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MAINE HEALTH AND HIGHER EDUCATIONAL FACILITIES AUTHORITY

FINANCING APPLICATION

INSTITUTIONS OF HIGHER EDUCATION

The information listed on this application is necessary for the Maine Health and Higher Educational Facilities Authority (the "Authority"), its counsel, and its bond counsel to determine the eligibility of the Applicant's proposed financing under Maine and Federal law. Please fill in all blanks, using "NONE" or "NOT APPLICABLE" where necessary. If an estimate is given, put "EST" after the figure. Attach additional sheets if necessary. This application is ONLY for the purpose of determining whether the proposed financing is eligible for consideration by the Authority. A more detailed project or program examination will be undertaken by bond counsel at a later date to assure that the project or program will comply with Maine and Federal law. Return one signed, typewritten copy of this application, along with the application fee to the Authority, c/o Anthony Jaccarino, Program Officer, P.O. Box 2268, Augusta, ME 04338.

A. APPLICANT INFORMATION

1. Legal Name: _____
2. Address: _____
3. Telephone: _____ Fax: _____
4. IRS ID #: _____
5. Applicant is a:
 - (i) Private, Non-profit College or University
 - (ii) Student Loan Corporation
 - (iii) Other – describe: _____

6. Applicant's Chief Financial Officer (Specify if communication to the applicant should be directed to anyone else):

Name: _____

Title: _____

Address: _____

Telephone: _____

Email: _____

Fax: _____

7. Legal Counsel to Applicant:

Name of Attorney: _____

Name of Firm: _____

Address: _____

Telephone: _____

Email: _____

Fax: _____

8. Consulting Accounting Firm:

Contact Person: _____

Name of Firm: _____

Address: _____

Telephone: _____

Email: _____

Fax: _____

B. SUMMARY OF PROPOSED FINANCING

1. Will the applicant’s financing consist of a new money project, a refunding, a student loan program, or a combination thereof? Please describe: _____
2. If the proposed financing is to be a refunding of bonds issued by the Authority on behalf of the applicant, identify the issue(s) of bonds to be refunded: _____
3. Will the construction of the project require any local, state or federal permits or approvals?
 Yes No If so, please specify: _____

4. State the approximate dollar amount of financing needs of the applicant:

\$_____ Term: _____

5. If the financing is for a new money project or program, describe briefly the project or program: _____

6. If the financing is for a new money project, has a general contractor or construction manager been designated? Yes No

If so, who? _____

Has a construction contract or guaranteed fixed or maximum construction price been agreed to? Yes No If so, what is the price? \$ _____

****Attach a copy of the construction contract.****

7. Will any of the applicant’s facilities be used, managed or operated by private, for-profit entities? Yes No

If so, describe: _____

8. Will any of the bond proceeds be used to reimburse the institution for expenditures already made or to be made before delivery of funds? Yes No

If yes, where did/will the funds expended originate: Borrowed? Internal?

If **borrowed**, were expenditures made from cash flow and then funds were borrowed for reimbursement or were funds borrowed then expended?

If **Internal**, please attach a copy of the reimbursement resolution adopted by the board of the institution (see attached example-pg. 12).

Were any of the funds expended generated through fund raising activities?

If yes, approximately how much?

9. If the project includes the refinancing of existing debt of the applicant, please describe the debt to be refinanced:

Principal Amount: \$ _____ Maturity Date: _____

Interest Rate: _____ Prepayment Penalty: _____

Purpose of Initial Financing: _____

Holder of the Debt Instrument: _____

10. Location of the proposed project by street address, municipality and county:

11. Does the project consist of (check appropriate categories):

- | | | | | |
|--|--------------------------|-----|--------------------------|----|
| a. Construction of new building | <input type="checkbox"/> | Yes | <input type="checkbox"/> | No |
| b. Renovation to existing building | <input type="checkbox"/> | Yes | <input type="checkbox"/> | No |
| c. Construction of addition to existing building | <input type="checkbox"/> | Yes | <input type="checkbox"/> | No |
| d. Acquisition of existing building | <input type="checkbox"/> | Yes | <input type="checkbox"/> | No |
| e. Installation of machinery and/or equipment | <input type="checkbox"/> | Yes | <input type="checkbox"/> | No |
| f. Acquisition of land | <input type="checkbox"/> | Yes | <input type="checkbox"/> | No |
| g. Acquisition of major equipment | <input type="checkbox"/> | Yes | <input type="checkbox"/> | No |

