



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

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Ryan Barrow
EXECUTIVE DIRECTOR

December 16, 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 (Flats at Bardstown Project), Series 2022 in a principal amount of \$21,500,000 (the “Bonds”). The Bonds, by their terms, provide that payment of principal and interest thereon are not an obligation of the Commonwealth of Kentucky or its departments or agencies.

Pursuant to OAG 83-453, OFM has restricted its review and approval process to reviewing certain documents incidental to the issue and to obtaining assurance that the documents include language which provides that the Bonds and interest thereon shall not be deemed to constitute a debt, liability or obligation of the Kentucky Housing Corporation (“KHC”) or the Commonwealth of Kentucky or any political subdivision thereof. OFM notes that the project was approved by the Capital Projects and Bond Oversight Committee (“CPBO”) at the September 29, 2022 meeting. The attached includes a finalized listing of costs related to the issuance of the Bonds pursuant to KRS 45.816.

Sincerely,

Ryan Barrow

Ryan Barrow
Executive Director

Attachments



FINAL 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. The Kentucky Housing Corporation Board of Directors approved the project on October 27, 2022.

Name of Project: Flats at Bardstown

Date of Sale: December 16, 2022

Date of Issuance: December 16, 2022

Ratings: Private Placement

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 \$1,104,500 operating reserve will be funded from equity.

Insurance Premium: N/A

Total Project Cost: \$44,021,424

Terms of Issue: Net interest rate: 5.60%
Term: December 1, 2062
Average debt service: \$ 1,310,023.68
Gross debt service: \$58,951,065.60

First Call Date: December 1, 2035

Premium at First Call: 103%

Method of Sale: Private Placement

Bond Counsel: Dinsmore & Shohl LLP

Purchaser Counsel: Kutak Rock

Financial Advisor: N/A

Bond Purchaser: Bellwether Capital Partners

Trustee: The Huntington National Bank

Exhibit A

Project Funding Sources:

Permanent Tax-Exempt Bond Proceeds (Series A)	\$21,500,000
Other: PNC Bridge Loan	\$12,500,000
Deferred Developer Fee	\$4,869,289
Housing Credit Equity Available During Construction	\$476,752
Costs Not Paid During Construction	\$2,675,383
Other: LAHTF	\$2,000,000
	<hr/> \$44,021,424

Fees Paid:

Origination Fee	\$268,750
KHC Tax-Exempt Bond Pre-Application Fee	\$1,000
KHC Tax-Exempt Bond Application Fee	\$3,500
KHC Tax Credit Reservation Fee	\$184,251
KHC Market Study Review Fee	\$1,000
KHC Construction Inspection Fee	\$25,590
KHC Tax-Exempt Bond Upfront Issuer Fee	\$129,000
KHC Tax-Exempt Bond Annual Issuer Fee	\$26,875
KHC Tax-Exempt Bond Counsel Fee	\$20,000
KHC Tax-Exempt Bond Administrative Fee	\$5,000
Bond Counsel	\$75,000
Underwriter Legal	\$95,000
TEFRA/Publication/Print	\$15,000
	<hr/> \$849,966