



Mary L. Groves [Inactive]

Of Counsel

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Mary is a leader in public finance throughout the Rocky Mountain region. With 38 years of experience, she advises clients in the areas of tax-exempt finance as bond counsel, borrower's counsel, trustee's counsel, bank counsel and underwriter's counsel.

She has been lead counsel in a broad range of traditional and conduit public financings, including projects for local governments, private schools, colleges, senior housing, healthcare providers, charter schools, cultural institutions and faith-based service providers. She also represents banks in letter of credit, conversions, restructuring and liquidity transactions.

Mary has worked with a variety of financing structures, including fixed and variable rate bonds, conversions of variable rate bonds to direct bank ownership, master trust indentures, bank private placements, certificates of participation and financings involving special purpose entity corporations. She has advised local governments regarding TABOR compliance issues. She is also called on by many non-Colorado borrowers who use the multi-jurisdictional authority of Colorado's statewide health and education issuers.

Services

- Public Finance
- Public Finance Education

Education

- University of Denver Sturm College of Law (J.D., 1978)
- Regis University (M.A., 1999)
- University of Colorado, Denver (B.A., 1974)

Bar Admissions

- Colorado
- Texas (inactive)

Court Admissions

- U.S. Court of Appeals for the Tenth Circuit

Affiliations/Memberships

- American College of Bond Counsel, fellow
- National Association of Bond Lawyers
- Colorado Municipal Bond Supervision Advisory Board

Distinctions

- Top Lawyers by *Denver Magazine* in Banking and Finance Law (2010)
- One Who Impacted APDC by Asian Pacific Development Center (1996)
- One of the first 100 attorneys inducted into the American College of Bond Counsel, a national honorary society established by the National Association of Bond Lawyers

Experience

Served as Bond Counsel During a High School's Debt Restructuring, Buildout Plans

We served as bond counsel for \$17 million in bonds for Regis Jesuit High School when the high school opted to restructure its debt. A portion of the proceeds were used by the school to purchase nearby unimproved property, which will help to complete the high school's campus buildout in the future.

Served as Bond Counsel for a Regional Hospital

We guided our client through the process of issuing \$17.9 million in bonds through the Nebraska Investment Finance Authority for the first time. Regional West Medical Center used the bond proceeds to pay for an updated management information system.

Served as Bond Counsel for a Senior Living Rebuilding After a Flood

We served as bond counsel when our client issued \$85,295,000 in bonds for Frasier Meadows senior living facility to rebuild after a flood. The bond proceeds were used to help Frasier redesign its campus and make other repairs not covered by flood insurance. Frasier also opted to refinance some of its bank debt, resulting in a lower interest rate.

Served as Bond Counsel During a Hospital's Debt Restructuring, Building Project

We served as bond counsel when our client, Regional West Medical Center, opted to restructure their outstanding debt of \$68,470,000. The medical center also borrowed an additional \$10,874,604 for additional hospital projects, including new facilities. We helped the hospital put a new master trust indenture in place that will facilitate the hospital's capital acquisitions in the future.

Served as Bond Counsel During a Senior Living Provider's Debt Restructuring

We served as bond counsel for the Colorado Health Facilities Authority, which provided \$66,610,000 in bond financing for Christian Living Neighborhoods. The Christian Living Neighborhoods, which provides senior living facilities, refinanced its outstanding debt, saving them about \$1 million per year.

\$47 million restructuring and acquisition transaction for national senior living provider

We acted as bond counsel for Bethesda Associates, a Colorado based national senior living provider. This transaction contained (i) restructuring an existing \$23 million tax exempt bond to take advantage of new, more advantageous repayment terms and (ii) financing the acquisition of two new assisted living facilities through a second cross-collateralized \$24 million tax exempt bond. Both bonds were purchased by a single bank.

We created a new Master Trust Indenture as part of our engagement which permitted Bethesda to treat the 2014 Bonds on a parity basis and also gave it the ability to enter into new financings in the future on a parity basis with the 2014 Bonds. The bank, which owned the old bonds, offered new, advantageous loan terms to our client. However, it was critical to avoid a reissuance of the old bonds for tax purposes when implementing the changes, because public hearings would have been required under the Internal Revenue Code in Arizona, Indiana, Missouri, Texas, and two locations in Nebraska.

We worked with the bank purchaser to extend the bank holding period for the old bonds but without extending the bond maturity. We were able to lower the interest rate within IRS guidelines avoiding the reissuance. We also advised the bank relative to its written commitments to purchase the bonds in order to keep the two bond issues separate for tax purposes, as well as making sure the existing swap agreements were integrated into the new bond issue.

