CHFFA REVENUE BOND FINANCING PROGRAM
EXECUTIVE SUMMARY

All dollar values in thousands unless otherwise noted; except bond denominations

Applicant:	Kaiser Foundation Hospitals ("Kaiser") One Kaiser Plaza Oakland, CA 94612 Alameda County	**Amount Requested:** **Date Requested:** **Requested Loan Term:** **Resolution Number:**	$4,400,000 March 23, 2017 Up to 40 years 425

Project Sites: See Exhibit 1
Facility Types: Acute care, outpatient services, emergency, health education, and pharmacy.
Eligibility: Government Code 15432(d) (1)
Prior Borrower: Yes, (last CHFFA issue - April 2011)
Guarantors: Kaiser Foundation Health Plan, Inc. ("Health Plans"), Kaiser Health Plan Asset Management, Inc. ("HPAMI"), and Kaiser Hospital Asset Management, Inc. ("HAMI").
Credit Group: The Guarantors, together with Kaiser, comprise the Credit Group.

Background: Kaiser was incorporated on February 2, 1948, and is part of the health care delivery system ("System") known as the Kaiser Permanente Medical Care Program. The System includes Health Plans and subsidiaries as well as Kaiser and subsidiaries. The System provides medical, hospital, and other health care services and coverage. As of December 31, 2016, the System had 10.7 million members and the number of members served in California was approximately 8.2 million. The System acquired Group Health Cooperative on February 1, 2017, which had membership of 0.7 million as of December 31, 2016.

Use of Proceeds: Bond proceeds will be used to finance and/or reimburse costs of construction, expansion, remodeling, renovation, furnishing, equipping, acquisition and other capital projects. Bond proceeds will also be used to refinance taxable commercial paper, which was used, and is expected to be used, to refund various CHFFA and California Statewide Communities Development Authority ("CSCDA") bonds.

Type of Issue: Public and/or direct offering with fixed rate bonds (Minimum denominations of $5,000 or any integral multiple thereof) and/or variable rate multi-modal bonds (Minimum denominations of $100,000 and multiples of $5,000 in excess thereof or denominations of $5,000 if issued as put bonds, fixed interest rate bonds, or index floating interest rate bonds).
Expected Credit Ratings: S&P: AA-/A-1; Fitch: A+/F1
Financing Team: *Please see Exhibit 2 to identify possible conflicts of interest*

Financial Overview: The System's income statement appears to exhibit increasing operating revenues with a slight decrease in operating income during the review period from FY 2014 to FY 2016. The System appears to have a strong financial position with a pro forma debt service coverage ratio of 11.63x.

($ in thousands)

Estimated Sources of Funds:		**Estimated Uses of Funds:**	
Par amount of bonds	$ 4,400,000	New money projects	$ 3,000,000
Borrower funds	35,200	Refinancing	1,400,000
		Financing costs	35,200
Total Estimated Sources	$ 4,435,200	**Total Estimated Uses**	$ 4,435,200

(BL/YW)

Legal Review: Staff has received and reviewed the Eligibility, Legal Review, Religious Due Diligence, Savings Pass Through, Seismic, CEQA documentation, Community Service Obligation, and the Iran Contracting Act Certificate documentation. All documentation satisfies the Authority's requirements.

Staff Recommendation: Staff recommends the Authority approve Resolution Number 425 in an amount not to exceed $4,400,000 subject to the conditions in the resolution, including a bond rating of at least investment grade by a nationally recognized rating agency. Macias Gini & O'Connell, LLP, the Authority's financial analyst, and KNN Public Finance, LLC ("KNN"), the Authority's financial advisor, concur with the Authority's staff recommendation.

I. PURPOSE OF FINANCING:

Kaiser seeks to issue $4.4 billion in fixed and/or multi-modal variable rate revenue bonds to finance and/or reimburse costs of construction, expansion, remodeling, renovation, furnishing, equipping, acquisition, and other capital spending for five health facilities. Bond proceeds will also be used to refund or refinance commercial paper that was issued, and is expected to be issued, to refund tax-exempt bonds, which will provide Kaiser even greater financial stability. Refunding tax-exempt bonds with commercial paper provided Kaiser with flexibility in terms of timing so it would not have to schedule financings around redemption/tender dates. Kaiser was able to, and expects to, first pay off various bond series with commercial paper, and will now refinance the various commercial paper issues in a single financing.

New Money Projects... $3,000,000

San Diego Medical Center

The San Diego Medical Center will be a nearly 565,000 square foot facility with 450 hospital beds and 39 emergency department beds. Services will include medical and surgical specialties, emergency department, maternal child health services, intensive care unit and neonatal intensive care unit, and interventional radiology. The hospital will be the first in California to earn LEED Gold Health Care hospital certification, and the first hospital in the nation to use all LED lighting throughout the facility. The hospital is projected to open in 2017.

Daly City Medical Office Building

The Daly City Medical Office building was built and leased to Kaiser Permanente in 2002, with an option to purchase in 2017. The purchase, contracted to close in September 2017, includes 2.65 acres of land, 160,000 square feet of class A space containing 74 provider offices and a 350-space parking structure. The property is 1.8 miles from the South San Francisco Medical Center, adjacent to and highly visible from Interstate 280. Services currently include internal medicine, pediatrics, obstetrics/gynecology, optometry, ophthalmology, optical sales, general radiology, outpatient and specialty pharmacy, and lab draw and injection clinic.

Skyport Medical Office Building

The Skyport Medical Office will be a 4-story, 153,000 square foot, LEED NC Silver certified building. There will be 85 – 95 provider offices for three primary and six specialty care modules as well as surface and structured parking. The Skyport Medical Office will be the first north San Jose facility for Kaiser and is expected to open in 2017.

Baldwin Hills-Crenshaw Medical Office Building

The Baldwin Hills-Crenshaw Medical Office will be a four-story LEED Gold certified 100,000 square foot building serving over 50,000 members. The offices will provide a full range of primary care and specialty services, including, diagnostic imaging, obstetrics/gynecology, ophthalmology, optometry, pediatrics, pharmacy, behavioral health, dermatology, and physical therapy. The facility is scheduled to open in late-2017.

