BOARD OF TRUSTEES
Florida Atlantic University

Item: <u>BF: A-4</u>

BUDGET AND FINANCE COMMITTEE

Tuesday, June 8, 2021

SUBJECT: REQUEST FOR APPROVAL OF THE PARLIAMENT HALL HOUSING REFINANCE.

PROPOSED COMMITTEE ACTION

Review and recommend approval of the Resolution for the Parliament Hall housing refunding.

BACKGROUND INFORMATION

FAUFC currently has $28.6 million in outstanding debt principal for the Parliament Hall. Through, the issuance of its Capital Improvement Revenue Bonds, Series 2022A on a forward delivery basis, FAUFC expects to save approximately $6.7 million (present value) during the term of the Series 2022A bonds. By achieving greater than 5% present value savings (estimated 17.6%) and not extending the bond term, FAUFC does not need to submit a package to BOG for approval.

IMPLEMENTATION PLAN/DATE

FAUFC anticipates selling the Series 2022A Bonds in July of 2021 (soft bond closing) and redeeming the 2012A Bonds July 1, 2022.

FISCAL IMPLICATIONS

See above.

Supporting Documentation: Resolution, BofA Securities Rate Forecast/Refunding Update, Preliminary Official Statement

Presented by: Ms. Stacy Volnick, V.P. Administrative Affairs **Phone:** 561-297-1455

A RESOLUTION OF THE FLORIDA ATLANTIC UNIVERSITY BOARD OF TRUSTEES AUTHORIZING THE BOARD OF DIRECTORS OF THE FAU FINANCE CORPORATION TO REFINANCE THE FINANCE CORPORATION'S OUTSTANDING CAPITAL IMPROVEMENT REVENUE BONDS (STUDENT HOUSING PROJECT) SERIES 2012A THROUGH THE ISSUANCE OF ONE OR MORE SERIES OF THE FINANCE CORPORATION'S CAPITAL IMPROVEMENT REFUNDING REVENUE BONDS ON A FORWARD DELIVERY BASIS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, The FAU Finance Corporation (the "Corporation") has been certified by the Florida Atlantic University Board of Trustees (the "University") as one of its direct support organizations; and

WHEREAS, the Corporation previously issued its Capital Improvement Revenue Bonds (Student Housing Project), Series 2012A (the "Series 2012A Bonds") to finance the cost of a student residence facility as part of a new student life expansion initiative; and

WHEREAS, the Corporation desires to issue one or more series of its Capital Improvement Refunding Revenue Bonds, Series 2022A (the "2022A Bonds") pursuant to the terms and provisions of the Trust Indenture dated July 1, 2012 (the "2012 Indenture") by and between the Corporation and U.S. Bank National Association in order to achieve debt service savings; and

WHEREAS, the 2022A Bonds will be secured by a lien on and payable from the Pledged Revenues, as defined in the 2012 Indenture, on a parity status to the lien granted to the holders of the Corporation's Capital Improvement Revenue Bonds (Student Housing Project), Series 2012B, Capital Improvement Refunding Revenue Bonds (Student Housing Project), Series 2019A and Capital Improvement Revenue Bonds (Student Housing Project), Series 2019B; and

WHEREAS, the Corporation solicited and received bids from interested financial institutions; and

WHEREAS, it has been determined, based in part on the recommendation of Dunlap & Associates, the Corporation's financial advisor, that the bids received from Bank of America Merrill Lynch to serve as underwriter in connection with the sale of the 2022A Bonds contain the provisions most favorable to the Corporation; and

WHEREAS, the 2022A Bonds, together with interest thereon, will not be general or moral obligations of the Corporation and do not constitute an obligation, either general or special, of the State, the University or any political subdivision thereof, but are limited obligations payable solely and only from the Pledged Revenues; and

NOW THEREFORE BE IT RESOLVED BY THE FLORIDA ATLANTIC UNIVERSITY BOARD OF TRUSTEES AS FOLLOWS:

Section 1. Florida Atlantic University Board of Trustees hereby authorizes the Corporation to refund the Series 2012A Bonds on a forward delivery basis and to issue the 2022A Bonds provided the initial interest rate for the 2022A Bonds results in an aggregate present value debt service savings of at least 5% of the par amount of the Series 2012A Bonds outstanding.

