

CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY

BOND FINANCING PROGRAM

EXECUTIVE SUMMARY

Applicant: Chapman University (Chapman) One University Drive Orange, CA 92866 Orange County	Amount Requested: \$100,000,000 Date Requested: December 12, 2024 Resolution Number: 330
Facility Type: Private University Project Sites: See Exhibit 1 Accreditation: Western Association of Schools and Colleges Prior Borrower: Yes (last CEFA issuance February 2021)	
Background: Chapman is a non-profit co-educational institution of higher learning, originally founded in 1861 as Hesperian College. Chapman merged with California Christian College in 1991, and officially changed its name to Chapman University to recognize its breadth of programs and variety of degrees. Chapman is organized into eleven schools and colleges.	
Use of Proceeds: Bond proceeds will be used to refund the outstanding CEFA Series 2015 Bonds and pay costs of issuance related to the Series 2025 Bonds. The refunding of these bonds is expected to provide Chapman with a net present value savings of approximately \$9.2 million or 9.9 %, under current market conditions.	
Type of Issue: Negotiated public offering, tax-exempt fixed rate Expected Credit Rating: A2 (Moody’s) Financing Team: Please see Exhibit 2 to identify possible conflicts of interest	
Financial Overview: Chapman appears to post positive operating results over the review period. Chapman appears to show a solid balance sheet with a pro-forma fiscal year 2024 operating debt service coverage ratio of 3.4x.	
<u>Estimated Sources of Funds</u>	<u>Estimated Uses of Funds</u>
Bond Proceeds \$ 100,000,000	Project Fund \$ 99,000,000
	Financing Costs 1,000,000
Total Estimated Sources \$ 100,000,000	Total Estimated Uses 100,000,000
Due Diligence: Staff has confirmed the following documentation satisfies the California Educational Facilities Authority’s (Authority) requirements: Eligibility, Legal Review, the California Environmental Quality Act, and the certification for the Iran Contracting Act.	
Staff Recommendation: Staff recommends the Authority approve Resolution No. 330 in an amount not to exceed \$100,000,000 for Chapman University, subject to the terms and conditions in the resolution. TAP International Inc., the Authority’s financial analyst, and KNN Public Finance, LLC, the Authority’s municipal advisor, concur with the Authority’s staff recommendations.	

Disclaimer: Any information related to the borrower, including any data or analysis related to the borrower's financial condition or ability to repay the financing, described in this staff report is based on information provided by the borrower and was prepared solely for members of the Authority's Board and to satisfy certain provisions of the California Educational Facilities Authority Act (Ed. Code, §94100 et seq.). Prospective investors should not rely on information in this staff report and must read the entire Preliminary Official Statement to obtain information essential to the making of an informed investment decision.

STAFF SUMMARY, ANALYSIS, AND RECOMMENDATION

I. PURPOSE OF FINANCING

Chapman is requesting the Authority to issue tax-exempt bonds in a principal amount not to exceed \$100,000,000 to refund the outstanding CEFA Series 2015 bonds (2015 Bonds). In addition, bond proceeds will be used to pay the costs of issuance for the Series 2025 bonds. Chapman expects the refunding will generate an overall net present value savings of approximately \$9.2 million, or 9.9%, over the life of the bonds, under current market conditions.

Refunding..... \$99,000,000

The 2015 Bonds were originally issued in the amount of \$114,485,000, of which approximately \$97 million remains outstanding. Bond proceeds were used to fund the construction of Schmid College of Science and Technology, construction of the Rinker Health Science Center, which included refinancing a bank line of credit, renovation of Roosevelt Hall and Reeves Hall as well as the construction and renovation at the Tennis Complex, Becket Building and Digital Media Arts Center.

Financing Costs 1,000,000

Cost of Issuance	\$600,000
Underwriter's Discount	<u>400,000</u>

TOTAL ESTIMATED USES OF FUNDS \$100,000,000

II. PROPOSED COVENANTS, SECURITY AND DISCLOSURES

The Executive Summary and recommendations include minimum requirements. Additional or more stringent covenants or disclosures may be added following consultation with Authority staff but without further notification to the Authority's board. These covenants cannot be diluted or removed without subsequent review. If there have been modifications to the covenant proposal following the preparation of this executive summary, staff will report them at the meeting.

