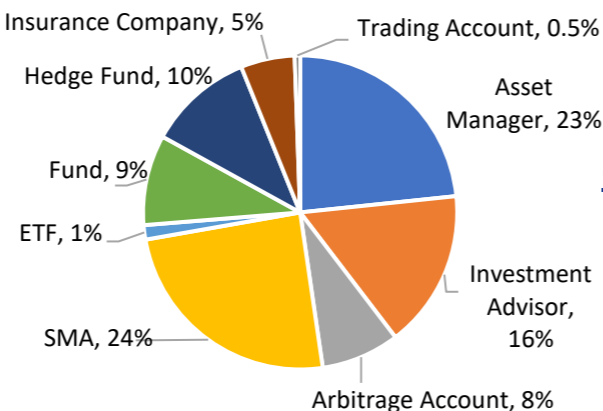


# \$692.035mm Austin ISD Series 2024



Summary of Transaction	
<b>Role:</b>	Book-Running Senior Manager
<b>Par size:</b>	\$692,035,000
<b>Purpose:</b>	New Money
<b>Pricing Date:</b>	March 25, 2024
<b>Delivery Date:</b>	April 16, 2024
<b>Redemption Provisions:</b>	Maturities 2040-2042: August 1, 2032 @100% Maturities 2035-2039, 2043-2044, 2049: August 1, 2034 @ 100%
<b>Ratings (M/K):</b>	Underlying: "Aaa/AAA" PSF: "Aaa/AAA"

Investor Composition	
<b>Category</b>	<b>Orders (\$000s)</b>
SMA	330,920
Asset Manager	314,830
Investment Adv.	219,680
Hedge Fund	146,590
Fund	125,550
Arbitrage Account	108,800
Insurance Co.	75,000
<b>Total</b>	<b>1,348,870</b>



Daily MMD Movement the Week of Pricing									
Mat.	Yr.	3/22 Fri	3/25 Mon	3/26 Tue	3/27 Wed	3/28 Thur	3/29 Fri	3/29 Fri	Total Change
2025	1	3.07%	-	+7	+5	+5	-	3.22%	+17
2026	2	2.84%	-	+7	+3	+3	-	2.97%	+13
2029	5	2.47%	-	+4	+3	-	-	2.54%	+7
2034	10	2.47%	-	+4	-	-	-	2.51%	+4
2044	20	3.33%	-	+5	-2	-	-	3.36%	+3
2049	25	3.65%	-	+5	-2	-	-	3.68%	+3
2054	30	3.07%	-	+5	-2	-	-	3.22%	+3

**Overview:** On March 25<sup>th</sup>, 2024, Cabrera Capital served as Book-Running Senior Manager on Austin ISD's (the "District") \$692,035,000 Unlimited tax School Building Bonds, Series 2024 (the "Bonds")

## Market Conditions

- The Bonds were originally scheduled to price on Tuesday, March 26<sup>th</sup>, however, with over \$5 billion calendar slated for Tuesday, Cabrera proposed accelerating the sale to Monday, March 25<sup>th</sup>
- This recommendation proved to be advantageous for the District as the market was much weaker on Tuesday, March 26<sup>th</sup>

## Structure

- One of the goals of the transaction was to provide as much diversity in structure as possible; to accomplish this, the financing team structured 5%, 5.25% & 4% coupons, a bifurcated term bond in the 2049 maturity, and an 8-year call to add optionality to the District's outstanding debt structure

## Order Period

- During the order period, the syndicate secured \$1.3 billion in priority orders from 64 different investors for the \$692 million transaction, 45 of which were non-current investor of the District
- After building a robust book of investors with oversubscription levels that ranged from 1x to 4x, Cabrera lowered spreads by 1 to 3 bps throughout the curve
- After pricing bumps (decreases in spreads), Cabrera used its capital to underwrite unsold balances of just over \$2 million

## Transaction Results

- The True Interest Cost (TIC) was 3.92% and the final maturities were the two terms in 2049
- The District secured a Aaa underlying rating from Moody's and AAA from Kroll, as well as a PSF Aaa rating from Moody's; the District is the only school district in Texas with AAA underlying ratings from two different rating agencies