




**Memorandum**

**TO:** Matthew A. Stanley, A.I.C.P., Director, Office of Environmental Affairs

**FROM:** Sara E. Stein, A.I.C.P., Senior Environmental Manager 

**DATE:** May 7, 2026

**RE:** *State Environmental Quality Review (SEQR) Determination for New York University's 2026 Refunding Project (Independent Colleges and Universities Program) – New York County, New York*

**Description of Proposed Action and Proposed Project.** New York University (“NYU” or the “University”) has requested financing from the Dormitory Authority of the State of New York (“DASNY”) for its *2026 Refunding Project* (the “Proposed Project”). Based on a review of the attached *Transaction Report – Single Approval*, dated May 5, 2026, it has been determined that the Proposed Action would involve DASNY’s authorization of the issuance of one or more series of fixed and/or variable rate, tax-exempt and/or taxable, Series 2026 Bonds in an amount not to exceed \$500,000,000 with maturities not to exceed 20 years, to be sold at one or more times through a negotiated offering on behalf of NYU, pursuant to DASNY’s *Independent Colleges and Universities*.

More specifically, the proceeds of the bond issuance would be used to refund all or a portion of the University’s Series 2015A Bonds and Series 2016A Bonds and/or refund a portion of the University’s Series 2018A Bonds issued by DASNY (approximately \$493.2 million).

**About the Institution.** NYU is a private, non-profit institution of higher education located in New York City. The University was founded in 1831 and is one of the largest private institutions of higher education in the United States. The University includes 20 schools, colleges, institutes and programs in eight major locations in the greater New York City area: 1) the Washington Square campus in Greenwich Village; 2) the Institute of Fine Arts at 1 East 78<sup>th</sup> Street near the Metropolitan Museum of Art; 3) the School of Professional Studies at the Midtown Center at 11 West 42<sup>nd</sup> Street and Washington Square; 4) the Rory Meyers College of Nursing and the College of Dentistry on First Avenue between East 24<sup>th</sup> and 26<sup>th</sup> Streets; 5) the Robert I. Grossman School of Medicine (“Grossman School of Medicine”) on First Avenue between East 30<sup>th</sup> and 34<sup>th</sup> Streets; 6) the Institute for the Study of the Ancient World at 15 East 84<sup>th</sup> Street; 7) the Tandon School of Engineering and the Center for Urban Science and Progress (“CUSP”) in Brooklyn; and 8) the Long Island School of Medicine in Mineola, Long Island.

The network also includes a comprehensive, degree-granting, liberal arts and science university in Abu Dhabi, a comprehensive, degree-granting liberal arts and science campus in Shanghai, and eleven other global academic sites on six continents where students may study away for a semester or more. The University is the sole corporate member of NYU Langone Health System (the “Health System”), which is the sole corporate

member of NYU Langone Hospitals, formerly known as NYU Hospitals Center. NYU has no responsibility or liability for the indebtedness or other obligations of the Health System. Conversely, the Health System is not responsible or liable for the indebtedness or other obligations of NYU.

**SEQR Determination.** DASNY completed this environmental review in accordance with the *State Environmental Quality Review Act* (“SEQRA”), codified at Article 8 of the New York *Environmental Conservation Law* (“ECL”), and its implementing regulations, promulgated at Part 617 of Title 6 of the *New York Codes, Rules and Regulations* (“N.Y.C.R.R.”), which collectively contain the requirements for the *State Environmental Quality Review* (“SEQR”) process.

The Proposed Project would involve the “...*refinancing of existing debt*,” which is a Type II action as specifically designated by 6 N.Y.C.R.R. § 617.5(c)(29) of SEQR. Type II “*actions have been determined not to have significant impact on the environment or are otherwise precluded from environmental review under Environmental Conservation Law, article 8.*”<sup>1</sup> Therefore, no further SEQR determination or procedure is required for a Proposed Project identified as Type II.

**SHPA Determination.** The Proposed Action was also reviewed in conformance with the *New York State Historic Preservation Act of 1980* (“SHPA”), especially the implementing regulations of Section 14.09 of the *Parks, Recreation and Historic Preservation Law* (“PRHPL”), as well as with the requirements of the Memorandum of Understanding (“MOU”), dated March 18, 1998, between DASNY and the New York State Office of Parks, Recreation and Historic Preservation (“OPRHP”). In compliance with Article III, Section 3.0 of the MOU, OPRHP would be notified of the proposed Bond issuance. It is the opinion of DASNY that the Proposed Action would have no impact on historical or cultural resources in or eligible for inclusion in the National and/or State Registers of Historic Places (“S/NR”).

