



Minnesota Higher Education Facilities Authority

380 Jackson Street, Suite 450, St. Paul, MN 55101

Phone: 651.296.4690 Fax: 651.297.5751

CAPITAL COMMENTARY

(Vol. 20 No. 3)

- Borrower/Issue:** Carleton College, **Series 2017**
- Financing Vehicle:** Revenue and Refunding Bonds
- Project:** Proceeds of the 2017 Bonds will be used to finance a portion of the acquisition, design, construction, renovation, improving and equipping various facilities on campus, including the Weitz Center for Creativity, Olin Hall, Hulings Hall, Mudd Hall, various utility infrastructure improvements, to refund Series Five-G, Series Six-T and Series Seven-D Bonds and pay for costs of issue.
- Issue Amount:** \$124,900,000, Series 2017
- Placement Method:** Public sale, on a negotiated basis, by Wells Fargo Securities as underwriter.
- Term of Financing:** Series 2017 - 30 years
- Structure:** *Series 2017* - Serial maturities in 2018 through 2042, term bonds due in 2044 and 2047. The 2044 term bond has mandatory principal redemptions in 2043 – 2044 (final maturity) and the 2047 term bond has mandatory principal redemptions in 2045 – 2047 (final maturity). The 2017 bonds are subject to optional redemption beginning March 1, 2027.
- Interest Rate:** *Series 2017* coupon rates range from 3.00% to 5.00% with a combination of premium bonds and one par bond to appeal to different investors. Yields range from 0.86% to 3.75%. The Series 2017 Bonds have a TIC of 3.2933933%. (True Interest Cost [TIC] is a dollar-weighted average rate for the bond issue, considering the time value of money and including interest, original issue discount or premium and underwriting fees).
- Rating:** Moody's Aa2 with a stable outlook
- Date of Settlement:** May 24, 2017
- Highlights:** The College structured the principal repayment of the 2017 Bonds to integrate with the principal due on existing long term debt of the College and result in overall approximately level annual debt service for fiscal years 2024 through 2047.