Section 2. This Resolution shall become effective immediately upon passage.

CERTIFICATE OF THE CORPORATE SECRETARY

The Undersigned, Corporate Secretary of the Florida Atlantic University Board of Trustees, does hereby certify that the attached resolution is a true and accurate copy as adopted by the Florida Atlantic University Board of Trustees on June 8, 2021.

THE FLORIDA ATLANTIC UNIVERSITY BOARD OF TRUSTEES

Dated: June 8, 2021

By:______________________________
Chairperson

FAU Finance Corporation

Rate Forecast and Refunding Update

April 21, 2021

BofA SECURITIES

Notice to the FAU Finance Corporation
Confidential

Notice to the FAU Finance Corporation
Rate Forecast and Refunding Update

WE ARE NOT YOUR MUNICIPAL ADVISOR OR FIDUCIARY. BofA Securities, Inc. ("BofA Securities") is providing the information contained herein for discussion purposes only either as an underwriter or in anticipation of being engaged to serve as an underwriter. BofA Securities is not acting as your "municipal advisor" within the meaning of Section 15B of the Securities Exchange Act of 1934, as amended (the "Act"), and does not owe a fiduciary duty to you pursuant to the Act with respect to the information and material contained in this communication. BofA Securities is either serving as an underwriter or is seeking to serve as an underwriter on a future transaction and not as a financial advisor or municipal advisor. An underwriter's primary role is to purchase securities with a view to distribution in an arm's-length commercial transaction with you and it has financial and other interests that differ from those of yours. BofA Securities is acting for its own interests. You should discuss any information and material contained in this communication with any and all of your own internal or external municipal and/or financial, legal, accounting, tax and other advisors and experts, as applicable, to the extent you deem appropriate before acting on this information or material.

Municipal Market Update

Current Market Environment

	04/16/21	Weekly Change	3-Month Change	6-Month Change	YTD Change
5-Year MMD	0.36%	-0.11%	0.09%	0.08%	0.14%
10-Year MMD	0.93%	-0.10%	0.14%	-0.01%	0.22%
30-Year MMD	1.55%	-0.09%	0.08%	-0.17%	0.16%
5-Year UST	0.82%	-0.05%	0.37%	0.50%	0.46%
10-Year UST	1.59%	-0.10%	0.47%	0.83%	0.66%
30-Year UST	2.26%	-0.08%	0.41%	0.73%	0.62%
5-Year MMD/UST	43.93%	-10.24%	-15.63%	-44.42%	-17.31%
10-Year MMD/UST	59.26%	-2.58%	-12.86%	-67.37%	-18.63%
30-Year MMD/UST	68.60%	-1.53%	-10.83%	-43.96%	-16.15%

