



nyrej

Hempstead LDC approves \$15 million Molloy College tax-exempt bond sale

October 02, 2018 - Long Island

HEMPSTEAD, NY The town of Hempstead Local Development (LDC) has approved the sale of \$15 million in tax-exempt bonds on behalf of Molloy College in Rockville Centre. The LDC, which provides low-interest, tax-exempt bonds to not-for-profits, educational institutions, hospitals, civic entities or charitable organizations within the town, gave its preliminary authorization for the bond sale at its Sept.18th board meeting. The sale requires the approval of the town supervisor.

Molloy plans to use proceeds from the bond sale to complete its \$20.5 million phase 3 campus master plan, including the construction of a 27,000 s/f, three story, 95-bed dormitory.

Other planned construction, including expansion of an existing kitchen area in the college's public square building and ancillary parking to support the proposed additions, will not require bond proceeds. The site is currently a parking lot and green space.

The bond sale is expected to close in mid-October. JP Morgan Chase is the underwriter of the bonds.

The LDC previously partnered with Molloy to allow the college to obtain low-interest financing through the issuance of tax-exempt bonds, including a bond sale last year to refinance previously issued debt and a bond sale in 2009 to construct new dorms and other facilities on the college's 23.78-acre campus.

"These bonds will provide a meaningful boost to Molloy College's aim to increase enrollment and attract students from outside of the area," said Fred Parola, executive director of the LDC.

The bonds are to be repaid by Molloy and are secured by a first-mortgage lien on the land and building. There is no out-of-pocket expense to Town of Hempstead taxpayers.

New York Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540