

OFFICIAL STATEMENT

Front Cover:

THE BONDS SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OR LIABILITY OF THE STATE OF CALIFORNIA OR OF ANY POLITICAL SUBDIVISION THEREOF OTHER THAN THE AUTHORITY OR A PLEDGE OF THE FAITH AND CREDIT OF THE STATE OF CALIFORNIA OR OF ANY POLITICAL SUBDIVISION THEREOF, BUT SHALL BE PAYABLE SOLELY FROM THE FUNDS THEREFOR PROVIDED. NEITHER THE STATE OF CALIFORNIA NOR THE AUTHORITY SHALL BE OBLIGATED TO PAY THE PRINCIPAL [OR PURCHASE PRICE] OF THE BONDS OR THE PREMIUM, IF ANY, OR THE INTEREST THEREON EXCEPT FROM THE FUNDS PROVIDED UNDER THE LOAN AGREEMENT AND THE OTHER ASSETS PLEDGED UNDER THE INDENTURE, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF CALIFORNIA OR OF ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL [OR PURCHASE PRICE] OF OR THE PREMIUM, IF ANY, OR THE INTEREST ON THE BONDS [*If Cal Mortgage insured, add: EXCEPT TO THE EXTENT EXPRESSLY PROVIDED THROUGH THE INSURANCE PROGRAM DESCRIBED HEREIN*]. THE ISSUANCE OF THE BONDS SHALL NOT DIRECTLY OR INDIRECTLY OR CONTINGENTLY OBLIGATE THE STATE OF CALIFORNIA OR ANY POLITICAL SUBDIVISION THEREOF TO LEVY OR TO PLEDGE ANY FORM OF TAXATION WHATEVER THEREFOR OR TO MAKE ANY APPROPRIATION FOR THEIR PAYMENT [*If Cal Mortgage insured, add: EXCEPT TO THE EXTENT EXPRESSLY PROVIDED THROUGH THE INSURANCE PROGRAM DESCRIBED HEREIN*]. THE AUTHORITY HAS NO TAXING POWER.

Include the following at the bottom of the front cover, above the name(s) of the Underwriter(s):

HONORABLE [TREASURER'S NAME]
Treasurer of the State of California
As Agent for Sale

Inside Cover:

The information relating to the Authority set forth herein under the captions "THE AUTHORITY" and "ABSENCE OF MATERIAL LITIGATION—The Authority" has been furnished by the Authority. The Authority does not warrant the accuracy of the statements contained herein relating to the Borrower [*or other Members of the Obligated Group*] nor does it directly or indirectly guarantee, endorse or warrant (1) the creditworthiness or credit standing of the Borrower [*or other Members of the Obligated Group*], (2) the sufficiency of the security for the Bonds or (3) the value or investment quality of the Bonds. The Authority makes no representations or warranties whatsoever with respect to any information contained therein

except for the information under the sections entitled “THE AUTHORITY” and “ABSENCE OF MATERIAL LITIGATION—The Authority.”

Security Section:

Include this section in the Security for the Bonds section of the POS and OS:

The Bonds shall not be deemed to constitute a debt or liability of the State of California or of any political subdivision thereof other than the Authority or a pledge of the faith and credit of the State of California or of any political subdivision thereof, but shall be payable solely from the funds therefor provided. Neither the State of California nor the Authority shall be obligated to pay the principal [or the purchase price] of the Bonds or the premium, if any, or the interest thereon except from Revenues and the other assets pledged under the Bond Indenture and neither the faith and credit nor the taxing power of the State of California or of any political subdivision thereof is pledged to the payment of the principal [or the purchase price] of or the premium, if any, or the interest on the Bonds. The issuance of the Bonds shall not directly or indirectly or contingently obligate the State of California or any political subdivision thereof to levy or to pledge any form of taxation whatever therefor or to make any appropriation for their payment. The Authority has no taxing power.

Continuing Disclosure:

Confirm that both the Preliminary Official Statement and the Official Statement discloses that the Authority has no obligations with respect to continuing disclosure.

The Authority:

General

The Authority is a public instrumentality of the State organized and existing under and by virtue of the Act, constituting Part 7.2 of Division 3 of Title 2 of the California Government Code (the “Act”). The intent of the State Legislature in enacting the Act was to provide financing to health facilities and to pass along to the consuming public all or part of any savings realized by a participating health institution (as defined in the Act) as a result of tax-exempt financing. Pursuant to the Act, the Authority is authorized to issue its revenue bonds for the purpose of financing (including reimbursing expenditures made or refinancing indebtedness incurred for such purpose) the construction, expansion, remodeling, renovation, furnishing, equipping or acquisition of health facilities operated by participating health institutions. The State Treasurer is authorized under the Act to sell such revenue bonds on behalf of the Authority.

Organization and Membership

The Act provides that the Authority shall consist of nine members, including the State Treasurer, who shall serve as Chairman, the Controller of the State, the Director of Finance of the State and two members appointed by each of the State Senate Rules Committee, the Speaker of the State Assembly and the Governor of the State (the “Governor”). The Chairman of the Authority appoints the Executive Director.

Outstanding Indebtedness of the Authority

As of [*end of most recent fiscal quarter*] the Authority had issued obligations aggregating \$[] in original principal amount and had outstanding obligations in the aggregate principal amount of \$[].

ABSENCE OF MATERIAL LITIGATION—The Authority:

To the knowledge of the officers of the Authority, there is no litigation of any nature now pending (with service of process having been accomplished) or threatened against the Authority, seeking to restrain or enjoin the issuance, sale, execution or delivery of the Bonds, or in any way contesting or affecting the validity of the Bonds, any proceedings of the Authority taken concerning the issuance or sale thereof, the pledge or application of any moneys or security provided for the payment of the Bonds, or the existence or powers of the Authority relating to the issuance of the Bonds.

Miscellaneous:

The Authority furnished only the information contained under the captions “THE AUTHORITY” and “ABSENCE OF MATERIAL LITIGATION—The Authority” and, except for such information, makes no representation as to the adequacy, completeness or accuracy of this Official Statement or the information contained herein.

Signature Block:

This Official Statement has been delivered by the Authority and approved by the Borrower. This Official Statement is not to be construed as a contract or agreement among any of the Authority, the Borrower and the purchasers or Holders of the Bonds.

CALIFORNIA HEALTH FACILITIES
FINANCING AUTHORITY

By: _____
Executive Director