Counseled client, a hospital, through successful refinancing driven by 2008 market meltdown

Regional West Medical in Scotts Bluff, Nebraska, issued \$45 million variable rate demand bonds in 2005 for refinancing and new money purposes, which were secured by bond insurance and a bank letter of credit. Because of the financial crisis in 2008, the bond insurer collapsed and the letter of credit bank became the owner of the bonds. In a series of five transactions over the next five years, Regional West successfully restructured its debt portfolio with our assistance as bond counsel and borrower's counsel.

Credit was scarce during the recession, even for an investment grade rated hospital like Regional West, and the interest rates on the bonds held by the letter of credit bank were high. As credit became available with other banks, we helped Regional West with a series of bank private placements to refinance the bonds held by the letter of credit bank, and then to refinance the entire debt again with two permanent bank lenders.

We worked closely with the hospital to ensure each financing was in compliance with the existing Master Trust Indenture, to create parity among all lenders and to avoid an early termination of the existing swap agreements. We also negotiated on behalf of the hospital to meet the programmatic documents required by each lender with a special focus on making sure the documents did not conflict with each other or the Master Trust Indenture.

Alternative Delivery Providers finance capital improvements to enable better access to health care

Alternative Delivery providers (community health centers, mental health centers and critical access hospitals) provide innovative ways of delivering services to medically underserved and indigent populations, as compared to traditional delivery systems.

Finding optimal ways to deliver health care services is a challenge in any market and new approaches have been developed to care for people in rural areas, people with low-incomes, and people from various ethnic backgrounds. Our clients finance capital facilities with tax-exempt bonds, sometimes combined with federal grant monies for capital improvements, primarily to construct outpatient clinics for medical, dental and mental health services.

Critical access hospitals such as Family Health West provide short-term hospitalization and emergency care to people in rural areas so patients do not have to travel long distances to obtain basic services. Most bonds associated with these transactions are purchased by commercial banks. Our extensive experience in municipal finance bank transactions (we were ranked number six nationally in 2014 by Thompson Reuters for bank-qualified transactions) helps us create financing documents that are tailored to the business models represented by these alternative providers.

We have helped these organizations finance numerous projects across the State of Colorado, including acting as bond counsel for the issuance of \$9.1 million of tax-exempt bonds for the acquisition of an acute care hospital building by Peak Vista Health Services in Colorado Springs. Our client then renovated the building into an outpatient clinic and administrative offices with part of the bond proceeds. Portions of the building were leased to allied service providers, creating greater efficiencies, but also requiring us to do a more in depth tax analysis.

Our other alternative delivery clients include Plan de Salud del Valle, Metro Community Provider Network, Aurora Mental Health, Arapahoe Douglas Mental Health Center and Family Health West, all in Colorado.

\$43 million bond restructure provides client with stable debt platform

Our non-profit client, which is long-established and a national destination because of its beautiful Colorado setting, operates programs for children, adults and families in the Rocky Mountains. The client had \$43 million in outstanding variable rate demand bonds related to facilities construction. After the stock market melt-down of 2008, the client needed to restructure the bonds to be owned directly by a bank to avoid new market risks, which we assisted with as bond counsel. A few years later, however, the bank wanted major changes to the deal in exchange for extending the period during which it would continue to own the bonds. We were able to draft all the amendments and work the tax challenges to retrofit the new bank requirements into the existing deal documents. The bank extended its commitment to own the bonds which provided a stable platform for our client's debt structure.

\$54.6 million bonds for refunding and debt consolidation for non-profit radio broadcaster

We were bond counsel for the issuance of \$54.6 million bonds through the Public Finance Authority for the refunding and consolidation of debt for a non-profit radio broadcast organization. The California-based broadcaster, which has stations throughout the country, specializes in contemporary religious-themed music and non-sectarian educational programming. Our client sought to refinance the costs of the acquisition of 17 FCC licenses for stations located in thirteen states through the issuance of tax-exempt bonds, so we worked to consolidate its debt into one loan, which was privately placed with a consortium of banks. Initially, we closed the loan with a split between tax-exempt and taxable bonds. Over the nine months after closing, we set up local governmental hearings that are federally required in order for the taxable bonds to be converted to tax-exempt and were successful in converting about 65%. Our work enabled the client to successfully consolidate its debt and substantially reduce interest costs.

