



**THE OFFICE OF
STATE TREASURER
DENISE L. NAPIER**

NEWS

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**State Treasurer's Office and the University of Connecticut Complete
Sale of UConn Bonds;
\$144 Million Issue Will Finance Projects at Storrs,
Health Center**

Investor Confidence Strong As "21st Century UConn" Continues

The State Treasurer's Office has concluded the sale of \$144 million in General Obligation Bonds for the University of Connecticut in which \$109.7 million of the bonds were purchased by individual investors, mostly Connecticut citizens.

"Although there was considerable fluctuation in the market, we stuck to our strategy with a long retail order period, and we saw a very strong response to our offer," said State Treasurer Denise L. Nappier. "The tremendous success of the sale demonstrates investor confidence in both the bonds as an investment and in the University as an institution."

This was the sixteenth sale of UConn General Obligation bonds by the Treasury in conjunction with the University. The bonding program, originally known as "UConn 2000," began in 1996 as a \$1.25 billion, ten-year state investment program and was renewed for another 11 years in 2003. The expanded 21st Century UConn program is one of the most significant university building programs ever undertaken, nationally or internationally. Over the past 14 years this investment continues to make the University a first choice of many prospective students and faculty.

Nappier said the Treasury worked very closely with officials at the University and with its financial team on every aspect of the sale. "Our collaborative efforts continue to pay off with less expensive borrowing costs for the state. The sale had a true interest cost of 3.99%, the lowest total interest cost for the program in five years," said Nappier.

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The transaction will finance classroom facilities on the Storrs campus and renovations at the Avery Point, West Hartford, and Torrington campuses. At the University of Connecticut Health Center in Farmington, more than \$39.9 million will be dedicated to work on a research tower, renovations planned for the dental school, and several of the medical school's academic buildings and facilities.

"The UConn 2000 program has been a vital component of the University's transformation," says Richard Gray, UConn's Chief Financial Officer. "We greatly appreciate the efforts of the Office of the State Treasurer that have resulted in another very successful UConn 2000 bond sale."

The Senior Manager for the issue was J.P. Morgan, and Nappier commended the firm's work on the bond sale. The UConn bonds received ratings of AA, Aa3 and AA-from Standard & Poor's, Moody's Investors Service, and Fitch. The bonds are exempt from federal income tax and Connecticut state income tax for most Connecticut residents.

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