

## INVESTMENT GRADE RATINGS

Ratings reflect a credit rating agency’s opinion of a state’s creditworthiness relative to other borrowers in the financial markets. Ratings below Baa3/BBB-/BBB-/BBB- are considered speculative credits (“junk bonds”).

The rating agencies also assign “positive,” “stable,” and “negative” outlooks to their ratings to indicate the direction the rating is likely to move over an intermediate time period. The outlooks represent trends affecting a credit which have not reached a level warranting a change in a state’s credit rating, but may if continued. A negative outlook indicates a higher likelihood of a downgrade in a state’s credit rating while a positive outlook indicates a higher likelihood of an upgrade in a state’s credit rating.

Moody’s*		Standard and Poor’s*		Fitch*		Kroll*		Description
Long-Term	Short-Term**	Long-Term	Short-Term	Long-Term	Short-Term	Long-Term	Short-Term	
Aaa	MIG 1	AAA	A-1+	AAA	F1+	AAA	K1+	Prime
Aa1		AA+		AA+		AA+		
Aa2		AA		AA		AA		
Aa3***		AA-		AA-***		AA-***		
A1****		A+	A-1	A+****	F1/F1+	A+****	K1/K1+	Upper
A2	MIG 2	A***	A-2	A	F1/F1+	A	K1	Medium
A3		A-****		A-	F2/F1	A-	K2/K1	Grade
Baa1		BBB+	BBB+	BBB+	F2/F1	BBB+	K2	Lower
Baa2	MIG 3	BBB	A-3	BBB	F3/F2	BBB	K3/K2	Medium
Baa3		BBB-		BBB-	F3	BBB-	K3	Grade

\*Outlooks are Stable/Positive/Positive/Stable

\*\*MIG is Moody’s acronym for Municipal Investment Grade

\*\*\*Commonwealth’s issuer credit/default ratings (ICRs/IDRs)/implied general obligation ratings (effectively what the Commonwealth’s general obligation ratings would be if it were to issue general obligation debt)

\*\*\*\*Commonwealth’s lease appropriation rating for general fund supported debt

State Investor Relations and Debt Calendar websites are <https://bonds.ky.gov> and <https://finance.ky.gov/office-of-the-controller/office-of-financial-management/Documents/CurrentBondCalendar.pdf>.

## NEW BOND ISSUE REPORT

### **BOND ISSUE**

Name of Bond Issue: Kentucky Housing Corporation Multifamily Conduit Revenue Bonds (Flats at Bardstown), Series 2022

Purpose of Issue: The bonds will be used to finance the acquisition, construction, and equipping of Flats at Bardstown, a multifamily residential rental facility consisting of one hundred and ninety-two (192) units, located at 2100 Buechel Bank Road, 2044 Buechel Bank Rd. and 4134 R. Bardstown Road, each in Louisville, Jefferson County, Kentucky, to be known as Flats at Bardstown. The Kentucky Housing Corporation has conducted a public hearing concerning the proposed project on September 6, 2022, following the delivery of notice to the public at least seven days prior to such hearing.

Name of Project: Flats at Bardstown

Anticipated Date of Sale: October 31, 2022

Anticipated Date of Issuance: October 31, 2022

Anticipated Ratings: Private Placement

Anticipated Net Proceeds: \$21,500,000

Cost of Issuance: See Exhibit A attached (Fees associated paid from owner equity)

Bond Discount: \$0

Debt Service Reserve Fund: \$0, but an estimated \$1,097,706 operating reserve will be funded from equity.

Insurance Premium: N/A

Total Project Cost: \$40,653,605 (estimated)

Terms of Issue: Net interest rate: 5.00%  
Term: August 31, 2062 (540 months)  
Average debt service: \$1,202,317.08  
Gross debt service: \$54,104,268.60

First Call Date: TBD

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: Bellwether Capital Partners

Trustee: TBD

**Exhibit A**

**Project Funding Sources:**

Permanent Tax-Exempt Bond Proceeds (Series A)	\$21,500,000
Other: PNC Bridge Loan	\$13,200,000
Deferred Developer Fee	\$3,476,657
Housing Credit Equity Available During Construction	\$476,948
Other: LAHTF	\$2,000,000
	<hr/> \$40,653,605

**Fees Paid:**

Origination Fee	\$266,425
KHC Tax-Exempt Bond Pre-Application Fee	\$1,000
KHC Tax-Exempt Bond Application Fee	\$3,500
KHC Tax Credit Reservation Fee	\$183,656
KHC Market Study Review Fee	\$1,000
KHC Construction Inspection Fee	\$25,508
KHC Tax-Exempt Bond Upfront Issuer Fee	\$129,000
KHC Tax-Exempt Bond Annual Issuer Fee	\$26,643
KHC Tax-Exempt Bond Counsel Fee	\$20,000
KHC Tax-Exempt Bond Administrative Fee	\$5,000
Bond Counsel	\$72,000
TEFRA/Publication/Print	\$5,000
	<hr/> \$583,710

## **MARIAN DEVELOPMENT GROUP**

**PROJECT:** Crossings at Mill Creek  
4801 Manslick Road, Louisville, KY 40216 (Jefferson County)

The Marian Group was formed in 2001 for the purpose of developing residential, multi-family and commercial real estate by Jacob L. Brown, its Founder and Principal. Through partnerships with nonprofit entities and for-profit investors, Marian produces market rate and commercial projects, and develops affordable housing through the utilization of Low Income Housing Tax Credits.

Marian Development is a full-service real estate development, construction, advisory and investment firm based in Louisville, KY. Since its inception, Marian Development has successfully completed 21 developments producing a total of 1,435 affordable housing units with budgets totaling \$203,583,497, utilizing tax exempt bonds, 4% and 9% LIHTCs and additional funding resources including state and federal HTCs, FHLB AHP, HOME, CDBG, and HUD Mixed Financing. In addition to these affordable housing projects, we have completed market rate developments, most recently the Bradford Mills Lofts. These market rate developments produced another 373 units, with combined budgets of \$43,917,952.

We coordinate with community organizations to ensure the project is a good fit for the community. As developer, we guide the project from inception through construction completion as the primary contact to the project contractor, architect, engineer, real estate agents and various other stakeholders associated with the project. We utilize a combination of funding sources including grants and loans from federal, state and local funding agencies as well as private investors and banks to create a project that is sustainable.

Marian has utilized the following funding sources, administered by either KHC, HUD or Metro Louisville Department of Housing & Family Services: HOME, CDBG, LEAD, Risk Sharing, Mixed Finance, Section 221(d)(4) Sub-Rehab, and ARRA Exchange funds. Marian has experience with HUD regulations as they relate to the aforementioned funding sources as well as the Housing Choice Voucher Program, Project Based Section 8, Mod Rehab and the Moving to Work initiative. Additionally, Marian has leveraged private fund raising, grants or donations along with private construction and permanent lending to meet development goals.