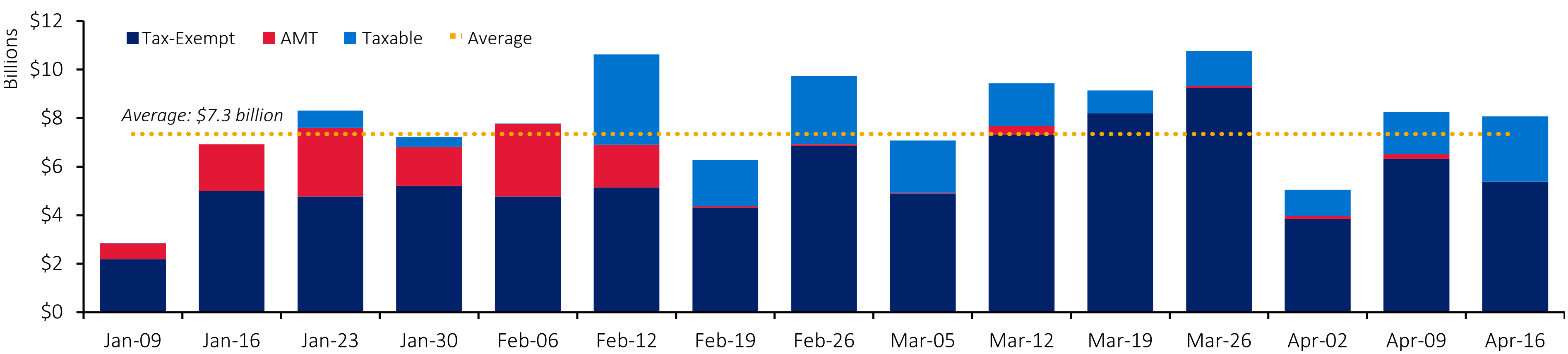
BOFA SECURITIES FORECAST

Metric	04/16/21	2021Q2	2021Q3	2021Q4	2022Q1
Fed Fund Rate	0.25%	0.25%	0.25%	0.25%	0.25%
3-Month LIBOR	0.18%	0.15%	0.20%	0.28%	0.25%
2YR T-Note	0.16%	0.30%	0.35%	0.40%	0.55%
10YR T-Note	1.59%	1.85%	2.00%	2.15%	2.25%
30YR T-Bond	2.26%	2.55%	2.65%	2.75%	2.80%

BLOOMBERG STREET MEDIANS FORECAST

Metric	04/16/21	2021Q2	2021Q3	2021Q4	2022Q1
Fed Fund Rate	0.25%	0.25%	0.25%	0.25%	0.30%
3-Month LIBOR	0.18%	0.22%	0.24%	0.27%	0.30%
2YR T-Note	0.16%	0.19%	0.25%	0.31%	0.38%
10YR T-Note	1.59%	1.71%	1.78%	1.83%	1.92%
30YR T-Bond	2.26%	2.39%	2.47%	2.50%	2.58%

Weekly Municipal Bond Issuance (2021 YTD)[(3)]



Sources: Bloomberg as of 4/16/21; BofA Global Research as of 4/16/21; Thomson Reuters as of 4/16/21; Fed Funds reflects upper range.

Municipal Market Update
Bloomberg Market Forecast

BLOOMBERG STREET MEDIANS FORECAST THROUGH 2023 Q3

Enter # <GO> for details

Chart | Export | Disclaimer | Page 1/3 | Bond Yield Forecasts

Region: G7 | Spread: 2 Year - 10 Year

	Rate	Market Yld	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23	Q2 23	Q3 23
	United States											
1)	US 30-Year	2.29	2.39	2.47	2.50	2.58	2.64	2.69	2.74	2.90	2.96	2.99
2)	US 10-Year	1.59	1.71	1.78	1.83	1.92	1.98	2.04	2.12	2.23	2.30	2.37
3)	US 5-Year	0.83	0.90	0.97	1.00	1.08	1.15	1.24	1.32	1.40	1.48	1.54
4)	US 2-Year	0.16	0.19	0.25	0.31	0.38	0.46	0.55	0.63	0.70	0.79	0.86
5)	US 3-Month Libor	0.19	0.22	0.24	0.27	0.30	0.34	0.37	0.39	0.50	0.57	0.61
6)	Fed Funds Rate - Upper Bound	0.25	0.25	0.25	0.25	0.30	0.30	0.30	0.35	0.35	0.45	0.50
7)	Fed Funds Rate - Lower Bound	0.00	0.00	0.01	0.01	0.03	0.04	0.06	0.08	0.12	0.20	0.23
	2 Year - 10 Year Spread	1.43	1.52	1.53	1.52	1.54	1.52	1.50	1.49	1.53	1.51	1.51

Sources: Bloomberg as of 4/19/21.

Forward Refunding Update
Summary of Refinancing

- FAUFC's Series 2012A Bonds are callable at par beginning July 1, 2022
- In the current market, FAUFC can refinance these bonds in advance of the call date for cash flow savings, utilizing the following strategies:
  - Tax-Exempt Forward Delivery refunding pricing July 2021 and closing within 90 days of the call date
    - Issuance of tax-exempt refunding bonds with 10-year par call
    - $6.7 million of net present value savings or 17.6% of refunded par
  - Potential ability to utilize bond insurance, in order to lower the cost of capital.

