | Total Bond Value |
|---------------|------------|--------|---------------|----------------|---------------------|--------------|------------------|
| 06/02/2021 | | | | | | 98,995,000 | 98,995,000 |
| 12/01/2021 | | | 1,363,463.63 | 1,363,463.63 | | 98,995,000 | 98,995,000 |
| 06/01/2022 | 7,075,000 | 2.770% | 1,371,080.75 | 8,446,080.75 | | 91,920,000 | 91,920,000 |
| 06/30/2022 | | | | | 9,809,544.38 | 91,920,000 | 91,920,000 |
| 12/01/2022 | | | 1,273,092.00 | 1,273,092.00 | | 91,920,000 | 91,920,000 |
| 06/01/2023 | 7,265,000 | 2.770% | 1,273,092.00 | 8,538,092.00 | | 84,655,000 | 84,655,000 |
| 06/30/2023 | | | | | 9,811,184.00 | 84,655,000 | 84,655,000 |
| 12/01/2023 | | | 1,172,471.75 | 1,172,471.75 | | 84,655,000 | 84,655,000 |
| 06/01/2024 | 7,465,000 | 2.770% | 1,172,471.75 | 8,637,471.75 | | 77,190,000 | 77,190,000 |
| 06/30/2024 | | | | | 9,809,943.50 | 77,190,000 | 77,190,000 |
| 12/01/2024 | | | 1,069,081.50 | 1,069,081.50 | | 77,190,000 | 77,190,000 |
| 06/01/2025 | 7,670,000 | 2.770% | 1,069,081.50 | 8,739,081.50 | | 69,520,000 | 69,520,000 |
| 06/30/2025 | | | | | 9,808,163.00 | 69,520,000 | 69,520,000 |
| 12/01/2025 | | | 962,852.00 | 962,852.00 | | 69,520,000 | 69,520,000 |
| 06/01/2026 | 7,885,000 | 2.770% | 962,852.00 | 8,847,852.00 | | 61,635,000 | 61,635,000 |
| 06/30/2026 | | | | | 9,810,704.00 | 61,635,000 | 61,635,000 |
| 12/01/2026 | | | 853,644.75 | 853,644.75 | | 61,635,000 | 61,635,000 |
| 06/01/2027 | 8,100,000 | 2.770% | 853,644.75 | 8,953,644.75 | | 53,535,000 | 53,535,000 |
| 06/30/2027 | | | | | 9,807,289.50 | 53,535,000 | 53,535,000 |
| 12/01/2027 | | | 741,459.75 | 741,459.75 | | 53,535,000 | 53,535,000 |
| 06/01/2028 | 8,325,000 | 2.770% | 741,459.75 | 9,066,459.75 | | 45,210,000 | 45,210,000 |
| 06/30/2028 | | | | | 9,807,919.50 | 45,210,000 | 45,210,000 |
| 12/01/2028 | | | 626,158.50 | 626,158.50 | | 45,210,000 | 45,210,000 |
| 06/01/2029 | 8,555,000 | 2.770% | 626,158.50 | 9,181,158.50 | | 36,655,000 | 36,655,000 |
| 06/30/2029 | | | | | 9,807,317.00 | 36,655,000 | 36,655,000 |
| 12/01/2029 | | | 507,671.75 | 507,671.75 | | 36,655,000 | 36,655,000 |
| 06/01/2030 | 8,790,000 | 2.770% | 507,671.75 | 9,297,671.75 | | 27,865,000 | 27,865,000 |
| 06/30/2030 | | | | | 9,805,343.50 | 27,865,000 | 27,865,000 |
| 12/01/2030 | | | 385,930.25 | 385,930.25 | | 27,865,000 | 27,865,000 |
| 06/01/2031 | 9,035,000 | 2.770% | 385,930.25 | 9,420,930.25 | | 18,830,000 | 18,830,000 |
| 06/30/2031 | | | | | 9,806,860.50 | 18,830,000 | 18,830,000 |
| 12/01/2031 | | | 260,795.50 | 260,795.50 | | 18,830,000 | 18,830,000 |
| 06/01/2032 | 9,290,000 | 2.770% | 260,795.50 | 9,550,795.50 | | 9,540,000 | 9,540,000 |
| 06/30/2032 | | | | | 9,811,591.00 | 9,540,000 | 9,540,000 |
| 12/01/2032 | | | 132,129.00 | 132,129.00 | | 9,540,000 | 9,540,000 |
| 06/01/2033 | 9,540,000 | 2.770% | 132,129.00 | 9,672,129.00 | | | |
| 06/30/2033 | | | | | 9,804,258.00 | | |
| | 98,995,000 | | 18,705,117.88 | 117,700,117.88 | 117,700,117.88 | | |