Marian exists to enhance the quality of life for people, through thoughtful selection and development of projects that strengthen and revitalize neighborhoods, and through strong partnerships and collaborations that benefit the larger community.



Jacob L. (Jake) Brown  
*Founder & Principal*

P 502.297.8130

C 502.639.2818

[jake@themariangroup.com](mailto:jake@themariangroup.com)

Jake Brown has been involved in the real estate development and general construction industry from a very young age. Since founding The Marian Group and its associated companies, he has actively led over \$300 million of development, management and construction work.

Projects he has led have amassed thirteen awards for excellence, while Marian has developed an outstanding reputation for honesty, leadership, non-profit involvement, and outsized returns to investors, stakeholders, clients and the community.

Early in his career, Mr. Brown was Project Manager and General Superintendent for Cardinal Industrial Services, providing industrial and commercial hazardous environmental cleanup to clients like Dow Chemical, Rohm and Haas, DuPont Chemical, PNC Bank and Humana.

An experienced developer with a passion for repurposing and repositioning historic, bank owned, foreclosed or stalled real estate assets, Mr. Brown is knowledgeable in the structuring and implementation of multiple financing strategies including bank, private equity, taxable and non-taxable bond issuance, and Federal and State Historic Tax Credit.



## NEW BOND ISSUE REPORT

### **BOND ISSUE**

Name of Bond Issue: Kentucky Housing Corporation Multifamily Conduit Revenue Bonds (The Prestonian), Series 2022

Purpose of Issue: The bonds will be used to finance the acquisition, construction, and equipping of The Prestonian, a multifamily residential rental facility consisting of three hundred and forty-three (343) units, located in Jefferson County, Kentucky, at 715 E Gray Street. The Kentucky Housing Corporation has conducted a public hearing concerning the proposed project on September 2, 2022, following the delivery of notice to the public at least seven days prior to such hearing.

Name of Project: The Prestonian

Anticipated Date of Sale: October 29, 2022

Anticipated Date of Issuance: October 29, 2022

Anticipated Ratings: Private Placement

Anticipated Net Proceeds: \$55,000,000

Cost of Issuance: See Exhibit A attached (Fees associated paid from owner equity)

Bond Discount: \$0

Debt Service Reserve Fund: \$0, but an estimated \$1,991,997 operating reserve will be funded from equity.

Insurance Premium: N/A

Total Project Cost: \$124,484,243 (estimated)

Terms of Issue: Net interest rate: 5.4%

Term: December 1, 2062 (480 months)

Average annual debt service: \$3,359,292.6

Gross debt service: \$134,371,704

First Call Date: TBD

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: R4 Capital Funding (or a designated affiliate)

Trustee: TBD

Exhibit A

Project Funding Sources:

KHC Tax-Exempt Bonds	\$55,000,000
Tax Credit Equity	\$36,977,226
Soft Funds (LAHTF)	\$2,000,000
Seller Note	\$27,749,400
Deferred Developer Fee	\$2,757,617
<hr/>	
	\$124,484,243

Fees Paid:

Origination Fee	\$250,000
KHC Counsel	\$50,000
KHC Financing Fee	\$391,581
KHC Application Fees & Expenses	\$6,500
KHC Admin Fee	\$5,000
Bond Counsel	\$150,000
Trustee Counsel	\$5,000
Borrowers Counsel	\$40,000
TEFRA/Publication/Print	\$5,000
<hr/>	
	\$903,081

# Everyone Deserves a Quality Place to Live.

## Kentucky Fact Sheet

### WE ARE DRIVEN

LDG Development was founded based on our belief that everyone deserves a quality place to live. That is why, for more than 25 years, we have worked to develop close to 20,000 units of high-quality affordable housing for thousands of hardworking families and active seniors across the country, including almost 2,500 units right here in KY. From the first responders who are the front lines of keeping our communities safe; to the service workers who have sacrificed income for service, we make sure that those who help our community run have a place they are proud to call home. By building desirable, welcoming housing, we are doing more than just giving families a great place to live. We are helping communities thrive.



### WE BEGIN WITH THE END IN MIND

We understand that the needs of each city are different. That is why we partner with local leaders and organizations that meet the needs of the community and reflect those characteristics that make it a special place.

Because we have our own architectural and design firm, as well as a construction management team, you will have a single point of contact throughout the development and construction stages. Ultimately, this "one stop" experience can lead to significant cost and time savings.

### WE ARE BUSTING THE MYTHS THAT SURROUND AFFORDABLE HOUSING

To start, we never cut corners. Instead, we go above and beyond design and maintenance standards to ensure our communities stay gorgeous and our residents have a place they are proud to call home.



**LDG**  
DEVELOPMENT



## WE ARE BUSTING THE MYTHS THAT SURROUND AFFORDABLE HOUSING

At LDG, we are in it for the long haul. That means we view every development as an opportunity to make an investment in a community that we will be a part of for decades to come. This approach ensures that our properties will be maintained to look as beautiful as the day they were built.

What's more, our onsite local teams all have a direct line to LDG senior leaders, ensuring decisions can be made quickly and with the needs of the local community in mind and are empowered to make decisions that are driven by our "residents first" philosophy.

## WE IMPROVE LIVES

Because our hard-working residents live busy lives, we go out of our way to support them by offering a variety of residents-first support services.

This includes a partnership with the state's largest healthcare system to provide weekly onsite medical services to all residents regardless of their health insurance status. These services range from routine primary care services focused on prevention and wellness; to more complex patient care typically performed at a physician's office. Residents can also receive assistance enrolling in Medicaid or other federal or state sponsored programs—all without leaving their home!



## HIGH-QUALITY, AFFORDABLE HOUSING ISN'T THE ONLY WAY WE GIVE BACK

We believe in the power of education and its ability to change the trajectory in our residents' lives. This guiding philosophy is reflected in a partnership with the National Association of Housing and Redevelopment Officials that is designed to provide scholarships to students living in public housing. Through a \$1 million scholarship fund, students receive up to \$6,000 annually for four years that can be used to pay tuition and other expenses associated with obtaining a college degree. The foundation also supports dozens of local community groups focused on helping some of the nation's most vulnerable and at-risk populations.

To help ensure students living in our communities have the support they need to succeed academically, we are piloting an initiative with a local non-profit focused on improving academic outcomes for underserved populations that is designed to boost reading scores for elementary and middle school students.

