

Introduction to Conduit Financing

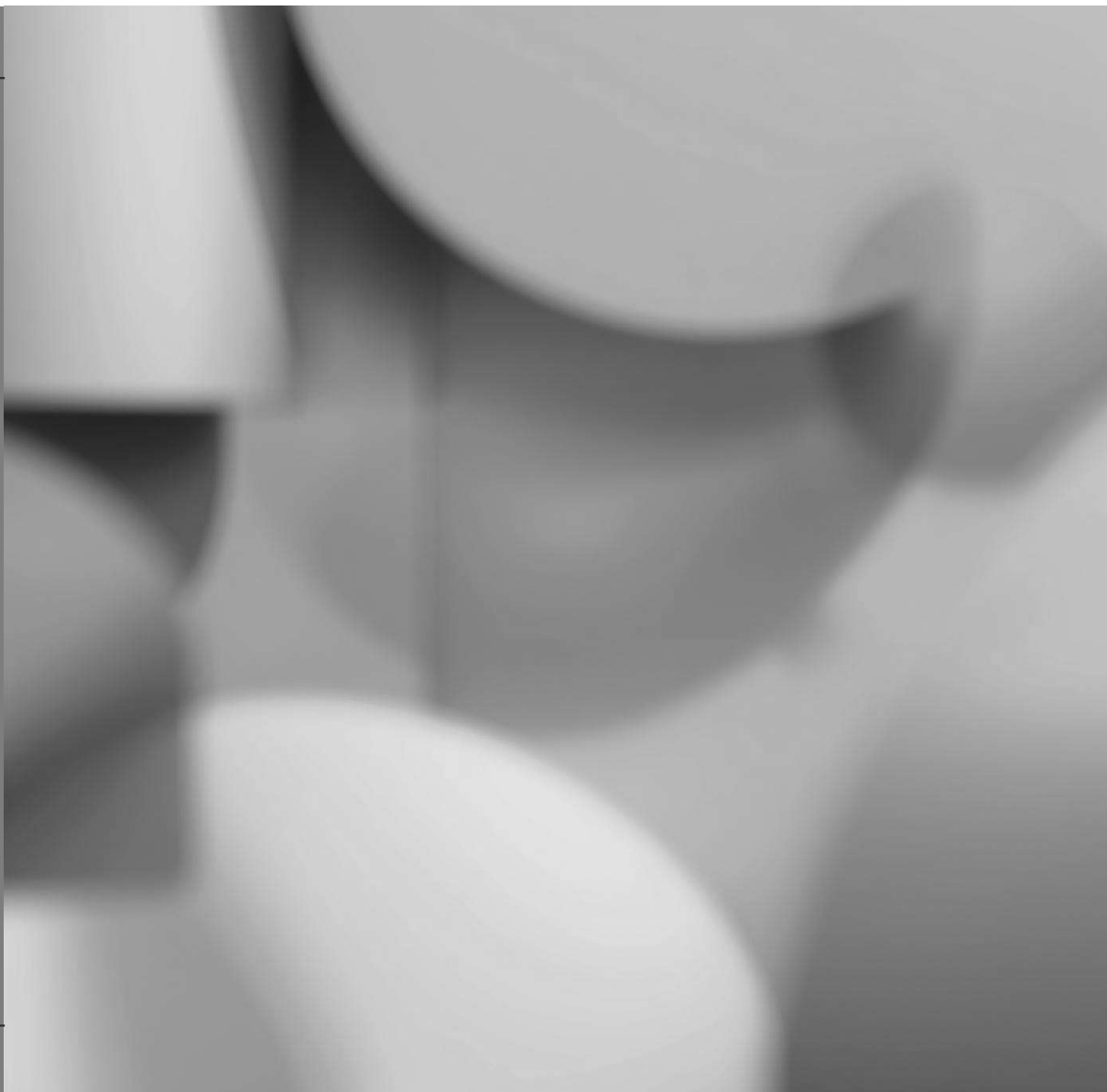
A comprehensive overview of conduit financing and its
impact on community development

Presented by

ESTRADA  **HINOJOSA**
A DIVISION OF TRB CAPITAL MARKETS

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Meet the Presenters



Lourdes Abadin
Senior Managing Director
Miami, FL



Steven Eaddy
Senior Managing Director
New York, NY



Mark Gooding
Senior Managing Director
New York, NY



Cristina Zeinali
Senior Vice President
Miami, FL

Presenters Bios



Lourdes Abadin

Senior Managing Director, Miami, FL

Ms. Abadin has been involved with Florida public finance for the past 30+ years. Ms. Abadin inaugurated Estrada Hinojosa's Florida office in 2003 and leads all Florida efforts. Over the years, Ms. Abadin has gained much recognition for her in-depth knowledge and vast experience in Florida public finance. She is also credited for her experience in other diverse sectors.



Steven Eaddy

Senior Managing Director, New York, NY

Mr. Eaddy joined Estrada Hinojosa and opened the Firm's New York City office in December 2010 in midtown Manhattan. He brings over 35 years of tax-exempt and taxable municipal finance experience in law, investment banking, and credit analysis. His career includes a combined nine years as a senior rating analyst. Mr. Eaddy headed the Public Finance department at LaSalle in Chicago from 2006 – 2007.



Mark Gooding

Senior Managing Director, New York, NY

Mark Gooding, Senior Managing Director, joined Estrada Hinojosa's New York Office in 2019 with 33 years of public finance experience. Mr. Gooding currently works with Northeast, Mid-Atlantic, and Florida issuers. Prior to joining Estrada Hinojosa Mr. Gooding was a shareholder and Senior Managing Director of Public Resources Advisory Group (PRAG).



Cristina Zeinali

Senior Vice President, Miami, FL

Ms. Zeinali has over 11 years of experience in public finance at Estrada Hinojosa's Florida Office. Ms. Zeinali provides assistance in the structuring and issuance of municipal debt for a range of issuers including cities, counties, utilities, school districts, special districts and transit and transportation authorities.

ESTRADA HINOJOSA

A DIVISION OF TRB CAPITAL MARKETS

Firm Overview:

- Founded in 1992
- Headquartered in Dallas, TX
- Serving Florida issuers since 1993
- Established a Florida Office in 2003
- 9 offices nationwide – 61 employees
- 100% dedicated to Municipal Finance
- TRB Capital Markets (d.b.a. Estrada Hinojosa)

Services:

- Municipal Bond Underwriting
- Municipal Advisory
- Competitive Bond Underwriting
- Secondary Market Trading



What is a Conduit Issuer?



What is a Conduit Issuer?

Conduit issuers in municipal finance are entities that issue bonds or other forms of debt securities to finance projects for third parties, typically public or private organizations.

Conduit Issuers do not use the funds raised for their own purposes; instead, they serve as intermediaries that facilitate access to capital for specific projects, primarily aimed at improving public infrastructure, education, housing, and health facilities.



Characteristics of Conduit Issuers

Understanding their vital roles and functions



Intermediary Role

Conduit issuers serve as **critical intermediaries** between investors and borrowers:

- Facilitating access to necessary capital without assuming direct financial risks.
- Their role enables various entities to finance essential projects that enhance community infrastructure and services.
- Ensuring that funds are allocated efficiently.



Tax-Exempt and Taxable Financing

Many conduit issuers have the ability to issue **tax-exempt bonds**:

- Making them attractive to investors seeking favorable returns.
- Helps lower borrowing costs for project developers, allowing them to allocate more resources towards improving public facilities and services beneficial to the community.
- Taxable bonds can be used when an issuance does not qualify for tax exemption.



