

**NC Capital Facilities
Finance Agency**

Debt Approvals

Statutory Findings

§ 159D-40. Criteria and requirements.

(a) In undertaking any project pursuant to this Article, the agency shall be guided by and shall observe the following criteria and requirements listed below. The determination of the agency as to its compliance with these criteria and requirements is conclusive.

- (1) No project shall be sold or leased nor any loan made to any participating institution that is not financially responsible and capable of fulfilling its obligations, including its obligations under an agreement of sale or lease or a loan agreement to make purchase price payments, to pay rent, to make loan repayments, to operate, repair and maintain at its own expense the project and to discharge any other responsibilities imposed under the agreement of sale or lease or loan agreement.
- (2) Adequate provision shall be made for the payment of the principal of and the interest on the bonds and any necessary reserves for payment and for the operation, repair and maintenance of the project at the expense of the participating institution.
- (3) The public facilities, including utilities, and public services necessary for the project will be made available.
- (4) The projects shall be operated to serve and benefit the public and there shall be no discrimination against any person based on race, creed, color, or national origin.

(b) In making these determinations, the agency may consider the participating institution's experience and ratio of current assets to current liabilities; the participating institution's net worth, earnings trends, and coverage of fixed charges; the nature of the project involved; and any additional security for payment of the bonds and performance of the participating institution's obligations under the agreement of sale or lease or loan agreement, such as credit enhancement, insurance, guaranties, or property pledged to secure the payment and performance. (1985 (Reg. Sess., 1986), c. 794, s. 6; 1998-124, s. 6; 2000-179, s. 2.)



LGC Staff Analysis For: **WAKE FOREST UNIVERSITY**

Amount Not To Exceed: \$150,000,000

Financing Type: Conduit Revenue Bonds

Purpose and Type: Education, Refunding/Refinancing

Project Description: The proposed refunding is to issue an Educational Facilities Revenue Refunding Bond (Wake Forest University), Series 2026, to refund Wake Forest University's Series 2016 bonds and to pay costs of issuance. The projects being refinanced include an academic building, a first-year residence hall, Hearn Plaza Residence Halls, the Wellness Center, and other campus improvements.

Statutory Reference: Chapter 159D – Article 2

Last Request to Borrow: 2021; CON REV;
\$125,000,000

Debt Management: Good – no deficiencies and no defaults noted, or reasonable assurance of strict, lawfully compliant management proceeding forward

Proposed contract or bond issue is necessary or expedient: The Agency finds the refunding necessary or expedient to further the Agency's objective of assisting qualified institutions while enabling them to construct and renovate facilities for educational purposes.

Proposed amount is adequate and not excessive: Refunding amount is par plus borrower equity.

Feasibility: The refunding will result in debt service savings to the University. Audited financial information and projections reflect that the University is financially responsible and capable of fulfilling its obligations related to the proposed bonds.

TEFRA Hearing Date: 3/27/2026

Terms

Lender/Purchaser/Bank: N/A

Interest Rate: NTE True Interest Cost of 5%

Term: Preferred term is a 10-year bullet structure with no amortization. However, depending on market conditions, a matched maturity with annual savings may be more advantageous.

Payment: If 10-year bullet structure: interest paid over 10 years with principal paid in one lump sum at maturity. If matched maturity structure: annual principal and semi-annual interest.

Structure and Term: Either 10-year bullet structure with no amortization or matched maturity structure with annual savings

Final Maturity: If 10-year bullet structure: 1/1/2036. If matched maturity structure: NTE 1/1/2046

Other: If a 10-year bullet structure, years 1-9 will consist of regular 5% coupon payments; in year 10, at maturity, the last coupon payment will be due along with the lump-sum principal payment.

Marketability

Moody's: Aa3

S&P: AA

Fitch: N/A

Other: N/A

Financing Team

Role	Name	Additional Party Role (Optional)	Additional Party Name (Optional)
Municipal Advisor	Echo Financial Products		
Co-Senior Manager	RBC Capital Markets	Co-Senior Manager	JP Morgan Securities
Underwriter's Counsel	McGuire Woods		
Bond Counsel	Parker Poe	University's Counsel	Womble Bond Dickinson
Lender/Purchaser/Bank			
Trustee	Truist Bank		
Trustee's Counsel	Alston & Bird		
Co-Manager	Truist Securities	Co-Manager	Ramirez & Co.

Amount Not to Exceed: \$150,000,000

Source	Amount
Par Amount	\$110,820,000
Premium	\$14,318,157
Total	\$125,138,157

Uses	Amount
Refunding Escrow Cash Deposit/State and Local Government Series Purchases	\$124,306,861
Cost of Issuance	\$554,100
Underwriter's Discount	\$277,050
Additional Proceeds	\$146
Total	\$125,138,157