## WHEN YOU'RE GOOD AT WHAT YOU DO, PEOPLE NOTICE

In addition to our scholarship fund, we are also proud to have been selected for the following awards:

- **#2** Best Places to Work in Louisville (2021)
- **#1** Developer of Affordable Housing (2020, 2019)
- **#2** Developer of Affordable Housing (2018)
- **#1** Developer of Affordable Housing (2017)
- **#20** Top 25 Builder (2019)
- **#18** Top 50 Developer (2019)

[www.ldgdevelopment.com](http://www.ldgdevelopment.com)



**LDG**  
DEVELOPMENT

### KENTUCKY OFFICE

1469 South Fourth Street  
Louisville, KY 40208  
(502) 638-0534

### GEORGIA OFFICE

510 Plaza Drive  
College Park, GA 30349

### TENNESSEE OFFICE

414 Union Street, Suite 1900  
Nashville, TN, 37219

### TEXAS OFFICE

6300 LaCalma Drive, Suite 520  
Austin, TX 78752



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## NEW BOND ISSUE REPORT\*

### NEW BOND ISSUE

Name of Bond Issue:	Kentucky Housing Corporation Multifamily Revenue Bonds (Starks Artist Lofts), Series 2022A and B (the “Bonds”)	
Purpose of Issue:	The Bonds will be used to finance the acquisition, rehabilitation and equipping of a residential rental project containing approximately 288 units, located at 455 South Fourth Street, Louisville, Kentucky 40202 (the “Project”) to be owned by HH Louisville Starks LP a Kentucky limited partnership or its successors and assigns (the “Borrower”). The Kentucky Housing Corporation has conducted a public hearing concerning the proposed project on 13 <sup>th</sup> day, October, 2021, following the delivery of notice to the public in the <i>The Courier Journal</i> . The Bonds, if approved, will be the sole obligations of the Borrower.	
Name of Project:	Starks Artist Lofts	
Date of Sale:	December 2022	
Date of Issuance:	December 2022	
Anticipated Ratings:	Series A – AAA; Series B – No rating currently anticipated	
Anticipated Net Proceeds:	\$55,000,000	
Cost of Issuance:	See Exhibit A attached	
Bond Discount:	\$0 or at a premium	
Debt Service Reserve Fund:	\$0, but \$1,329,162 estimated HUD required reserves to be funded from equity.	
Insurance Premium:	Bond Insurance is not currently anticipated	
Total Project Cost:	\$107,175,844	
Terms of Issue:	Anticipated net interest rate:	Series A - 4.22%; anticipated term 40 years Series B – WSJ Prime minus 0.25% through December 2024
	Anticipated gross debt service:	\$ 67,589,029
	Anticipated average annual debt service:	\$ 1,642,981
First Call Date:	To be determined	
Premium at First Call:	To be determined	
Method of Sale:	Series A – Public Offering; Series B – Private Placement	
Bond Counsel:	Stites & Harbison PLLC	
Underwriter:	Series A – Stifel, Nicolaus & Company, Incorporated	
Underwriter/Purchaser(s)		
Counsel:	Series A – Gilmore & Bell, P.C. Series B – Vice, Cox & Townsend PLLC	
Lender/Purchaser(s):	Series B – HOPE of Kentucky, LLC dba HOPE of the Midwest	
Trustee:	TBD	
Developer:	Starks Redevelopment Company, LLC	
Borrower:	HH Louisville Starks LP	

\* Preliminary (as of 9/9/22) and subject to change.

**Exhibit A\***

**Project Funding Sources:**

Tax-Exempt Bonds – Series A & Series B	\$55,000,000
Taxable Bonds – Series C	\$19,000,000
Deferred Developer Fee	\$1,162,145
ARPA Funding	\$8,490,000
Louisville CARES	\$1,029,000
Federal Historic Tax Credit Equity**	\$9,834,029
GP Equity	\$0
Low Income Housing Tax Credit Proceeds***	<u>\$ 12,660,670</u>
Total	<u>\$107,175,844</u>

**Project Uses:**

Acquisition	\$9,387,431
Soft Costs	\$2,293,673
Developer’s Fee	\$8,838,435
Direct Construction Costs	\$85,416,546
Costs of Issuance	<u>\$ 1,239,759</u>
Total:	<u>\$107,175,844</u>

**Costs of Issuance\*:**

KHC Tax Credit Reservation Fee	\$491,793
KHC Counsel	\$41,250
KHC Upfront Issuer Fee	\$250,716
KHC Application Fee & Expenses	\$6,500
KHC Admin Fee	\$5,000
Bond Counsel	\$100,000
Trustee Counsel	\$8,000
Underwriter/Purchaser(s) Counsel	\$55,000
Borrower’s Counsel	\$90,000
Underwriter Fee	\$170,000
Trustee Fee	\$5,500
Rating Agency	\$5,500
Miscellaneous Administration Expenses	\$8,000
TEFRA/Publication/Print	<u>\$ 2,500</u>
Total:	<u>\$1,239,759</u>

\* All amounts are preliminary estimates (as of 9/9/22) and subject to change.

\*\* Does not include \$9 million of Federal Historic Tax Credits, which is included within Taxable Bonds.

\*\*\* Does not include \$37 million of LIHTC, which is included within Taxable Bonds and a portion of the Tax-Exempt Bonds.

## HERITAGE LAND & DEVELOPMENT



### Key Principal

#### **William M. Yandell, III**

Mr. Yandell has an extensive background in business. He has been successful in the Oil and Gas business, the telecommunications business and is the President of his family farming operation. He has extensive experience in sales, marketing and project management in the wireless business and has overseen the development of numerous mobile switching offices and over 500 cell tower sites, and numerous real estate and property rehabilitation projects. Mr. Yandell has always had an interest in real estate development and in rehabilitating older structures. In this pursuit, Mr. Yandell co-founded Heritage Land and Development to develop real estate projects with an emphasis on the redevelopment of historically significant structures. As its President, Mr. Yandell is responsible for the substantial rehabilitation of significant historic properties across the Southeast.

Mr. Yandell graduated from Woodberry Forest School in 1973, Rhodes College in 1977, and from the University of Mississippi Law School in 1981. He has been a member of the Mississippi State Bar since 1981. (More extensive resume available on request)

### Chief Operating Officer

#### **Thomas G. Cowens**

Tom is responsible for the identification and pursuit of investment opportunities in the adaptive re-use of historic buildings primarily located in the southeast United States, as well as the operation and financial performance of the investments once acquired.

With over 29 years of experience in the real estate industry, he brings a variety of skills to this position.

Prior to joining Heritage, Tom spent nine years as Senior Vice President of Acquisitions for Mid America Apartments (MAA), the largest publicly-traded multi-family REIT in the country, where he was involved with over \$2.25B of acquisition and development deals encompassing nearly 16,000 apartment units and another \$1.25B worth of dispositions to support MAA's capital recycling efforts.

Prior to his stint at MAA, Tom spent twelve years with the Trammell Crow Company in Memphis, Tennessee where he held various senior management positions. He has also held the position of Director of Real Estate for a growing national pet food retailer as well as Asset Manager for a niche shopping center developer. Mr. Cowens worked in the commercial banking industry for six years prior to joining Trammel Crow Company in 1992.