Murrieta Medical Office Building
The Murrieta Medical Office will be an 80,000 square foot LEED Gold certified facility that will provide outpatient services to Kaiser's members living in the Southwest Riverside County area. The new facility will include primary care, obstetrics/gynecology, ambulatory surgery, urgent care, telemedicine, specialty services, as well as laboratory and pharmacy services. The Murrieta Medical Office building is expected to open in 2017.

The Resolution authorizes the issuance of bonds in multiple series for the new money projects over a period of five years. During this period, as Kaiser identifies additional new projects, and after the projects meet statutory requirements, including CEQA and the Tax Equity and Fiscal Responsibility Act hearing process, Authority staff will present the projects to the Authority board.

Refinance Taxable Commercial Paper 1,400,000

Proceeds of the commercial paper were used, and will be used, to refinance prior tax-exempt bonds, which includes the following:

- **CHFFA Series 2006A and Series 2011A-D**
  Proceeds of the bonds were used to finance and refinance the acquisition, construction, renovation, equipping and performance of capital improvements on certain health facilities.

- **CSCDA Series 2002C, Series 2006B, Series 2007A, Series 2009E, and Series 2012B**
  Proceeds of the bonds were used to finance and refinance the acquisition, construction, renovation, equipping and performance of capital improvements on certain health facilities.

Financing Costs[1] 35,200

- Underwriter's discount $17,600
- Estimated cost of issuance.......................... 17,600

Total Estimated Uses of Funds $4,435,200

[1] Financing costs will be paid out of Kaiser's equity.

II. PROPOSED COVENANTS, SECURITY PROVISIONS AND DISCLOSURES:

Kaiser is the Borrower under each loan agreement (each, a "Loan Agreement" and collectively, the "Loan Agreements") with the Authority. Kaiser's obligations under each Loan Agreement are jointly and severally guaranteed by the Guarantors pursuant to the applicable guarantee agreement (each, a "Guarantee Agreement" and collectively, the "Guarantee Agreements") with the Authority. Kaiser and the Guarantors are referred to as the "Credit Group."

This Executive Summary and its recommendations are based on the covenants and disclosures listed below. 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 proposed covenants following the preparation of this Executive Summary, staff will report it at the meeting.

After reviewing the Credit Group's current financial profile, prior bond transactions, and recent market precedent, Kaiser, KNN, and the underwriters have determined the following covenants balance the interests of Kaiser, the Credit Group, the Authority, and investors. Kaiser, KNN, and the underwriters note these covenants are consistent with those that have applied to the Credit Group's prior bond transactions and that the Credit Group's current financial profile does not suggest that additional covenants should be required by the Authority.

<u>The following covenants are applicable to this transaction</u>.

Unconditional Promise to Pay. *Kaiser agrees to pay the Trustee all amounts required for principal, interest, Redemption Price, or, if applicable, Tender Price, and other payments and expenses designated in the Loan Agreements. The Guarantors guarantee all such payments under the Guarantee Agreements. All Revenues (which will include payments by Kaiser under the Loan Agreements and payments by the Guarantors under the Guarantee Agreements) and any other amounts held in a designated fund or account under the Indentures are pledged to secure the full payment of the Bonds (except certain payments specifically for the benefit of the Trustee and Authority).*

Consolidation, Merger, Sale or Transfer of Assets. *Each of Kaiser and the Guarantors covenant not to dissolve, sell or otherwise dispose of all or substantially all of its assets or consolidate with or merge into another corporation or permit one or more other corporations to consolidate with or merge into it except upon compliance with certain conditions set forth in the Loan Agreements or Guarantee Agreements, as applicable.*

Limitation on Encumbrances. *Each of Kaiser and the Guarantors agrees not to create, assume or suffer to exist any mortgage, deed of trust, pledge, security interest, encumbrance, lien or charge of any kind (a "security interest") upon any property or revenues of any Affiliated Corporation, whether such property is now owned or hereafter acquired, unless the obligations of Kaiser under the Loan Agreements are secured prior to or equally and ratably with any indebtedness or other obligation secured by such security interest. Notwithstanding this covenant, any Affiliated Corporation may create, suffer or assume a specified list of Permitted Encumbrances.*

Limitation on Disposition of Assets. *Each of Kaiser and the Guarantors agrees not to sell, lease or otherwise dispose of any of its assets (including cash), or permit any Affiliated Corporation to sell, lease or otherwise dispose of any of its assets (including cash) in excess of the limits set forth in the Loan Agreements and the Guarantee Agreements unless the assets are sold, leased or disposed of at a price equal to their fair market value and the net proceeds of the sale, lease or disposition are applied to the redemption of long-term indebtedness of the Borrowers or the Guarantors, as applicable, or any other Affiliated Corporation, or the acquisition of additional assets.*

Comply with SEC Rule 15c2-12. *Each of Kaiser and the Guarantors will take such action as is necessary to assist the underwriters in complying with SEC Rule 15c2-12. Each of Kaiser and the Guarantors will contractually agree to disclose designated financial and operating information to the MSRB web site (EMMA) during the life of the bonds and to report designated "listed 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 Fixed and Multi-Modal Loan Agreements, Guarantee Agreements, Bond Indentures, and prior Kaiser offering documents associated with this financing package and found these documents and proposed covenants to be acceptable.

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III. FINANCIAL STATEMENTS AND ANALYSIS:

Kaiser Foundation Health Plan, Inc. and Subsidiaries
and Kaiser Foundation Hospitals and Subsidiaries
Combined Statements of Operations and Changes in Net Worth
(In millions)

	For the year ended December 31,		
	2016	**2015**	**2014**
Revenues: [(a)]			
Members' dues	$ 43,315	$ 40,956	$ 38,587
Medicare	15,414	14,436	13,347
Copays, deductibles, fees, and other	5,822	5,357	4,506
Total operating revenues	64,551	60,749	56,440
Expenses:			
Medical services	30,486	27,732	26,410
Hospital services	16,664	16,364	14,619
Outpatient pharmacy and optical services	7,370	7,059	6,069
Other benefit costs	4,099	3,900	3,468
Total medical and hospital services	58,619	55,055	50,566
Health Plan administration	4,008	3,928	3,697
Total operating expenses	62,627	58,983	54,263
Operating income	1,924	1,766	2,177
Other income and expense:			
Investment income - net	1,379	300	1,101
Interest expense	(183)	(198)	(205)
Total other income and expense	1,196	102	896
Net income	3,120	1,868	3,073
Change in pension and other retirement liability charges	(1,215)	2,997	(5,196)
Change in net unrealized gains (losses) on investments	299	(793)	(110)
Change in restricted donations	(1)	(2)	15
Change in noncontrolling interest	(10)	-	(4)
Change in net worth	2,193	4,070	(2,222)
Net worth at beginning of year	24,897	20,827	23,049
Net worth at end of year	$ 27,090	$ 24,897	$ 20,827

