

**CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY  
BOND FINANCING PROGRAM  
EXECUTIVE SUMMARY**

<p><b>Applicant:</b> Golden Gate University ("GGU") 536 Mission Street San Francisco, California San Francisco County</p> <p><b>Facility Type:</b> Private University</p> <p><b>Project Location:</b> San Francisco, CA</p> <p><b>Accreditation:</b> Western Association of Schools and Colleges</p>	<p><b>Amount Requested:</b> \$46,000,000</p> <p><b>Date Requested:</b> December 6, 2012</p> <p><b>Resolution Number:</b> 293</p>
--	--

**Use of Proceeds:** Bond proceeds will be used in part, to current refund the CEFA Series 2001 bonds and advance refund the CEFA Series 2005 bonds. The refunding of these bonds is expected to provide GGU with a net present value savings of approximately \$7,009,387 or 18.1%, under current market conditions. In addition, bond proceeds will also be used to finance capital improvements on the San Francisco campus, including but not limited to classroom updates, expansion, rehabilitation, remodeling, renovation and equipping of various campus facilities.

<p><b>Type of Issue:</b> Direct Bank Placement</p> <p><b>Credit Enhancement:</b> None</p> <p><b>Expected Credit Rating:</b> Unrated</p> <p><b>Financing Team:</b> <i>Please see Exhibit 1 to identify possible conflicts of interest</i></p>
--

**Environmental Benefits:** It is the policy of GGU to always use environmentally sustainable materials whenever feasible. GGU strives to use products with a high post-consumer recycled content; sustainable carpet squares instead of carpet rolls, local sourced materials, low volatile organic compound (VOC) paint and creation of spaces which utilize natural light and open air to reduce electrical and heating, ventilation and air conditioning (HVAC) use.

**Financial Overview:** GGU's financial condition remains well positioned and supported by strong tuition and fee revenue. GGU's financial strength appears sound with \$72.7 million in total unrestricted net assets as of June 30, 2012, and a pro-forma debt service coverage ratio of 2.60.

<u>Sources of Funds:</u>		<u>Uses of Funds</u>	
Par Amount of Bond	\$ 46,000,000	Refunding	\$ 41,147,179
Prior Debt Service Reserve Fund	2,903,250	Project Fund	7,155,828
Accrued DSRF Earnings	24,224	Prepaid Interest	44,467
		Cost of Issuance	580,000
Total Sources	\$ 48,927,474	Total Uses	\$ 48,927,474

**Legal Review:** No information was disclosed to question the financial viability or legal integrity of the Applicant.

**Staff Recommendation:** Staff recommends the Authority approve Resolution No. 293 in an amount not to exceed \$46,000,000 for Golden Gate University as an unrated Direct Bank Placement. Macias, Gini & O'Connell, LLP, the Authority's financial analyst, and Fieldman, Rolapp & Associates, Inc., the Authority's financial advisor, concur with the Authority's staff recommendations.

**STAFF SUMMARY AND RECOMMENDATION**

**Golden Gate University (“GGU”)**

December 6, 2012

Resolution Number: 293

- I. PURPOSE OF FINANCING:** GGU intends to use bond proceeds, in part, to current refund the CEFA Series 2001 bonds and advance refund the CEFA Series 2005 bonds, providing an estimated net present value savings of \$7,009,387 or 18.1%, under current market conditions. In addition, bond proceeds will also be used to finance capital improvements on the San Francisco campus, including but not limited to classroom update, expansion, rehabilitation, remodeling, renovation and equipping of various campus facilities

**Refunding**.....**\$41,147,179**

GGU intends to current refund the outstanding balance of the CEFA Series 2001 bonds, of which \$24,075,000 is currently outstanding.

CEFA Series 2001 bonds were originally issued in October of 2001 in the amount of \$29,360,000. Bond proceeds were used to (a) advance refund the CEFA Series 1994 bonds that were used to finance and refinance the acquisition, construction and/or renovation of various facilities of GGU’s San Francisco campus, (b) to finance the acquisition, construction and/or renovation of various facilities of GGU’s San Francisco campus, (c) to fund a reserve fund for the Series 2001 bonds, and (d) to pay certain costs of issuance of the Series 2001 bonds. The new capital activity funded with the Series 2001 bonds included expenditures on the technology infrastructure, ADA upgrade, safety equipment, state-of-the-art lecture rooms, lighting and audio/visual equipment, and other construction, renovation, furnishings and equipment.

