


Maine Health & Higher Educational Facilities Authority Series 2026AB

MHHEFA Delivers Borrowers Attractive Cost of Capital Amidst Market Volatility

- On April 18, 2026, Morgan Stanley served as Sole Manager on MHHEFA's tax-exempt fixed-rate Series 2026AB Financing
- MHHEFA provides eligible not-for-profit higher educational and healthcare facilities access to capital markets, issuing low cost, tax-exempt and taxable bonds and lending the proceeds to borrowers
- The Series 2026AB Bonds are supported by a Moral Obligation pledge from the State of Maine and issued with a reserve fund that would be replenished, if needed, by the State
- Bond proceeds provided funding for eight participating borrowers:
 - Series 2026A: Cheverus High School, George Stevens Academy, Houlton Regional Hospital, LifeFlight of Maine, Washington Academy, Maine Community College System
 - Series 2026B: Central Maine Medical Center, Bridgton Hospital



Maine Health & Higher Educational Facilities Authority

\$82,025,000

Maine Health and Higher Educational Facilities Authority Revenue Bonds Series 2026AB

Underlying Ratings (M / S / F):
Aa3 Stable / NR / AA- Stable

AGM Insured Ratings (M / S / F):
NR / AA Stable / NR

Pricing: April 28, 2026
Dated/Delivery: May 13, 2026

Sole Manager:
Morgan Stanley

Transaction Highlights and Pre-Marketing Process

- Morgan Stanley conducted a sales force teach-in that highlighted MHHEFA's pooled loan program credit quality and the State of Maine's moral obligation pledge
 - Engagement with 30+ investors
- The Series 2026AB Financing introduced three first-time borrowers, adding to the overall diversity of the pool
- The Authority utilized bond insurance, providing additional support during a volatile market and resulting in savings compared with an uninsured transaction

Solid Investor Demand at Pricing

- Strong investor engagement resulted in \$151 million orders (1.8x oversubscription) from 24 different institutional investors across both series
 - Multiple coupon structures were offered to access incremental pockets of demand, with discount couponing capturing \$11 million in retail orders
 - ***This order book allowed MHHEFA's pricing spread to improve by up to 10 bps in certain maturities, despite MMD moving upwards by 3-5 bps on the day***
 - MHHEFA achieved a final all-in TIC of 4.33% with an average life of 13.5 years

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