

STIFEL

FINAL FINANCING SUMMARY

for

Utah Board of Higher Education
\$154,380,000
UNIVERSITY OF UTAH
General Revenue and Refunding Bonds
Series 2023A

Purpose:	To finance a portion of the costs to construct (a) the Medical Education Building project (the “Med Ed Project”), (b) the James Levoy Sorenson Innovation and Discovery Center Project (the “Discovery Center Project”), and (c) the Applied Sciences Building project (the “Applied Sciences Project”) together with other amounts necessary to pay costs of issuance, capitalized interest, and fund a debt service reserve, if necessary (a debt service reserve fund was not required).
Security:	The Series 2023A Bonds are payable from and secured by a General Revenue pledge which consists of substantially all income and revenues of the University authorized to be pledged, with the exception of (i) legislative appropriations, (ii) tuition and certain fees, and (iii) certain other revenues and income.
Ratings:	‘Aa1’ and ‘AA+’ ratings with a stable outlook were confirmed by Moody’s Investors Service and S&P Global Ratings, respectively.
Method of Sale:	Negotiated Public Offering
True Interest Cost:	TBD (given current market volatility, a preliminary rate is difficult to determine). Final Pricing Update: Immediately before formal pricing of the Bonds and after consultation with University officials and its Municipal Advisor, Chair Church approved Underwriters selling the Bonds an estimated and initial True Interest Cost of 3.46% . Due to extremely strong interest in the Bonds, as evidenced by <u>total orders exceeding \$1.3 billion</u> , the Underwriters were able to significantly lower interest rates on the Bonds and produce a True Interest Cost of 3.40% .
Underwriters:	Wells Fargo Bank, N.A. and Goldman Sachs (Co-Senior Managers)

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Sale Date: Current Calendar calls for a late-November or early December, 2022 sale date, subject to market conditions. **Final Pricing Update:** Due to a significant rally in the tax-exempt bond market, the University was able to take advantage of this positive market and, due to its sale mode flexibility, move the sale date of the Bonds from January 19, 2023, to January 11, 2023.

Closing Date: TBD – Current Calendar calls for settlement in mid-to late December 2022, or early January 2023. **Final Pricing Update:** The Series 2023A Bonds' closing date will be Thursday, February 2, 2023.

Principal Payment Dates: August 1 of each year

Interest Payment Dates: August 1 and February 1, beginning August 1, 2023.

Interest Basis: 30/360

Parameters: Not-to-Exceed Par Amount: \$160,000,000. **Final Pricing Update:** \$154,380,000
Not-to-Exceed Term: 30-years from the date of the Bond's issuance. **Final Pricing Update:** The final term of the Bonds is approximately 19-years
Not-to-Exceed Coupon: 6.00%. **Final Pricing Update:** Top Coupon was 5.00%
Not-to-Exceed Discount from Par: 2.00% **Final Pricing Update:** Total negotiated underwriter's discount was 0.228%. No discount bonds were offered or sold.

Optional Redemption: May be non-callable or callable (par or make-whole) at the option of the University, as determined at the time of the sale. **Final Pricing Update:** The University chose a 9.5 year call date for the Bonds (August 1, 2032).

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