



## MUNICIPAL MARKET STATISTICS

	4/1/19	4/1/18	4/1/17	4/1/16	4/1/14
10 Year AAA Municipal	1.90	2.41	2.23	1.70	2.51
10 Year US Treasury	2.41	2.74	2.39	1.77	2.72
10 Year Muni/Treasury	78%	88%	93%	96%	92%
Open End Fund Flows	\$24.2 Billion	\$6.3 Billion	(\$3.9) Billion	\$13.7 Billion	(\$6.4) Billion
New Issue Calendar YTD	\$75 Billion	\$66 Billion	\$92 Billion	\$99 Billion	\$64 Billion

Evidence of the demand for municipal bonds is the fact that 10 year municipal : treasury ratios reached 78% at the end of the Q1 2019. We view the outsized influx of \$24 Billion of new money into mutual funds as a major factor that drove ratios to historically tight levels. Of that \$24 Billion total more than \$5 Billion came into High Yield municipal funds.

## LCP CREDIT SNAPSHOT

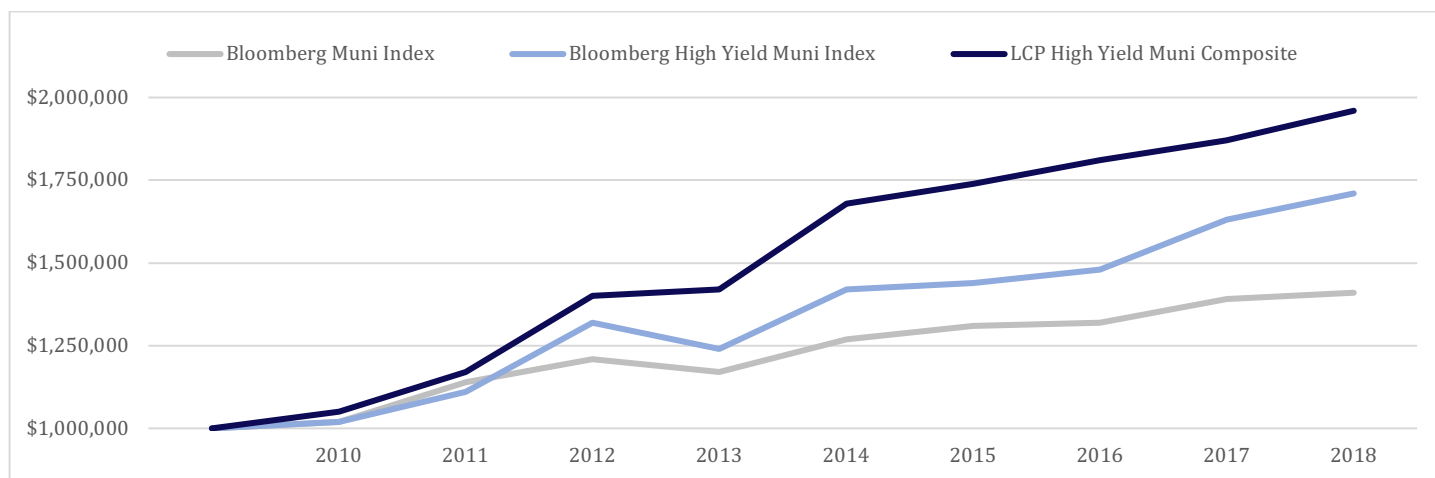
**DEAL:** \$49mm Franklin Columbus Finance Authority - Ohio Dominican University. Non-Rated. LCP owns multiple maturities.

**BACKDROP:** Dominican University came to market in December 2018. For many reasons the long-term viability of small private colleges is in question. Worries mount over the increasing cost of a college education and the resulting amount of debt taken on by graduates. Small rural schools with general education platforms are of particular concern. Specifically, Ohio Dominican has seen declining student enrollment from 2014 through 2017 and its endowment, at \$23 million, is considered small. The lead underwriter on the financing was changed as the deal came to market and the final pricing at 6.85% was more than 100 basis points wider than the preliminary talk of 5.75%.

**LCP VIEW:** Ohio Dominican serves a specific population in Columbus as a moderately priced 4-year Catholic university with a strong commuter population testing in the mid-20s for the ACT college entrance exams. The campus is favorably located on 75 acres in suburban North East Columbus, 4 miles from downtown. The region is home to several Fortune 500 companies and is the Ohio state capital. Furthermore, the school's close proximity to Ohio State University presents a large number of potential alliances. Ohio Dominican's strategic plan includes the recruiting of more students from Central Ohio Catholic secondary schools, expanding its health science majors, and focusing fund raising on unrestricted gifts.

**LCP CONCLUSION:** We concluded that Dominican was a stable university priced as a far riskier credit (6.85%), the type of undervalued purchase that LCP diligently hunts for. Bonds have rallied 10% in Q1 2019. Ask us for more detail about Dominican or other holdings that fit our parameters.

## THE LCP HIGH YIELD MUNICIPAL STRATEGY



The graph above shows the increase in the value of \$1 Million invested at inception in the LCP composite vs. our index, the Bloomberg High Yield Muni (LMHYTR), as well as the Bloomberg Muni Index (LMBITR). Please reach out with questions regarding returns, taxable equivalent yields, sample portfolios, etc.

## DISCLOSURE

*Past performance is not indicative of future results. An investment in the Lind Capital Partners Municipal High Yield strategy is not suitable for all investors. Investing involves risk, and municipal instruments can be affected by adverse political and economic conditions. The material contained herein is provided for informational purposes only and is not financial advice, should not be construed as an offer to buy, hold, or sell any security or to invest in the strategy, and may contain information from third party sources Lind Capital Partners, LLC (LCP) believes to be accurate. Any offer for investment in the LCP limited partnership vehicle will be made exclusively to qualified investors on a private placement basis, and only by means of a private placement memorandum, which contains detailed information concerning investment terms. LCP is an investment adviser registered with the U.S. Securities and Exchange Commission. Registration as an investment advisor does not imply a certain level of skill or training. The borrowers identified and described in this communication are intended to illustrate certain concepts employed by LCP in the management of its High Yield Municipal Strategy. The borrowers identified do not represent all of the securities purchased, sold or recommended for client accounts and certain data, such as the purchase price, may not be indicative of an individual client's actual experience. The reader should not assume that an investment in the securities identified was or will be profitable. LCP's opinion of a borrower's prospects should not be considered a guarantee of future events. Performance information (time-weighted rate of return) pertains to the period ending 9.30.19 and includes realized and unrealized gains and losses; is net of actual advisory fees and transaction costs and is total return, including distributions to Limited Partnership investors where appropriate. Performance measured by Cortland Capital Services, Clearwater Analytics, NAV Consulting, ICE Data Services and Bloomberg. Opinions expressed are those of LCP and should not be considered a forecast of future events or a guarantee of future results. Opinions and estimates offered constitute our judgment as of the date set forth above and are subject to change without notice, as are statements of financial market trends, which are based on current market conditions. All material presented is compiled from sources believed to be reliable, but no guarantee is given as to its accuracy.*