SUMMARY OF FORWARD REFUNDING SCENARIO		
	Forward Delivery	Hypothetical Current
Delivery/Closing Date	4/5/2022	4/5/2022
Pricing Date	7/1/2021	3/23/2022
Par Amount	$28,590,000	$27,775,000
Refunded Par Amount	$38,285,000	$38,285,000
All-in TIC	2.69%	2.38%
Average Life (Years)	11.7	11.7
Gross Savings	$8,216,401	$9,507,886
NPV Savings (PV to 7/1/21)	**$6,745,052**	**$8,112,778**
- as % of Refunded Par	**17.6%**	**21.2%**
Negative Arbitrage/Negative Carrying Costs	De minimis*	$142,341
Average Annual Cash Flow Savings	$410,523	$475,097
Estimated Breakeven to Current Refunding	40 bps	

*90-day current refunding escrow is gross funded at closing to ensure sufficient funds to refund the 2012A Bonds. De minimis negative arbitrage/negative carrying costs expected as there likely will be a difference between the escrow earnings rate during the 90-day escrow period versus FAUFC's borrowing cost.

Financing Mechanics

Pricing Date | Bond Closing | First Optional Call Date | Final Maturity

Forward Period
X Months

- Interest Rates set at pricing, with date certain forward delivery

Up to 90 Days Prior
to the Call Date

Tax-Exempt Refunding Bonds

- Current refunding of Refunded Bonds
- Issuer must:
  - Comply with conditions/requirements set forth in BPA
  - Supply legal opinions, affirm bond ratings and print supplement to Official Statement

Note: Indicative pricing as of 4/16/21; preliminary and subject to change. Assumes 8-month forward penalty of 40 bps. Assumes cash funded refunding escrow.

Forward Refunding Update

Forward Starting Tax-Exempt Refunding: Highlights, Risks and Other Considerations

Highlights

- *Eliminates Interest Rate Risk* – Locks-in funding cost based on current rate environment versus waiting to lock-in rates when rates may be higher
- *Ability to Refinance Prior to the Call Date* – Allows FAUFC to lock-in debt service savings ahead of the first call date via a current refunding
- *Reduces Negative Arbitrage* – Shortened escrow period mitigates negative arbitrage in refunding escrow
- *Issuance of Tax-Exempt Bonds* – Preserves the 10-year par call option that is standard with tax-exempt bonds

Risks and Considerations

- *Forward Premium* – Additional interest cost of approximately 4-5 basis points per month for each month forward after the first month
- *Conditions for Closing* –
  - Bonds maintain investment grade rating(s)
  - All conditions and requirements present in a standard BPA; however, period between pricing and closing is extended, therefore exposure to potential events is greater
  - Requires bring down of legal opinions covering the period up to forward delivery date
  - Requires supplement to Official Statement containing updated disclosure
- *Economics of Current Outstanding Debt Remains in Place* – No change until future funding date
- *Out of Pocket Expenses* – FAUFC will have certain upfront cost of issuance expenses, such as rating agencies fees and half of certain professionals' fees, which would be reimbursed on the settlement date (April 5, 2022)

Risk Disclosures

Risk Disclosures

Fixed Rate Bonds[1]

Material Risk Consideration	Description of Risk	Potential Consequences
Issuer Default Risk	Possibility that the Issuer defaults under the authorizing documents	• Range of available remedies may be brought against Issuer (e.g., forcing Issuer to raise taxes or rates) • Credit ratings negatively impacted • Access to capital markets impaired • Possibility of receivership or bankruptcy for certain issuers
Redemption Risk	The ability to redeem the bonds prior to maturity may be limited	• Inability to refinance at lower interest rates
Refinancing Risk	Possibility that the bonds cannot be refinanced	• Inability to refinance at lower interest rates
Reinvestment Risk	Possibility that the Issuer may be unable to invest unspent proceeds at or near the interest rate on the bonds	• Negative arbitrage resulting in a higher cost of funds
Tax Compliance Risk	For tax-exempt bonds, possibility that failure to comply with tax- related covenants results in the bonds becoming taxable obligations	• Increase in debt service costs retroactively to date of issuance • Possible mandatory redemption of bonds affected • Risk of IRS audit • Difficulty in refinancing the bonds • Access to tax-exempt market impacted • Difficulty in issuing future tax-exempt debt