GGU intends to advance refund the outstanding balance of the CEFA Series 2005 bonds, of which \$14,630,000 is currently outstanding.

CEFA Series 2005 bonds were originally issued in May of 2005 in the amount of \$15,000,000. Bond proceeds were used to (a) finance the acquisition, construction and/or renovation of various facilities of GGU’s San Francisco campus, (b) fund a reserve fund for the Series 2005 bonds and other parity bonds and (c) to pay certain costs of issuance of the Series 2005 bonds.

**Project Fund**.....**\$7,155,828**

GGU intends to use bond proceeds to finance capital improvements to the building at the San Francisco campus located at 536 Mission Street. The building has six floors with East and West wings, with classrooms occupying the majority of the West wings. GGU intends to include in the project a major refresh of classrooms for the 4<sup>th</sup> and 5<sup>th</sup> Floor of the West Wings, renovation of the University Library and Moot Court Room - Litigation Skills Center, and technology upgrades and enhancements.

West Wings, 4<sup>th</sup> and 5<sup>th</sup> Floor

Major refresh of the classrooms will include acoustic enhancements; new carpet and paint; lighting upgrades; HVAC enhancements; replace chalkboards with whiteboards; life-safety & code upgrades as needed; and new mobile furniture.

University Library

GGU plans to renovate and configure the existing library into a university-wide learning commons.

Moot Court Room – Litigation Skills Center

GGU plans to turn the Moot Court Room – Litigation Skills Center into a state-of-the-art litigation skills center. The project will include acoustic enhancements; new carpet and paint; lighting upgrades; and HVAC enhancements.

Technology upgrades and enhancements

The project will include technology and equipment migration to a more robust infrastructure; increase server memory storage; update network firewalls; upgrade Wi-Fi antennas and enable cutting-edge emerging technology to improve student experience.

**Environmental Benefits:**

GGU’s projects will use products with a high post-consumer recycled content, sustainable carpet squares instead of carpet rolls, local sourced materials, VOC paint and creation of spaces which utilize natural light and open air to reduce electrical and HVAC use.

<b>Prepaid Interest .....</b>	<b>44,467</b>
<b>Financing Costs .....</b>	<b><u>580,000</u></b>
Bank Origination Fee/Discount .....	\$230,000
Costs of Issuance.....	<u>350,000</u>
 <b><i>TOTAL USES OF FUNDS</i>.....</b>	 <b><i><u>\$48,927,474</u></i></b>

## II. GUIDELINES DISCUSSION:

At the October 25, 2012 Board Meeting, the Authority approved its bond issuance guidelines relating to non-investment grade and unrated bond transactions. Golden Gate University's Series 2012 bonds (the "Bonds") will be privately placed through a direct bank placement with First Republic Bank. ("First Republic"). The following guidelines have been applied to this financing:

- Must be privately placed with and transferred only to a "Qualified Institutional Buyer" as defined by SEC Rule 144A, promulgated under the Securities Act of 1933,
- Minimum denomination of \$250,000,
- Unconditional Promise to Pay from Borrower,
- Investor Letter required at issuance,
- Bond transfer restrictions must be noted conspicuously on the bond itself; and
- Bonds must be physically delivered.

All of the foregoing requirements are designed to maximize the likelihood that the unrated bonds will be placed with more sophisticated investors given the higher risk typically perceived to be associated with unrated debt. The Bonds are not rated at this time because First Republic, as purchaser, does not require the Bonds to be rated. First Republic has indicated it is a Qualified Institutional Buyer under SEC Rule 144A and will make an independent credit determination to purchase the Bonds. Both of the foregoing will be reflected in its investor letter.

