

Sale of Special Obligation Bonds – The University of North Carolina at Charlotte

The Board of Governors is authorized to issue special obligation bonds for capital improvements projects that have been approved by the General Assembly. Although a specific source of funding is used by a campus when retiring these bonds, special obligation bonds are generally payable from all campus revenues excluding tuition, State appropriations, and restricted reserves.

The University of North Carolina at Charlotte requests that the Board issue special obligation bonds for the purpose of (1) the construction of a new residence hall, Residence Hall XIII, approved by the Board of Governors and authorized by the 2013 General Assembly, (2) renovations and improvements to two existing residence halls, Oak Hall and Holshouser Hall, and (3) paying the costs incurred in connection with the issuance of the 2014 Bonds. The 2014 Bonds may be issued in one or more series of bonds, including any combination of tax-exempt bonds and taxable bonds as the President of the University, or his designee, in consultation with the appropriate officers at UNCC, determine to be in the best interest of the University.

The issuance of bonds for the project will not exceed a par amount of \$62,630,000. The project will be financed with housing receipts.

The University of North Carolina at Charlotte currently has an issuer credit rating of Aa3 by Moody's Investor Service and AA- by Standard and Poor's. After issuance of these bonds, it is expected UNCC will maintain its ratings.

Wells Fargo Securities will serve as senior underwriter and Robert W. Baird & Company will serve as co-underwriter for the transaction. Robinson, Bradshaw and Hinson is bond counsel and RBC Capital Markets, LLC is the financial advisor.

APPENDIX B

It is recommended that the President of the University, or his designee, be authorized to sell the special obligation bonds.

RESOLUTION OF THE BOARD OF GOVERNORS OF THE UNIVERSITY OF NORTH CAROLINA AUTHORIZING THE ISSUANCE OF SPECIAL OBLIGATION BONDS TO FUND AND REFINANCE SPECIAL OBLIGATION BOND PROJECTS FOR THE UNIVERSITY OF NORTH CAROLINA AT CHARLOTTE