



EVPFA REPORT

Dr. Eric N. Monday
Executive Vice President for Finance and
Administration



Agenda

- LFUCG Land Swap Update
- Core Concepts Land Swap Update
- Bond Sale Update



LFUCG Land Swap Update



UK – LFUCG Land Swap

- Acquire from Lexington Fayette Urban County Government (LFUCG) 21 acres of city streets within campus in exchange for 249 acres at Coldstream Research Campus
- UK Board of Trustees authorization 12/2/17
- Commonwealth of Kentucky Finance & Administration Revenue Cabinet authorization 12/5/17
- LFUCG Council approval process in progress – expected by April
- Timing of land swap being determined



Core Concepts Land Swap Update



UK – Core Spaces Exchange

- Finalized February 2, 2018
- UK received Kennedy's / Fazoli's block in exchange for two surface parking lots
- Future use still being determined.
- Timing of capital project dependent on 2018-20 capital budget authorization
- Core Spaces began construction of a high-end student housing project with ground floor retail on the Jersey Street site this month.
- Core Spaces expected to begin construction of second high-end student housing project on the Virginia Avenue site in July 2018.



Bond Sale Update



Bond Sale Update

- On January 17, 2018, UK sold \$222.53 million of bonds to provide:
 - \$150 million for the Renovate/Upgrade HealthCare Facilities Project
 - (UK Trustees approval 5/2/17)
 - \$21 million for the Expand/Renovate/Upgrade Law Building Project
 - (UK Trustees approval 5/2/17)
 - \$60 million for the Facilities Renewal, Modernization, and Deferred Maintenance Project
 - (UK Trustees approval 10/20/17)



Bond Sale Update

- The sale included two bond series:

| Series | Bids | Bidder | Interest | Par Value | Premium | Total Proceeds |
|--------------------|------|-----------------|--------------|-------------------|------------------|-------------------|
| 2018 A: Tax-Exempt | 6 | Wells Fargo | 3.32% | \$212.47 M | \$10.16 M | \$222.63 M |
| 2018 B: Taxable | 11 | Robert W. Baird | 2.76% | \$10.06 M | - | \$10.06 M |
| Total | | | 3.31% | \$222.53 M | \$10.16 M | \$232.69 M |

- Total bond proceeds were \$232.69 million, with \$231 million for the projects and \$1.69 million for underwriter's discounts and issuance cost
- In anticipation of the sale, both S&P and Moody's affirmed their previous ratings of AA Stable and Aa2 Stable



Q & A



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