Amending Master Indenture to meet client's need for flexibility

Our senior living client wanted flexibility for an important new venture to provide additional services to the elderly, which meant amending certain financial covenant in the existing master trust indenture related to approximately \$130,000,000 in outstanding bonds. The amendments required the consent of at least a majority of all the holders who had to be contacted through the Depository Trust Company procedures. Issuers seldom undertake this type of project because of the difficulties in obtaining bondholder consent, but the new venture was of the highest importance to the client and we were asked to move forward. It took over eight months to draft the amendment and the solicitation materials, work on the tax implications and assist with advice on the DTC solicitation process while the holders were being contacted. In the end, we were able to help the client to be in position to put their new business venture into place.

\$7,280,000 Colorado Health Facilities Authority Refunding Senior Living Revenue Bonds (Eaton Senior Communities Project), Series 2014

\$8,000,000 Colorado Educational and Cultural Facilities Authority Revenue Bonds, Series 2014 (YMCA of Metropolitan Denver Project)

\$8,000,000 Colorado Educational and Cultural Facilities Authority Revenue Bond (St. Mary's Academy Project), Series 2014

\$8,000,000 Colorado Educational and Cultural Facilities Authority Revenue Bond (St. Mary's Academy Project), Series 2014

\$8,135,000 Boulder County, Colorado Revenue Bond (Boulder Mental Health Partners Project), Series 2014

\$23,000,000 Colorado Health Facilities Authority Revenue Bond, Series 2014A (Bethesda Foundation Project) and \$21,000,000 Colorado Health Facilities Authority Revenue Bond, Series 2014B (Bethesda Foundation Project)

\$49,855,000 California Statewide Communities Development Authority Revenue Bonds (California Baptist University), Series 2014A and \$5,855,000 California Statewide Communities Development Authority Revenue Bonds (California Baptist University), Series 2014

\$16,660,000 Colorado Educational and Cultural Facilities Authority Revenue Bonds (Regis Jesuit High School Project), Series 2013

\$10,000,000 California Municipal Finance Authority Educational Facilities Revenue Bonds (St. Francis High School Project), Series 2013

\$10,000,000 Hospital Authority No. 1 of Scotts Bluff County, Nebraska Revenue Bond (Regional West Medical Center Project), Series 2013

\$23,161,031.72 Hospital Authority No. 1 of Scotts Bluff County, Nebraska Revenue Bond (Regional West Medical Center Project), Series 2012A

\$10,765,000 Colorado Educational and Cultural Facilities Authority Variable Rate Demand Revenue Bonds (Museum of Contemporary Art/Denver Project) Series 2007

\$10,765,000 Colorado Educational and Cultural Facilities Authority Variable Rate Demand Revenue Bonds (Museum of Contemporary Art/Denver Project) Series 2007, Bank Counsel to KeyBank

\$12,000,000 Colorado Health Facilities Authority Revenue Bonds

\$12,000,000 Colorado Health Facilities Authority Revenue Bonds, Christian Living Communities

\$12,750,000 The Housing Authority of the City and County of Denver, Colorado Wells Fargo Bridge Bond, Series 2007 (Three Towers Rehabilitation Program)

\$12,750,000 The Housing Authority of the City and County of Denver, Colorado Wells Fargo Bridge Bond, Series 2007 (Three Towers Rehabilitation Program) – Bank Counsel for bridge financing for affordable housing

\$14,000,000 The City of Boulder, Colorado d/b/a Boulder Housing Partners Revenue Refunding Bond (Bridgewalk Apartments Project) Series 2011

\$14,000,000 The City of Boulder, Colorado d/b/a Boulder Housing Partners Revenue Refunding Bond (Bridgewalk Apartments Project) Series 2011— Bank Counsel for private placement of affordable housing bonds

\$14,500,000 The Board of Regents of New Mexico Institute of Mining and Technology System Revenue Bonds Series 2011

\$14,500,000 The Board of Regents of New Mexico Institute of Mining and Technology System Revenue Bonds Series 2011— Bond Counsel for public offering of university revenue bonds

\$15,708,850 Colorado Housing and Finance Authority Wells Fargo Bridge Loan Bond, Series 2010 (Westwood Homes Rehabilitation Project)

\$15,708,850 Colorado Housing and Finance Authority Wells Fargo Bridge Loan Bond, Series 2010 (Westwood Homes Rehabilitation Project) – Bank Counsel for affordable housing private placement

\$15,965,000 Colorado Health Facilities Authority Revenue Bond (Sunny Vista Living Center Project), Series 2010

\$15,965,000 Colorado Health Facilities Authority Revenue Bond (Sunny Vista Living Center Project), Series 2010 – Bond and Borrower Counsel for direct bank private placement