After reviewing Chapman's credit and financial profiles, current bond documents, prior bond transactions, offering documents, and considering what the market will support, Chapman's financial advisor, KNN Public Finance, LLC (KNN), the Authority's municipal advisor, Chapman's financial advisor, and the underwriter of the proposed bonds have concluded that the covenants listed below should be applicable to this transaction and note that the current financial situation of Chapman does not suggest that additional covenants should be required by the Authority.

- ✓ **Unconditional Promise to Pay.** *Borrower agrees to pay Trustee¹ all amounts required for principal and interest and other payments and expenses designated in the Loan Agreement. All Revenue and any other amounts held in a designated fund or account under the Indenture are pledged to secure the full payment of the bonds.*
- ✓ **Disposition of Cash and Property Limitations.** *Borrower agrees not to sell, lease or dispose of substantially all assets unless authorized by the Loan Agreement.*
- ✓ **Comply with SEC Rule 15c2-12.** *The rule prohibits underwriters from underwriting municipal bond deals unless the issuer or borrower contractually agrees to disclose designated financial and operating information to the marketplace during the life of the bonds and to report designated "material events" such as missed debt service payments, any change in bond ratings, defeasance, redemptions, etc.*

Staff has completed its due diligence, and KNN has reviewed the bond documents associated with this financing package and found these documents and proposed covenants to be acceptable.

¹ Capitalized terms defined in the Indenture.

III. FINANCIAL ANALYSIS

Chapman University
Statement of Activities
Unrestricted (\$000's)

	Year Ended May 31,		
	<u>2024</u>	<u>2023</u>	<u>2022</u>
Revenues, gains and other support:			
Net tuition and fees	\$ 364,443	\$ 357,130	\$ 340,297
Endowment returns designated for operations	7,004	6,120	5,407
Other investment income	13,308	5,968	(5,514)
Private gifts and requests	8,488	9,891	12,411
Grants and contracts	21,618	20,107	27,291
Auxiliary enterprises	63,714	68,327	49,441
Other sources	7,392	6,836	6,101
Net assets transferred or released from donor restrictions	13,888	14,409	13,168
Total revenues, gains and other support	499,855	488,788	448,602
Expenses:			
Salary and benefits	280,463	263,599	247,931
Facilities	62,379	59,835	52,551
Depreciation	47,055	44,245	41,744
Professional services	24,530	24,487	21,361
Promotion and advertising	4,432	3,878	3,933
Interest	15,686	16,550	15,120
Supplies	6,808	6,882	7,822
Other	31,704	29,407	16,462
Total expenses	473,057	448,883	406,924
Increase from operating activities	26,798	39,905	41,678
Nonoperating activities:			
Endowment returns (losses) net of designation for operations	48,197	(2,376)	127
Plant assets gifts released from restriction	7,631	6,682	-
Building gifts released from restriction	-	-	14,957
Other non-operating activity	(7,962)	(70)	(5,961)
Increase from nonoperating activities	47,866	4,236	9,123
Discontinued operations			
Change in net assets from discontinued operations	-	(8,163)	65,692
Change in net assets	74,664	35,978	116,493
NET ASSETS, BEGINNING OF YEAR	1,226,192	1,190,214	1,073,721
NET ASSETS, END OF YEAR	\$ 1,300,856	\$ 1,226,192	\$ 1,190,214

Chapman University
Statement of Financial Position (000's)