(1) *You should consult with your financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent you deem appropriate concerning such risks.*

Risk Disclosures

Forward Delivery Bonds(1)

Material Risk Consideration	Description of Risk	Potential Consequences
Risk of Inability to Satisfy Conditions for Delivery of Bonds	Possibility that conditions to closing cannot be met on delivery date (e.g., intervening changes in law (resulting in either a change in tax status or any other reason that would prevent counsel from delivering an opinion), material litigation filed, adverse change in rating on the bonds or an event of default or material adverse change occurs)	• Transaction cannot be consummated
Underwriter Default Risk	Possibility that underwriter cannot perform on delivery date	• Transaction cannot be consummated
Fewer Potential Purchasers	Risk that the universe of potential investors may be limited to additional risks	• Pricing of the bonds and the amount of the forward delivery premium may be adversely affected
Availability of Better Alternatives	Possibility that it is more advantageous to wait and remarket or refinance outstanding bonds	• May not obtain the best economic result by proceeding with issuance of forward delivery bonds

(1) You should consult with your financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent you deem appropriate concerning such risks.

PRELIMINARY OFFICIAL STATEMENT DATED ___________, 2021

NEW ISSUE – FULL-BOOK ENTRY **RATINGS:**

Moody's: "__" (_______ outlook)
Fitch: "__" (______ outlook)
(See "RATINGS" herein)

In the opinion of Bond Counsel, assuming compliance by the Issuer with certain covenants, under existing statutes, regulations, and judicial decisions, the interest on the Series 2022A Bonds will be excluded from gross income for federal income tax purposes of the holders thereof and will not be an item of tax preference for purposes of the federal alternative minimum tax. See "TAX MATTERS" herein for a description of other tax consequences to holders of the Series 2022A Bonds.

$___________*

THE FAU FINANCE CORPORATION
CAPITAL IMPROVEMENT REFUNDING REVENUE BONDS
(STUDENT HOUSING PROJECT),
SERIES 2022A (FORWARD DELIVERY)

Dated: Date of Delivery **Due: July 1, as shown on inside cover**

The Capital Improvement Refunding Revenue Bonds (Student Housing Project), Series 2022A (Forward Delivery) (the "Series 2022A Bonds") offered hereby by The FAU Finance Corporation (the "Issuer") pursuant to the provisions of a Trust Indenture dated as of July 1, 2012, as amended and supplemented (the "Master Indenture"), and as particularly supplemented by the Fourth Supplemental Trust Indenture dated as of ________ 1, 2021 (the "Fourth Supplemental Indenture" and together with the Master Indenture, the "Indenture"), each by and between the Issuer and U.S. Bank National Association, as trustee (the "Trustee") will be issued as fully registered bonds, without coupons, and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Series 2022A Bonds. Individual purchases of the Series 2022A Bonds will be made in book-entry form only, in the principal amount of $5,000 or any integral multiple thereof. Interest on the Series 2022A Bonds is payable on January 1, 2023 and semiannually thereafter on each January 1 and July 1. Payments of principal of, redemption premium, if any, and interest on the Series 2022A Bonds are to be made to purchasers by DTC through the Participants (defined herein). Purchasers will not receive physical delivery of the Series 2022A Bonds. See "THE SERIES 2022A BONDS" herein.

The Series 2022A Bonds are subject to optional and mandatory redemption as described herein. See "THE SERIES 2022A BONDS" herein.

Proceeds from the Series 2022A Bonds, along with other legally available funds of the Issuer, if any, will be used (i) to refund all of the Capital Improvement Revenue Bonds (Student Housing Project), Series 2012A, and (ii) to pay the costs of issuance of the Series 2022A Bonds. See "PLAN OF REFUNDING" herein.