Variety of Projects

Conduit issuers finance a **diverse range of projects**:

- Affordable housing
- Educational facilities
- Healthcare centers
- Water and sewer
- Public infrastructure developments



Public Purpose

The funds primarily support private entities, the underlying goal often aligns with public welfare, such as:

- Increasing access to education
- Affordable housing
- Improving public health services.

Projects Conduit Issuers can Finance

1. Affordable Housing

- Multi-family residential developments
- Single-family housing projects
- Rehabilitation and construction of low-income housing

2. Educational Facilities

- Construction and renovation of public and private schools
- Financing for colleges and universities (both nonprofit and for-profit)
- Libraries and educational support facilities

3. Healthcare Facilities

- Hospitals and medical centers
- Senior living facilities and assisted living centers
- Healthcare clinics and rehabilitation centers

4. Public Infrastructure

- Roads and transportation projects
- Water and wastewater facilities
- Energy and utility infrastructure improvements

5. Commercial and Industrial Projects

- Manufacturing facilities
- Research and development complexes
- Office buildings and commercial space

6. Nonprofit and Social Services

- Projects for 501(c)(3) organizations
- Facilities for community services, such as homeless shelters or food banks
- Recreational centers and community health initiatives

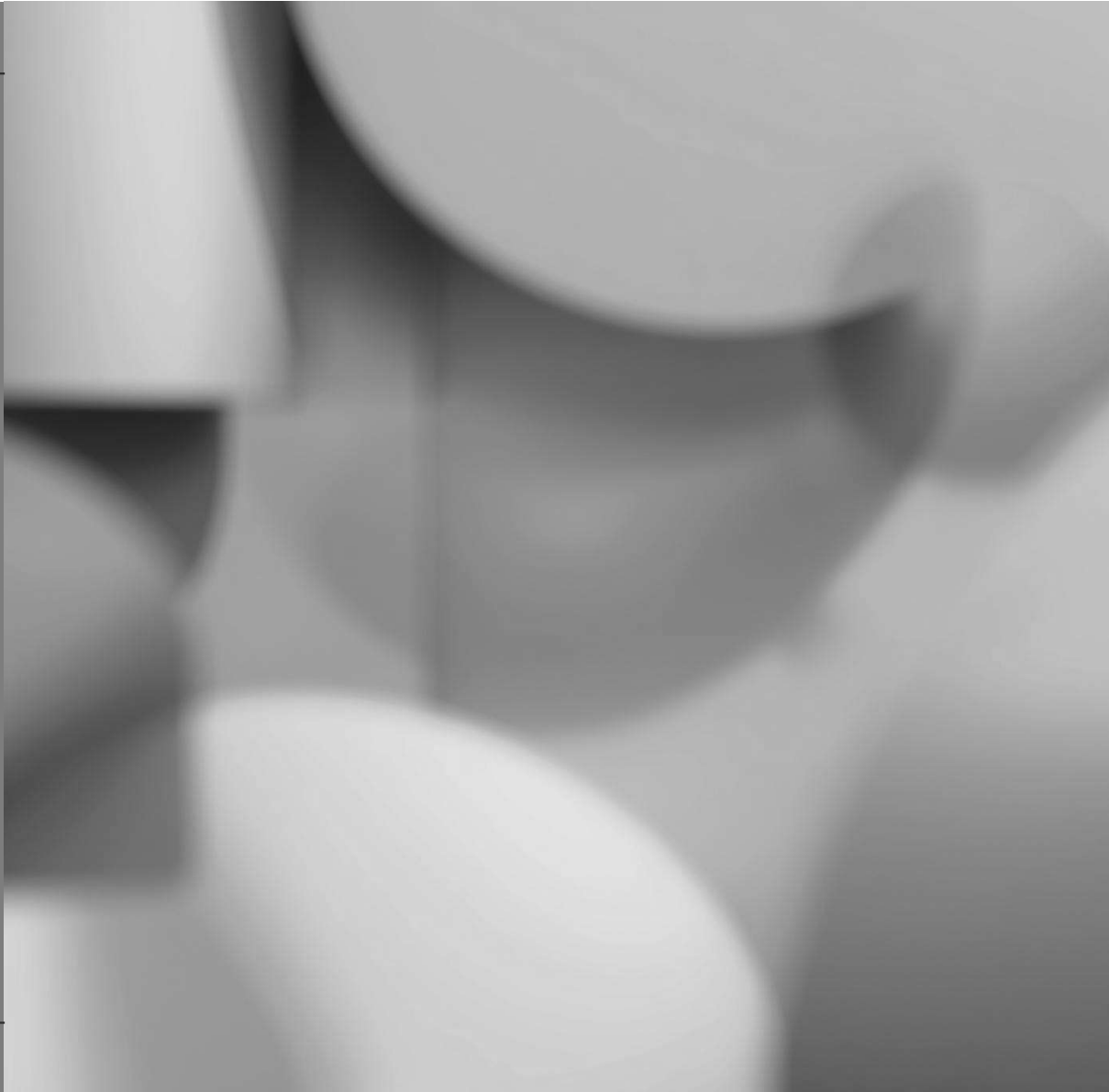
7. Cultural and Arts Facilities

- Performing arts centers and theaters
- Museums and cultural institutions
- Public parks and recreation facilities

8. Economic Development Initiatives

- Projects that stimulate job creation and economic growth
- Infrastructure projects aimed at attracting businesses to certain areas.

Who can use a Conduit Issuer?



Who Can Benefit from Conduit Financing?

Government Entities

Government entities, such as state and local governments, can utilize conduit issuers to finance public infrastructure and community projects.

Private Developers

Private developers often collaborate with conduit issuers to secure financing for affordable housing projects.

Municipal Authorities

Municipal authorities can access conduit financing to fund public infrastructure projects.

Educational Institutions

Educational institutions, including public and private schools as well as colleges and universities, can work with conduit issuers to secure funding for construction, renovation, and equipment acquisition.

Healthcare Providers

Healthcare providers, including hospitals and clinics, can utilize conduit issuers to access tax-exempt financing.

Nonprofit Organizations

Nonprofit organizations, particularly those classified as 501(c)(3), frequently engage conduit issuers for financing.

Public-Private Partnerships (P3s)

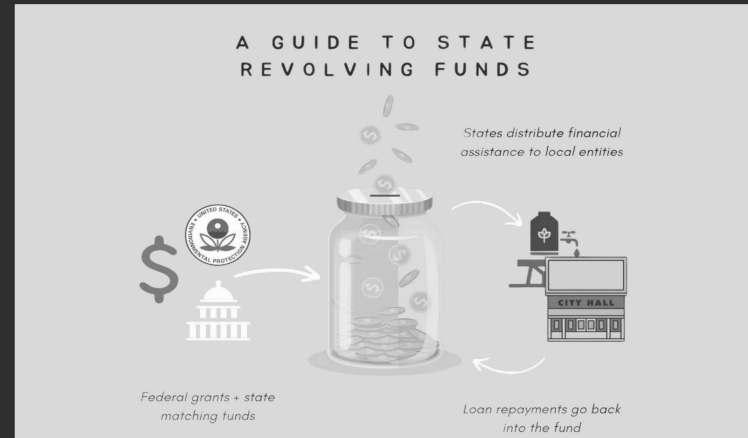
Public-private partnerships (P3s) utilize conduit issuers to finance collaborative projects where both public entities and private companies share risks and investments.

Community Organizations

Local Community and Economic Development Agencies: These organizations can utilize conduit issuers for projects aimed at enhancing local economic conditions.

Leveraging Federal Grants through State Revolving Funds

Maximizing funding opportunities for local projects



Importance of Conduit Bonds for Funding

State Revolving Funds (SRFs) are essential mechanisms for financing water and wastewater infrastructure projects, enabling the issuance of conduit bonds to leverage federal grants. This strategy enhances capital accessibility for municipalities, allowing them to implement critical improvements while reducing costs through favorable financing terms.