\$21,480,000 Colorado Health Facilities Authority Variable Rate Demand Revenue Bonds (Bethesda Adult Communities) Series 2008A and Series 2008B

\$21,480,000 Colorado Health Facilities Authority Variable Rate Demand Revenue Bonds (Bethesda Adult Communities) Series 2008A and Series 2008B – Bond Counsel for refinancing of variable rate bonds and issuance of new money, using liquidity facility, hedge and master trust indenture structure

\$21,910,000 California Municipal Finance Authority Revenue Bonds (Goodwill Industries of Sacramento Valley & Northern Nevada)

\$21,910,000 California Municipal Finance Authority Revenue Bonds Goodwill Industries of Sacramento Valley & Northern Nevada

\$22,881,000 Colorado Health Facilities Authority Revenue Bonds (AlloSource Inc.) Series 2010

\$22,881,000 Colorado Health Facilities Authority Revenue Bonds (AlloSource Inc.) Series 2010 – Bond and Bank Counsel for direct bank private placement

\$23,161,031.72 Hospital Authority No. 1 of Scotts Bluff County, Nebraska Healthcare Revenue Bond (Regional West Medical Center Project) Series 2012A

\$23,161,031.72 Hospital Authority No. 1 of Scotts Bluff County, Nebraska Healthcare Revenue Bond (Regional West Medical Center Project) Series 2012A — Bond and Borrower Counsel for Bank private placement

\$24,445,000 Colorado Health Facilities Authority Revenue Bonds, Series 2011A and \$12,000,000 Colorado Health Facilities Authority Revenue Bonds, Series 2011B (Christian Living Communities—Clermont Park Project)

\$24,445,000 Colorado Health Facilities Authority Revenue Bonds, Series 2011A (Christian Living Communities — Clermont Park Project) and \$12,000,000 Colorado Health Facilities Authority Revenue Bonds, Series 2011B (Christian Living Communities — Clermont Park Project) \$24,445,000 Colorado Health Facilities Authority Revenue Bonds, Series 2011A (Christian Living Communities — Clermont Park Project) and \$12,000,000 Colorado Health Facilities Authority Revenue Bonds, Series 2011B — Bond Counsel for public offering of senior living bonds

\$26,000,000 Colorado Educational and Cultural Facilities Authority Variable Rate Revenue Bonds (Denver Museum of Nature and Science 2010)

\$26,000,000 Colorado Educational and Cultural Facilities Authority Variable Rate Revenue Bonds (Denver Museum of Nature and Science 2010) – Bank Counsel for direct bank private placement

\$26,595,000 Colorado Health Facilities Authority Hospital Refunding Revenue Bonds (Boulder Community Hospital) Series 2010B

\$26,595,000 Colorado Health Facilities Authority Hospital Refunding Revenue Bonds (Boulder Community Hospital) Series 2010B – Bank Counsel for restructuring letter of credit through direct bank private placement

\$3,100,000 Promissory Note

\$3,100,000 Promissory Note, Kendall LLC

\$43,420,000 Colorado Educational and Cultural Facilities Authority Variable Rate Demand Revenue and Refunding Bonds, Series 2008 (YMCA of the Rockies)

\$43,420,000 Colorado Educational and Cultural Facilities Authority Variable Rate Demand Revenue and Refunding Bonds, Series 2008 (YMCA of the Rockies) – Bond Counsel for refinancing of variable rate bonds and issuance of new money, using liquidity facility and hedge

\$45,000,000 Colorado Educational and Cultural Facilities Authority Adjustable Rate Demand Revenue Bonds, Series 2007 (Valor Christian School)

\$45,000,000 Colorado Educational and Cultural Facilities Authority Adjustable Rate Demand Revenue Bonds, Series 2007 (Valor Christian Schools) – Bond Counsel for construction of new high school

\$49,195,000 Colorado Health Facilities Authority Revenue Refunding Bonds

\$49,195,000 Colorado Health Facilities Authority Revenue Refunding Bonds Christian Living Communities

\$8,219,000 Town of Gypsum, Colorado Multifamily Housing Revenue Refunding Bond

\$8,219,000 Town of Gypsum, Colorado Multifamily Housing Revenue Refunding Bond, CACHC

\$8,450,000 Adams County, Colorado Refunding Bond Metro Community Provider Network

\$8,450,000 Adams County, Colorado Refunding Bond, Metro Community Provider Network

\$9,000,000 Colorado Educational and Cultural Facilities Authority Tax-Exempt Revenue Bonds Iona Preparatory School

\$9,000,000 Colorado Educational and Cultural Facilities Authority Tax-Exempt Revenue Bonds, Iona Preparatory School