Mr. Cowens holds the professional designation of Certified Property Manager from the Institute of Real Estate Management (IREM) and a Bachelor of Economics from Centre College of Kentucky.

# Chief Financial Officer

## Stewart S. Vaughn

Stewart is responsible for the analysis of investment opportunities, property and development accounting, financing, budgeting and forecasting, and tax and financial reporting processes, as well as overseeing information technology, and assisting with strategic direction and capital placement efforts for the company.

With over 12 years of experience as an executive across industries, he brings a variety of skills to this position, primarily focused on financial analysis, project management, contract negotiation, and financings involving tax-free bonds and tax credits, having closed over \$100MM in financings.

During his tenure at Heritage, Stewart has developed a strong understanding of the Historic Rehabilitation Tax Credit program and its role in Heritage’s investments in the adaptive re-use of historic buildings and has had key involvement in the redevelopment of 250,000 SF of historic buildings in the southeast United States.

Mr. Vaughn graduated from the University of Mississippi with a Bachelor and Master of Accountancy.

## Relevant Development Experience

### Cotton Council Building – Memphis, Tennessee

In 2011, Heritage started its first project in its hometown of Memphis, Tennessee - the Cotton Council Building. The building had been slated to be torn down by the owner and replaced with a modern building; however, Heritage purchased the property and the team worked diligently to complete the entire renovation in nine months, achieving 100% occupancy prior to completion. The building was totally rehabilitated with all new electrical, plumbing, HVAC, internet and security systems. Due to the work of Heritage, the community has a great asset that retains the look of the neighborhood and is fully leased.

**Project Cost: \$6,200,000**





### **Tuscaloosa Towers – Tuscaloosa, Alabama**

In 2014, Heritage completed its second project, Tuscaloosa Towers (formerly the First National Bank Building) in downtown Tuscaloosa, Alabama. This facility features upscale apartments and mixed-use office space, retail and Trustmark Bank on the main floor. The facility is currently 100% leased.

**Project Cost: \$15,000,000**

**Alabama State Historic Tax Credits: \$2,502,307**

**Federal Historic Tax Credits: \$2,001,845**

**Website: <https://www.liveatthetower.net/>**



### **Federal Land Bank Apartments – Columbia, South Carolina**

In 2014, Heritage purchased the 110,000 sf Federal Land Bank Building plus 3.6 acres for future development in downtown Columbia, South Carolina. The site sits in the center of downtown Columbia directly across the street from Prisma Health and a quarter mile from the state capital and the University of South Carolina. Construction commenced in November 2014 for the Federal Land Bank Apartments and the building was ready for occupancy in June of 2016. The apartments consistently remain at or near 100% occupancy.

**Project Cost: \$19,000,000**

**South Carolina State Historic Tax Credits: \$1,000,000**

**Federal Historic Tax Credits: \$2,124,492**

**Website: <https://www.landbankapartments.com/>**



### **The Maclellan Building – Chattanooga, Tennessee**

In 2015, Heritage purchased The Maclellan Building, a 13-story, 105,000 sf Classical Revival style commercial building that sits between Broad Street and Chestnut Street in downtown Chattanooga. Originally constructed in 1924 to the design of noted Chattanooga architect R.H. Hunt, construction on the rehabilitation began in March of 2016 and was completed in May of 2017. The renovated building features 85 upscale apartments (of which 20% of these units were set aside as affordable housing units) with a mixed-use component on the first floor.

**Project Cost: \$18,000,000**

**Federal Historic Tax Credits: \$2,254,426**

**Website: <https://www.themaclellanapartments.com/>**



### **The First Horizon Bank Building – Chattanooga, Tennessee**

In August 2016, Heritage purchased the 16 story First Horizon Bank Building in Chattanooga. The building is 130,000sf and First Horizon remains as a tenant occupying approximately 50% of the building in their recently renovated space. The remaining space will be converted into 72 apartments and will be completed in 2022.

**Project Cost: \$21,000,000**



### **YMCA of South Carolina – Columbia, South Carolina**

Heritage completed construction for the YMCA of South Carolina in July 2016. The build to suit is located on Heritage’s land contiguous to our Federal Land Bank apartments in Columbia, SC. The YMCA and Heritage entered into a 15-year triple net lease for the 2-story, 20,000 sf stand-alone building.

**Project Cost: \$6,500,000**

### **Merchants National Bank Building – Mobile, Alabama**

In 2017 Heritage purchased the former Merchants National Bank Building, an 18-story, 225,000 sf office building in the center of downtown Mobile. The 18-story tower, which was formerly office space and almost entirely empty, was transformed into 79 residential apartments and completed in October 2020.

Rebranded as Merchants Plaza, this will be the largest downtown residential project in almost 50 years and the largest mixed-use development in the history of Mobile. The ground floor will be available as a pharmacy, grocery store, or restaurant, while maintaining the open spaces that were traditionally used as the bank lobby. The majority of the 8 floor Annex building is being fully restored and transformed into Class A commercial spaces, to be completed in 2022. Current occupancy of the Annex office space is 100% leased.



**Project Cost: \$50,000,000**

**Alabama State Historic Tax Credits: \$5,000,000**

**Federal Historic Tax Credits: \$6,200,000**

**Website: <https://themerchantsplaza.com/>**



## Historic Tax Credit Partners

- **Heritage Related-Parties (Federal HTC)**
- **EBSCO Industries, Inc. (Alabama State HTC)**
- **The Hershey Company (Alabama State HTC)**
- **First Tennessee Housing Corporation (Federal HTC)**
- **Monarch Private Capital (South Carolina State HTC)**
- **The Sherwin Williams Company (Federal HTC)**
- **Michigan Historic Preservation Network (Alabama State HTC)**

## General Contractors

- **Standard Builders, Inc.**
  - Website: <https://standardbuildersinc.com/>
- **Montgomery Martin Contractors**
  - Website: <https://montgomerymartin.com/>
- **White-Spunner Construction, Inc.**
  - Website: <https://white-spunner.com/>

August 23, 2022

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 (Bowling Green Tower Project), Series 2022 in a principal amount of \$22,209,000 (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 project was presented to the Capital Projects and Bond Oversight Committee (“CPBO”) at the August 25, 2021 meeting. The attached includes a finalized listing of costs related to the issuance of the Bonds pursuant to KRS 45.816.