SRFs often pool multiple issuers to decrease cost of issuance for each issuer.

Florida's Funding Approach to Infrastructure Projects

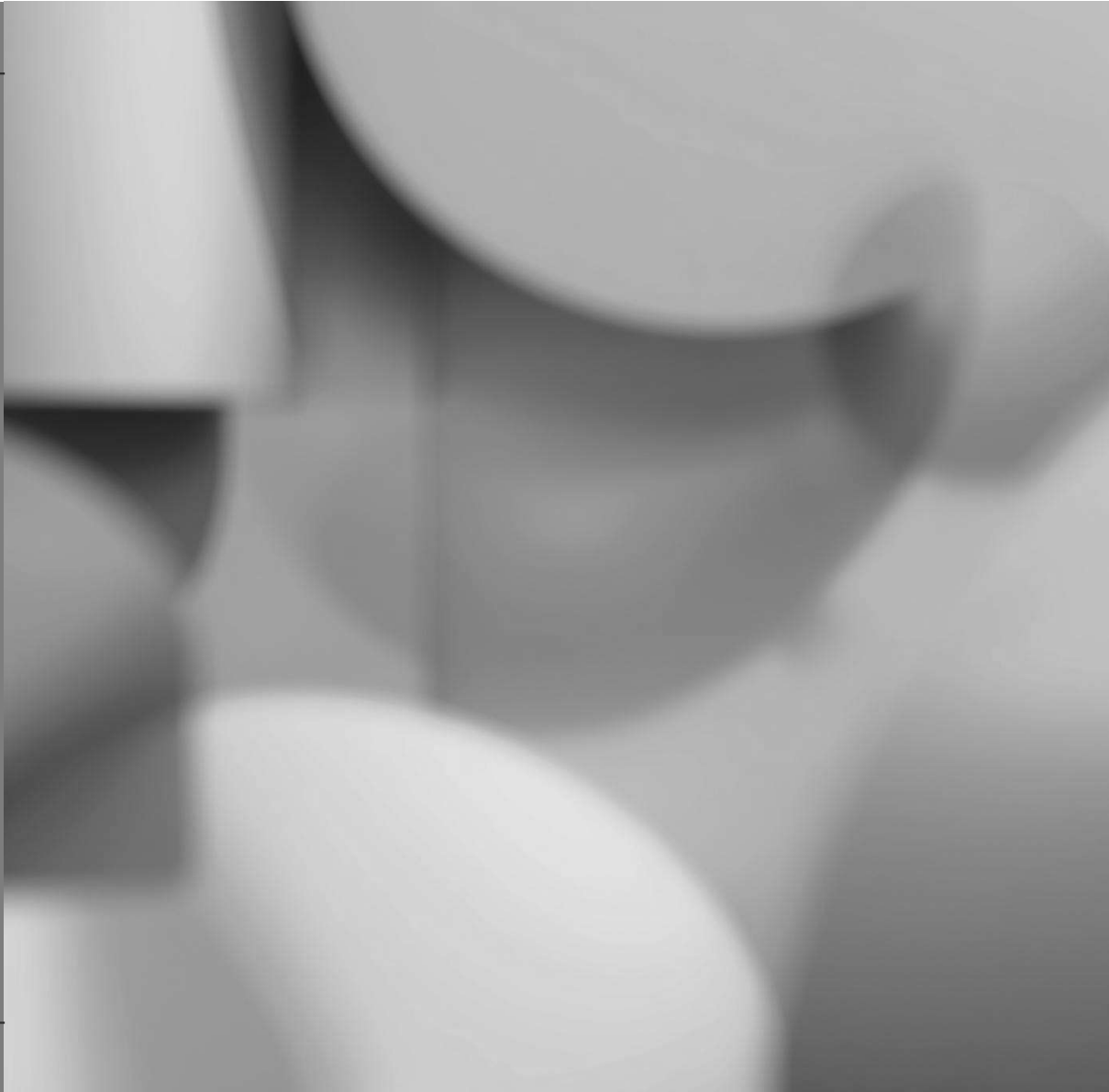
Low-interest SRF loans replace bond issuance

Understanding Florida's SRF Loan System

The State of Florida does not issue State Revolving Fund (SRF) bonds for water or wastewater financing. Instead, it provides low-interest SRF loans, funded with State and Federal dollars, through the Department of Environmental Protection.

This approach allows Florida to support essential infrastructure projects efficiently while minimizing the financial burden on municipalities and communities.

Types of securities



Common Types of Securities in Conduit Financing

1. Tax-Exempt Bonds

- **Private Activity Bonds (PABs):** These bonds fund projects that provide benefits to private entities but also serve a public purpose, such as affordable housing, education, and healthcare facilities. Interest on PABs is generally exempt from federal income tax.

2. Revenue Bonds (taxable and tax-exempt)

- **Industrial Revenue Bonds (IRBs):** A subset of PABs, these bonds are specifically issued to finance manufacturing facilities and other industrial projects.
- **General Revenue Bonds:** These bonds are backed by the revenue generated from specific projects, such as toll roads, bridges, or utilities. The bondholders have a claim on the revenues produced by the funded project.
- **Special Revenue Bonds:** Like general revenue bonds but typically issued for projects with more specialized revenue sources, such as hotel taxes or dedicated sales taxes.

3. Housing Revenue Bonds

- Issued specifically to finance affordable housing initiatives, these bonds often fund multi-family housing projects, single-family homeownership, aimed at low- to moderate-income individuals.

4. Health Facilities Bonds

- These bonds are used to finance the construction and improvement of healthcare facilities, including hospitals, clinics, and nursing homes, ensuring that healthcare providers have the necessary capital to operate effectively.

5. Educational Facility Bonds

- Conduit issuers can issue bonds specifically to fund educational institutions, including public and private schools, colleges, and universities.

6. General Obligation Bonds (least likely to be part of a conduit)

- While less common for conduit issuers, some may issue General Obligation Bonds, which are backed by the full faith and credit of the issuing entity (usually governmental).

Taxable Bonds

When a project does not qualify for Tax-Exempt issuance

In certain instances, conduit issuers may issue **taxable bonds** when the project does not qualify for tax-exempt status. These bonds provide necessary funding but lack the tax benefits, making them a viable option when other financing avenues are limited..