	As of May 31,		
	<u>2024</u>	<u>2023</u>	<u>2022</u>
ASSETS			
Cash, cash equivalents, and restricted cash	\$ 148,327	\$ 218,934	\$ 165,812
Accounts receivable	9,540	10,352	8,165
Inventories, prepaid expenses, and other deposits	14,751	15,912	14639
Contributions receivable, net	60,992	53,089	48,197
Notes receivable	103,449	102,847	150,487
Investments	810,550	673,388	782,187
Plant assets, net	1,131,632	1,132,686	963,339
Total assets	<u>\$ 2,279,241</u>	<u>\$ 2,207,208</u>	<u>\$ 2,132,826</u>
LIABILITIES AND NET ASSETS			
Liabilities:			
Accounts payable and accrued liabilities	\$ 54,947	\$ 55,728	\$ 57,852
Deferred revenues and student deposits	22,890	24,236	22,436
Bonds and notes payable	456,947	504,449	481,517
Annuities payable	1,003	1,128	1,868
Other liabilities	8,999	9,489	9,119
Total liabilities	<u>544,786</u>	<u>595,030</u>	<u>572,792</u>
Net assets:			
Without donor restrictions	1,300,857	1,226,193	1,190,214
With donor restrictions	433,598	385,985	369,820
TOTAL NET ASSETS	<u>1,734,455</u>	<u>1,612,178</u>	<u>1,560,034</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 2,279,241</u>	<u>\$ 2,207,208</u>	<u>\$ 2,132,826</u>

Financial Ratios

	Proforma ^(a)			
	<u>FYE 5/31/24</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Debt service coverage - Operating (x)	3.4	3.4	3.7	2.3
Debt service coverage - Net (x)	5.2	5.2	3.6	4.1
Debt to expendable net assets (x)	0.3	0.3	0.4	0.4
Expendable net assets to operations (x)		3.2	3.1	3.4
Margin (%)		5.4	8.2	9.3

^(a) Recalculates FY 2024 results to include the impact of this proposed financing.

Financial Discussion:

Chapman appears to post positive operating results over the review period.

Chapman's total revenues increased from approximately \$449 million in fiscal year (FY) 2022, to approximately \$489 million in FY 2023, to roughly \$500 million in FY 2024. Net tuition and fees, Chapman's largest source of revenue, increased from nearly \$340 million in FY 2022 to approximately \$357 million in FY 2023 and to \$364 million in FY 2024. According to Chapman's management, this increase is due to an increase in student enrollment as well as increases in the tuition rate. Also, from FY 2023 to FY 2024, Chapman experienced a 123% increase in other investment income. This revenue increase helped to offset the decreases in auxiliary enterprises from roughly \$68 million in FY 2023 to approximately \$64 million in FY 2024.

Chapman's expenses grew from approximately \$407 million in FY 2022 to roughly \$449 million in FY 2023 and ended the review period at \$473 million in FY 2024, primarily driven by increases in salary and benefits. Facilities expense increased from over \$52 million in FY 2022 to about \$62 million in FY 2024. According to Chapman's management, this increase is due to an increase in the number of buildings on campus, which resulted in increased facilities costs, increased utilities costs and also a return to normal level of maintenance and repairs post COVID as facilities returned to more normal usage levels.

Chapman appears to show a solid balance sheet with a pro-forma FY 2024 operating debt service coverage ratio of 3.4x.

Chapman demonstrates a solid balance sheet with total assets increasing from approximately \$2.1 billion in FY 2022 to approximately \$2.2 billion in FY 2023 and ending the review period at nearly \$2.3 billion in FY 2024. Chapman's plant assets is the primary factor contributing to the increase, growing over the review period from approximately \$963 million in FY 2022 to approximately \$1.1 billion in FY 2024. Along with Chapman's plant assets, Chapman's investments increased from about \$782 million in FY 2022 to nearly \$811 million in FY 2024. Plant assets increased as a result of the purchase of a new student residence hall and the completion of several construction projects on campus, and investments increased due to positive market returns.

Chapman has historically demonstrated a strong ability to repay its debt with an operating debt service coverage ratio of 2.3x, 3.7x, and 3.4x in FY 2022, FY 2023, and FY 2024, respectively. With this proposed refunding, Chapman's pro-forma FY 2024 operating debt service coverage ratio remains at 3.4x, indicating Chapman's ability to continue repaying its debt. Chapman's ability to manage its debt has remained consistent throughout the review period, with a debt to expendable net assets ratio of 0.4x both in FY 2022 and FY 2023 and 0.3x in FY 2024. With the proposed refunding, Chapman's pro-forma FY 2024 debt to expendable net assets ratio stays steady at 0.3x, demonstrating Chapman's continued low utilization of debt financing in relation to its expendable net assets.