Attachment

cc: Dena T. Amodio, Esq.  
Matthew A. Stanley, A.I.C.P.  
David P. Ostrander  
SEQR File  
OPRHP File

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<sup>1</sup> 6 N.Y.C.R.R. § 617.5(a)



# Transaction Report – Single Approval New York University - New York, New York

May 5, 2026

**PROGRAM:**

Independent Colleges & Universities

**PURPOSE:**

Refunding

**NOT TO EXCEED AMOUNT:**

\$500,000,000

**NOT TO EXCEED TERM:**

20 Years

**INTEREST RATE TYPE:**

Fixed and/or Variable

**BOND TAX STATUS:**

Tax-Exempt and/or Taxable

**SALE TYPE:**

Negotiated Offering

**RATINGS:**

Aa2/AA-

**SECURITY:**

General Obligation

## Proposed New Issue Overview

The Board is being asked to adopt the necessary documents for the issuance of one or more series of fixed and/or variable rate, tax-exempt and/or taxable bonds, in an amount not to exceed \$500,000,000 with maturities not to exceed 20 years, to be sold at one or more times through a negotiated offering on behalf of New York University.

**Financing Team:**

- Senior Manager – J.P. Morgan
- Co-Bond Counsel – Hawkins Delafield & Wood LLP and McGlashan Law Firm, P.C.
- Underwriter’s Counsel – Katten Muchin Rosenman LLP

**Purpose:**

- Refunding of all or a portion of the University’s Series 2015A Bonds and Series 2016A Bonds and/or refunding of a portion of the University’s Series 2018A Bonds issued by DASNY (\$493.2 million).

**Security:**

- General Obligation of the University

**Description of the Bonds:**

- The Bonds are a special obligation of DASNY.
- The Loan Agreement is a general obligation of the University.
- The Bonds are payable from payments made under the Loan Agreement and all funds and accounts established under the Resolution.

**Financing Details:**

**Refunding:** Proceeds from the proposed issuance are expected to refund all or a portion of the University’s Series 2015A Bonds and Series 2016A Bonds issued by DASNY. The remaining maturities of the Series 2015A Bonds, which were partially refunded in 2025, reach final maturity on July 1, 2038 and are currently callable. The Series 2016A Bonds reach final maturity on July 1, 2043 and are callable beginning July 1, 2026. Proceeds from the proposed issuance may also be used refund a portion of the University’s Series 2018A Bonds issued by DASNY. Approximately \$13.8 million of the 2034 and 2042 maturities are currently callable. It is not anticipated that the final maturity of the refunding bonds will exceed the final maturity of the bonds to be refunded, but a term not to exceed 20 years is being requested.

Assuming current market conditions, a total net present value savings in the range of \$39.2 million, or 7.26% of the refunded bonds, is expected from the proposed refunding.



### Savings Analysis

Date	Existing Debt Service	New Debt Service	Gross Savings
2026	32,661,565	-	32,661,565
2027	59,575,580	59,060,004	515,576
2028	43,992,600	43,480,000	512,600
2029	43,986,850	43,473,250	513,600
2030	43,991,600	43,475,500	516,100
2031	43,983,600	43,468,750	514,850
2032	43,730,600	43,215,750	514,850
2033	43,736,850	43,221,000	515,850
2034	43,741,850	43,229,250	512,600
2035	43,742,350	43,227,250	515,100
2036	43,735,100	43,217,250	517,850
2037	74,876,850	74,361,250	515,600
2038	67,792,300	67,278,000	514,300
2039	41,219,500	40,702,250	517,250
2040	16,834,800	16,318,500	516,300
2041	16,816,600	16,301,250	515,350
2042	29,367,400	28,853,750	513,650
2043	27,523,600	27,006,000	517,600
<b>Total</b>	<b>761,309,595</b>	<b>719,889,004</b>	<b>41,420,591</b>

#### PRESENT VALUE ANALYSIS SUMMARY

NET PRESENT VALUE BENEFIT	39,155,706
NPV BENEFIT OF BONDS BEING REFUNDED	7.26%
NPV BENEFIT OF REFUNDING PRINCIPAL	7.94%

**Sources and Uses:** Proceeds of approximately \$551.9 million are expected to be deposited into the refunding escrow. Costs of issuance and Underwriter’s Discount are estimated to total approximately \$1.5 million. Completing the plan of finance will require a bond issue of approximately \$493.2 million. A bond issue with a not-to-exceed par amount of \$500 million is being requested.

