



UMB Bank Public Finance Transaction Highlight

TRANSACTION HIGHLIGHT

Entity Name

Benedictine College

Location

Atchison, Kansas

Type

Educational Facility
Revenue Bonds

Amount

\$6,525,000

UMB Bank, n.a.
Capital Markets Division

TRANSACTION SUMMARY

UMB Bank, n.a. Capital Markets Division (UMB) completes a \$6,525,000 Educational Facility Revenue Bond, Series 2022A (tax-exempt) and 2022B (taxable, converting Cinderella Bonds) for Benedictine College to provide funds to finance certain improvements to the College's housing facilities.

TRANSACTION DETAILS

The College is a Catholic, Benedictine, liberal arts, residential college. Its students come from 47 states and 20 foreign countries, with approximately 30 percent coming from Kansas and 40 percent coming from bordering states.

TRANSACTION SIGNIFICANCE

UMB served as sole underwriter for the \$3,115,000 Series 2022A Bonds that were issued to complete the financing for a new residence hall for the College which was initially funded with a \$7.2MM Series 2021 Bond issue. UMB served as direct purchaser for the \$3,410,000 Taxable, Converting (Cinderella) Series 2022B Bonds which were issued to finance the acquisition and renovation of additional housing facilities of the College. Due to a tax issue associated with the acquisition of certain property, these Bonds were initially issued as taxable bonds that will convert to tax-exempt once the acquisition of the property is complete.

UMB BANK'S ROLE

UMB structured the financing to meet the unique needs of the College in the expansion and renovation of its housing facilities. By utilizing both tax-exempt and taxable Cinderella bonds in the financing structure, UMB was able to navigate certain tax issues associated with the project. In addition, the Series 2022B Bonds were issued utilizing a draw note in which interest accrues only on funds that have been drawn in order to minimize the interest cost to the College during the acquisition and renovation process.