IV. BACKGROUND:

General:

Chapman is a non-profit co-educational institution of higher learning, originally founded in 1861 as Hesperian College. The college merged with California Christian College in 1934 and was renamed in recognition of C.C. Chapman, a pioneering Orange County leader, real estate investor and rancher. In 1991, the college officially changed its name to Chapman University to recognize its breadth of programs and variety of degrees. It is organized into eleven schools and colleges, including: the Dale E. Fowler School of Law; the School of Pharmacy; the John and Donna Crean College of Health and Behavioral Sciences; the George L. Argyros School of Business and Economics, etc.

Administration:

Chapman is governed by a Board of Trustees, composed of 45 elected members, one-third of whom are elected annually for three-year terms, emeritus trustees, emeritus trustee chairs, and ex-officio members. The Board normally meets four times each year.

Accreditations:

Chapman is accredited by the Western Association of Schools and Colleges, Senior College and University Commission. Other accreditations include The Association to Advance Collegiate Schools of Business, California Commission on Teacher Credentialing, National Association of School Psychologists, International School Psychology Association, Council on Academic Accreditation in Audiology Speech-Language Pathology of the American Speech-Language Hearing Association, California Commission on Teacher Credentialing, among numerous other accreditations.

Academic Programs:

Chapman offers a broad spectrum of undergraduate, graduate, credential, and certificate programs, as well as continuing education programs. In the 2023-24 academic year, Chapman awarded degrees to a total of 2,582 students, of whom 1,741 received undergraduate degrees and 841 received graduate degrees

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

	Original Issue Amount	Amount Outstanding as of 05/31/2024	Estimated Amount Outstanding After Proposed Financing
Existing Debt			
CEFA Series 2015	\$ 114,485	\$ 96,835	\$ -
CEFA Series 2017 A	111,015	88,350	88,350
CEFA Series 2017 B	37,650	37,650	37,650
CEFA Series 2021A	52,995	39,715	39,715
Chapman Series 2021B (Taxable)	175,000	175,000	175,000
Proposed Financing			
CEFA, Series 2025			100,000
Total		\$ 437,550	\$ 440,715

VI. DUE DILIGENCE:

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

- **Eligibility:** Staff has reviewed and confirmed that Chapman meets the Authority's eligibility requirements.
- **Legal Review:** Chapman properly completed and submitted relevant documentation for the Authority's Legal Status Questionnaire.
- **Compliance with Education Code section 94212(b) (California Environmental Quality Act (Pub. Resources Code, § 21000 et seq.)):** The California Environmental Quality Act requirement does not apply to this financing.
- **Iran Contracting Act Certificate:** The underwriter properly completed and submitted the Iran Contracting Act Certificate.

VII. STAFF RECOMMENDATION:

Staff recommends the Authority approve Resolution No. 330 in an amount not to exceed \$100,000,000 for Chapman University, subject to the terms and conditions in the resolution. TAP International, Inc., the Authority's financial analyst, and KNN Public Finance, LLC, the Authority's municipal advisor, concur with the Authority's staff recommendations.

EXHIBIT 1
PROJECT SITES

- 450 North Center Street, Orange, CA 92866
- 332 North Orange Street, Orange, CA 92866
- 333 North Glassell Street, Orange, CA 92866
- 220 & 250 North Cypress Street, Orange, CA 92866
- 303 West Palm Avenue, Orange, CA 92866
- 9401 & 9501 Jeronimo Road, Irvine, CA 92618

EXHIBIT 2

Financing Team

Chapman University

Borrower:	Chapman University
Agent for Sale:	California State Treasurer
Issuer's Counsel:	Office of the Attorney General
Issuer's Municipal Advisor:	KNN Public Finance, LLC
Issuer's Financial Analyst:	TAP International, Inc.
Bond Counsel:	Orrick, Herrington & Sutcliffe LLP
Borrower's Counsel:	Latham and Watkins LLP
Borrower's Financial Advisor:	PFM Financial Advisors LLC
Underwriter:	Wells Fargo Securities
Underwriter's Counsel:	Hawkins Delafield & Wood LLP
Trustee:	U.S. Bank Trust Company, National Association
Trustee's Counsel:	Dorsey & Whitney LLP
Dissemination Agent:	BLX Group
Rating Agency:	Moody's Investors Service, Inc.
Auditor:	KPMG LLP