[(a)] **Revenue by Payor Source**	**FY 2016**	**FY 2015**
Members' dues	67.1%	67.4%
Medicare	23.9%	23.8%
Copays, deductibles, fees, and other	9.0%	8.8%
Total	100%	100%

Kaiser Foundation Health Plan, Inc. and Subsidiaries
and Kaiser Foundation Hospitals and Subsidiaries
Combined Balance Sheets
(In millions)

Assets	**2016**	**2015**	**2014**
	As of December 31,		
Current assets:			
Cash and equivalents	$ 434	$ 210	$ 288
Current investments	8,677	6,554	6,390
Securities lending collateral	631	1,068	1,528
Broker receivables	767	816	495
Due from associated medical groups	12	5	-
Accounts receivable - net	2,030	1,966	1,841
Inventories and other current assets	1,357	1,422	1,208
Total current assets	13,908	12,041	11,750
Noncurrent investments	25,756	26,189	26,081
Land, buildings, equipment and software - net	24,342	23,782	23,484
Other long-term assets	607	585	600
Total assets	$ 64,613	$ 62,597	$ 61,915
Liabilities and Net Worth			
Current liabilities:			
Accounts payable and accrued expenses	$ 3,852	$ 2,977	$ 3,139
Medical claims payable	1,862	1,750	1,393
Due to associated medical groups	862	784	983
Payroll and related charges	1,828	1,694	1,832
Securities lending payable	631	1,068	1,528
Broker payables	849	1,160	819
Long-term debt subject to short-term remarketing arrangements-net	785	732	1,445
Other current debt	1,904	775	672
Other current liabilities	2,102	2,027	1,759
Total current liabilities	14,675	12,967	13,570
Long-term debt	4,754	6,060	5,505
Physicians' retirement plan liability	6,566	5,730	5,923
Pension and other retirement liabilities	9,148	10,525	13,700
Other long-term liabilities	2,380	2,418	2,390
Total liabilities	37,523	37,700	41,088
Net worth	27,090	24,897	20,827
Total liabilities and net worth	$ 64,613	$ 62,597	$ 61,915

Financial Ratios:	**Proforma [a] FYE 2016**	**2016**	**2015**	**2014**
Debt service coverage (x) -- Operating	11.63	13.15	16.89	11.00
Debt service coverage (x) -- Net	14.78	16.72	17.31	13.24
Debt/Net Worth (x)	0.39	0.27	0.30	0.37
Margin (%)		2.98	2.91	3.86
Current Ratio (x)		0.95	0.93	0.87

[a] Recalculates FY 2016 results to include the impact of this proposed financing.

The System's financial statements were analyzed in this section and are also disclosed in the Preliminary Official Statement. The System includes Health Plans and subsidiaries as well as Kaiser and subsidiaries. Staff has also performed its typical financial analysis on the financials of the Credit Group and found them to be acceptable and consistent with the financial analysis noted for the System. The total net worth of the subsidiaries that are not members of the Credit Group, as a percentage of total combined net worth, was 3% in FY 2016.

Financial Discussion – Statement of Activities (Income Statement)

The System's income statement appears to exhibit increasing operating revenues with a slight decrease in operating income during the review period from FY 2014 to FY 2016.

The System's total operating revenues demonstrated strong growth from approximately $56.4 billion in FY 2014 to approximately $64.5 billion in FY 2016. Revenue from Medicare displayed solid growth as well, increasing from approximately $13.3 billion in FY 2014 to approximately $15.4 billion in FY 2016. Kaiser's management expects continued growth in the System's Medicare business in proportion to the Medicare population within the markets the System serves. Operating income decreased slightly from approximately $2.2 billion in FY 2014 to approximately $1.9 billion in FY 2016 as operating expenses increased at a marginally faster pace than revenues in each fiscal year. According to Kaiser's management, the reduction in operating margin was consistent with the System's focus on affordability. The System's overall net worth showed strong gains each fiscal year, increasing approximately $4.1 billion in FY 2015 and approximately $2.2 billion in FY 2016.

The System's net income and net worth appear to demonstrate fluctuations in conjunction with changes in net investment income and change in pension and other retirement liability charges, respectively. Net investment income decreased from approximately $1.1 billion in FY 2014 to approximately $300 million in FY 2015, and then rebounded to approximately $1.4 billion in FY 2016. According to Kaiser's management, net investment income varies with market performance and is consistent with market benchmarks. Change in pension and other retirement liability charges increased from approximately negative $5.2 billion in FY 2014 to approximately $3 billion in FY 2015, but then decreased to approximately negative $1.2 billion in FY 2016. According to Kaiser's management, changes in pension and other retirement liability charges are primarily driven by year-to-year changes in the discount rates used to develop the retirement liability. A decline in the discount rate results in increased liabilities, while an increase in the discount rate results in reduced liabilities. The discount rate for pension liabilities was 4.25% in FY 2014, 4.70% in FY 2015 and 4.45% in FY 2016. Discount rates for other retirement liabilities moved similarly.

Financial Discussion – Statement of Financial Position (Balance Sheet)

The System appears to have a strong financial position with an operating proforma debt service coverage ratio of 11.63x.

The System's balance sheet appears to continue growing with total net worth increasing from approximately $20.8 billion in FY 2014 to approximately $27.1 billion in FY 2016, an increase of approximately 30%. The System has displayed a strong operating debt service coverage ratio of 11x in FY 2014, 16.89x in FY 2015, and 13.35x in FY 2016. With the proposed financing, the proforma operating debt service coverage ratio appears to remain strong at 11.63x. The System maintains a relatively low level of debt and has steadily decreased its debt-to-net worth ratio from 0.37x in FY 2014 to 0.27x in FY 2016. With the Series 2017 refunding and new money issue, the System's FY 2016 proforma debt-to-net worth ratio increases to 0.39x.