SUMMARY OF BONDS REFUNDED

Lexington-Fayette Urban County Government Public Facilities Corporation
Lease Revenue Refunding Bonds, Series 2021 (Forward Delivery)
Eastern State Hospital Project
FINAL

| Bond | Maturity Date | Interest Rate | Par Amount | Call Date | Call Price |
|------------------------------------|---------------|---------------|---------------|------------|------------|
| Lease Revenue Bonds, Series 2011A: | | | | | |
| Serials | 06/01/2022 | 5.000% | 6,165,000.00 | 06/02/2021 | 100.000 |
| | 06/01/2023 | 5.000% | 6,475,000.00 | 06/02/2021 | 100.000 |
| | 06/01/2024 | 5.000% | 6,800,000.00 | 06/02/2021 | 100.000 |
| | 06/01/2025 | 5.000% | 7,140,000.00 | 06/02/2021 | 100.000 |
| | 06/01/2026 | 5.250% | 7,495,000.00 | 06/02/2021 | 100.000 |
| | 06/01/2027 | 5.250% | 7,890,000.00 | 06/02/2021 | 100.000 |
| | 06/01/2028 | 5.250% | 8,300,000.00 | 06/02/2021 | 100.000 |
| | 06/01/2029 | 5.250% | 8,740,000.00 | 06/02/2021 | 100.000 |
| | 06/01/2030 | 5.250% | 9,195,000.00 | 06/02/2021 | 100.000 |
| | 06/01/2031 | 5.250% | 9,680,000.00 | 06/02/2021 | 100.000 |
| | 06/01/2032 | 5.250% | 10,190,000.00 | 06/02/2021 | 100.000 |
| | 06/01/2033 | 5.000% | 10,720,000.00 | 06/02/2021 | 100.000 |
| | | | 98,790,000.00 | | |

ESCROW REQUIREMENTS

Lexington-Fayette Urban County Government Public Facilities Corporation
Lease Revenue Refunding Bonds, Series 2021 (Forward Delivery)
Eastern State Hospital Project
FINAL

Dated Date 06/02/2021
Delivery Date 06/02/2021

| Period Ending | Interest | Principal Redeemed | Total |
|------------------|-----------|-----------------------|---------------|
| 06/02/2021 | 14,147.85 | 98,790,000.00 | 98,804,147.85 |
| | 14,147.85 | 98,790,000.00 | 98,804,147.85 |



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Ryan Barrow
Executive Director

August 10, 2021

Mr. Barry Poynter
Vice President for Finance and Administration
Eastern Kentucky University
521 Lancaster Ave
Richmond, KY 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 \$12,405,000 Forward Delivery General Receipts Refunding Bonds, 2021 Series A.

Sincerely,

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

Ryan Barrow
Executive Director

Attachments

FINAL BOND ISSUE REPORT
OFM APPROVAL PURSUANT TO KRS 42.420

Eastern Kentucky University
 \$12,405,000

Forward Delivery Direct Purchase Refunding Bonds, 2021 Series A

DESCRIPTION:

The Bonds are being issued to (i) pay the costs of refunding certain 2011 Series A bonds and (ii) to pay the costs of issuing the Bonds.

BOND SUMMARY STATISTICS:

| | |
|--|------------------|
| Par Amount: | \$12,405,000.00 |
| Pricing Date: | December 1, 2020 |
| Closing Date: | July 6, 2021 |
| Dated Date: | July 6, 2021 |
| Final Maturity: | October 1, 2031 |
| Arbitrage Yield: | 3.898% |
| TIC: | 3.898% |
| NIC: | 3.905% |
| All-In TIC: | 3.898% |
| Benchmark (BBWK20GO December 3, 2021): | 2.130% |

RATINGS:

No rating was required for this transaction.

SOURCES AND USES OF FUNDS:

| | Series 2021 A (\$) |
|------------------------------|---------------------------|
| SOURCES OF FUNDS: | |
| Par amount of bonds: | 12,405,000.00 |
| Other Sources of Funds | 234,162.50 |
| TOTAL SOURCES | 12,639,162.50 |
| USES OF FUNDS: | |
| Refunding Escrow Deposit | 12,639,162.50 |
| TOTAL USES | 12,639,162.50 |
| Average Annual Debt Service: | \$1,498,174.12 |
| Total Debt Service: | \$15,335,476.74 |
| Average Life (years): | 6.049 |

FINAL BOND ISSUE REPORT

Refunding Summary:

Bond Issue Being Refinanced: See Summary of Bonds Refunded (attached)

Par Amount of Refunded Bonds: \$12,405,000.00

*Savings \$1,629,508.00

Method of Sale: Direct Purchase

Bond Counsel: Dinsmore & Shohl, LLP

Purchaser: Morgan Stanley

Purchaser's Counsel: Orrick Herrington & Sutcliffe

Trustee: U.S. Bank

Financial Advisor: Baird & OFM

Final Cashflows as of December 8, 2020

*Savings of \$1,629,508 is a one time upfront prepayment

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.