Overview of Credit Enhancement Mechanisms

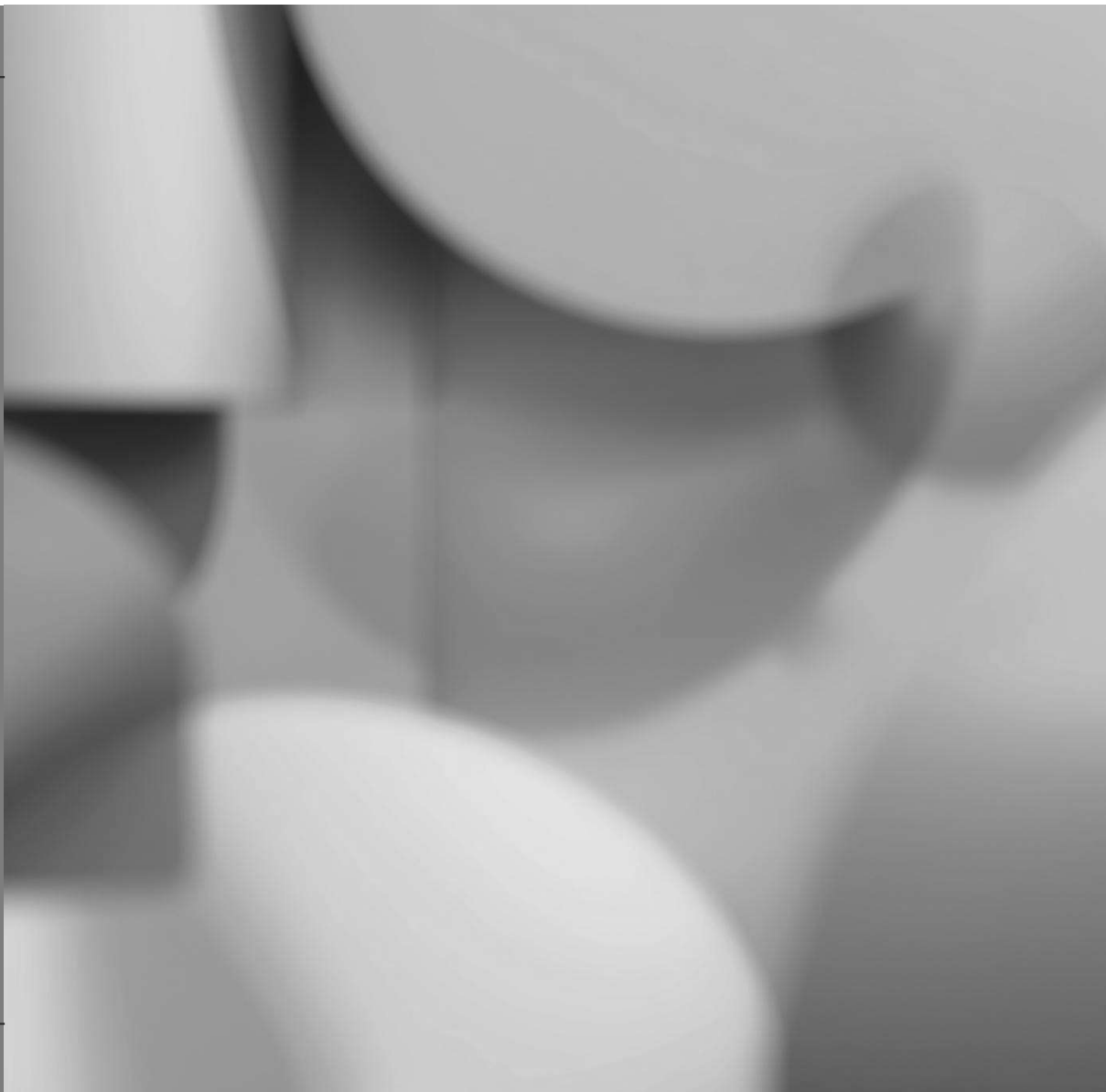
Key tools for securing conduit financing



Understanding Letters of Credit and Bond Insurance

Credit enhancement mechanisms, such as letters of credit and bond insurance, play a vital role in improving the credit quality of conduit financing. These tools provide additional security for investors, ensuring timely payments and reducing risk, thereby facilitating successful bond issuances for various projects.

Overview of Conduit Issuers in the United States



Overview of Conduit Issuers in the US



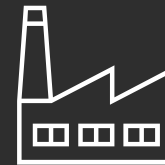
Development Finance Authorities

Development Finance Authorities serve as crucial intermediaries, facilitating financing for economic development projects, infrastructure improvements, and affordable housing initiatives across states.



Housing Finance Authorities (HFAs)

Housing Finance Authorities focus on financing affordable housing projects through the issuance of tax-exempt bonds.



Industrial Development Authorities (IDAs)

Industrial Development Authorities play an essential role in financing manufacturing and industrial facilities.

Overview of Conduit Issuers in the US



Health Facilities Authorities

Health Facilities Authorities play a crucial role in financing healthcare-related projects. They issue bonds to support the construction and improvement of hospitals, clinics, and other medical facilities.



Educational Facilities Authorities

Educational Facilities Authorities focus on providing funding for public and private educational institutions. They facilitate the issuance of bonds to finance the renovation and construction of schools, colleges, and universities.



Economic Development Corporations

Economic Development Corporations act as conduit issuers for various projects aimed at promoting regional economic growth. They finance initiatives such as infrastructure improvements and job development programs.

Overview of Conduit Issuers in the US



Municipal Bonds for 501(c)(3) Organizations

Conduit issuers frequently finance **nonprofit initiatives** through tax-exempt bonds, tailored for 501(c)(3) organizations. These bonds provide necessary capital for various projects, such as educational facilities or healthcare services.



State and Local Governments' Bond Programs

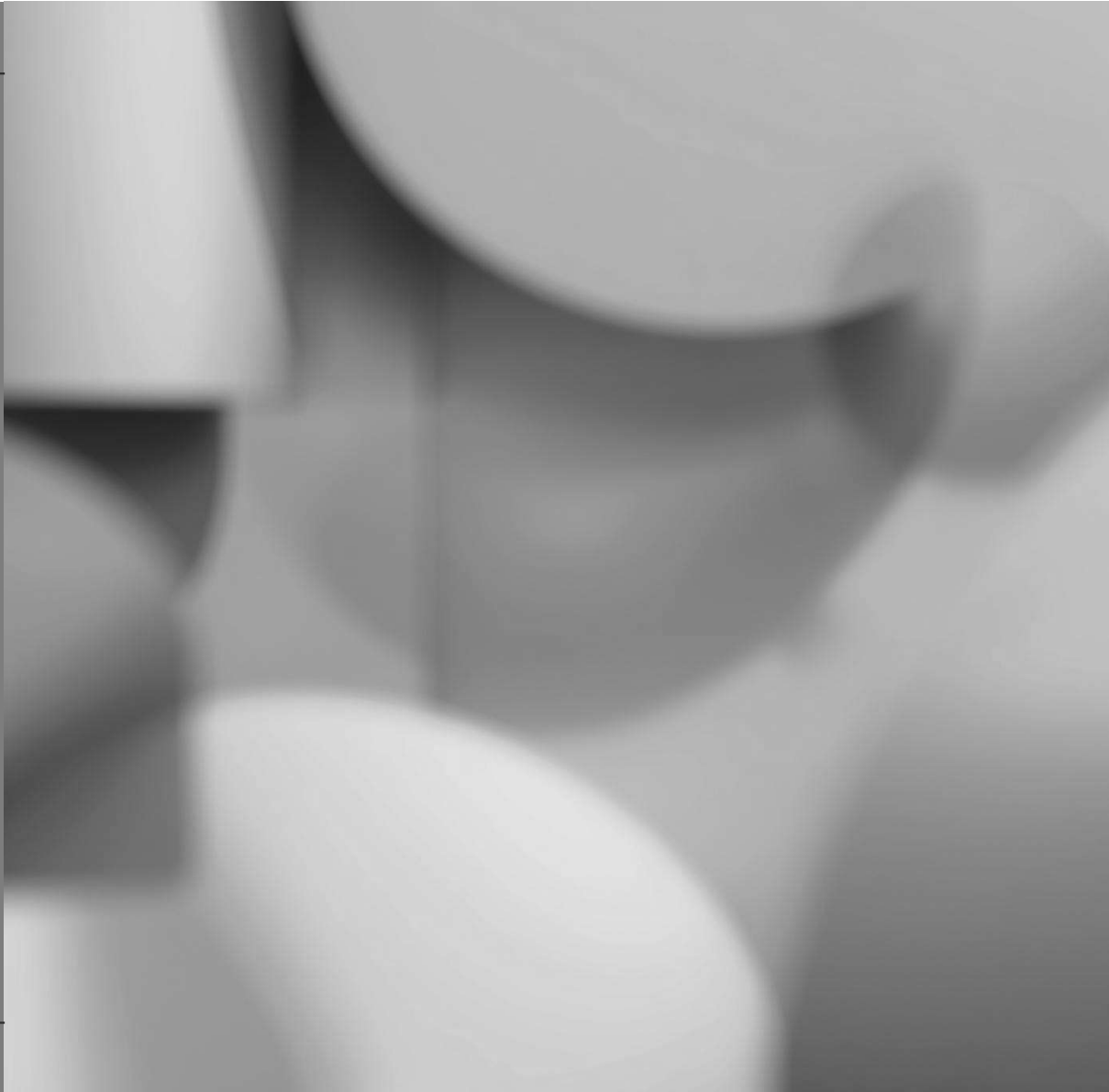
Many states and local governments offer specialized **bond programs** aimed at financing projects that promote community development and public services. These programs often provide low-cost funding options for infrastructure improvements, housing initiatives, and educational facilities.