Sincerely,

*Steven Starkweather*

Steven Starkweather  
Deputy Executive Director

Attachments

## NEW BOND ISSUE REPORT

### BOND ISSUE

Name of Bond Issue: Kentucky Housing Corporation Conduit Revenue Bonds (Bowling Green Tower), Series 2022

Purpose of Issue: The bonds will be used to finance the acquisition, rehabilitation and equipping of the Bowling Green Tower, an existing two hundred two (202) unit residential rental multifamily facility located at 1149 College Street, #1, Bowling Green, Warren County, Kentucky 42101. The Kentucky Housing Corporation has conducted a public hearing concerning the proposed project on June 2, 2021 and July 8, 2022 following the delivery of notice to the public on May 21, 2021 and June 30 2022, respectively.

Name of Project: Bowling Green Tower

Date of Sale: August 16, 2022

Date of Issuance: August 23, 2022

Ratings: Moody's (Aaa/VMIG 1)

Net Proceeds: \$22,499,271.63 (\$22,209,000 of proceeds and \$290,271.63 of premium)

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

Bond Discount: \$0

Debt Service Reserve Fund: \$0, but a \$1,089,884.00 operating reserve will be funded from equity.

Insurance Premium: N/A

Total Project Cost: \$67,441,993.63

Terms of Issue: Net interest rate: 3.50%  
Term: September 1, 2025 (36 months)  
Average debt service: \$805,196.66  
Gross debt service: \$24,639,590.00

First Call Date: September 1, 2024 (Initial Mandatory Tender - 24 months)

Premium at First Call: None

Method of Sale: Public Offering

Bond Counsel: Dinsmore & Shohl LLP

Underwriter Counsel: Tiber Hudson LLC

Financial Advisor: N/A

Underwriter: Stifel, Nicolaus & Company, Incorporated

Trustee: U.S. Bank Trust Company

**Exhibit A**

**Project Funding Sources:**

**Sources of Funds**

Bond Proceeds	\$22,209,000.00
Bond Premium	\$290,271.63
Mortgage Loan	\$20,726,600.00
Seller Loan	\$500,000.00
Federal Tax Credit Equity <sup>1</sup>	\$16,599,696.00
Sponsor Equity (SPIF BGT LLC)	\$2,833,025.00
Capital Contributions	\$100.00
Deferred Developer Fee	\$3,506,855.00
50% of Cash Flow During Operations	\$776,446.00
Total	<hr/> \$67,441,993.63

**Costs of Issuance:**

Upfront Issuer Fee - KHC (35 bps)	\$78,750.00
Pre-Application Fee	\$1,000.00
Application Fee (\$3,500)	\$3,500.00
Administration Fee (MF \$5,000)	\$5,000.00
KHC Bond Counsel Fee	\$22,500.00
Bond Counsel	\$75,000.00
Underwriter's Counsel	\$50,000.00
Underwriter	\$109,250.00
Rating Agency -	\$5,500.00
Printer - ImageMaster	\$1,500.00
Verification Agent -	\$2,500.00
Trustee	\$3,000.00
Trustee's Counsel	\$9,000.00
<u>Annual Issuer Fee</u>	<u>\$28,125.00</u>
Total Fees	\$394,625.00

August 10, 2022

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 (Carl D Perkins Project), Series 2022 in a principal amount of \$9,678,000 (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 project was presented to the Capital Projects and Bond Oversight Committee (“CPBO”) at the April 13, 2022 meeting. On May 4, 2022, the Finance and Administration Cabinet Secretary provided notification of the determination to proceed. 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 Multifamily Housing Revenue Bonds (Carl D Perkins), Series 2022

Purpose of Issue: The bonds will be used to finance the acquisition, construction and equipping of Carl D Perkins Apartments, a multifamily residential rental facility consisting of one hundred fifty (150) units, located at 200 Douglas Pkwy, Pikeville, KY 41501. The Kentucky Housing Corporation has conducted a public hearing by teleconference concerning the proposed project on April 7, 2022 following the delivery of notice to the public at least seven days prior to such hearing.

Name of Project: Carl D Perkins Apartments

Date of Sale: August 10, 2022

Date of Issuance: August 10, 2022

Ratings: N/A (Private Placement)

Net Proceeds: \$9,678,000

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

Bond Discount: \$0

Debt Service Reserve Fund: \$0, but a \$445,000 operating reserve will be funded from equity.

Insurance Premium: N/A

Total Project Cost: \$19,556,901

Terms of Issue: Net interest rate: 4.53%

Term: 17 years/35 year amortization

Average debt service: \$982,576.04

Gross debt service: \$16,703,792.75

First Call Date: September 1, 2032

Premium at First Call: Defeasance

Method of Sale: Direct Placement (Freddie Mac TEL)

Bond Counsel: Stites & Harbison, PLLC

Underwriter Counsel: N/A

Financial Advisor: N/A

Underwriter: N/A

Trustee: Zions Bancorporation

**Exhibit A**

**Project Funding Sources:**

KHC Tax-Exempt Bonds	\$9,678,000
Tax Credit Equity	\$7,002,626
GP Contribution	\$100
Transferred Reserves	\$145,000
Income During Construction	\$637,065
Deferred Developer Fee	<u>\$2,094,210</u>
<b>Total</b>	<b>\$19,556,901</b>

**Costs of Issuance:**

Origination Fee	\$96,780
KHC Tax-Exempt Bond Pre-Application Fee	\$1,000
KHC Tax-Exempt Bond Application Fee	\$3,500
KHC Tax-Exempt Bond Upfront Issuer Fee	\$60,000
KHC Tax-Exempt Bond Annual Issuer Fee	\$12,500
KHC Issuer Counsel Fee	\$12,500
KHC Tax-Exempt Bond Administrative Fee	5,000
Bond Counsel	\$65,000
Borrowers' Counsel Fees	\$65,000
Purchaser's Counsel	\$65,000
Fiscal Agent Fee	<u>\$5,500</u>
<b>Total</b>	<b>\$391,780</b>



**FINANCE AND ADMINISTRATION CABINET  
OFFICE OF THE CONTROLLER  
OFFICE OF FINANCIAL MANAGEMENT**

200 Mero Street, 5<sup>th</sup> Floor  
Frankfort, Kentucky 40622  
Phone: (502) 564-2924

**Andy Beshear**  
GOVERNOR

**Holly M. Johnson**  
SECRETARY

**Edgar C. Ross**  
CONTROLLER

**Ryan Barrow**  
EXECUTIVE DIRECTOR

Mr. Barry Poynter, Senior Vice President and Treasurer  
Eastern Kentucky University  
Coates CPO 35A  
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 \$50,530,000 General Receipts Bonds, 2022 Series A.

Sincerely,

*Ryan Barrow*

Ryan Barrow  
Executive Director

Attachments



**OFM APPROVAL PURSUANT TO KRS 42.420  
EASTERN KENTUCKY UNIVERSITY  
\$50,530,000 GENERAL RECEIPTS BONDS, 2022 SERIES A  
DATED AUGUST 2, 2022**

**DESCRIPTION:**

Bond proceeds of the 2022 Series A will be used to 1) finance the project listed as “Residence Hall Renovation Pool” in H.B.1 of the 2022 Regular Session of the Kentucky General Assembly; and 2) pay associated costs of issuance.