### III. FINANCIAL ANALYSIS:

**Golden Gate University**  
**Statement of Activities**  
**Unrestricted**

	Fiscal Year Ended June 30,		
	<u>2012</u>	<u>2011</u>	<u>2010</u>
<b>Operating:</b>			
<b><i>Revenues and gains:</i></b>			
Net tuition and fees	\$ 58,209,004	\$ 58,293,221	\$ 54,593,024
Government contracts and grants	444,314	399,776	7,770
Private gifts and grants	380,996	320,339	271,376
Investment and endowment income	1,438,865	1,871,567	2,213,753
Other revenues	833,048	813,080	661,156
Net assets released from restrictions	2,118,435	2,140,791	2,665,776
Total revenues and gains	<u>63,424,662</u>	<u>63,838,774</u>	<u>60,412,855</u>
<b><i>Expenses and losses:</i></b>			
Instruction	22,008,297	21,240,825	19,712,102
Academic support	16,357,146	15,836,305	15,194,767
Student services	11,839,897	11,710,418	10,391,649
Institutional support	9,418,941	9,253,556	7,648,584
Development	1,659,214	1,551,425	1,406,064
Total expenses and losses	<u>61,283,495</u>	<u>59,592,529</u>	<u>54,353,166</u>
Increase in net assets from operating activities	2,141,167	4,246,245	6,059,689
<b><i>Non-Operating</i></b>			
Net Investment gains	(1,364,345)	4,578,381	1,753,372
Private gifts	5,000	1,520	12,315
Underwater endowments	(145,282)	639,959	657,388
Gain on lease abandonment	-	-	743,285
Miscellaneous (expenses) revenue	(272,416)	(119,392)	50,327
Net assets released from restrictions	165,050	182,661	388,487
Total increase in non-operating net assets	<u>(1,611,993)</u>	<u>5,283,129</u>	<u>3,605,174</u>
<b>Change in Net Assets</b>	529,174	9,529,374	9,664,863
UNRESTRICTED NET ASSETS, BEGINNING OF YEAR	<u>72,211,818</u>	<u>62,682,444</u>	<u>53,017,581</u>
UNRESTRICTED NET ASSETS, END OF YEAR	<u>\$ 72,740,992</u>	<u>\$ 72,211,818</u>	<u>\$ 62,682,444</u>

**Golden Gate University**  
**Statement of Financial Position**

	As of June 30,		
	2012	2011	2010
<b>ASSETS</b>			
<b>Current Assets:</b>			
Cash and cash equivalents	\$ 8,767,483	\$ 9,548,497	\$ 8,588,194
Accounts receivable, net	1,973,755	1,648,993	1,907,784
Receivables from government	98,548	29,810	94,482
Contributions receivable, current portion	706,326	238,664	321,497
Notes receivable, net	323,559	336,612	385,687
Prepaid expenses and other assets	1,067,049	1,151,988	906,125
Total current assets	12,936,720	12,954,564	12,203,769
<b>Non-Current Assets</b>			
Contributions receivable, net	772,524	191,200	316,443
Split interest trusts receivable	128,607	87,912	74,279
Notes receivable, net	2,749,673	2,661,741	2,535,989
Bond reserve funds	2,903,256	2,903,264	2,903,257
Bond issuance costs	630,230	662,075	693,920
Investments	62,022,739	59,913,311	49,766,968
Plant facilities, net	70,224,786	71,481,430	71,255,975
Total non-current assets	139,431,815	137,900,933	127,546,831
Total assets	\$ 152,368,535	\$ 150,855,497	\$ 139,750,600
<b>LIABILITIES AND NET ASSETS</b>			
<b>Current Liabilities:</b>			
Accounts payable	\$ 955,344	\$ 1,561,252	\$ 1,907,884
Accrued expenses	5,481,708	5,525,982	5,385,428
Deferred revenue	57,462	95,902	183,346
Bonds payable, current portion	770,000	730,000	695,000
Interest payable	522,081	531,835	539,648
Total current liabilities	7,786,595	8,444,971	8,711,306
<b>Non-Current Liabilities:</b>			
Other liabilities	1,215,381	1,276,867	1,732,212
Bonds payable, net of current portion	38,426,117	39,181,753	39,897,389
Split interest trust reserves	374,497	407,798	398,163
U.S. Government grants refundable	2,031,552	1,990,914	1,999,130
Total non-current liabilities	42,047,547	42,857,332	44,026,894
Total liabilities	49,834,142	51,302,303	52,738,200
<b>Net assets:</b>			
Unrestricted	72,740,992	72,211,818	62,682,444
Temporarily restricted	11,257,749	10,523,736	7,923,829
Permanently restricted	18,535,652	16,817,640	16,406,127
Total Net Assets	102,534,393	99,553,194	87,012,400
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 152,368,535</b>	<b>\$ 150,855,497</b>	<b>\$ 139,750,600</b>