12. Describe how the proposed project and/or refinancing will aid the institution:

13. If any space in the project is to be leased to third parties, indicate the proposed tenant, total square footage of the project, amount to be leased to each tenant, and proposed use by each tenant. (Attach signed leases, if any.)

14. Has construction work on this project begun? Yes No
 If yes, complete the following:

- a. Site Clearance Yes No _____ % Complete
- b. Foundation Yes No _____ % Complete
- c. Footings Yes No _____ % Complete
- d. Steel Yes No _____ % Complete
- e. Masonry Work Yes No _____ % Complete
- f. Other (describe): Yes No _____ % Complete

15. List the principal amount of all tax-exempt and Farmers Home Administration financing previously obtained by or for the benefit of the applicant.

Date of Issue	Lender	Original Amount	Outstanding Balance

16. Project Estimated Schedule:

- a. Financing of the Project _____
- b. Commencement of Construction _____
- c. Completion of Construction _____

17. Have you contacted any other governmental agency in reference to this project?

Yes No If yes, please indicate the agency and nature of the inquiry.

PLEASE ATTACH THE FOLLOWING DOCUMENTS:

Copy of applicant's Certificate of Incorporation, Articles of Incorporation or Charter.

Copy of applicant's by-laws.

Copy of applicant's audited financial statements for the last three fiscal years and the current operating budget.

Pro-forma financial statements for the next two years.

Sources & Uses of Funds (see attached example)

Enrollment, Faculty and Operating Statistics (see attached example)

Proposed Capital Expenditures budget (see attached example)

Applicant's Certification (see attached example)

APPLICATION FEE:

Please enclose a check in the amount of \$500 payable to the Authority. This fee is non-refundable; however, it will be applied against the initial fee if the issue is closed.

NOTE: The trustee, the printer, and the underwriter will be selected by the Authority.

ENROLLMENT, FACULTY, AND OPERATING STATISTICS

Year End Year End Year End Year End Year End
 _____ _____ _____ _____ _____

Enrollment:

Full-time undergraduates – In State					
Full-time undergraduates – Out of State					
Total FTE Undergraduates					
Part-time Undergraduates					
Total FTE Students					

**Applications, Acceptances,
And Matriculations:**

Applications - Undergraduates					
Acceptances - Undergraduates					
Matriculations – Undergraduates					

Average Composite SAT/ACT:

SAT Score					
ACT Score					

Faculty Information:

# of Full-Time					
# of Part-Time					
# of FTE					
# of Tenured					
% of Total Faculty Tenured					
Student to Faculty Ratio					
Average Faculty Salary					

ENROLLMENT, FACULTY, AND OPERATING STATISTICS (continued)

Annual Tuition:

Undergraduate					
	Year End	Year End	Year End	Year End	Year End
	_____	_____	_____	_____	_____

Room and Board Fees:

Undergraduate					
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Endowment:

Total Endowment					
Quasi Endowment					
Total Endowment per Student					

Debt:

Debt Outstanding					
Debt/Total Endowment (%)					

PROPOSED CAPITAL EXPENDITURES BUDGET:

a. Purchase of land/related fees	\$ _____
b. Purchase of building(s)/related fees	\$ _____
c. Building improvements	\$ _____
d. Architect's basic fees	\$ _____
e. Engineering consultant fees	\$ _____
f. Plans and specifications	\$ _____
g. Project supervision	\$ _____
h. Construction	\$ _____
i. Contingency fund	\$ _____
j. Fixed equipment	\$ _____
k. Moveable equipment	\$ _____
l. Consultant fees	\$ _____
m. Legal fees	\$ _____
n. Insurance during construction	\$ _____
o. Permits	\$ _____
p. Interest during construction	\$ _____
q. Federal/State agency fees	\$ _____
Total Estimated Capital Expenses	\$ _____

APPLICANTS CERTIFICATION

[Redacted] deposes and says that he/she is the
Chief Executive Officer of Applicant.