The System's current assets increased at a greater rate than current liabilities each fiscal year, leading to an increasing current ratio. Current investments jumped from approximately $6.6 billion in FY 2015 to approximately $8.7 billion in FY 2016. According to Kaiser's management, the System maintained a higher cash balance at the end of FY 2016 in anticipation of closing the $1.8 billion Group Health Cooperative acquisition. Other current debt increased significantly from approximately $672 million in FY 2014 to approximately $1.9 billion in FY 2016. According to Kaiser's management, the increase in other current debt was driven by an increase in commercial paper, which was used to refinance prior tax-exempt bonds. However, the System's current ratio remained below 1.0 as total current liabilities were greater than total current assets in each fiscal year. The System's current ratio was 0.87 in FY 2014, 0.93 in FY 2015, and 0.95 in FY 2016. According to Kaiser's management, the System's current ratio is below 1.0 due to extensive use of variable rate debt instruments classified as current on the balance sheet.

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IV. DUE DILIGENCE:

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

- **Section 15438.5(a) of the Act (Savings Pass Through):** Kaiser properly completed and submitted the "Pass-Through Savings Certification" in addition to a narrative explaining how it intends to pass along savings**.**

- In FY 2016, Kaiser's community investments totaled $2.5 billion, representing 3.9% of operating revenue. In FY 2015, Kaiser's community investments totaled $2.1 billion, representing 3.5% of operating revenue. The 2015 community investments in California totaled $900 million, including $583.8 million for Medi-Cal Managed Care members and Medi-Cal Fee-for-Service beneficiaries, $38.5 million for charitable health coverage programs, and $105.6 million for medical financial assistance programs, as well as other investments. The similar analysis for FY 2016 is not yet available.

  https://share.kaiserpermanente.org/static/cbsnapshot2015/

- **Section 15491.1 of the Act (Community Service Requirement):** Kaiser properly completed and submitted this certification and indicated that Medi-Cal and Medicare patients are accepted.

- **Compliance with Seismic Regulations:** Kaiser properly submitted a description of how it is complying with OSHPD seismic evaluation regulations.

- **Compliance with Section 15455(b) of the Act (California Environmental Quality Act):** Kaiser properly submitted relevant documentation addressing CEQA.

- **Religious Affiliation Due Diligence:** Kaiser properly completed and submitted relevant documentation to meet the religious due diligence requirement.

- **Legal Review:** Kaiser completed and submitted relevant documentation for the Authority's Legal Questionnaire.

- **Iran Contracting Act Certificate:** The underwriters properly submitted the certificate to the Authority.

EXHIBIT 1

PROJECT SITES

Anaheim Medical Office Building	3440 & 3460 East La Palma Avenue, Anaheim, CA 92806
Antioch Medical Office Building	4501 Sand Creek Road and 5601 Deer Valley Road, Antioch, CA 94531
Baldwin Hills-Crenshaw Medical Office Building	Located in the vicinity of the intersection of Marlton Avenue and Santa Rosalia Drive in Los Angeles, CA 90008
Clovis Medical Office Building	2071 East Herndon Avenue., Clovis, CA 93611
Corona Data Center	1850 California Avenue, Corona, CA 92881
Corona Medical Office Building	2055 Kellog Street, Corona, CA 92879
Daly City Medical Office Building	395 Hickey Boulevard, Daly City, CA 94015
Downey Medical Center	9333 Imperial Highway, Downey, CA 90242
Downey Regional Rx and Land Purchase ...	12254 Bellflower Boulevard and 9521 Dalen St., Downey, CA 90242
Elk Grove Medical Office Building	9201 Big Horn Boulevard., Elk Grove, CA 95758
Folsom Medical Office Building	2155 Iron Point Road., Folsom, CA 95630
Fontana Medical Center...............................	9961 Sierra Avenue, Fontana, CA 92335
Fremont Medical Center	39400 Paseo Padre Parkway, Fremont, CA 94538
Hayward Replacement/San Leandro Medical Center	2500 Merced Street, San Leandro, CA 94577
La Mesa Medical Office Building	8010 & 8080 Parkway Drive, La Mesa, CA 91942
Livermore Medical Office Building	3000 Las Positas Road, Livermore, CA 94551
Los Angeles Medical Center	4867 Sunset Boulevard and 1550 No. Edgemont Street, Los Angeles, CA 90027
Murrieta Medical Office Building	28150 Keller Road, Murrieta, CA 92563
Modesto Medical Center and MedicalOffice Building	4609 Dale Road, Modesto, CA 95356
Oakland Administrative Building	2000 Broadway, Oakland, CA 94612
Oakland Medical Center	3600 Broadway, 275 W. MacArthur Boulevard, and 3459 Piedmont Avenue, Oakland, CA 94611

EXHIBIT 1

PROJECT SITES
(Continued)

Oakland Medical Office Building	280 West McArthur Boulevard, 3701-3757 Broadway, Oakland, CA 94611
Oakland Medical Office Building	3701 Broadway, Oakland, CA 94611
Ontario Medical Center and Medical Office Building	2295 South Vineyard Avenue, Ontario, CA 91761
Parkview Medical Office Building..............	1050 W. Pacific Coast Highway, Harbor City, CA 90710
Panorama City Medical Center....................	8120 Woodman Avenue; 8151 Ventura Canyon; and 13651 Willard Street, Panorama City, CA 91402
Petaluma Medical Office Building..............	3900 Lakeville Highway, Petaluma, CA 94954
Pinole Medical Office Building...................	1301 Pinole Valley Road, Pinole, CA 94564
Pleasanton IT Building	4460-4480 Hacienda Drive, Pleasanton, CA 94588
Purchase I-580 Land (Dublin)	Land bounded by Dublin Boulevard, Lockhart Street to Fallon Road, and Fallon Road to I-580, Alameda County, CA
Redlands Medical Office Building..............	1301 California Street, Redlands, CA 92374
Redwood City Medical Center	1100 Veterans Boulevard, Redwood City, CA 94063
Redwood City Medical Office Building......	1150 & 1190 Veterans Boulevard, Redwood City, CA 94063
Roseville Medical Office Building and Medical Center	1600 Eureka Road, Roseville, CA 95661
San Diego Medical Center...........................	9455 Clairemont Mesa Boulevard, San Diego, CA 92123
San Diego Rancho Medical Office Building	3875 Avocado Boulevard, La Mesa, CA 91941
San Jose Medical Center..............................	250 Hospital Parkway, San Jose, CA 95119
Sand Canyon Medical Center	6670 Alton Parkway, Irvine, CA 92618
Santa Clara Medical Center.........................	3700 Homestead Road and 680 – 700, 710, & 800, Lawrence Expressway, Santa Clara, 95051
Santa Clara Medical Center (Homestead) ..	700, 710, & 800 Lawrence Expressway, Santa Clara, CA 95051
Santa Clara Medical Office Building and Medical Center	700, 710, & 800 Lawrence Expressway; 3700 Homestead Road, and corner of Lawrence Expressway and Homestead Road, Santa Clara, CA 95051