Financial Ratios

	<b>Proforma</b>			
	<b>FYE 6/30/12 (a)</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
Debt service coverage (x)	2.60	2.41	2.91	3.16
Debt to expendable net assets (x)	0.57	0.48	0.50	0.61
Expendable net assets to operations (x)		1.37	1.39	1.30
Margin		3%	7%	10%

(a) Recalculates 2012 results to include the impact of this proposed financing.

## **Financial Discussion:**

**Over the review period, GGU's financial condition remains well positioned and supported by strong tuition and fee revenue.**

GGU has posted strong operating results over the review period. Total unrestricted revenues have shown a 5% increase, from \$60.4 million in FY 2010 to \$63.4 million in FY 2012. Tuition and fees, approximately 91% of GGU's total unrestricted revenues, increased from approximately \$54.6 million in FY 2010, to \$58.3 in FY 2011, with a marginal decrease in FY 2012 to approximately \$58.2 million. GGU attributes the marginal decrease to a minor decline in FY 2012 enrollments from FY 2011, but noted that FY 2011 enrollments were approximately 13% higher due to an extraordinary high yield of applications.

Operating expenses totaled \$61.3 million in FY 2012, increasing approximately 13% from \$54.3 million in FY 2010. GGU credits the increase to higher expenses in FY 2011 primarily related to strategic investments in instructional faculty and student services, and a non-recurring write-off of capital expenses. While net assets decreased over the review period, GGU reports operating expenses in FY 2012 returned to a modest growth of approximately 3%.

Non-operating expenses in general experienced rapid swings over the review period, increasing from approximately \$3.6 million in FY 2010 to \$5.3 million in FY 2011, then decreasing to approximately \$529,000 in FY 2012. GGU accredits the fluctuation almost exclusively to changes in the market value of GGU's endowment, reporting a significant recovery in the value of investments in FY 2010. Additionally, GGU reports losses in miscellaneous expenses primarily due to discontinued use of leased property in Walnut Creek, CA that is no longer used for university operations (the lease will expire in 2015) and property owned in Monterey, CA that is currently leased out to CSU Monterey Bay.

**GGU's financial strength appears sound showing significant growth over the review period with approximately \$72.7 million in total unrestricted net assets as of June 30, 2012.**

GGU's balance sheet appears strong showing significant growth over the review period reflecting a 16% increase in unrestricted net assets, from approximately \$62.7 million in FY 2010 to approximately \$72.7 million in FY 2012. Investments rose approximately 24%, from \$49.8 million in FY 2010 to approximately \$62 million in FY 2012. GGU attributes the growth primarily to market changes plus annual endowed gifts.

Total liabilities declined from approximately \$52.7 million in FY 2010 and \$51.3 million FY 2011, to approximately \$49.8 million in FY 2012. GGU attributes the decline primarily to the regular annual amortization of bond principal plus mitigation of a lease liability for the site in Walnut Creek, CA.

GGU's debt service coverage appears strong with a debt service coverage ratio of 2.41x for FY 2012. With the new debt, GGU's proforma debt service coverage improves to a solid 2.60x. GGU's strong balance sheet indicates GGU's ability to carry the additional debt.

#### **IV. BACKGROUND:**

##### **General:**

Golden Gate University (GGU), founded in 1901, is the fourth oldest private university in California tracing its beginnings to the founding of the San Francisco YMCA. GGU's programs cater to the needs of professionals entering or advancing their careers, offering flexible and personalized academic scheduling. GGU offers undergraduate and graduate programs in business and management, accounting, taxation, and law. Its main campus is located in the heart of the financial district of San Francisco and offers undergraduate and graduate programs of higher education through courses offered in San Francisco, Silicon Valley, Los Angeles and Seattle, Washington as well as through its Cyber Campus.