The Series 2022A Bonds, together with interest thereon, are limited obligations payable solely from the Pledged Revenues, on a parity with the Issuer's Outstanding Capital Improvement Revenue Bond (Student Housing Project), Series 2012B, Capital Improvement Refunding Revenue Bonds (Student Housing Project), Series 2019A and Capital Improvement Refunding Revenue Bonds (Student Housing Project), Series 2019B. Pledged Revenues include (i) the System Revenues (as defined herein) net of amounts needed to pay Operating Expenses (as defined herein), (ii) Excess Housing Revenues (as defined herein), and (iii) moneys on deposit in the funds and accounts established under the Indenture and investment earnings thereon, but excluding moneys on deposit in the accounts and subaccounts established in the Rebate Fund and the Costs of Issuance Fund (each as defined herein). See "SECURITY FOR THE SERIES 2022A BONDS - Pledged Revenues" herein.

The Series 2022A Bonds, together with interest thereon, are not general or moral obligations of the Issuer, and do not constitute an obligation, either general or special of the State of Florida (the "State"), or Florida Atlantic University (the "University"). Neither the full faith and credit of the State, the University, nor any other political subdivision or agency of the State is pledged to the payment of the principal of, redemption premium, if any, or interest on the Series 2022A Bonds, and the Series 2022A Bonds and all other obligations of the Issuer under the Indenture shall not constitute an indebtedness of the State, the University, or any political subdivision or agency of the State within the meaning of any State constitutional provision or statutory limitation. The issuance of the Series 2022A Bonds does not directly or indirectly or contingently obligate any such governmental entity or agency to levy any ad valorem taxes whatsoever or to make any appropriation for their payment except from the Pledged Revenues. The Series 2022A Bonds and all other obligations of the Issuer under the Indenture and the transactions contemplated thereby shall not be a charge against the general credit or taxing powers of the State, the University, or any political subdivision or agency of the State. The Series 2022A Bonds and all other obligations of the Issuer under the Indenture and the transactions contemplated thereby shall not give rise to a pecuniary liability of the Issuer, the State, the University, or any political subdivision or agency of the State. The Issuer has no taxing power.

The Series 2022A Bonds are offered for delivery when, as and if issued by the Issuer and received by the Underwriter (as defined herein), subject to the approving opinion as to legality by Bryant Miller Olive P.A., Orlando, Florida, Bond Counsel. Bryant Miller Olive P.A., Orlando, Florida, is acting as Disclosure Counsel to the Issuer. Certain legal matters will be passed upon for the University by the Office of General Counsel. Certain legal matters will be passed upon for the Underwriter by Foley & Lardner LLP, Jacksonville, Florida. Dunlap and Associates, Inc., Orlando, Florida, is serving as Municipal Advisor to the Issuer. It is expected that the Series 2022A Bonds in definitive book entry form will be available for delivery through DTC in New York, New York on or about ____________, 2022. See "FORWARD DELIVERY OF THE SERIES 2022A BONDS" and "FORWARD DELIVERY RISKS" herein for more information.

BofA Securities

Dated: ________________, 2021

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* Preliminary, subject to change.

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THE FAU FINANCE CORPORATION
CAPITAL IMPROVEMENT REFUNDING REVENUE BONDS
(STUDENT HOUSING PROJECT),
SERIES 2022A (FORWARD DELIVERY)

MATURITIES, AMOUNTS, INTEREST RATES, PRICES, YIELDS
AND INITIAL CUSIP NUMBERS

$___________[*] Series 2022A Serial Bonds

Maturity (July 1)[*]	Amount	Interest Rate	Price	Yield	Initial CUSIP Number[**]

$______[*] – ____% Series 2022A Term Bond due July 1, 20__* – Priced at _______ - Yield ____ - CUSIP _____[**]

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* Preliminary, subject to change.

** The Issuer is not responsible for the use of the CUSIP Numbers referenced herein nor is any representation made by the Issuer as to their correctness. The CUSIP Numbers provided herein are included solely for the convenience of the readers of this Official Statement.

RED HERRING LANGUAGE:

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of the Series 2022A Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration, qualification or exemption under the securities laws of such jurisdiction. The Issuer has deemed this Preliminary Official Statement "final," except for certain permitted omissions, within the contemplation of Rule 15c2-12 promulgated by the Securities and Exchange Commission.