Special Purpose Entities

Special purpose entities operate as conduits for **specific financing transactions**, assisting in the issuance of bonds for targeted projects. These entities streamline the financing process.

United States Case Studies



Case Study: Dormitory Authority of the State of New York (Co-Managed)

Financing Highlights	
Description	Dormitory Authority of the State of New York, Personal Income Tax Revenue Bonds, Series 2024A and Taxable Series 2024B.
Par Amount:	\$2,875,835,000
Pricing Date:	Wednesday, March 13, 2024
Rating (Moody's/S&P/Fitch/Kroll):	Aa1/NR/AA+/AAA
Call Feature:	Make-Whole Call prior to 03/15/2034 Series 2024A: Optional Call 3/15/2034 at 100%
Estrada Hinojosa's Liability:	1.5%
Priority Policy:	1) Net Designated 2) New York Retail (Individual and Professional) 3) National Retail (Individual and Professional) 4) Member
Senior Manager	RBC Capital Markets, LLC
Co Manager	Estrada Hinojosa

Series 2024A Pricing Results						
Maturity	Par Amount (\$)	Coupon	MMD	Yield	Spread (bps)	Adj.
3/15/2026	\$ 11,485,000	5.00%	2.78%	2.81%	3	-11
3/15/2027	29,535,000	5.00%	2.61%	2.69%	8	-12
3/15/2028	31,015,000	5.00%	2.49%	2.64%	15	-10
3/15/2029	91,065,000	5.00%	2.45%	2.66%	21	-9
3/15/2030	96,425,000	5.00%	2.43%	2.69%	26	-7
3/15/2031	161,255,000	5.00%	2.43%	2.71%	28	-7
3/15/2032	153,565,000	5.00%	2.44%	2.72%	28	-7
3/15/2033	76,890,000	5.00%	2.45%	2.72%	27	-8
3/15/2034	90,960,000	5.00%	2.45%	2.72%	27	-8
3/15/2035	93,615,000	5.00%	2.54%	2.81%	27	-8
3/15/2036	98,290,000	5.00%	2.62%	2.89%	27	-8
3/15/2037	103,200,000	5.00%	2.74%	3.00%	26	-9
3/15/2038	108,360,000	5.00%	2.84%	3.10%	26	-9
3/15/2039	113,775,000	5.00%	2.92%	3.17%	25	-10
3/15/2040	119,480,000	5.00%	3.03%	3.29%	26	-12
3/15/2041	125,455,000	5.00%	3.12%	3.43%	31	-10
3/15/2042	131,725,000	5.00%	3.18%	3.51%	33	-10
3/15/2043	138,310,000	5.00%	3.23%	3.58%	35	-10
3/15/2044	145,210,000	5.00%	3.30%	3.67%	37	-8
3/15/2045	71,085,000	5.00%	3.35%	3.75%	40	-7
3/15/2046	74,640,000	5.00%	3.40%	3.80%	40	-7
3/15/2047	78,375,000	4.00%	3.45%	4.15%	70	-5
3/15/2048	81,510,000	5.25%	3.50%	3.87%	37	-8
3/15/2049	85,785,000	5.25%	3.54%	3.91%	37	-8
3/15/2052 *	285,340,000	5.25%	3.60%	3.97%	37	-11
3/15/2054 *	214,750,000	4.00%	3.62%	4.22%	60	-8

Key Takeaways

Marketing:

DASNY was pre-marketed with limited feedback from investors. Prior to release on the morning of February 27th, the markets were off a bit. The move up in treasury yield, combined with a high supply of treasury and corporate new issue bonds contributed to the decision to increase the order period to 2 hours, opposed to the typical 1 ½ hour OP from 9am to 11am CT.

Pricing:

The syndicate was able to garner significant attention from the investors and the issue had adjustments from 5-12 basis points lower on all maturities. The adjustments led to a favorable final pricing for the DASNY. Estrada Hinojosa submitted \$8.770 million in orders and was allotted \$1.200 million bonds on the deal.

Estrada Hinojosa Deal Support:

Estrada Hinojosa asked Jefferies, the senior underwriter, to get under the unsold balances.

Estrada Hinojosa deployed \$2.280 million of the firm's capital to hold the price and ensure best execution on the deal.

Case Study: CLECO, LA *(Financial Advisor)*

\$100.000M CLECO Securitization II LLC 2025-A, Tranche A-1

Summary

Pricing Date: Tuesday, March 11th, 2025

Senior Manager: J.P. Morgan

Co-Managers: SMBC NIKKO

Financial Advisor: [Estrada Hinojosa](#)

Market Conditions

- Treasuries opened just 1bp weaker on March 11th after March 10th FTQ rally. That didn't last long as data and headline news (50% Tariffs on Canada) sparked a volatile TSY/Equities trade. On the day, US TSY 10's had tagged 4.15% in the overnight, opened the stateside trade at 4.23%, rebounded to 4.19% only to fade to 4.26% and then rebound again to 4.228%.

Transaction Highlights

- The book was Subscribed by .98x, with 6 accounts submitting orders.
- The A-1 bonds, which have an average life of 5.4 years, were priced at 70 basis points above the 5-year Treasury rate as follows: 3.98% + 0.70% spread = 4.68%
- The overall rate for the combined bond structure is 5.249%.

\$100.000 Million

CLECO, LA



CLECO Securitization II LLC 2025-A
Tranche A-1
Financial Advisor

Structure

Tranche A-1

	Orders as of 3/3/2025 (\$mm)	Order as of 3/4/2025 (\$mm)	Allocations (\$mm)
Total (\$mm)	97.6	100.0	100.0
Class Size (\$mm)	100.0	100.0	100.0
Subscription Level	0.98x	1.00x	1.00x
WAL	5.38	5.40	5.40
IPTs	5 YR TSY + 65a	5 YR TSY + 65a	5 YR TSY + 65a
Guidance	5 YR TSY + 65a	5 YR TSY + 65a	5 YR TSY + 65a
Lauch	5 YR TSY + 70	5 YR TSY + 70	5 YR TSY + 70

Top Investors

Tranche A-1

Investor	Orders as of 3/3/2025 (\$mm)	Order as of 3/4/2025 (\$mm)	Allocations (\$mm)
State Farm	25.00	46.80	46.80
Wellington	30.00	28.20	28.20
Commerce Bank	10.00	10.00	10.00
Securian	8.00	8.00	8.00
FPA	14.60	7.00	7.00
Berkley Dean	10.00	0.00	0.00
Total (\$mm)	97.6	100.0	100.0

Case Study: CLECO, LA (Financial Advisor)

\$205.000M CLECO Securitization II LLC 2025-A, Tranche A-2

Summary

Pricing Date: Tuesday, March 11th, 2025

Senior Manager: J.P. Morgan

Co-Managers: SMBC NIKKO

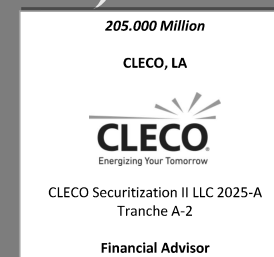
Financial Advisor: Estrada Hinojosa

Market Conditions

- Treasuries opened just 1bp weaker on March 11th after March 10th FTQ rally. That didn't last long as data and headline news (50% Tariffs on Canada) sparked a volatile TSY/Equities trade. On the day, US TSY 10's had tagged 4.15% in the overnight, opened the stateside trade at 4.23%, rebounded to 4.19% only to fade to 4.26% and then rebound again to 4.228%.