##### **Administration:**

GGU is governed by a self-sustaining Board of Trustees, currently comprised of 33 leaders in business and the community. Trustees may serve a maximum of three three-year terms. The Board of Trustees' authority is affirmed through its general, academic and financial policy-making functions and its responsibility for the Corporation's financial health and welfare. The Board of Trustees is responsible for appointing and reviewing the university's president, who along with the senior management team is responsible for the overall management of GGU, including its physical assets, long-range planning, and financial and budgetary affairs. The Board of Trustees has seven (7) standing committees: Executive, Academic Policy, Finance and Operations, Audit, Investment, Committee on Trustees, and Development.

##### **Accreditations and Affiliations:**

GGU is accredited by the Western Association of Schools and Colleges. GGU's School of Law is also accredited by the American Bar Association, the State Bar of California and the Association of American Law Schools.

##### **Academic Programs:**

GGU offers 15 graduate degrees with 24 concentrations, as well as 21 certificate options. GGU's programs are catered to the needs of professionals entering or advancing their careers. Courses are offered during the day, evening, on weekends and online. With an array of specialized instruction, online education, and accelerated degree programs, GGU gives students the flexibility to attend school full time or part time, in person at one of GGU's teaching centers or online.

**V. OUTSTANDING DEBT (\$000's):**

	<b>Original Issue Amount</b>	<b>Amount Outstanding as of June 30, 2012</b>	<b>Amount Outstanding After Proposed Financing</b>
<b>Existing Debt:</b>			
CEFA, Series 2001	\$ 29,360	\$ 24,775	\$ -
CEFA, Series 2005	15,000	14,700	-
 <i>Proposed:</i>			
<b>CEFA, Series 2012</b>		<u>-</u>	<u>46,000</u>
Total		<u>\$ 39,475</u>	<u>\$ 46,000</u>

**VI. DUE DILIGENCE:**

Due diligence has been completed with regard to the following items:

- Religious Due Diligence
- Legal Review
- Compliance with Section 94212(b) of the Education Code – California Environmental Quality Act – Not required with this financing
- Iran Contracting Act – Not required with this financing

**VII. STAFF RECOMMENDATION:**

Staff recommends the Authority approve Resolution No. 293 in an amount not to exceed \$46,000,000 for Golden Gate University as an unrated Direct Bank Placement. Macias, Gini & O’Connell, LLP, the Authority’s financial analyst, and Fieldman, Rolapp & Associates, Inc., the Authority’s financial advisor, concur with the Authority’s staff recommendations.

**EXHIBIT 1**  
**Financing Team**  
**Golden Gate University**

Borrower:	Golden Gate University
Agent for Sale:	California State Treasurer
Issuer's Counsel:	Attorney General's Office
Issuer's Financial Advisor:	Fieldman, Rolapp & Associates, Inc.
Bond Counsel:	Hawkins Delafield & Wood LLP
Borrower's Counsel:	Coblentz, Patch, Duffy & Bass LLP
Borrower's Financial Advisor:	Public Financial Management, Inc.
Bond Purchaser:	First Republic Bank
Bond Purchaser's Counsel:	Sidley Austin LLP
Trustee/Escrow Agent:	Union Bank, N.A.
Verification Agent:	TBD

**RESOLUTION NO. 293**

**RESOLUTION OF THE CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY  
AUTHORIZING THE ISSUANCE OF REVENUE BONDS TO FINANCE AND  
REFINANCE EDUCATIONAL FACILITIES FOR GOLDEN GATE UNIVERSITY**

**WHEREAS**, the California Educational Facilities Authority (the "Authority"), a public instrumentality of the State of California, pursuant to the provisions of the California Educational Facilities Authority Act (the "Act"), is authorized and empowered to issue revenue bonds and to loan the proceeds thereof to any participating private college (as defined in the Act) for the acquisition or construction of projects (as defined in the Act), to refund existing bonds, mortgages, or advances or other obligations incurred, given or made by a participating private college for the acquisition or construction of any projects, to refund outstanding bonds of the Authority, and for certain other purposes provided by the Act; and