**Sources of Funds:**

Bond Proceeds		
Par Proceeds	\$	493,230,000
Premium		60,164,246
<b>Total Sources</b>	<b>\$</b>	<b>553,394,246</b>

**Uses of Funds:**

Refunding Escrow Deposits	\$	551,906,565
Costs of Issuance and Underwriter's Discount		1,487,681
<b>Total Uses</b>	<b>\$</b>	<b>553,394,246</b>

**Approvals**

SEQR Filing – May 11, 2026 (anticipated) PACB Approval – May 27, 2026 (anticipated) TEFRA Hearing – To be determined

**Borrower Overview**

New York University is a private, non-profit institution of higher education located in New York City. The University was founded in 1831 and is one of the largest private institutions of higher education in the United States.

The University includes 20 schools, colleges, institutes and programs in eight major locations in the greater New York City area: the Washington Square campus in Greenwich Village; the Institute of Fine Arts at 1 East 78th Street near the Metropolitan Museum of Art; the School of Professional Studies at the Midtown Center at 11 West 42nd Street and Washington Square; the Rory Meyers College of Nursing and the College of Dentistry on First Avenue between East 24th and 26th Streets; the Robert I. Grossman School of Medicine (“Grossman School of Medicine”) on First Avenue between East 30th and 34th Streets; the Institute for the Study of the Ancient World at 15 East 84th Street; the Tandon School of Engineering and the Center for Urban Science and Progress (CUSP) located in Brooklyn; and the Long Island School of Medicine in Mineola, Long Island.

The network also includes a comprehensive, degree-granting, liberal arts and science university in Abu Dhabi, a comprehensive, degree-granting liberal arts and science campus in Shanghai, and eleven other global academic sites on six continents where students may study away for a semester or more.

The University is the sole corporate member of NYU Langone Health System (the “Health System”), which is the sole corporate member of NYU Langone Hospitals, formerly known as NYU Hospitals Center. NYU has no responsibility or liability for the indebtedness or other obligations of the Health System. Conversely, the Health System is not responsible or liable for the indebtedness or other obligations of NYU.

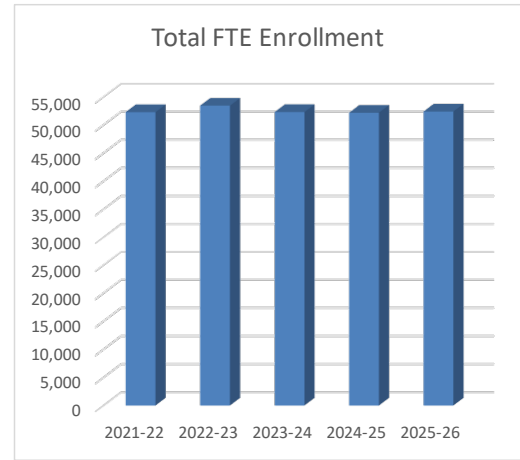
**Financing History:**

The University has been a client of DASNY since 1963. Since then, DASNY has issued 50 separate obligations on behalf of the University totaling over \$10.1 billion. As of March 31, 2026, approximately \$5.5 billion in DASNY debt issued on behalf of New York University remained outstanding.