EXHIBIT 1

PROJECT SITES
(Continued)

Santa Rosa Medical Office Building...........	3925 Old Redwood Highway, Santa Rosa, CA 95403
Santa Rosa Medical Center and Medical Office Building...	3925 Old Redwood Highway and 401 Bicentennial Way, Santa Rosa, CA 95403
Selma Medical Office Building..................	2651 Highland Avenue, Selma, CA 93662
SkyPort Medical Office Building................	1717 Technology Drive, San Jose, CA 95110
South Bay Medical Center...........................	25825 S. Vermont Avenue, Harbor City, CA 90710
South Sacramento Medical Center and Medical Office Building..............................	6600 Bruceville Road, Sacramento, CA 95823
Stockton Medical Office Building...............	7373 West Lane, Stockton, CA 95210
Union City Medical Office Building...........	3555 Whipple Road, Union City, CA 94587
Vacaville Medical Center............................	1 Quality Drive, Vacaville, CA 95688
Vacaville Medical Office Building.............	3700 Vaca Valley Parkway, Vacaville, CA 95688
Vallejo Medical Center................................	975 Sereno Drive, Vallejo, CA 94589
West LA Medical Center.............................	6041 Cadillac Avenue, Los Angeles, CA 90034

EXHIBIT 2

FINANCING TEAM

Borrower:	Kaiser Foundation Hospitals
Agent for Sale:	California State Treasurer
Issuer's Counsel:	Office of the Attorney General
Issuer's Financial Advisor:	KNN Public Finance, LLC
Issuer's Financial Analyst:	Macias Gini & O'Connell, LLP
Bond Counsel:	Orrick, Herrington & Sutcliffe LLP
Co-Bond Counsel:	Amira Jackmon, Attorney at Law
Special Tax Counsel:	Drinker Biddle & Reath LLP
Underwriters:	Goldman, Sachs & Co. Citigroup Global Markets Inc. J.P. Morgan Securities, LLC Morgan Stanley & Co. LLC Wells Fargo Securities, LLC Barclays Capital, Inc.
Underwriter's Counsel:	Squire Patton Boggs (US) LLP
Private Placement Purchaser:	To be approved by Executive Director
Trustee:	Wilmington Trust, National Association
Auditor:	KPMG, LLP
Rating Agencies:	Standard & Poor's Financial Services, LLC Fitch Ratings, Inc.

EXHIBIT 3

UTILIZATION STATISTICS

Kaiser Permanente is an integrated healthcare delivery system with care and coverage together. Inpatient and outpatient care is predominantly associated with the integrated model.

The table below presents memberships as of December 31, 2014 through December 31, 2016:

As of Dec. 31,	Health Plan, Inc. Membership	Plans Membership[1]	Total Membership	Medicare Membership[2]
2016	8,506,307	2,169,277	10,675,584	1,412,564
2015	8,208,186	2,038,113	10,246,299	1,344,642
2014	7,675,162	1,925,048	9,600,210	1,267,853

(1) Includes Kaiser Permanente Insurance Company.
(2) Reflects the combined Medicare membership for Health Plan, Inc. and the Affiliated Health Plans.

EXHIBIT 4

OUTSTANDING DEBT

As of December 31, 2016, the System's total debt outstanding was $7.4 billion, which includes $1.9 billion of taxable commercial paper that has maturities up to 270 days, $2.9 billion of tax-exempt commercial and variable rate demand obligations, $118 million of floating rate notes with rates reset periodically, and $175 million of put bonds. Approximately $0.5 billion (7%) of the System's total outstanding debt was issued through the Authority.

Following this proposed financing of up to $4.4 billion in new money as well as refunding and refinancing, the System will have total outstanding debt as high as $10.4 billion, and the amount classified as long-term debt is expected to increase proportionally. Despite the increase in debt, Kaiser expects to maintain capitalization within its desired range of 20 – 30%. The amount of the Authority debt will increase to approximately $4.4 billion, or 42% of the System's total outstanding debt.

EXHIBIT 5

BACKGROUND AND LICENSURE

Background

Kaiser was incorporated on February 2, 1948, and is part of the health care delivery system known as the Kaiser Permanente Medical Care Program.

Kaiser, as the Borrower, is obligated to make loan repayments under the Loan Agreement, and the Guarantors guarantee the payments under the Guarantee Agreement. Kaiser and the Guarantors collectively comprise the Credit Group. The Guarantors are comprised of Kaiser Foundation Health Plan, Inc. ("Health Plans"), Kaiser Health Plan Asset Management, Inc. ("HPAMI"), and Kaiser Hospital Asset Management ("HAMI").

As of December 31, 2016, Health Plans, (the health plan organization serving members in California and Hawaii), includes approximately 80% of Kaiser Permanente members. HPAMI and HAMI were incorporated as nonprofit corporations in order to own certain capital assets and lease such assets for use at the facilities of Health Plans and Kaiser respectively.

Kaiser Permanente

Kaiser Permanente is the trade name for the integrated health care delivery system that delivers health care services through an integrated system of health plans, hospitals and physician groups that are related through parent/subsidiary relationships or contractual affiliation relationships operating under the system known as the Kaiser Permanente Medical Care Program ("Kaiser Permanente").

With the acquisition of Group Health Cooperative on February 1, 2017, Kaiser Permanente consists of the following entities: Kaiser, HAMI, HPAMI, Health Plans, five other health plan organizations (the "Affiliated Health Plans" and, together with Health Plans, the "Health Plan Organizations"), eight independent medical groups (the "Permanente Medical Groups") and several other entities that engage in activity under the system known as the Kaiser Permanente Medical Care Program.

