

University of Detroit Mercy
Compliance Certificate – Series 2023 Bonds
Covenant Calculations

The Undersigned, as the Vice President for Finance and Administration and Chief Financial Officer of the University of Detroit Mercy, provides this Covenant Compliance Certificate pursuant to the Series 2023 Bond Agreement dated as of June 30, 2024.

1. As of June 30, 2024, University of Detroit Mercy is in compliance with the covenants contained in the Series 2023 Bond Agreement, as demonstrated by the following calculations:
 - a. **Debt Service Coverage Ratio:** The Debt Service Coverage Ratio, which was required to be not less than 1.10 to 1.0 was 4.44 to 1.00 as computed on the supporting documents attached hereto as Schedule 1.
 - b. **Expendable Resources to Long Term Indebtedness:** Expendable resources to long term indebtedness, which was required to be not less than 25% was 129% as computed on the supporting documents attached hereto as Schedule 1.
2. Except as may be set forth on Schedule 1 attached hereto, no Default or Event of Default has occurred and is continuing as of the date of this Certificate.

Dated this 7th day of November 2024.

UNIVERSITY OF DETROIT MERCY

By: 

Thomas Manceor
Vice President for Finance & Administration

Date: November 6, 2024
Attachment

University of Detroit Mercy
Covenant Calculations
Schedule 1
(000)

	For Year Ending 30-Jun-24
<u>Debt Service Coverage Ratio</u>	
Increase (Decrease) in Unrestricted Net Assets	\$ 4,498
Plus:	
Depreciation and Amortization	10,176
Interest Expense	2,854
Adjustment to pension & post-retirement benefits	142
Adjustment to Value of Interest Rate Agreements	(708)
Less: Unrestricted Unrealized Gain (Loss) on Investments	1,408
 Net Income Available for Debt Service	 15,554
 Annual Debt Service	 3,504
 Debt Service Coverage Requirement	 1.1
 Debt Service Coverage Ratio	 4.44
 <u>Expendable Resources to Long-Term Debt</u>	
Unrestricted Net Assets (Board Designated and Undesignated	\$ 115,296
Temp. Donor Restricted (excludes Permanently Restricted)	44,724
Less:	
Net Property and Equipment	144,289
Less: Long-Term Debt	54,188
 Expandable Resources	 69,919
 Ratio	 129%