

PUBLIC FINANCE AUTHORITY MASSACHUSETTS DEVELOPMENT FINANCE AGENCY

ON BEHALF OF SPRINGFIELD COLLEGE
\$106.7 MILLION TAX-EXEMPT BONDS
(\$45 MILLION SERIES 2021A "GREEN
BONDS", \$61.6 MILLION SERIES 2021B)

TRANSACTION OVERVIEW

	2021A "Green Bonds"	2021B
Par (in millions)	\$45,095,000	\$61,580,000
Pricing Date	December 2, 2021	
All-in True Interest Cost	3.32%	
Final Maturity	2056	2050
Order Subscription	\$352,995,000	\$457,005,000

THE CHALLENGE

Springfield College plans to begin construction on its new Health Sciences Center and adjacent parking lot that will be equipped with electric vehicle charging stations and solar canopies. The Health Sciences Center is being designed to achieve LEED Silver certification and will serve as an anchor to the College's new academic green and as the welcoming western gateway to the College campus.

In addition, the College wanted to refund two outstanding bond series, terminate the associated swap, and fund construction of the new Bugbee Family Pavilion, and other capital projects.

THE TRANSACTION TEAM

HilltopSecurities
Underwriting Team

Ike Papadopoulos
Sara Desens
Firm Bankers

Hinckley, Allen & Snyder LLP
Bond Counsel

Massachusetts Development Finance Agency
Issuer

Locke Lord LLP
Underwriters' Counsel

Kestrel Verifiers
ESG Verifier



THE SOLUTION

Since the College had not issued debt in the public market in over a decade, HilltopSecurities assisted in preparing a comprehensive overview of the College in the form of a new Appendix A document as well as formulating a pre-recorded investor roadshow with the College's President, CFO, VP of Enrollment and Dean of the School of Health Sciences highlighting the College's history, mission, strategic vision for the future, the projects, and future enrollment growth strategies.

HilltopSecurities served as the underwriter and guided the College through the financing process. HilltopSecurities also assisted the College through the rating process with S&P, ultimately maintaining their BBB rating with a negative outlook, despite taking on approximately \$50 million in additional debt.

THE RESULT

On December 2, 2021, the Massachusetts Development Finance Agency issued \$106,675,000 of tax-exempt bonds on behalf of Springfield College (\$45,095,000 Series 2021A and \$61,580,000 Series 2021B).

The Series 2021A Bonds received a Green Bond designation from Kestrel Verifiers, confirming that the bonds conform to the Green Bond Principles (2021) established by the International Capital Markets Association with regard to use of proceeds, process for project evaluation and selection, and management of proceeds and reporting.

The Preliminary Official Statement was posted two weeks prior to pricing and during the marketing process, HilltopSecurities' sales team spoke with an abundance of investors. The issue was ultimately 7.6x oversubscribed with a total of 78 orders totaling \$810 million from 22 investors. The Series 2021 Bonds achieved an all-in true interest cost of 3.32%.

A new debt structure was established by refinancing existing bank bonds, locking in long-term fixed rates under a new indenture with a security and covenant package that included:

- No debt service reserve fund
- No mortgage (negative real estate pledge on core campus)
- 1.10x debt service coverage ratio
- 1.25x additional bonds test
- Trustee held debt service fund

ABOUT THE ISSUER

Founded in 1885, Springfield College is a private, residential, nonprofit institution located on 82 acres in the City of Springfield, Massachusetts, focused on a commitment to a Humanics philosophy, educating students in spirit, mind and body for leadership in service to others. The College enrolls approximately 2,400 undergraduate and 1,100 graduate students. Programming focuses on arts, sciences, and professional studies; health sciences and rehabilitation studies; health, physical education, and recreations; and social work.

ABOUT HILLTOPSECURITIES

Hilltop Securities Inc. delivers forthright advice and tailored solutions for municipal issuers, institutions, broker-dealers, and individuals. The full-service municipal investment bank and registered investment adviser is headquartered in Dallas, Texas, with offices across the United States. Areas of focus include public finance; municipal and taxable fixed income underwriting, sales, and trading; retail brokerage services; securities clearing; structured finance; and securities lending. HilltopSecurities is a wholly owned subsidiary of Hilltop Holdings, Inc. (NYSE: HTH) located at 717 N. Harwood St., Suite 3400, Dallas, TX 75201, 214.859.1800, member: NYSE/FINRA/SIPC.

CONTACT US

Find out how HilltopSecurities can help your entity pursue its financing goals. Call us or visit us online today.

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