The Permanente Medical Groups are independent for-profit professional entities, which provide physician services to members of Health Plans and the Health Plan Organizations through mutually exclusive contractual arrangements (except for the Washington region). None of Kaiser, HAMI, HPAMI or the Health Plan Organizations has any shareholder or partnership interest in any of the Permanente Medical Groups. Only Kaiser, HAMI, HPAMI, and Health Plans are obligated to make loan repayment.

Most Kaiser Permanente members enroll under membership agreements between their employers and one of the Health Plan Organizations. Services are provided principally at facilities owned by Kaiser and the Health Plan Organizations. In the Colorado, Georgia, the Mid-Atlantic States and Washington regions, Kaiser does not own or operate hospitals. Rather, it assumes the responsibility to arrange for hospital services required by Health

EXHIBIT 5

BACKGROUND AND LICENSURE
(Continued)

Plan Organization members, usually at local community hospitals. Physician services are provided by physicians affiliated with one of eight Permanente Medical Groups that contract with one of the Health Plan Organizations by mutually exclusive contracts or by community physicians that are under contract with one of the Permanente Medical Groups.

Health Plan Organizations

The Health Plan Organizations are nonprofit corporations that enter into membership contracts with individuals and groups to arrange covered medical services on a predominantly prepaid basis. Each Health Plan Organization contracts with Kaiser to provide or arrange hospital services. Benefits under membership contracts typically include hospital care, professional care in hospitals and physicians' offices, imaging and laboratory services, physical therapy, emergency ambulance service, health education and certain prescription drugs.

Each Health Plan Organization contracts exclusively with the local Permanente Medical Groups to provide or arrange professional and related medical care covered by membership contracts. Permanente Medical Groups are principally organized as professional corporations. In California, the responsibilities of the two Permanente Medical Groups include employment of allied health professional and administrative personnel.

None of the Health Plan Organizations (other than Health Plans), the other subsidiaries of Health Plans, other subsidiaries of Kaiser or any of the Permanente Medical Groups has any obligation to make payments with respect to the Bonds.

Licensure and Memberships

All Kaiser California patient care facilities are licensed and accredited to the extent required by law. Kaiser participates in Medicare and Medi-Cal programs.

RESOLUTION NO. 425

RESOLUTION OF THE CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY AUTHORIZING THE ISSUANCE OF
REVENUE BONDS
TO FINANCE AND REFINANCE PROJECTS AT THE HEALTH FACILITIES OF KAISER FOUNDATION HOSPITALS AND CERTAIN AFFILIATED CORPORATIONS

WHEREAS, the California Health Facilities Financing Authority (the "Authority"), a public instrumentality of the State of California, is authorized and empowered by the provisions of the California Health Facilities Financing Authority Act (the "Act") to issue revenue bonds and loan the proceeds thereof to any participating health institution to finance the construction, expansion, remodeling, renovation, furnishing, equipping and acquisition of health facilities (including by reimbursing expenditures made for such purposes), to refinance indebtedness of a participating health institution in connection therewith and to refund any outstanding bonds or any outstanding series or issue of bonds of the Authority; and

WHEREAS, Kaiser Foundation Hospitals (the "Borrower") is a nonprofit public benefit corporation duly organized and existing under the laws of the State of California, and is a participating health institution (as defined in the Act); and

WHEREAS, the Borrower is affiliated with Kaiser Foundation Health Plan, Inc. ("Health Plan, Inc."), Kaiser Hospital Asset Management, Inc. ("HAMI"), and Kaiser Health Plan Asset Management, Inc. ("HPAMI" and, collectively with Health Plan, Inc. and HAMI, the "Guarantors" and, each individually, a "Guarantor"), each of which is a nonprofit public benefit corporation duly organized and existing under the laws of the State of California; and

WHEREAS, the Authority has previously issued certain of its Kaiser Permanente Revenue Bonds, as more particularly identified in **Exhibit A** attached hereto (collectively, the "CHFFA Prior Bonds"), and made one or more loans to the Borrower, the proceeds of which were used to finance and refinance the acquisition, construction, renovation, equipping and performance of capital improvements on one or more of the health facilities described under the caption "CHFFA Prior Projects" (the "CHFFA Prior Projects") in **Exhibit B** hereto; and

WHEREAS, California Statewide Communities Development Authority has previously issued certain of its Kaiser Permanente Revenue Bonds, as more particularly identified in **Exhibit A** attached hereto (collectively, the "CSCDA Prior Bonds"), and made one or more loans to the Borrower, the proceeds of which were used to finance and refinance the acquisition, construction, renovation, equipping and performance of capital improvements on one or more of the health facilities described under the caption "CSCDA Prior Projects" (the "CSCDA Prior Projects") in **Exhibit B** hereto; and

WHEREAS, the Borrower has previously issued, and expects to further issue, Kaiser Foundation Hospitals Commercial Paper Notes (the "Commercial Paper Notes") to refinance all or a portion of the CSCDA Prior Bonds and the CHFFA Prior Bonds; and

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 $4,400,000,000, and make one or more loans of the proceeds thereof to the Borrower to (i) refinance the Commercial Paper Notes, the proceeds of which were applied to, and will be applied to, refinance all or a portion of the CSCDA Prior Bonds and the CHFFA Prior Bonds, the proceeds of which were applied to the costs of the CSCDA Prior Projects and the CHFFA Prior Projects, respectively, and (ii) finance, including reimburse for, the costs of the construction, expansion, remodeling, renovation, furnishing, equipping and acquisition of certain health facilities, including as more particularly described under the caption "New Project" in **Exhibit B** hereto (the "New Project" and, together with the CSCDA Prior Projects and the CHFFA Prior Projects, the "Project"); and

WHEREAS, such revenue bonds or any series thereof may be publicly offered or privately placed; and

WHEREAS, to the extent required by subdivision (b) of Section 15455 of the Government 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 Health Facilities Financing Authority, as follows:

SECTION 1. Pursuant to the Act, revenue bonds of the Authority designated as the "California Health Facilities Financing Authority Kaiser Permanente Revenue Bonds" (the "Bonds"), in a total aggregate principal amount not to exceed $4,400,000,000, are hereby authorized to be issued from time to time, in one or more series, as fixed rate bonds (the "Fixed Rate Bonds") or variable rate bonds (the "Variable Rate Bonds"), with such other name or names of the Bonds or series thereof as designated in any of the indentures pursuant to which the Bonds will be issued. The proceeds of the Bonds shall be used for any or all of the purposes set forth in the seventh 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 prior to the fifth anniversary of the date of this Resolution, at public or 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 (so long as the discount on the Bonds sold shall not exceed 6 percent of the par value thereof) and at such interest rate or rates and upon such other terms and conditions as the Treasurer, with the advice and consent of the Borrower, may determine. The Bonds or any series thereof may be publicly offered or privately placed. The Bonds shall, at issuance, 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 by deeds of trust, a reserve fund, bond insurance, credit facility and other security arrangements and/or supported by one or more liquidity facilities.