***PROFESSIONAL SERVICES:**

| <u>Firm</u> | <u>Service</u> | <u>Fee</u> |
|-------------------------------|---------------------|---------------|
| Dinsmore & Shohl | Bond Counsel | \$ 22,890.00 |
| Baird | Financial Advisor | 40,000.00 |
| US Bank | Paying Agent | 1,000.00 |
| OFM | Financial Advisor | 3,101.25 |
| Orrick Herrington & Sutcliffe | Purchaser's Counsel | 35,000.00 |
| | Misc./Contingency | - |
| TOTAL COST OF ISSUANCE | | \$ 101,991.25 |

*Fees were paid outside of bond proceeds

BOND DEBT SERVICE

Eastern Kentucky University
 General Receipts Refunding Bonds
 2021 Series A Bonds
 (Direct Purchase - Morgan Stanley)

| Period Ending | Principal | Coupon | Interest | Debt Service | Annual Debt Service |
|---------------|------------|--------|--------------|---------------|---------------------|
| 10/01/2021 | | | 110,576.74 | 110,576.74 | |
| 04/01/2022 | | | 234,162.50 | 234,162.50 | |
| 06/30/2022 | | | | | 344,739.24 |
| 10/01/2022 | 1,050,000 | 3.200% | 234,162.50 | 1,284,162.50 | |
| 04/01/2023 | | | 217,362.50 | 217,362.50 | |
| 06/30/2023 | | | | | 1,501,525.00 |
| 10/01/2023 | 1,080,000 | 3.250% | 217,362.50 | 1,297,362.50 | |
| 04/01/2024 | | | 199,812.50 | 199,812.50 | |
| 06/30/2024 | | | | | 1,497,175.00 |
| 10/01/2024 | 1,120,000 | 3.500% | 199,812.50 | 1,319,812.50 | |
| 04/01/2025 | | | 180,212.50 | 180,212.50 | |
| 06/30/2025 | | | | | 1,500,025.00 |
| 10/01/2025 | 1,155,000 | 3.500% | 180,212.50 | 1,335,212.50 | |
| 04/01/2026 | | | 160,000.00 | 160,000.00 | |
| 06/30/2026 | | | | | 1,495,212.50 |
| 10/01/2026 | 1,205,000 | 4.000% | 160,000.00 | 1,365,000.00 | |
| 04/01/2027 | | | 135,900.00 | 135,900.00 | |
| 06/30/2027 | | | | | 1,500,900.00 |
| 10/01/2027 | 1,255,000 | 4.000% | 135,900.00 | 1,390,900.00 | |
| 04/01/2028 | | | 110,800.00 | 110,800.00 | |
| 06/30/2028 | | | | | 1,501,700.00 |
| 10/01/2028 | 1,305,000 | 4.000% | 110,800.00 | 1,415,800.00 | |
| 04/01/2029 | | | 84,700.00 | 84,700.00 | |
| 06/30/2029 | | | | | 1,500,500.00 |
| 10/01/2029 | 1,355,000 | 4.000% | 84,700.00 | 1,439,700.00 | |
| 04/01/2030 | | | 57,600.00 | 57,600.00 | |
| 06/30/2030 | | | | | 1,497,300.00 |
| 10/01/2030 | 1,410,000 | 4.000% | 57,600.00 | 1,467,600.00 | |
| 04/01/2031 | | | 29,400.00 | 29,400.00 | |
| 06/30/2031 | | | | | 1,497,000.00 |
| 10/01/2031 | 1,470,000 | 4.000% | 29,400.00 | 1,499,400.00 | |
| 06/30/2032 | | | | | 1,499,400.00 |
| | 12,405,000 | | 2,930,476.74 | 15,335,476.74 | 15,335,476.74 |



SUMMARY OF BONDS REFUNDED

Eastern Kentucky University
 General Receipts Refunding Bonds
 2021 Series A Bonds
 (Direct Purchase - Morgan Stanley)

| Bond | Maturity Date | Interest Rate | Par Amount | Call Date | Call Price |
|--|---------------|---------------|---------------|------------|------------|
| Eastern Kentucky University, 12082011, SERIAL: | | | | | |
| | 10/01/2022 | 3.200% | 1,050,000.00 | 10/01/2021 | 100.000 |
| | 10/01/2023 | 3.250% | 1,080,000.00 | 10/01/2021 | 100.000 |
| | 10/01/2024 | 3.500% | 1,120,000.00 | 10/01/2021 | 100.000 |
| | 10/01/2025 | 3.500% | 1,155,000.00 | 10/01/2021 | 100.000 |
| | | | 4,405,000.00 | | |
| Eastern Kentucky University, 12082011, TERM27: | | | | | |
| | 10/01/2027 | 4.000% | 2,460,000.00 | 10/01/2021 | 100.000 |
| Eastern Kentucky University, 12082011, TERM29: | | | | | |
| | 10/01/2029 | 4.000% | 2,660,000.00 | 10/01/2021 | 100.000 |
| Eastern Kentucky University, 12082011, TERM31: | | | | | |
| | 10/01/2031 | 4.000% | 2,880,000.00 | 10/01/2021 | 100.000 |
| | | | 12,405,000.00 | | |

