

Not-for-Profit Financing

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Skilled Negotiators - Cullen and Dykman Maintaining Client Flexibility and Interests in Financing Arrangements

The firm frequently acts as counsel for many of its not for profit college and university clients in connection with complex tax-exempt bond financings with the Dormitory Authority of the State of New York. Interest on tax-exempt bonds is typically excluded from Federal and New York State taxable income for most taxpayers. Therefore, the bonds are typically issued at a relatively attractive rate, providing our clients with a practical manner in which to finance construction projects, real estate acquisitions, and infrastructure improvements. In two of the recent financings, we were able to negotiate provisions in the applicable agreements that permitted our clients to subdivide the real property they mortgaged as part of the transaction and, after the subdivision, have a portion of the real property released from the mortgage. Our clients were quite satisfied with the result because it enabled them to maintain flexibility for both the real property and future financings.

Practices

- Corporate
- Corporate Finance
- Higher Education

Industries

- Higher Education
- Insurance