SECTION 3. The proposed forms of the following documents:

(i) one or more Loan Agreements relating to the Fixed Rate Bonds and one or more Loan Agreements relating to the Variable Rate Bonds (each a "Loan Agreement" and collectively, the "Loan Agreements"), each between the Authority and the Borrower,

(ii) one or more Indentures relating to the Fixed Rate Bonds and one or more Indentures relating to the Variable Rate Bonds (each, an "Indenture" and collectively, the "Indentures"), each between the Authority and Wilmington Trust, National Association, as trustee, and/or any other trustee to be named therein (the "Trustee"),

(iii) one or more Guarantee Agreements relating to the Fixed Rate Bonds and one or more Guarantee Agreements relating to the Variable Rate Bonds (each, a "Guarantee Agreement" and collectively, the "Guarantee Agreements"), each between the Authority and the Guarantors,

(iv) one or more Bond Purchase Contracts relating to the Fixed Rate Bonds and one or more Bond Purchase Contracts relating to the Variable Rate Bonds, in each case including the exhibits thereto (each, a "Bond Purchase Contract" and collectively, the "Bond Purchase Contracts"), each among (a) with respect to any series of Bonds underwritten and sold in a public offering, Goldman, Sachs & Co. (the "Representative"), acting on its own behalf and on behalf of Citigroup Global Markets Inc., J.P. Morgan Securities LLC, Barclays Capital Inc., Morgan Stanley & Co. LLC, and/or Wells Fargo Securities, LLC or an affiliate thereof, and/or any other underwriters to be named therein (collectively with the Representative, the "Underwriters"), and (b) with respect to any series of Bonds privately placed, such purchaser or purchasers to be named therein (the "Purchasers"), the Treasurer and the Authority, and approved by the Borrower and the Guarantors, and

(v) one or more Preliminary Official Statements relating to the Fixed Rate Bonds and one or more Preliminary Official Statements relating to the Variable Rate Bonds (each, a "Preliminary Official Statement" and collectively, the "Preliminary Official Statements"),

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 a private placement of the Bonds or any series thereof and/or 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 executing the same may require or approve, such approval to be conclusively evidenced by execution and delivery thereof in the case of the Loan Agreements, the Indentures, the Guarantee Agreements and the Bond Purchase Contracts and by delivery thereof in the case of the Preliminary Official Statements. 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. Within five business days after receiving a request from the Borrower, the Executive Director is hereby authorized to approve the Underwriters or the Purchasers to be named as a party or parties to any Bond Purchase Contract for any series of Bonds sold in a public offering or privately placed to finance the Project as described in **Exhibit B** as of the date of this Resolution, with the advice and consent of the Borrower, such approval to be conclusively evidenced by execution and delivery thereof.

SECTION 4. The Authority hereby specifically finds and declares that the findings of the Authority set forth in the Loan Agreements are true and correct.

SECTION 5. The dated dates, maturity dates (not exceeding 40 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 tender or purchase, terms of redemption, provisions governing transfer and other terms of the Bonds, including provisions for a credit facility and/or a liquidity facility from time to time, shall be as provided in each Indenture, as finally executed.

SECTION 6. The Underwriters and the Purchasers are hereby authorized to distribute a 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 Underwriters or the Purchasers (in consultation with the Borrower), a preliminary official statement may not be used with respect to any series of Bonds. The Underwriters and Purchasers, as applicable, are hereby directed to deliver the final official statements (the "Official Statements") to all actual purchasers of such Bonds.

SECTION 7. 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 Representative or the Purchasers in accordance with written instructions executed on behalf of the Authority. The delivery of such instructions is hereby approved. Said instructions shall provide for the delivery of the Bonds to or upon direction of the Representative or the Purchasers, as determined and confirmed by the Treasurer, upon payment of the purchase price thereof.

SECTION 8. 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 Indentures, Loan Agreements, Guarantee Agreements, Bond Purchase Contracts and Official Statements. The officers of the Authority are hereby authorized to execute any and all documents to be delivered in furtherance of the foregoing purposes, including without limitation: (a) tax certificate and agreement(s) and other certifications; and (b) any agreement or commitment letter with respect to the provisions of bond insurance, a letter of credit, a surety bond, a credit facility and/or a liquidity facility for the Bonds or any series thereof.

SECTION 9. The provisions of the Authority's Resolution No. 2017-01 apply to the documents and actions approved in this Resolution.

SECTION 10. 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 11. This Resolution shall take effect from and after the date of adoption.

Date of Adoption: ___________________________

EXHIBIT A

CHFFA Prior Bonds

California Health Facilities Financing Authority Kaiser Permanente Revenue Bonds, Series 2006A, originally issued in the principal amount of $100,000,000.

California Health Facilities Financing Authority Kaiser Permanente Revenue Bonds, Series 2011A, Series 2011B, Series 2011C and Series 2011D, originally issued in the aggregate principal amount of $204,545,000.

CSCDA Prior Bonds

California Statewide Communities Development Authority Kaiser Permanente Revenue Bonds, Series 2002C, originally issued in the principal amount of $100,000,000.

California Statewide Communities Development Authority Kaiser Permanente Revenue Bonds, Series 2006B, originally issued in the principal amount of $700,000,000.

California Statewide Communities Development Authority Kaiser Permanente Revenue Bonds, Series 2007A, originally issued in the principal amount of $222,670,000

California Statewide Communities Development Authority Kaiser Permanente Revenue Bonds, Series 2009E, originally issued in the principal amount of $100,000,000.