**BOND SUMMARY STATISTICS:**

	<b>Series A</b>
Par Amount:	\$50,530,000
Pricing Date:	07/12/2022
Closing Date:	08/02/2022
Dated Date:	08/02/2022
Final Maturity:	04/01/2052
Arbitrage Yield:	3.978%
TIC:	4.108%
NIC:	4.116%
All-In TIC:	4.134%
Benchmark(BBWK20G0):	3.34% (07/14/2022)
Method of Sale:	Competitive
Purchaser:	Huntington Securities, Inc.

**RATINGS:**                      Moody's:    A2

**SOURCES AND USES OF FUNDS:**

<b>SOURCES OF FUNDS:</b>		<b>Series A</b>
Par Amount of Bonds		\$50,530,000.00
Net Premium		1,433,343.10
<b>TOTAL SOURCES</b>		<u>\$51,963,343.10</u>
<b>USES OF FUNDS:</b>		
Project Fund Deposit		\$51,190,882.19
Cost of Issuance*		163,630.50
Underwriter's Discount		476,830.41
BAM Insurance		132,000.00
<b>TOTAL USES</b>		<u>\$51,963,343.10</u>

\*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	\$32,844.50
Dinsmore & Shohl	Bond Counsel	48,003.50
	Legal Expenses / Advertising	1,150.00
OFM	Financial Advisor	12,632.50
Moody's	Rating Agency	62,000.00
US Bank	Trustee	2,000.00
Misc./Contingency		5,000.00
		<u>\$163,630.50</u>

**ATTACHMENTS:**

Official Statement Cover  
Debt Service Schedule

**BOND DEBT SERVICE**  
**Eastern Kentucky University**  
**General Receipts Bonds, 2022 Series A**  
**\*\*\*FINAL NUMBERS\*\*\***

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
10/01/2022			362,275.36	362,275.36	
04/01/2023			1,105,246.88	1,105,246.88	
06/30/2023					1,467,522.24
10/01/2023			1,105,246.88	1,105,246.88	
04/01/2024	850,000	5.000%	1,105,246.88	1,955,246.88	
06/30/2024					3,060,493.76
10/01/2024			1,083,996.88	1,083,996.88	
04/01/2025	890,000	5.000%	1,083,996.88	1,973,996.88	
06/30/2025					3,057,993.76
10/01/2025			1,061,746.88	1,061,746.88	
04/01/2026	935,000	5.000%	1,061,746.88	1,996,746.88	
06/30/2026					3,058,493.76
10/01/2026			1,038,371.88	1,038,371.88	
04/01/2027	980,000	5.000%	1,038,371.88	2,018,371.88	
06/30/2027					3,056,743.76
10/01/2027			1,013,871.88	1,013,871.88	
04/01/2028	1,030,000	5.000%	1,013,871.88	2,043,871.88	
06/30/2028					3,057,743.76
10/01/2028			988,121.88	988,121.88	
04/01/2029	1,080,000	5.000%	988,121.88	2,068,121.88	
06/30/2029					3,056,243.76
10/01/2029			961,121.88	961,121.88	
04/01/2030	1,135,000	5.000%	961,121.88	2,096,121.88	
06/30/2030					3,057,243.76
10/01/2030			932,746.88	932,746.88	
04/01/2031	1,195,000	5.000%	932,746.88	2,127,746.88	
06/30/2031					3,060,493.76
10/01/2031			902,871.88	902,871.88	
04/01/2032	1,250,000	5.000%	902,871.88	2,152,871.88	
06/30/2032					3,055,743.76
10/01/2032			871,621.88	871,621.88	
04/01/2033	1,315,000	5.000%	871,621.88	2,186,621.88	
06/30/2033					3,058,243.76
10/01/2033			838,746.88	838,746.88	
04/01/2034	1,380,000	5.000%	838,746.88	2,218,746.88	
06/30/2034					3,057,493.76
10/01/2034			804,246.88	804,246.88	
04/01/2035	1,450,000	5.000%	804,246.88	2,254,246.88	
06/30/2035					3,058,493.76
10/01/2035			767,996.88	767,996.88	
04/01/2036	1,520,000	5.000%	767,996.88	2,287,996.88	
06/30/2036					3,055,993.76
10/01/2036			729,996.88	729,996.88	
04/01/2037	1,600,000	5.000%	729,996.88	2,329,996.88	
06/30/2037					3,059,993.76
10/01/2037			689,996.88	689,996.88	
04/01/2038	1,680,000	5.000%	689,996.88	2,369,996.88	
06/30/2038					3,059,993.76
10/01/2038			647,996.88	647,996.88	
04/01/2039	1,760,000	4.000%	647,996.88	2,407,996.88	
06/30/2039					3,055,993.76
10/01/2039			612,796.88	612,796.88	
04/01/2040	1,830,000	4.000%	612,796.88	2,442,796.88	
06/30/2040					3,055,593.76
10/01/2040			576,196.88	576,196.88	
04/01/2041	1,905,000	4.000%	576,196.88	2,481,196.88	
06/30/2041					3,057,393.76
10/01/2041			538,096.88	538,096.88	
04/01/2042	1,980,000	4.000%	538,096.88	2,518,096.88	
06/30/2042					3,056,193.76
10/01/2042			498,496.88	498,496.88	
04/01/2043	2,060,000	4.000%	498,496.88	2,558,496.88	
06/30/2043					3,056,993.76
10/01/2043			457,296.88	457,296.88	
04/01/2044	2,145,000	4.000%	457,296.88	2,602,296.88	
06/30/2044					3,059,593.76
10/01/2044			414,396.88	414,396.88	
04/01/2045	2,230,000	4.000%	414,396.88	2,644,396.88	
06/30/2045					3,058,793.76
10/01/2045			369,796.88	369,796.88	
04/01/2046	2,320,000	4.000%	369,796.88	2,689,796.88	
06/30/2046					3,059,593.76
10/01/2046			323,396.88	323,396.88	
04/01/2047	2,410,000	4.000%	323,396.88	2,733,396.88	
06/30/2047					3,056,793.76
10/01/2047			275,196.88	275,196.88	
04/01/2048	2,505,000	4.125%	275,196.88	2,780,196.88	
06/30/2048					3,055,393.76
10/01/2048			223,531.25	223,531.25	
04/01/2049	2,610,000	4.125%	223,531.25	2,833,531.25	
06/30/2049					3,057,062.50
10/01/2049			169,700.00	169,700.00	
04/01/2050	2,720,000	4.000%	169,700.00	2,889,700.00	
06/30/2050					3,059,400.00
10/01/2050			115,300.00	115,300.00	
04/01/2051	2,825,000	4.000%	115,300.00	2,940,300.00	
06/30/2051					3,055,600.00
10/01/2051			58,800.00	58,800.00	
04/01/2052	2,940,000	4.000%	58,800.00	2,998,800.00	
06/30/2052					3,057,600.00
	50,530,000		39,610,928.74	90,140,928.74	90,140,928.74