**Enrollment:**

**Selected Enrollment Statistics**

	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>
First-time Freshman Applications Received	95,517	100,662	113,578	110,807	114,125
First-time Freshman Applications Accepted	12,380	12,539	10,693	10,232	10,340
Undergraduate Acceptance Ratio	13.0%	12.5%	9.4%	9.2%	9.1%
First-time Freshman Applicants Enrolled	6,097	6,184	5,818	5,666	5,662
Undergraduate Matriculation Ratio	49.2%	49.3%	54.4%	55.4%	54.8%
<b>Full-Time Equivalent Enrollment</b>					
Undergraduate	28,019	28,703	29,048	28,361	28,679
Graduate	<u>24,321</u>	<u>24,792</u>	<u>23,295</u>	<u>23,868</u>	<u>23,773</u>
<b>Total FTE Enrollment</b>	<b>52,340</b>	<b>53,495</b>	<b>52,343</b>	<b>52,229</b>	<b>52,452</b>



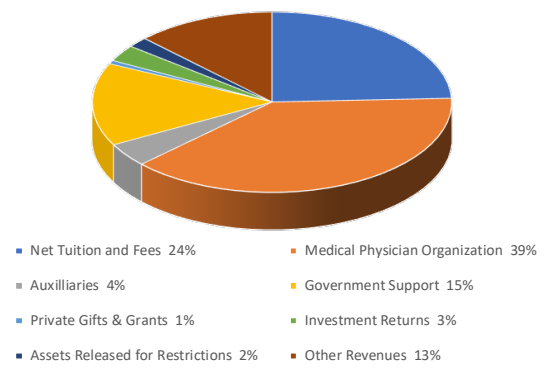
- NYU is one of the largest private higher education institutions in the nation, measured by enrollment. For fall 2025, the University reported total FTE enrollment of 52,452.
- Demand for the University increased in each fiscal year through fall 2023 when the University received 113,578 applications for first-time full-time freshman, the sixteenth year in a row of record applications. After falling slightly in fall 2024, applications reached a new record high in fall 2025 with 114,125.
- NYU’s Undergraduate Acceptance Ratio decreased to 9.1% for fall 2025, the lowest ratio over the last five years. The University’s Matriculation Ratio has been fairly stable over that period, averaging 52.6%.
- NYU has continued to focus on increasing financial aid to make the University more accessible to students from lower income families. The “The NYU Promise,” an affordability/financial aid initiative, eliminated tuition for families earning less than \$100,000 for students admitted as first-year undergraduates beginning in fall 2024.
- NYU continues to attract international students to its main campus. International students comprise approximately 26% of undergraduate enrollment and 46% of graduate enrollment at the New York campus.

**Operations:**

**Selected Operating Statistics**

<i>(dollars in thousands)</i>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Total operating revenue	\$7,577,723	\$8,448,344	\$9,331,666	\$10,230,459	\$10,863,253
Total operating expense	<u>7,637,772</u>	<u>8,394,998</u>	<u>9,413,650</u>	<u>10,460,250</u>	<u>11,261,582</u>
Change in net assets from operations	(60,049)	53,346	(81,984)	(229,791)	(398,329)
Total non-operating activities	<u>454,839</u>	<u>198,440</u>	<u>564,231</u>	<u>803,902</u>	<u>723,539</u>
Change in unrestricted net assets	394,790	251,786	482,247	574,111	325,210
Adjusted Operating Margin (DASNY 2024 Median: 0.9%)	0.4%	1.9%	-0.2%	-1.9%	-3.3%
Adjusted Net Income Margin (DASNY 2024 Median: 3.9%)	6.4%	4.2%	5.8%	5.9%	3.3%
Annual Debt Service Coverage (DASNY 2024 Median: 2.3:1)	1.7	2.2	1.9	1.7	1.1

**2025 Revenue Composition**



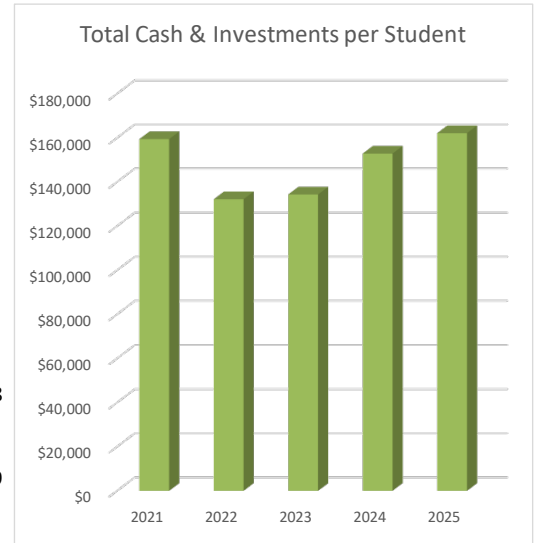
- Operating margins over the last five years have ranged from a surplus of \$53.3 million for fiscal year 2022 to a deficit of \$398.3 million for fiscal year 2025. Recent operating results are driven by increased operating expenses outpacing the increase in revenues.