Transaction Highlights

- The book was oversubscribed by 2.58x, with 22 accounts submitting orders, and more than 20 additional accounts expressing interest during the order period.
- The A-2 bonds, with an average life of 15.53 years, were priced at 80 basis points above the 20-year Treasury rate as follows: 4.546% + 0.80% spread = 5.346%
- The overall rate for the combined bond structure is 5.249%.



Structure

Tranche A-2			
	Orders as of 3/3/2025 (\$mm)	Order as of 3/4/2025 (\$mm)	Allocations (\$mm)
Total (\$mm)	490.00	529.78	205.00
Class Size (\$mm)	205.00	205.00	205.00
Subscription Level	2.39x	2.58x	1.00x
WAL	15.51	15.53	15.53
IPTs	20YR TSY + 80-85	20YR TSY + 80-85	20YR TSY + 80-85
Guidance	20YR TSY + 80a	20YR TSY + 80a	20YR TSY + 80a
Lauch	20YR TSY + 80	20YR TSY + 80	20YR TSY + 80

Top Investors

Tranche A-2			
	Orders as of 3/3/2025 (\$mm)	Order as of 3/4/2025 (\$mm)	Allocations (\$mm)
State Farm	205.00	205.00	95.00
John Hancock/Manul	100.00	100.00	41.25
JPMIM Ohio	80.00	80.00	17.75
Wellington	50.00	64.78	27.00
Schroders	0.00	25.00	5.75
NISI	15.00	15.00	6.25
Alagna	15.00	15.00	3.50
Standard Insurance	10.00	10.00	4.25
One America	10.00	10.00	2.25
Manulife Canada	5.00	5.00	2.00
Total (\$mm)	490.00	529.78	205.00

Case Study: Southwestern Electric Power Company, LA

(Financial Advisor)

\$336.700M SWEPCO Storm Recovery Bonds, Series 2024-A

Summary

Pricing Date: Tuesday, December 10th, 2024

Senior Managers: Citibank & RBC Capital Markets

Co-Managers: Academy Securities & Raymond James

Financial Advisor: [Estrada Hinojosa](#)

Market Conditions

- Treasuries opened 2-5bps weaker on December 10th as traders prepped for the \$119bln in supply kicking off December 10th with \$58bln 3yr notes and CPI on December 11th. The US TSY 10yr which was at 4.195% on December 9th at 3pm opened at 4.238% and stayed close to that level all December 10th.

Transaction Highlights

- The book was oversubscribed by 2.18x, with 22 accounts submitting orders, and more than 20 additional accounts expressing interest during the order period.
- The final pricing was 5 basis points tighter than proposal during the initial guidance.
- The bonds were sold at a 70-basis point spread over the 10 year I-Curve, resulting in a rate of 4.885 percent.



Structure

A1	
Offered Bonds	\$336,700,000
Rating (S / M)	AAA / Aaa
WAL	8.48
IPTs (bps)	75-80
Guidance (bps)	75-80
Test (bps)	70
Final Pricing (bps)	70

Top Investors

Investor	Order
PIMCO	160,000,000
STATE FARM	125,000,000
SCHRODERS	79,000,000
NISA INVESTMENT ADVISORS	70,000,000
SENTRY INSURANCE	50,000,000
COMMERCE BANK	50,000,000

Case Study: State of Louisiana *(Financial Advisor)*

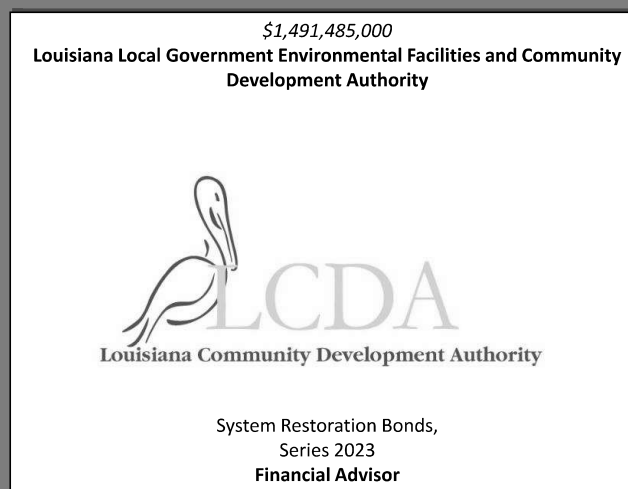
SUMMARY

Issue:	\$1,491,485,000 Louisiana Local Government Environmental Facilities and Community Development Authority System Restoration Bonds, Series 2023
Pricing Date:	Tuesday, March 21, 2023
Rating (Moody's/S&P):	Aaa/AAA
Call Feature:	No Call
Priority Policy:	1) Group Net 2) Member

On Wednesday, March 21, 2023, Estrada Hinojosa participated in a \$1,491,485,000 Louisiana Local Government Environmental Facilities and Community Development Authority, System Restoration Bonds, Series 2023 deal as Financial Advisor to the Louisiana Public Service Commission. The Bonds were well received by investors. The True Interest Cost was 5.185%. The average life was 8.586 years.

Series 2023 Taxable Pricing Results

Maturity	Par Amount (\$)	Coupon	Reference Treasury	Average Life
6/1/2031	450,000,000	5.081%	3.981	3.39 Yrs
12/1/2034	392,000,000	5.048%	3.598	8.03 Yrs
12/1/2034	649,485,000	5.198%	3.598	12.52 Yrs

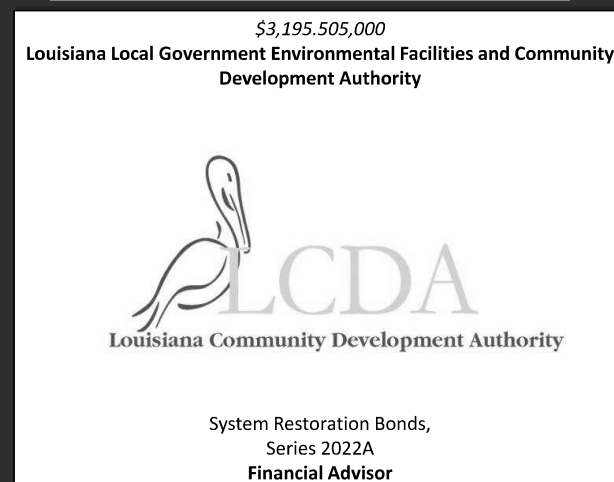


Case Study: State of Louisiana (*Financial Advisor*)

SUMMARY	
Issue:	\$3,193,505,000 Louisiana Local Government Environmental Facilities and Community Development Authority System Restoration Bonds, Series 2022A
Pricing Date:	Wednesday, May 11, 2022
Rating (Moody's/S&P):	Aaa/AAA
Call Feature:	No Call
Priority Policy:	1) Group Net 2) Member

On Wednesday, May 11, 2022, Estrada Hinojosa participated in a \$3,193,505,000 Louisiana Local Government Environmental Facilities and Community Development Authority, System Restoration Bonds, Series 2022A deal as Financial Advisor to the Louisiana Public Service Commission. The issuance of the Series 2022A Bonds will finance the recoverable system restoration costs incurred to restore its facilities and service to customers following the damage caused by Hurricanes Laura, Delta, Zeta, and Ida and Winter Storm Uri and the re-establishment of the storm damage reserves. This deal was the largest municipal bond transaction in Louisiana history. The sale was accomplished notwithstanding very difficult and volatile financial markets. The overall weighted interest rate of 4.28% is approximately half of Entergy's Weighted Average Cost of Capital of 8.49%, which would have been the carrying charge to finance the storm costs via traditional utility financing. The total savings from securitization in nominal dollars are estimated at \$2.05 Billion.