RESOLUTION NO. 330

RESOLUTION OF THE CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY AUTHORIZING THE ISSUANCE OF REVENUE BONDS TO REFINANCE PROJECTS AT THE EDUCATIONAL FACILITIES OF CHAPMAN UNIVERSITY

December 12, 2024

WHEREAS, the California Educational Facilities Authority (the “Authority”), a public instrumentality of the State of California, is authorized and empowered by the provisions of the California Educational Facilities Authority Act (the “Act”) to issue revenue bonds and to loan the proceeds thereof to a participating private college or a participating nonprofit entity (both 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 loan the proceeds thereof to a participating private college for the purpose of refinancing projects not originally funded pursuant to the Act (including repayment of costs, as defined in the Act), and to refund existing bonds or notes of the Authority;

WHEREAS, Chapman University (the “Borrower”) is a nonprofit public benefit corporation duly organized and existing under the laws of the State of California;

WHEREAS, the Borrower has requested that the Authority issue one or more series of its revenue bonds in an aggregate principal amount not to exceed \$100,000,000 and apply the proceeds thereof (i) to make one or more loans of the proceeds of the Bonds (as defined below) to the Borrower to refinance the costs of the Project, as more particularly described under the caption in Exhibit A hereto (the “Project”) by refunding the Authority’s Revenue Bonds (Chapman University), Series 2015, and (ii) to pay costs of issuance of the Bonds;

WHEREAS, to the extent required by subdivision (b) of Section 94212 of the Education Code, the Borrower has provided documentation to the Authority demonstrating, to the extent applicable, that the 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 issuance and sale of such revenue bonds and various related matters is now sought.

NOW, THEREFORE, BE IT RESOLVED by the California Educational Facilities Authority as follows:

Section 1. Pursuant to the Act, revenue bonds of the Authority designated as the “California Educational Facilities Authority Revenue Refunding Bonds (Chapman University), Series 2025” (the “Bonds”), or such similar name as approved by the Executive Director of the Authority or her or his designee, in a total aggregate principal amount not to exceed \$100,000,000, are hereby authorized to be issued from time to time, in one or more series. The proceeds of the Bonds shall be used for any or all of the purposes set forth in the fourth recital above.

Section 2. The Treasurer of the State of California (the “Treasurer”) is hereby authorized to enter into agreements to sell the Bonds in one or more series, on one or more sale dates at any time within one year of the date of adoption of this Resolution, via any combination of a public sale, private sale, or in a private placement, in such aggregate principal amount (not to exceed the aggregate principal amount set forth in Section 1) and in such series, at such prices, at such interest rate or rates, with such maturity date or dates and upon such other terms and conditions as the Treasurer, with the advice and consent of the Borrower, may determine. The Bonds, at issuance, shall be rated at investment grade by an active nationally recognized rating agency. The Bonds or any series of them may, at the sole option of the Borrower, be secured or supported by one or more of the following: deed of trust, bond reserve fund, bond insurance, other credit and/or liquidity facility and/or another security arrangement.

Section 3. The following documents:

(a) the Loan Agreement relating to the Bonds (the “Loan Agreement”), between the Authority and the Borrower;

(b) the Indenture relating to the Bonds (the “Indenture”), between the Authority and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”);

(c) the Purchase Contract, including the appendices thereto, relating to the Bonds (the “Purchase Contract”), among Wells Fargo Bank, National Association (the “Underwriter”), the Treasurer and the Authority and approved by the Borrower; and

(d) the preliminary official statement relating to the Bonds (the “Preliminary Official Statement”).

are hereby approved in substantially the forms on file with the Authority prior to this meeting, with such insertions, deletions or changes therein (including, without limitation, insertions, deletions or changes therein appropriate to reflect provisions relating to a deed of trust, a bond reserve fund, bond insurance, any other credit and/or liquidity facility and/or another security arrangement, at the sole option of the Borrower, for any series of Bonds) as the officer(s) executing the same may require or approve, such approval to be conclusively evidenced by execution and delivery thereof in the case of the Loan Agreement, the Indenture, and the Purchase Contract and by delivery thereof in the case of the Preliminary Official Statement. The Executive Director shall seek the advice of bond counsel and counsel to the Authority with respect to any such insertions, deletions or changes therein.