**WHEREAS**, Golden Gate University (the "Borrower") has requested that the Authority issue one or more series of its revenue bonds (the "Bonds") for the purposes of (1) refunding all or a portion of the California Educational Facilities Authority Revenue Bonds (Golden Gate University) Series 2001 (the "Series 2001 Bonds") currently outstanding in the amount of \$24,075,000; (2) refunding all or a portion of the California Educational Facilities Authority Revenue Bonds (Golden Gate University) Series 2005 (the "Series 2005 Bonds") currently outstanding in the amount of \$14,630,000; (3) loaning the proceeds of the Bonds to the Borrower to refund existing loan obligations incurred by the Borrower in connection with the Series 2001 Bonds and/or the Series 2005 Bonds; (4) loaning the proceeds of the Bonds to the Borrower to finance the acquisition and construction of the project described under the caption "2012 Project" in Exhibit A hereto (the "2012 Project"); (5) funding capitalized interest on the Bonds through January 1, 2013; and (6) paying costs of issuance with respect to the Bonds; and

**WHEREAS**, the Series 2001 Bonds were issued for the purpose of (a) refunding the Authority's outstanding Revenue Bonds (Golden Gate University) Series 1994, the proceeds of which were loaned to the Borrower to finance the acquisition and construction of a project (as described under the caption "1994 Project" in Exhibit A hereto (the "1994 Project")) at various facilities of the Borrower in San Francisco, California, (b) financing the acquisition and construction of a project (as described under the caption "2001 Project" in Exhibit A hereto (the "2001 Project")) at various facilities of the Borrower in San Francisco, California; (c) funding a reserve fund for the Series 2001 Bonds; and (d) paying costs incurred in connection with the issuance of the Series 2001 Bonds; and

**WHEREAS**, the Series 2005 Bonds were issued for the purpose of (a) financing the acquisition of a project (as described under the caption "2005 Project" in Exhibit A hereto (the "2005 Project")) at various facilities of the Borrower in San Francisco, California; (b) funding a reserve fund for the Series 2005 Bonds; and (c) paying costs of issuance of the Series 2005 Bonds; and

**WHEREAS**, to the extent required by subdivision (b) of Section 94212 of the Act, the Borrower has provided documentation to the Authority demonstrating, to the extent

applicable, that the 2012 Project has complied with Division 13 (commencing with Section 21000) of the Public Resources Code or is not a "project" under such division; and

**WHEREAS**, approval of the terms of the terms of issuance and sale of such revenue bonds and various related matters is now sought.

**NOW, THEREFORE, BE IT RESOLVED** by the Authority as follows:

**Section 1.** Pursuant to the Act, one or more series of Bonds of the Authority, in an aggregate amount not to exceed \$46,000,000, are authorized to be issued subject to the limitations set forth in Section 2 hereof. The Bonds shall be designated generally as "California Educational Facilities Authority Revenue Bonds (Golden Gate University)" together with a series designation to distinguish among the separate series to be issued from time to time, or such other name or names as may be designated in the indenture pursuant to which such series of Bonds shall be issued. The proceeds of the Bonds shall be used for one or more of the purposes set forth in the second WHEREAS clause above.

**Section 2.** The Treasurer of the State of California (the "Treasurer") is hereby authorized to enter into agreements to sell one or more series of the Bonds, on one or more sale dates at any time within one year of the date of adoption of this Resolution, at private sale, in such aggregate principal amounts (not to exceed the aggregate principal amount set forth in Section 1) and in such series, at such prices, at such time or times, bearing interest at the rates (whether variable or fixed), with such maturity dates and upon such other terms and conditions as the Treasurer, with the advice and consent of the Borrower, may determine.

