

OUR LADY OF
GOOD COUNSEL
H I G H S C H O O L



Olney, Maryland

Client Profile: The Xaverian Brothers established Our Lady of Good Counsel in 1958 as a Catholic high school for boys. In 1988, Good Counsel became a co-educational institution, serving a diverse range of students throughout the Washington D.C. Metropolitan Area.

Project Overview: Since its founding in 1958, the School operated out of facilities located on Georgia Avenue in Wheaton, Maryland. Its facilities were beginning to show their age and the School needed new and expanded athletic fields and facilities to remain competitive. In 2002, the School was approached by Centex Corporation and W.L. Homes major real estate developers in D.C., to redevelop the School's Wheaton campus into a mixed use development project. The School devised a Development Plan which consisted of the acquisition of approximately 52 acres of land in Olney, Maryland and the construction of a new 206,000 square foot multi-story high school building. The School's new building and campus in Olney houses 1,200 students, a capacity of approximately 200 more than its previous facilities in Wheaton.



Good Counsel High School
New Campus and Facilities Financing
\$51,700,000 Fixed Rate Bonds & VRDBs

Financing Overview: Approximately \$51 million of debt was required to finance the School's Development Project. As is the case with most non-profit educational institution, Good Counsel's most appropriate method of financing was an issuance of tax-exempt bonds. The School's bond financing was ultimately structured as a combination of Fixed Bonds and Variable Rate Demand Bonds (VRDBs). The School's financing was structured to allow for certain bonds to be fully repaid from proceeds of the sale of its Wheaton Campus. Good Counsel maintained full rights and title to its Wheaton Campus until its new facility was ready for occupancy in Olney. The total amount of the School's VRDBs was \$18.7 million and those bonds were repaid without penalty in 2007. The remaining amount of financing (approximately \$31 million) was structured as Non-Rated Fixed Rate Bonds with a 30 year maturity.

Wye River Group's services to the School over the course of its financing included:

- The reworking of the School's Finance Plan to allow for the full and immediate funding of its Development Project (Good Counsel's project and financing was severely stalled at the time of our engagement)
- The solicitation, evaluation and recommendation of both a letter of credit bank to support the School's VRDBs and a reputable and highly-experienced underwriter to help structure, market and sell the School's Non-Rated Fixed Rate Bonds
- The identification of an "alternative" issuer for the School's bonds issue and the negotiation of additional credit enhancement from the issuer's insurance program to backstop the letter of credit associated with the School's VRDBs
- The negotiation of key terms & interest rates with the School's two financing providers
- The investment of proceeds from the School's two bond issues into several highly-structured investment vehicles and the competitive purchase of select U.S. Treasury Securities

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