California Statewide Communities Development Authority Kaiser Permanente Revenue Bonds, Series 2012B, originally issued in the principal amount of $100,000,000.

EXHIBIT B

The Project

CHFFA Prior Projects:

- Antioch Medical Office Building located at 4501 Sand Creek Road, Antioch, CA 94531
- Clovis Medical Office Building located at 2071 East Herndon Ave., Clovis CA
- Elk Grove Medical Office Building located at 9201 Big Horn Blvd., Elk Grove, CA 95758
- La Mesa Medical Office Building located at 8010/8080 Parkway Dr., La Mesa CA 91942
- Livermore Medical Office Building located at 3000 Las Positas Rd., Livermore, CA 94551
- Los Angeles Medical Center located at 4867 Sunset Blvd. and 1550 No. Edgemont St., Los Angeles, CA 90027
- Oakland Medical Office Building located at 3701 Broadway, Oakland, CA 94611
- Ontario Medical Center and Medical Office Building located 2295 South Vineyard, Ontario, CA 91761
- Panorama City Medical Center located at 8120 Woodman Ave., and 8151 Ventura Canyon, Panorama City, CA 91402; 13651 Willard Street Panorama City, CA 91402
- Petaluma Medical Office Building located at 3900 Lakeville Hwy., Petaluma, CA 94954
- Purchase I-580 Land (Dublin) located at land bounded by Dublin Blvd., Lockhart St to Fallon Rd., and Fallon Road to I-580, Alameda County, CA
- San Diego Rancho Medical Office Building located at 3875 Avocado Blvd., La Mesa, CA 91941
- Santa Rosa Medical Office Building located at 3925 Old Redwood Highway, Santa Rosa, CA 94577
- Selma Medical Office Building located at 2651 Highland Ave., Selma, CA 93662
- South Bay Medical Center located at 25825 S. Vermont Ave., Harbor City, CA 90710
- West LA Medical Center located at 6041 Cadillac Ave., Los Angeles, CA 90034

CSCDA Prior Projects:

- Antioch Medical Office Building located at 5601 Deer Valley Road, Antioch, CA 94531
- Anaheim Medical Office Building located at 3440 East La Palma Avenue and 3460 East La Palma Avenue, Anaheim, CA 92806
- Corona Data Center located at 1850 California Avenue, Corona, CA 92881
- Corona Medical Office Building located at 2055 Kellog St., Corona, CA 92879
- Downey Medical Center located at 9333 Imperial Highway, Downey, CA 90242
- Downey Regional Rx and Land Purchase located at 12254 Bellflower Blvd. and 9521 Dalen St., Downey, CA 90242
- Folsom Medical Office Building located at 2155 Iron Point Rd., Folsom CA 95630
- Fontana Medical Center located at 9961 Sierra Avenue, Fontana, CA 92335
- Fremont Medical Center located at 39400 Paseo Padre Parkway, Fremont, CA 94538
- Hayward Replacement/San Leandro Medical Center located at 2500 Merced St., San Leandro, CA 94577
- Modesto Medical Center and Medical Office Building located at 4609 Dale Road Modesto, CA 95356

- Oakland Administrative Building located at 2000 Broadway, Oakland, CA 94612
- Oakland Medical Center located at 3600 Broadway, 275 W. MacArthur Blvd., and 3459 Piedmont Ave., Oakland, CA
- Oakland Medical Office Building located at 280 West McArthur Blvd., 3701-3757 Broadway, Oakland, CA 94611
- Ontario Medical Center located at 2295 South Vineyard Ave., Ontario, CA 91761
- Parkview Medical Office Building located at 1050 W. Pacific Coast Hwy, Harbor City, CA 90710
- Pinole Medical Office Building located at 1301 Pinole Valley Rd., Pinole, CA 94564
- Pleasanton IT located at 4460-4480 Hacienda Dr., Pleasanton, CA 94588
- Redlands Medical Office Building located at 1301 California Street, Redlands, CA 92374
- Redwood City Medical Center located at 1100 Veterans Blvd., Redwood City, CA 94063
- Redwood City Medical Office Building located at 1150/1190 Veterans Blvd., Redwood City, CA 94063
- Roseville Medical Office Building and Medical Center located at 1600 Eureka Rd., Roseville, CA 95661
- San Jose Medical Center located at 250 Hospital Parkway, San Jose, CA 95119
- Sand Canyon Medical Center located at 6670 Alton Parkway, Irvine, CA 92618
- Santa Clara Medical Office Building and Medical Center located at 680-710/700/800 Lawrence Expwy, 3700 Homestead Rd., and corner of Lawrence Expwy and Homestead Rd., Santa Clara, CA 95051
- Santa Rosa Medical Center and Medical Office Building located at 3925 Old Redwood Highway and 401 Bicentennial Way, Santa Rosa, CA 95403
- South Sacramento Medical Office Building located at 6600 Bruceville Rd., Sacramento, CA 95823
- Stockton Medical Office Building located at 7373 West Lane, Stockton, CA 95210
- Union City Medical Office Building located 3555 Whipple Road, Union City, CA 94587
- Vacaville Medical Center located at 1 Quality Dr., Vacaville, CA 95688
- Vacaville Medical Office Building located at 3700 Vaca Valley Parkway, Vacaville, CA 95688
- Vallejo Medical Center located at 975 Sereno Dr, Vallejo, CA 94589

<u>The New Project:</u>

- San Diego Medical Center, located at 9455 Clairemont Mesa Boulevard, San Diego, California 92123, or otherwise in the vicinity of the intersection of Clairemont Mesa Boulevard and Ruffin Road in San Diego, California 92123
- Skyport Medical Office Building, located at 1717 Technology Drive, San Jose, California 95110, or otherwise located in the vicinity of the intersection of Skyport Drive and Technology Drive in San Jose, California 95110
- Baldwin Hills Crenshaw Medical Office Building, located in the vicinity of the intersection of Marlton Avenue and Santa Rosalia Drive in Los Angeles, California 90008
- Murrieta Medical Office Building, located at 28150 Keller Road, Murrieta, California 92563
- Daly City Medical Office Building, located at 395 Hickey Boulevard, Daly City, California 94015