**Section 3.** The following documents: (i) the Loan Agreement relating to the Bonds (the "Loan Agreement"), between the Authority and the Borrower; (ii) the Indenture relating to the Bonds (the "Indenture"), between the Authority and Union Bank, N.A., as trustee (the "Trustee"), and (iii) the Private Placement Agreement, including the appendices thereto, relating to the Bonds (the "Private Placement Agreement"), among the Authority, the Treasurer, as agent for sale, and First Republic Bank (the "Purchaser"), and approved by the Borrower, are hereby approved in substantially the respective forms currently on file with the Authority, in each case with such insertions and changes therein consistent with the stated terms of this Resolution (including without limitation changes with respect to covenants, the modification or deletion of the gross revenue pledge, and changes with respect to funds and accounts being held by the Purchaser or a title company acting as escrow agent) as the signatory executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

**Section 4.** The dated dates, maturity dates (not exceeding 50 years from the date of issue), interest rates, methods of determining the interest rate from time to time, interest payment dates, denominations, forms, registration privileges or requirements, place or places of payment, terms of tender or purchase, terms of redemption, provisions governing transfer and other terms of the Bonds, including provisions for the rights of the Purchaser as the holder of the Bonds, shall be as provided in the Indenture, as finally executed.

**Section 5.** The Bonds, when executed, shall be delivered to the Trustee for authentication by the Trustee. The Trustee is hereby requested and directed to authenticate the Bonds by executing the Trustee's Certificate of Authentication appearing thereon, and to deliver the Bonds, when duly executed and authenticated, to or upon direction of the Purchaser, in accordance with written instructions executed on behalf of the Authority, which instructions are hereby approved. Said instructions shall provide for the delivery of the Bonds to or upon direction of the Purchaser, in accordance with the Private Placement Agreement upon payment of the purchase price specified therein.

**Section 6.** Each officer of the Authority is hereby authorized and directed, for and in the name of and on behalf of the Authority, to do any and all things which they may deem necessary or advisable in order to consummate the issuance, sale and delivery of the Bonds and otherwise to effectuate the purposes of this Resolution and the Indenture, the Loan Agreement, and the Private Placement Agreement. The Authority hereby approves any and all documents to be delivered in furtherance of the foregoing purposes, including without limitation: (a) any tax agreement and any certificates related thereto; (b) any escrow deposit agreement; (c) certifications; and (d) any reconveyances or assignments.

**Section 7.** The provisions of the Authority's Resolution No. 2011-03 apply to the documents and actions approved in this Resolution.

**Section 8.** The Authority hereby approves and ratifies each and every action taken by its officers, agents and employees prior to the date hereof in furtherance of the purposes of this Resolution.

**Section 9.** This Resolution shall take effect from and after the date of adoption

## **EXHIBIT A**

### ***2012 Project***

The 2012 Project consists of the financing and refinancing of the construction, expansion, remodeling, renovation, furnishing and equipping of certain educational facilities owned and operated by Golden Gate University located at 536 Mission Street, San Francisco, California 94105 (the "Campus"), including but not limited to library renovations, classroom upgrades and technology and building upgrades.

### ***1994 Project***

The 1994 Project consisted of the following: (i) financing and refinancing the seismic upgrade, repair and renovation of the east wing of the main campus building located at the Campus; (ii) refinancing of a loan for the west wing of the main campus building located at the Campus; and (iii) financing and refinancing environmental or other studies, reports, investigations, surveys and appraisals with respect to the real property commonly known as the Swallow Building located at the northwest corner of Ecker and Jessie Streets in San Francisco, California.

### ***2001 Project***

The 2001 Project consisted of the following: (i) new construction at the Campus, which housed building systems including new mechanical, electrical and telephone/data rooms, fire pump, sump pump, air handlers, chillers and fire sprinklers; (ii) renovation of the west wings of the 2<sup>nd</sup> and 3<sup>rd</sup> floors of the main campus building located at the Campus, for the purposes of providing state-of-the-art lecture rooms, new flooring, furniture, lighting, audio/visual equipment, interior finishes, ADA upgrades and fire sprinklers; and (iii) technology upgrades including network infrastructure, hardware, software and engineering costs associated with the implementation of the Borrower's technology plan to provide ubiquitous, web-based access to all systems, transactions, processes and curriculum.

### ***2005 Project***

The 2005 Project consisted of the acquisition, construction, expansion, rehabilitation, remodeling, renovation and equipping of the Law School Library located at the Campus and the student services center and general administration building located at 40 Jessie Street, San Francisco, California 94105.