**FINANCE AND ADMINISTRATION CABINET  
OFFICE OF THE CONTROLLER  
OFFICE OF FINANCIAL MANAGEMENT**

200 Mero Street, 5<sup>th</sup> Floor  
Frankfort, Kentucky 40622  
Phone: (502) 564-2924

**Andy Beshear**  
GOVERNOR

**Holly M. Johnson**  
SECRETARY

**Edgar C. Ross**  
CONTROLLER

**Ryan Barrow**  
EXECUTIVE DIRECTOR

August 12, 2022

Ms. Kristi Smith, Controller & Treasurer  
Western Kentucky University  
1906 College Heights Blvd.  
Bowling Green, KY 42101

Dear Ms. Smith,

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 Western Kentucky University debt issuance of the \$41,685,000 General Receipts Bonds, 2022 Series A.

Sincerely,

*Ryan Barrow*

Ryan Barrow  
Executive Director

Attachments

c: Renaldo Domoney  
Brian Dinning

**FINAL BOND ISSUE REPORT**  
OFM APPROVAL PURSUANT TO KRS 42.420  
Western Kentucky University  
\$41,685,000  
General Receipts Bonds 2022 Series A

**DESCRIPTION:**

The proceeds of Western Kentucky University 2022 Series A Bonds will be used to 1) finance the project listed as "Construct, Renovate, and Improve Athletic Facilities" in H.B. 1 of the 2022 Regular Session of the Kentucky General Assembly; and 2) pay costs of issuance.

**BOND SUMMARY STATISTICS:**

Par Amount:	\$41,685,000.00
Pricing Date:	July 15, 2022
Closing Date:	August 12, 2022
Dated Date:	August 12, 2022
Final Maturity:	May 1, 2042
Average Annual Debt Service:	\$2,996,967.97
Total Debt Service:	\$59,098,543.35
Average Life (years):	12.893
TIC:	3.240%
NIC:	3.240%
All-In TIC:	3.268%
Benchmark (BBWK20GO July 14, 2022):	3.340%

**RATINGS:**

Moody's	A2
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**FINAL BOND ISSUE REPORT**

**SOURCES AND USES OF FUNDS:**

	<u>Series 2022 A</u>
<b>SOURCES OF FUNDS:</b>	
Par amount of bonds:	\$ 41,685,000.00
<b>TOTAL SOURCES</b>	<u>\$ 41,685,000.00</u>
<b>USES OF FUNDS:</b>	
Project Fund Deposit	\$ 41,565,723.62
Cost of Issuance*	119,276.38
<b>TOTAL USES</b>	<u>\$ 41,685,000.00</u>

\* Includes legal, printing, rating agency fees, and other expenses of the issuance and offering of the Bonds.

Method of Sale:	Competitive
Purchaser:	Truist Bank
Bond Counsel:	Dinsmore & Shohl
Trustee:	U.S. Bank
Financial Advisor:	Baird & OFM

Final Cashflows as of July 27, 2022

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	\$ 39,600.75
Baird	Financial Advisor	40,000.00
U.S. Bank	Trustee	2,000.00
Truist	Purchaser Legal Fees	25,740.49
Dinsmore & Shohl	Legal Expenses	1,513.89
OFM	Financial Advisor	10,421.25
<b>TOTAL</b>		<u>\$ 119,276.38</u>

**ATTACHMENTS:**

Debt Service Schedule

BOND DEBT SERVICE

Western Kentucky University  
 General Receipts Bonds, 2022 Series A  
 (Athletic Facility Project)  
 \*\*\*FINAL NUMBERS\*\*\*  
 Purchaser: Truist Bank  
 Callable on 5/1/2032

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
11/01/2022			296,380.35	296,380.35	
05/01/2023			675,297.00	675,297.00	
06/30/2023					971,677.35
11/01/2023			675,297.00	675,297.00	
05/01/2024			675,297.00	675,297.00	
06/30/2024					1,350,594.00
11/01/2024			675,297.00	675,297.00	
05/01/2025			675,297.00	675,297.00	
06/30/2025					1,350,594.00
11/01/2025			675,297.00	675,297.00	
05/01/2026			675,297.00	675,297.00	
06/30/2026					1,350,594.00
11/01/2026			675,297.00	675,297.00	
05/01/2027	2,030,000	3.240%	675,297.00	2,705,297.00	
06/30/2027					3,380,594.00
11/01/2027			642,411.00	642,411.00	
05/01/2028	2,095,000	3.240%	642,411.00	2,737,411.00	
06/30/2028					3,379,822.00
11/01/2028			608,472.00	608,472.00	
05/01/2029	2,165,000	3.240%	608,472.00	2,773,472.00	
06/30/2029					3,381,944.00
11/01/2029			573,399.00	573,399.00	
05/01/2030	2,235,000	3.240%	573,399.00	2,808,399.00	
06/30/2030					3,381,798.00
11/01/2030			537,192.00	537,192.00	
05/01/2031	2,305,000	3.240%	537,192.00	2,842,192.00	
06/30/2031					3,379,384.00
11/01/2031			499,851.00	499,851.00	
05/01/2032	2,380,000	3.240%	499,851.00	2,879,851.00	
06/30/2032					3,379,702.00
11/01/2032			461,295.00	461,295.00	
05/01/2033	2,455,000	3.240%	461,295.00	2,916,295.00	
06/30/2033					3,377,590.00
11/01/2033			421,524.00	421,524.00	
05/01/2034	2,535,000	3.240%	421,524.00	2,956,524.00	
06/30/2034					3,378,048.00
11/01/2034			380,457.00	380,457.00	
05/01/2035	2,620,000	3.240%	380,457.00	3,000,457.00	
06/30/2035					3,380,914.00
11/01/2035			338,013.00	338,013.00	
05/01/2036	2,705,000	3.240%	338,013.00	3,043,013.00	
06/30/2036					3,381,026.00
11/01/2036			294,192.00	294,192.00	
05/01/2037	2,790,000	3.240%	294,192.00	3,084,192.00	
06/30/2037					3,378,384.00
11/01/2037			248,994.00	248,994.00	
05/01/2038	2,880,000	3.240%	248,994.00	3,128,994.00	
06/30/2038					3,377,988.00
11/01/2038			202,338.00	202,338.00	
05/01/2039	2,975,000	3.240%	202,338.00	3,177,338.00	
06/30/2039					3,379,676.00
11/01/2039			154,143.00	154,143.00	
05/01/2040	3,070,000	3.240%	154,143.00	3,224,143.00	
06/30/2040					3,378,286.00
11/01/2040			104,409.00	104,409.00	
05/01/2041	3,170,000	3.240%	104,409.00	3,274,409.00	
06/30/2041					3,378,818.00
11/01/2041			53,055.00	53,055.00	
05/01/2042	3,275,000	3.240%	53,055.00	3,328,055.00	
06/30/2042					3,381,110.00
	41,685,000		17,413,543.35	59,098,543.35	59,098,543.35





