



860 BLUE GENTIAN ROAD, SUITE 145, EAGAN, MN 55121

Phone: 651.296.4690 Fax: 651.297.5751

Expansion of Conduit Issuing Authority – Benefits for Local Governments

- Preserve annual \$10 million Bank Qualification bonding authority for local government
- Remove risks associated with local government conduit issuance
 - No estimate of direct or indirect local government costs required
 - No need to estimate fees or charges as there are no costs to offset
- Eliminate cost of conduit issuance
 - No legal counsel costs
 - No financial risk analysis costs
- Enhance economic development in the community
 - Development of projects to benefit community
 - Improve quality of life for community residents

The Authority is a full-service conduit bond financing authority that receives no State of Minnesota financial support. The Authority is 100% funded by fees charged to borrowers. Fees are substantially lower than allowed by the Internal Revenue Service and represent a solid value for borrowers.

The bonds issued by the Authority for borrowers are not legal or moral obligations of the State of Minnesota or the Authority, nor do they constitute a debt for which the faith and credit of the Authority or the State, or the taxing powers of the State, are pledged. The Authority has no taxing powers.

The Minnesota Higher Education Facilities Authority has operated since 1971 as a conduit bond financing authority authorized by Minnesota Statutes to provide tax-exempt or taxable financing to nonprofit colleges and universities within the State of Minnesota for capital improvements such as construction of new or renovation of existing campus facilities, or to refinance existing debt incurred for campus capital projects.

The Authority is responding to requests from nonprofit HealthCare and Senior Living organizations for assistance in financing their capital projects.