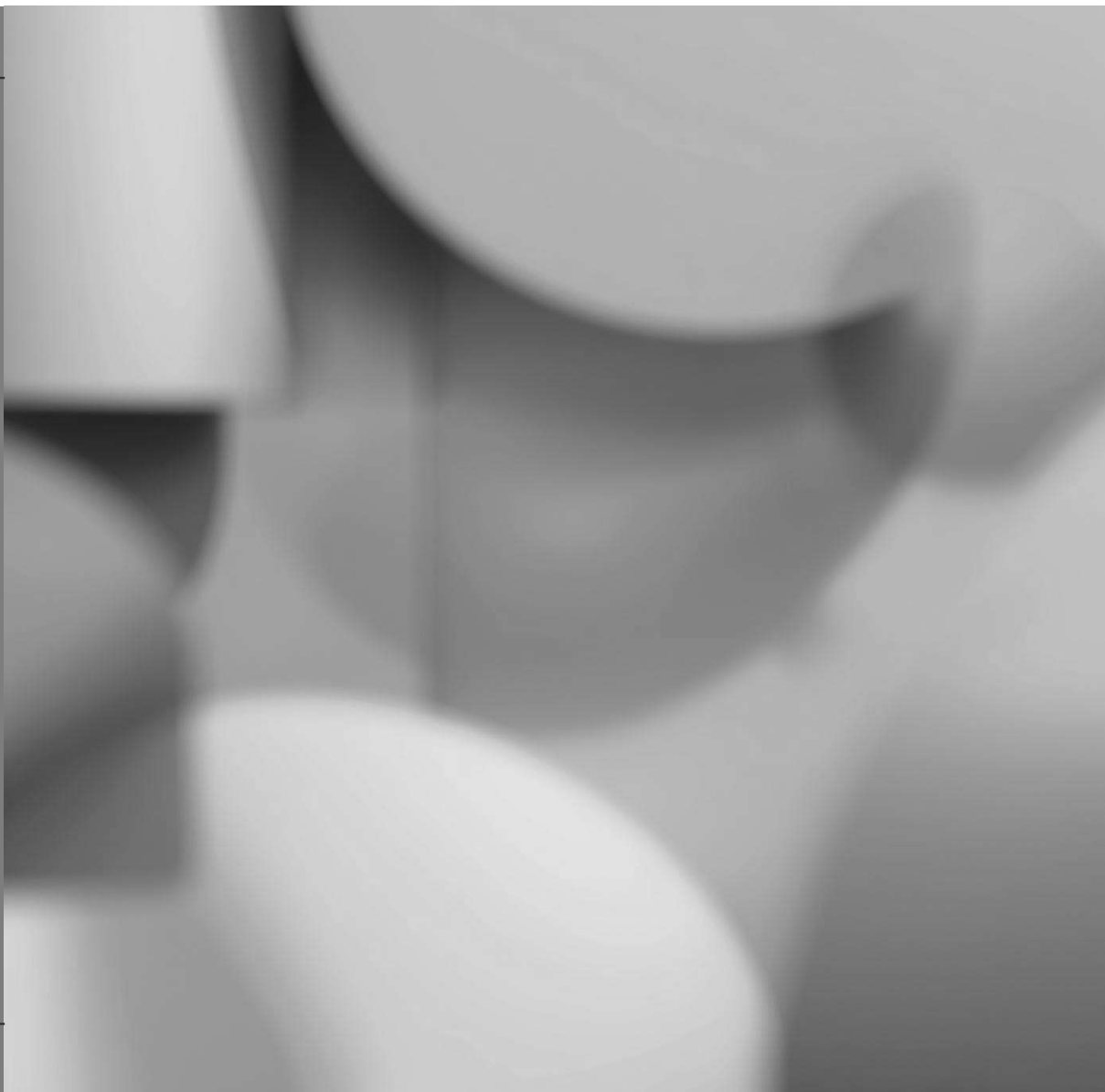
The Bond Buyer's 2022 Southeast Region Deal of the Year



Series 2022A Taxable Pricing Results

Maturity	Par Amount (\$)	Coupon	Reference Treasury	Spread
2/1/2029	750,000,000	3.615%	2.815	+80
2/1/2033	743,505,000	4.145%	2.945	+120
2/1/2036	700,000,000	4.275%	2.925	+135
2/1/2039	1,000,000,000	4.475%	2.925	+155

Overview of Conduit Issuers in Florida



Statewide and Multi-Jurisdiction Conduit Issuers

These conduit issuers operate at a state level and can finance projects across multiple jurisdictions.



Florida Development Finance Corporation (FDFC)

The FDFC facilitates financing for diverse projects across Florida, enabling both public and private entities to access capital through various bond types.



Capital Trust Agency (CTA)

The CTA serves as an interlocal conduit issuer, financing capital projects that contribute to economic development and public infrastructure improvements.



Florida Housing Finance Corporation (FHFC)

FHFC focuses on affordable housing initiatives, issuing bonds to support multi-family developments and homeownership opportunities across the state.



Florida Local Government Finance Commission (FLGFC)

FLGFC offers a conduit program for various public projects, enhancing local infrastructure and services through efficient financing solutions.



Florida Higher Educational Facilities Financing Authority (HEFFA)

HEFFA provides financing for nonprofit colleges and universities, helping institutions meet their capital needs through tax-exempt bond issuances.

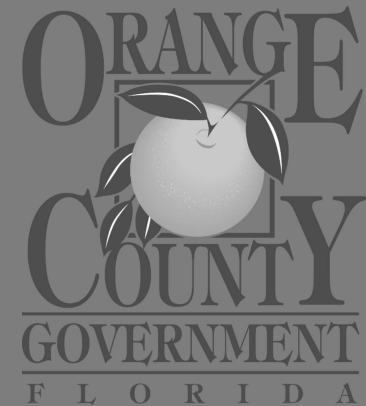


State Board of Administration and CAPFA

The State Board of Administration oversees the management of the state's investment funds, ensuring efficient allocation of resources. The Capital Projects Finance Authority (CAPFA) facilitates financing for capital projects that support economic growth and public infrastructure.

County & City Housing Finance Authorities (HFAs)

Local housing finance authorities are pivotal in addressing affordable housing needs within their respective counties.



Industrial Development Authorities (IDAs)

IDAs focus on promoting economic development through financing for manufacturing and industrial projects. By issuing bonds, they support job creation and attract investment, ensuring local economies thrive and develop essential infrastructure for business operations.

These authorities serve their respective regions by providing financing for eligible projects:

- Miami-Dade County IDA
- Orange County IDA
- Hillsborough County IDA
- Volusia County IDA
- Flagler County IDA



IDA Case Study:

Town and Country Utilities



The Charlotte County IDA successfully issued four bonds for the Town and Country Utilities project.

This private utility initiative aims to enhance local water infrastructure and is expected to culminate in new Florida conduit financing by mid-2026, ensuring reliable services for the community.

