**TREASURER WOODEN, UCONN: SUCCESS OF BOND SALE FOR UCONN PROJECTS FURTHER PROOF OF INVESTOR CONFIDENCE IN CONNECTICUT**

**For Immediate Release**
**April 25, 2019**

(HARTFORD, CT) – State Treasurer Shawn T. Wooden and University of Connecticut Executive Vice President and Chief Financial Officer Scott Jordan today announced that a $240 million UConn General Obligation (GO) bond sale garnered near-record results.

Total orders received during the retail order period were $175.1 million, the second-highest level of retail orders on any UConn 2000 Bond sale in the 23-year history of the program.

The sale of bonds that will fund a range of projects at the University follows a sale of state GO bonds last month that drew a historically high order of $5.5 billion.

"This UConn bond sale builds on the progress and positive momentum made with our recent record-setting General Obligation bond sale," Wooden said. "The increasing attractiveness of Connecticut bonds is further proof that our long-term fiscal stability is strengthening and that in investors' eyes, it's a new day in Connecticut. It also underscores the importance of staying the course with fiscally-responsible policies."

Consistent with past practice, retail investors in the UConn bonds were given priority during a two-day special retail order period on April 22 and 23. In addition, institutional investors placed orders for $1.1 billion of bonds on April 24, bringing total orders to $1.3 billion, more than five times the $240 million of UConn bonds available.

"With tremendous excitement surrounding UConn and its future, this bond sale is perfectly timed," Jordan said. "The enthusiasm investors have shown will support investments in the University's campuses at very favorable terms, and will help further

UConn's mission to prepare our students to facilitate Connecticut's future economic growth."

Of the $240 million of bonds issued, $175 million are new money bonds, and along with associated bond premium will provide $200 million of funds for UConn infrastructure investments.

Key projects being funded include academic and research facilities; improvements to the Fine Arts complex; residential life facilities; library collections; and telecom, equipment and infrastructure improvements at the Storrs and UConn Health campuses.

The remaining $65 million of bonds issued are refunding bonds that will refund $72 million of higher-interest bonds for debt service savings of approximately $9.6 million over the next ten years. The refunding bonds' overall interest cost was 2.23 percent -- one of the lowest in the history of the program.

"By refunding existing debt for savings, we were able to take advantage of market demand and attractive low interest rates. By doing so, we've reduced the state's fixed costs for years to come, which is positive for our credit ratings," Treasurer Wooden said.

The success of the sale was also driven, in part, by retail investors looking to lessen the impact of the limitation of SALT deductions following federal tax reform. Bond pricing spreads were further improved by 8 to 20 basis points from the last GO bond sale.

The UConn bond sale achieved a spread of 42 basis points to the benchmark MMD index on the longest maturity offered with a 5 percent coupon, lower than the 62 basis point spread on the state's recent GO bond sale.

The overall interest cost on the 20-year new money portion of the sale was 3.03 percent, the second lowest cost on any UConn 2000 bond sale on record -- even lower than the 3.12 percent interest cost on the state's March GO bond sale.

In advance of the sale, three major rating agencies released their credit ratings for the UConn 2000 bonding program: Moody's Investors Service (A1), Standard and Poor's (A+), and Fitch Ratings (A).

Marketing to investors included a broad print and digital component that featured newspaper ads, e-mails announcing the sale directly to individuals with interest in bond sales, and public radio announcements.

The UConn 2000 bonding program was established by legislation enacted in 1995, and the program began issuing bonds 23 years ago. The program has been expanded and extended three times and altogether provides funding for $4.6 billion of capital improvements at the University of Connecticut over a 28-year period.

Piper Jaffray & Co. led the underwriting syndicate. Pullman & Comley LLC and the Law Office of Joseph Reid are co-bond counsel. Robinson and Cole, LLP and Hardwick Law Firm are co-underwriters' counsel. Public Financial Management and Hilltop are financial advisors for the UConn 2000 bonding program.

The bonds are scheduled to close on May 8, 2019.