

BOND & BAN SALE MEMORANDUM
July 16, 2014

Lynwood Unified School District

\$10,655,000.00
General Obligation Bonds
2012 Election, Series B

\$9,380,000.00
General Obligation
2014 Bond Anticipation Notes, Series A&B

To: Superintendent Paul Gothold
Chief Business Official Peter Wong

From: Lalo Trujillo

Dear Messrs. Gothold and Wong:

On July 15, 2014 the District's underwriter, RBC Capital Markets, successfully sold the District's debt offerings captioned above. In spite of a number of California school district debt issues as well as issues from other California public entities scheduled for sale during the week, there was sufficient investor demand for the District's offerings to allow for a good result for the District.

The District's credit rating of "A" from Standard & Poor's attracted a very aggressive bid from a provider of bond insurance, thereby allowing the Bonds to be sold with "AA" ratings at an advantageous cost to the District and attracting the level of investor demand that resulted in a successful sale. The BANs were sold with a solid SP-1 rating from Standard and Poor's. The aggressive bid by the bond insurer is an affirmation of the work the District's Administration and Board have undertaken to ensure the soundness of the District's fiscal/financial position.

As a result of the demand for the Bonds and BANs, the District was able to achieve an All-In True Interest Cost of 4.21% for the Bonds and 1.78% for the BANs.

The closing for the Bonds will take place on July 31, 2014, at which time funds in the amount of \$5,000,000 will be deposited to the District's account at the County. The BANs will close on August 1, 2014, consistent with the maturity date of the currently outstanding 2013 BANs.

The Finance Team will present to the Board a report on the sale of the District's debt issues at a time that the Administration deems appropriate.

I hope you find this informative. Please let me know if I can provide any additional information.