Section 4. The dated dates, maturity dates (not exceeding 50 years from the respective date of issue), interest rates, manner of determining interest rates, interest payment dates, denominations, forms, registration privileges or requirements, place or places of payment, terms of purchase or tender, terms of redemption, provisions governing transfer and other terms of the Bonds, including provisions for credit and/or liquidity facilities, if any, from time to time, shall be as provided in the Indenture, as finally executed.

Section 5. The Underwriter is hereby authorized to distribute the Preliminary Official Statement for each issue of the Bonds to persons who may be interested in the purchase of such Bonds offered in such issuance, it being understood that, at the discretion of the Underwriter (in consultation with the Borrower), a preliminary official statement may not be used with respect to any series of Bonds. The Underwriter is hereby directed to deliver a final official statement for each issue of the Bonds (the “Official Statement”) to all actual purchasers of such Bonds.

Section 6. 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 Underwriter 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 Underwriter, as determined and confirmed by the Treasurer, upon payment of the purchase price thereof.

Section 7. Each officer of the Authority is hereby authorized and directed, for and in the name 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, Loan Agreement, Purchase Contract and Official Statement. The Authority hereby approves any and all documents to be delivered in furtherance of the foregoing purposes, including without limitation: (a) a tax certificate and agreement and other certifications; (b) an escrow agreement relating to the refinancing of the Project together with notices and directions delivered in connection therewith; and (c) any agreement or commitment letter with respect to the provision of bond insurance, a letter of credit, a surety bond, a credit facility and/or a liquidity facility for the Bonds.

Section 8. The provisions of the Authority’s Resolution No. 2023-01 apply to the documents and actions approved in this Resolution.

Section 9. 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 10. The Authority hereby approves the execution and delivery of the Indenture, Loan Agreement, Purchase Contract, and Official Statement and other certificates and documents related thereto, with electronic signatures as may be permitted under the California Uniform Electronic Transactions Act and digital signatures as may be permitted under Section 16.5 of the California Government Code using DocuSign.

Section 11. This Resolution shall take effect from and after the date of adoption.

Date of Adoption: _____

EXHIBIT A

The Project means the following refinanced projects:

(A) the construction, expansion, demolition, improvement, installation, rehabilitation, renovation, remodeling, furnishing and equipping of the Center for Science and Technology, a science center with laboratory and classroom space, the address of which is 450 North Center Street, Orange, California;

(B) the improvement, installation, rehabilitation, renovation, remodeling, furnishing and equipping of Roosevelt Hall, the address of which is 332 North Orange Street, Orange, California;

(C) the improvement, installation, rehabilitation, renovation, remodeling, furnishing and equipping of Reeves Hall, the address of which is 333 North Glassell Street, Orange, California;

(D) the construction, expansion, demolition, improvement, installation, rehabilitation, renovation, remodeling, furnishing and equipping of the Tennis Complex, the address of which is 250 North Cypress Street, Orange, California;

(E) the expansion, improvement, installation, rehabilitation, renovation, remodeling, furnishing and equipping of the Harry and Diane Rinker Health Science Campus, a health science center with classrooms and research laboratories, the address of which is 9401 & 9501 Jeronimo Road, Irvine, California;

(F) the expansion, improvement, installation, rehabilitation, renovation, remodeling, furnishing and equipping of the Becket Building, the address of which is 303 West Palm Avenue, Orange, California;

(G) the construction, expansion, improvement, installation, rehabilitation, renovation, remodeling, furnishing and equipping of the Digital Media Arts Center, the address of which is 220 North Cypress Street, Orange, California;

(H) the acquisition, construction, expansion, demolition, improvement, installation, rehabilitation, renovation, remodeling, furnishing and equipping of the Harry and Diane Rinker Health Science Campus, a health science center with classrooms and research laboratories, the address of which is 9401 & 9501 Jeronimo Road, Irvine, California; and

(I) other related and appurtenant facilities of the Borrower.