[Redacted] of [Redacted]
Title Applicant's Name

the applicant named in the attached application; that he/she has read the foregoing application and attachments and know the contents thereof; that the same is true to his/her knowledge, contains no information or data that is false or incorrect and is truly descriptive of the project or program which is intended as the security for the requested financing.

Deponent further says that the reason this verification is made by the deponent and not by [Redacted] is because said applicant is a corporation.
Applicant's Name

The grounds of deponent's belief relative to all matters in said application which deponent has caused to be made concerning the subject matter of this application as well as information acquired by deponent in the course of his/her duties as an officer of and from the books and papers of said corporation.

Applicant hereby acknowledges and agrees that the Authority has or will select one or more underwriters to serve in that capacity with respect to the issuance of the Bonds by the Authority which will fund the loan or loans the applicant is seeking hereby. The Applicant hereby consents to such selection of the underwriter or underwriters by the Authority. Pursuant to the underwriter exception of the municipal advisor rule, the underwriter or underwriters selected by the Authority will not serve as or be treated under any circumstances as a municipal advisor, financial advisor or other fiduciary of the Authority or of the Applicant.

As an officer of said corporation (herein referred to as the "Applicant"), deponent acknowledges and agrees that Applicant shall be and is responsible for all costs incurred by the Authority acting in connection with the attendant negotiations and ultimately the necessary issuance of bonds whether or not ever carried to successful conclusion. If, for any reason whatsoever, the Applicant fails to conclude or consummate necessary negotiations or fails to act within a reasonable or specified period of time to take reasonable, proper or requested action or withdraws, abandons, cancels or neglects the Application or if the Authority is unable to find buyers willing to purchase the total bond issue required, then upon presentation of invoice(s) by the Authority, Applicant shall pay to the Authority, its agents or assigns all actual costs incurred by the Authority in acting on Applicant's application. All costs incurred by the Authority, including all counsel fees, may be considered as a cost of the project or program and included as part of the resultant bond issue.

Upon the sale of the bonds applied herein, the Applicant agrees to pay the Authority an initial fee in such amount as shall be set by the Authority, payable at or shortly subsequent to closing.

[Redacted]
Chief Executive Officer of Applicant

Exceptions for Preliminary Expenses, De Minimis Amounts and Expenditures for Projects with Long Construction Periods. No official intent need be adopted and no reimbursement deadline applies with respect to the reimbursement of “preliminary expenses” or “de minimis” amounts. Preliminary expenses include architectural, engineering, surveying, soil testing and other similar costs paid before construction is commenced, but exclude the cost of acquiring land or of site preparation. The amount permitted to be reimbursed under the preliminary expense exception is limited to 20 percent of the issue price(s) of the bonds ultimately issued to finance the project. An amount is de minimis if it is no greater than \$100,000 or, if less, 5 percent of the principal amount of the reimbursement bond issue.

The following is a sample resolution that can be adopted by the board of a conduit borrower, or an authorized committee or officer thereof, in order to make a declaration of official intent in compliance with the regulations.

****SAMPLE RESOLUTION****

RESOLVED, that the [NAME OF CONDUIT BORROWER] intends to pay, on an interim basis, the costs of [GIVE GENERAL PROJECT DESCRIPTION, e.g. “HOSPITAL EQUIPMENT ACQUISITION], the costs of which project are reasonably expected to be financed on a long term basis with the proceeds of indebtedness to be issued in the maximum principal amount of \$[MAXIMUM AMOUNT OF PROJECT COSTS TO BE FINANCED].