**Andy Beshear**  
GOVERNOR

**FINANCE AND ADMINISTRATION CABINET  
OFFICE OF THE CONTROLLER  
OFFICE OF FINANCIAL MANAGEMENT**

200 Mero Street, 5<sup>th</sup> Floor  
Frankfort, Kentucky 40622  
Phone: (502) 564-2924

**Holly M. Johnson**  
SECRETARY

**Edgar C. Ross**  
CONTROLLER

**Ryan Barrow**  
EXECUTIVE DIRECTOR

August 5, 2022

Ms. Kristi Smith, Controller & Treasurer  
Western Kentucky University  
Wetherby Administration Building, G-20  
Bowling Green, KY 42101

Dear Ms. Smith,

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 Western Kentucky University debt issuance of the \$10,315,000 General Receipts Refunding Bonds, 2022 Series B.

Sincerely,

*Ryan Barrow*

Ryan Barrow  
Executive Director

Attachments

c: Renaldo Domoney  
Brian Dinning

**FINAL BOND ISSUE REPORT**  
OFM APPROVAL PURSUANT TO KRS 42.420  
Western Kentucky University  
\$27,520,000  
General Receipts Refunding Bonds 2022 Series B

**DESCRIPTION:**

The proceeds of Western Kentucky University 2022 Series B Bonds will be used to redeem the conduit debt of the City of Bowling Green, Kentucky General Obligation and Special Revenue Refunding Bonds 2010 Series A for present value savings.

**BOND SUMMARY STATISTICS:**

Par Amount:	\$10,315,000.00
Pricing Date:	July 15, 2022
Closing Date:	August 5, 2022
Dated Date:	August 5, 2022
Final Maturity:	June 1, 2026
Average Annual Debt Service:	\$2,865,284.78
Total Debt Service:	\$10,951,755.14
Average Life (years):	2.347
TIC:	2.631%
NIC:	2.630%
All-In TIC:	2.814%
Benchmark (BBWK20GO July 14, 2022):	3.340%

**RATINGS:**

Moody's A2

**FINAL BOND ISSUE REPORT**

**SOURCES AND USES OF FUNDS:**

	<u>Series 2022 B</u>
<b>SOURCES OF FUNDS:</b>	
Par amount of bonds:	\$ 10,315,000.00
WKU Cash Contribution	146,862.66
<b>TOTAL SOURCES</b>	<b>\$ 10,461,862.66</b>
<b>USES OF FUNDS:</b>	
Escrow Cash Deposit	\$ 10,315,000.00
Accrued Interest	104,621.33
Cost of Issuance*	42,241.33
<b>TOTAL USES</b>	<b>\$ 10,461,862.66</b>

\* Includes legal, printing, rating agency fees, and other expenses of the issuance and offering of the Bonds.

**REFUNDING:**

Par Amount of Refunded Bonds:	\$ 10,315,000.00
Percent Savings of Refunded Bonds:	1.991%

Method of Sale:	Competitive
Purchaser:	Regions Capital Advantage, Inc.
Bond Counsel:	Dinsmore & Shohl
Trustee:	U.S. Bank
Financial Advisor:	Baird & OFM

Final Cashflows as of July 27, 2022

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	\$ 9,799.25
Baird	Financial Advisor	20,000.00
U.S. Bank	Trustee	1,000.00
Maynard Cooper Gale	Lender's Counsel	7,349.44
Dinsmore & Shohl	Legal Expenses	1,513.89
OFM	Financial Advisor	2,578.75
TOTAL*		<u>\$ 42,241.33</u>

**COST OF ISSUANCE GRAND TOTAL:** \$ 42,241.33

\*Costs of Issuance paid from Upfront Payment

BOND DEBT SERVICE

Western Kentucky University  
 General Receipts Refunding Bonds, 2022 Series B  
 \*\*\*FINAL NUMBERS\*\*\*  
 Purchaser: Regions Bank  
 Callable: 8/5/2024

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
12/01/2022			87,413.89	87,413.89	
06/01/2023	2,515,000	2.630%	135,642.25	2,650,642.25	
06/30/2023					2,738,056.14
12/01/2023			102,570.00	102,570.00	
06/01/2024	2,535,000	2.630%	102,570.00	2,637,570.00	
06/30/2024					2,740,140.00
12/01/2024			69,234.75	69,234.75	
06/01/2025	2,600,000	2.630%	69,234.75	2,669,234.75	
06/30/2025					2,738,469.50
12/01/2025			35,044.75	35,044.75	
06/01/2026	2,665,000	2.630%	35,044.75	2,700,044.75	
06/30/2026					2,735,089.50
	10,315,000		636,755.14	10,951,755.14	10,951,755.14

SAVINGS

Western Kentucky University  
 General Receipts Refunding Bonds, 2022 Series B  
 \*\*\*FINAL NUMBERS\*\*\*  
 Purchaser: Regions Bank  
 Callable: 8/5/2024

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 08/05/2022 @ 2.6308696%
06/30/2023	2,807,330.00	2,738,056.14	69,273.86	69,201.14
06/30/2024	2,822,975.00	2,740,140.00	82,835.00	79,595.78
06/30/2025	2,833,475.00	2,738,469.50	95,005.50	88,677.36
06/30/2026	2,861,756.26	2,735,089.50	126,666.76	114,842.29
	11,325,536.26	10,951,755.14	373,781.12	352,316.58

Savings Summary

PV of savings from cash flow	352,316.58
Less: Prior funds on hand	-146,862.66
Potential Net PV Savings	205,453.92



SUMMARY OF BONDS REFUNDED

Western Kentucky University  
 General Receipts Refunding Bonds, 2022 Series B  
 \*\*\*FINAL NUMBERS\*\*\*  
 Purchaser: Regions Bank  
 Callable: 8/5/2024

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
General Obligation and Special Revenue Refunding Bonds, Series 2010, 2010, SERIAL:					
	06/01/2023	3.700%	2,415,000	09/07/2022	100.000
	06/01/2024	3.750%	<u>2,520,000</u>	09/07/2022	100.000
			4,935,000		
General Obligation and Special Revenue Refunding Bonds, Series 2010, 2010, TERM_26:					
	06/01/2026	3.875%	5,380,000	09/07/2022	100.000
			10,315,000		