NEW ISSUES - BOOK-ENTRY ONLY
LIMITED OFFERING

In the opinion of Bond Counsel, under existing statutes, regulations, rulings and court decisions, and assuming compliance with the tax covenants described herein, interest on the Series 2025 Bonds is excludable from gross income for federal income tax purposes except that such exclusion shall not apply to interest on any Series 2025 Bond for any period that such Series 2025 Bond is held by a person who is a "substantial user" of any of the facilities financed or refinanced by the Series 2025 Bonds or a "related person" within the meaning of Section 147(a) of the Internal Revenue Code of 1986. Interest on the Series 2025 Bonds is an item of tax preference for purposes of the federal alternative minimum tax. The Series 2025 Bonds are exempt from taxation under the laws of the State of Florida except as to estate taxes imposed by Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations. See "TAX MATTERS" herein regarding certain other tax considerations.

NOT RATED

CHARLOTTE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

\$80,000,000

**Utility System Revenue Bonds
(Town & Country Utilities Project), Series 2025**

Dated: Date of Delivery

Due: As set forth herein.

Health Facilities Authorities

Health facilities authorities specialize in financing healthcare-related projects. . These entities help finance hospitals, clinics, and other healthcare facilities, contributing to public health.

- Broward County Health Facilities Authority
- Palm Beach County Health Facilities Authority
- City of South Miami Health Facilities Authority



Educational Facilities Authorities

These authorities focus on financing projects for educational institutions.

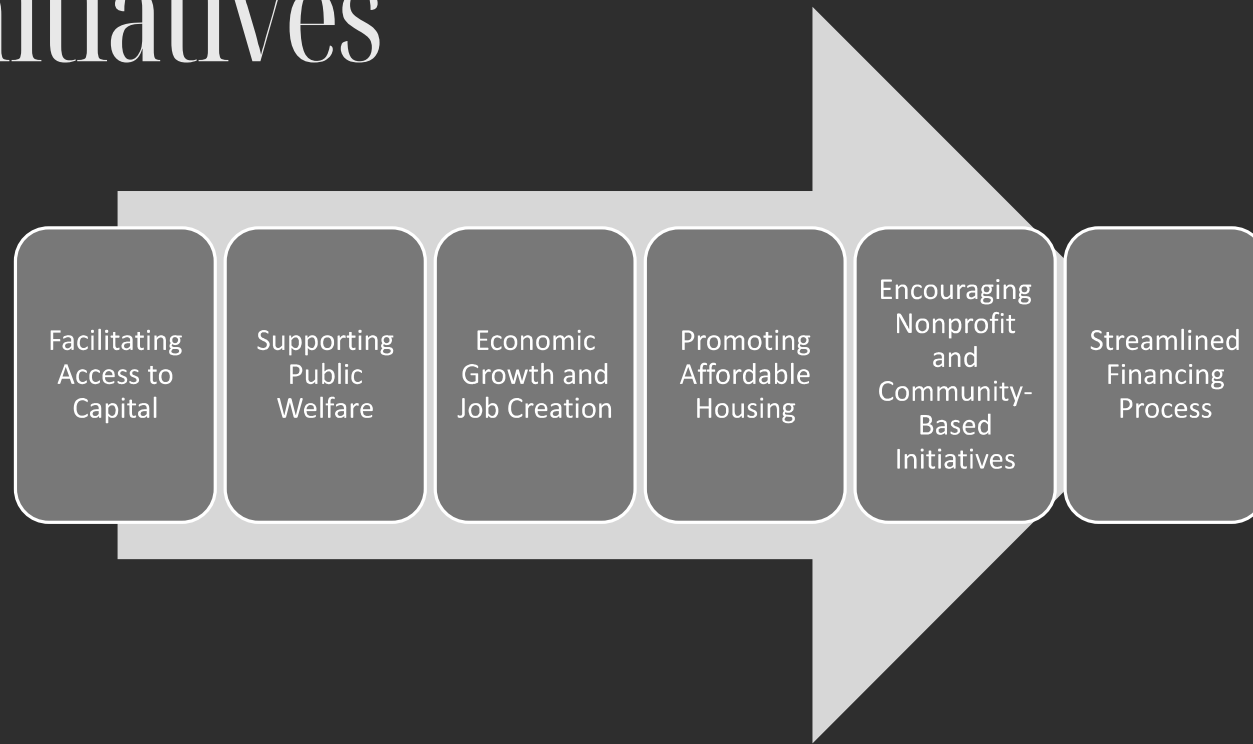
Pinellas County Educational Facilities Authority, which provides funding for local higher education institutions, aiding in their growth and infrastructure needs.



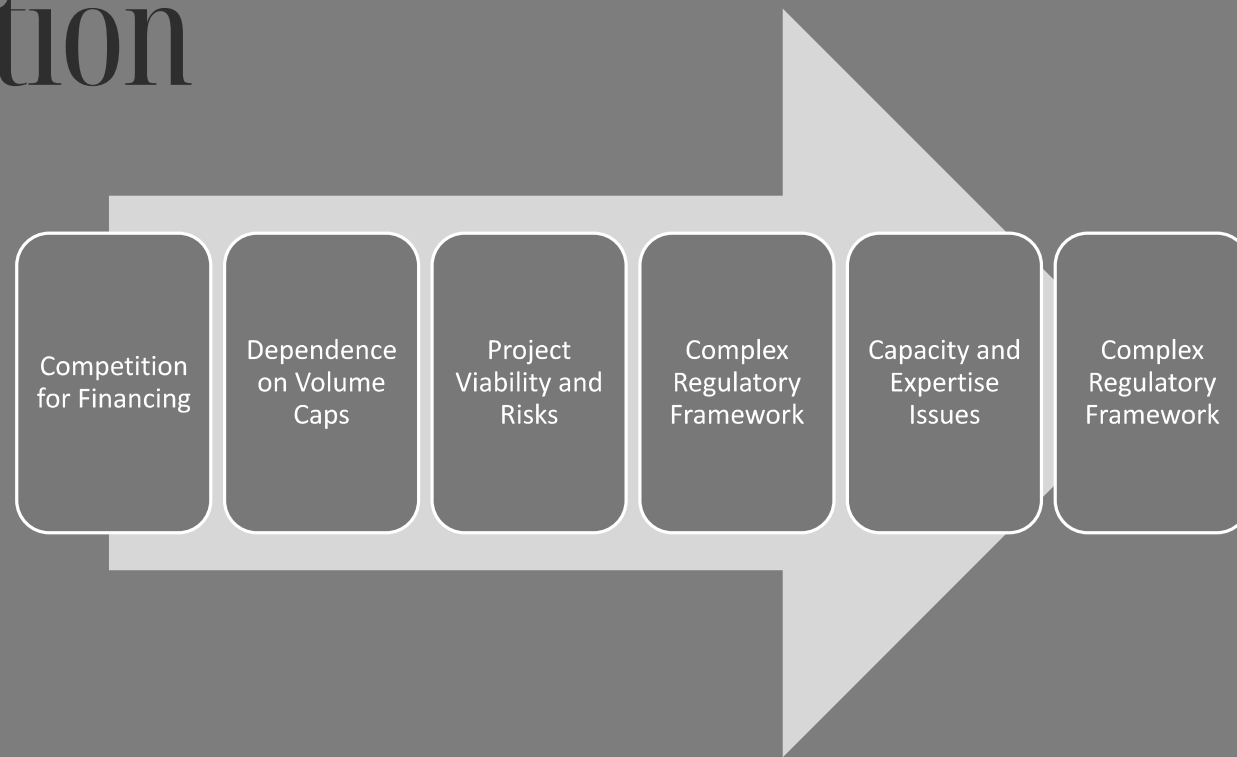
Conclusion



Importance: Supports public and private initiatives



Challenge: Complexities and Competition



Thank You for Your Attention

We appreciate your time and interest in conduit financing. Please reach out to us for further inquiries or assistance regarding our services and offerings.

We will now take any questions.



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