



NJEFA News  
April 4, 2008

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### **The New Jersey Educational Facilities Authority completes a \$39,900,000 bond financing on behalf of Drew University**

On April 12, 2007, the New Jersey Educational Facilities Authority executed a \$39.9 million financing on behalf of Drew University. The plan of financing comprised two separate series of bonds; the 2007 Series D bonds in the amount of \$29,135,000 and the 2008 Series B bonds in the amount \$10,765,000. The combined issue was sold at a fixed rate with an aggregate true interest cost of 4.16% and combined total net present value savings to the University of nearly \$500,000 or 2.45% of refunded par.

The 2007 Series D bonds mature on July 1, 2037 and were used by the University to finance a number of new capital projects including, construction of a new 155-bed student housing facility (pictured in rendering below), renovation of existing housing facilities and capital equipment purchases. Approximately \$6,350,000 of bond proceeds were used to advance refund a portion of the Authority's outstanding 1998 Series C bonds issued on behalf of Drew University.

The 2008 Series B bonds provided a forward-delivery current refunding of the Authority's remaining outstanding 1998 Series C bonds that settled one year from the pricing date and carry a final maturity of July 1, 2017.



Morgan Stanley & Co., Inc. served as sole manager for the financing. Gibbons P.C. served as bond counsel and Public Financial Management, Inc. provided financial advisory services. Bond insurance for the financing was provided by MBIA Insurance Corporation. Moody's Investors Service assigned Drew University an underlying rating of "A2" with a stable outlook and cited the University's healthy student demand, stable market position and favorable balance sheet position among its credit strengths.

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