- The University revenues are diverse, with net tuition and fees accounting for 24% of total revenue for fiscal year 2025. Other revenue sources include patient care revenue from the Grossman School of Medicine (39%), government grants and contracts (15%), auxiliaries (4%), investment returns (3%), and private gifts and grants (1%).
- Net Income margins have averaged 5.1% annually over the last five years, mainly driven by positive investment returns.

**Balance Sheet:**

<u>Selected Financial Position Statistics</u>					
<i>(dollars in thousands)</i>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Total Assets	\$19,486,329	\$19,075,766	\$19,957,310	\$21,284,242	\$23,754,446
Total Liabilities	11,972,328	11,707,217	11,940,978	12,137,224	13,840,866
<b>Net Assets</b>					
Unrestricted	2,775,759	3,027,545	3,509,792	4,083,905	4,409,115
Temporarily Restricted	0	0	0	0	0
Permanently Restricted	<u>4,738,242</u>	<u>4,341,004</u>	<u>4,506,540</u>	<u>5,063,113</u>	<u>5,504,465</u>
Total Net Assets	\$7,514,001	\$7,368,549	\$8,016,332	\$9,147,018	\$9,913,580
<b>Long-Term Debt</b>	\$6,412,091	\$6,244,740	\$6,409,159	\$6,463,066	\$8,049,067
Total Cash & Investments to Operating Expenses (DASNY 2024 Median: 1.7:1)	1.0	0.8	0.8	0.8	0.8
Total Cash & Investments to Total Debt (DASNY 2024 Median: 2.4:1)	0.9	0.9	0.9	1.0	0.9
Total Cash & Investments per Student	\$159,426	\$132,183	\$134,338	\$152,869	\$162,123



- Total net assets have increased by \$2.40 billion since 2021, reaching \$9.91 billion at fiscal year-end 2025, mainly the result of fundraising, positive investment returns, and grant awards. NYU’s unrestricted net assets have increased by 59% over five years.
- At fiscal year-end 2025, NYU reported cash and short-term investment balances totaling \$1.26 billion. The University also maintains \$950 million in committed bank credit lines and a \$250 million commercial paper program through DASNY. NYU typically utilizes its credit lines or commercial paper to finance ongoing capital expenditures and then refinances the amounts drawn at a later date using long-term bond financing.
- Liquidity measures have been fairly level over the last four years as the growth of cash and investments has been offset by the accumulation of debt obligations and the upward climb of operating expenses. In 2025, DASNY issued \$2.18 billion on behalf of NYU, approximately \$1.53 billion of which was new money. For fiscal year 2025, the University’s Total Cash and Investments to Total Debt was calculated at 0.9:1 (compared to the 2024 DASNY median of 2.4:1) while its Total Cash and Investments to Operating Expenses was 0.8:1 (compared to the 2024 DASNY Median of 1.7:1).
- For fiscal year 2025, NYU reported long-term investments with a total market value of over \$7.21 billion. This represented an increase of 25% from fiscal year 2021.

**Recommendation**

- The Board is being asked to adopt the necessary documents for one or more series of bonds with terms not to exceed 20 years in an amount not to exceed \$500,000,000 on behalf of New York University. Hawkins Delafield & Wood LLP and McGlashan Law Firm, P.C., co-bond counsel, will provide the Board with an overview of certain document provisions at the May 13, 2026 Board meeting.



*This report was prepared solely to assist DASNY in its review and approval of the proposed financing described therein and must not be relied upon by any person for any other purpose. DASNY does not warrant the accuracy of the statements contained in any offering document or any other materials relating to or provided by the Institution in connection with the sale or offering of the Bonds, nor does it directly or indirectly guarantee, endorse or warrant (1) the creditworthiness or credit standing of the Institution, (2) the sufficiency of the security for the Bonds or (3) the value or investment quality of the Bonds.*

*The Bonds are special limited obligations of DASNY that are secured only by the amounts required to be paid by the Institution pursuant to the Loan Agreement, certain funds established under the Resolution and other property, if any, pledged by the Institution as security for the Bonds.*