THE FAU FINANCE CORPORATION
BOARD OF DIRECTORS

Anthony K.G. Barbar
Robert K. Rollins, Jr.
J. Michael Woody, Jr.
Thomas Workman, Jr.

ISSUER'S COUNSEL

Office of General Counsel
Florida Atlantic University
Boca Raton, Florida

BOND COUNSEL

Bryant Miller Olive P.A.
Orlando, Florida

DISCLOSURE COUNSEL

Bryant Miller Olive P.A.
Orlando, Florida

MUNICIPAL ADVISOR

Dunlap & Associates, Inc.
Orlando, Florida

No dealer, broker, salesman or other person has been authorized by the Issuer to give any information or to make any representations in connection with the Series 2022A Bonds other than as contained in this Official Statement, and, if given or made, such information or representations must not be relied upon as having been authorized by the Issuer. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2022A Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained from the Issuer, The Depository Trust Company, and other sources which are believed to be reliable, but is not guaranteed as to accuracy or completeness, and is not to be construed as a representation by the Issuer with respect to any information provided by others. The information and expressions of opinion stated herein are subject to change, and neither the delivery of this Official Statement nor any sale made hereunder shall create, under any circumstances, any implication that there has been no change in the matters described herein since the date hereof.

All summaries herein of documents and agreements are qualified in their entirety by reference to such documents and agreements, and all summaries herein of the Series 2022A Bonds are qualified in their entirety by reference to the form thereof included in the aforesaid documents and agreements.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter listed on the cover page hereof have reviewed the information in this Official Statement in accordance with and as part of their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter do not guarantee the accuracy or completeness of such information.

NO REGISTRATION STATEMENT RELATING TO THE SERIES 2022A BONDS HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION (THE “SEC”) OR WITH ANY STATE SECURITIES COMMISSION. IN MAKING ANY INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATIONS OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THE SERIES 2022A BONDS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SEC OR ANY STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. THE FOREGOING AUTHORITIES HAVE NOT PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

CERTAIN STATEMENTS INCLUDED OR INCORPORATED BY REFERENCE IN THIS OFFICIAL STATEMENT CONSTITUTE “FORWARD-LOOKING STATEMENTS.” SUCH STATEMENTS GENERALLY ARE IDENTIFIABLE BY THE TERMINOLOGY USED, SUCH AS “PLAN,” “EXPECT,” “ESTIMATE,” “BUDGET” OR OTHER SIMILAR WORDS. SUCH FORWARD-LOOKING STATEMENTS INCLUDE BUT ARE NOT LIMITED TO CERTAIN STATEMENTS CONTAINED IN THE INFORMATION UNDER THE CAPTION “BONDHOLDERS' RISKS” HEREIN. THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS THAT MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS INCLUDED IN THIS OFFICIAL STATEMENT. ASIDE FROM ITS CUSTOMARY FINANCIAL REPORTING ACTIVITIES, THE ISSUER DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN ITS EXPECTATIONS OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR, SUBJECT TO ANY CONTRACTUAL OR LEGAL RESPONSIBILITIES TO THE CONTRARY.

REFERENCES TO WEBSITE ADDRESSES PRESENTED HEREIN, INCLUDING THE ISSUER'S/ UNIVERSITY’S WEBSITE OR ANY OTHER WEBSITE CONTAINING INFORMATION ABOUT THE ISSUER OR THE UNIVERSITY, ARE FOR INFORMATIONAL PURPOSES ONLY AND MAY BE IN THE FORM OF A HYPERLINK SOLELY FOR THE READER'S CONVENIENCE. UNLESS SPECIFIED OTHERWISE, SUCH WEBSITES AND THE INFORMATION OR LINKS CONTAINED THEREIN ARE NOT INCORPORATED INTO, AND ARE NOT PART OF, THIS OFFICIAL STATEMENT FOR ANY PURPOSE INCLUDING FOR PURPOSES OF RULE 15c2-12 PROMULGATED BY THE SECURITIES AND EXCHANGE COMMISSION.

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OFFICIAL STATEMENT
relating to the issuance of

$____________*[*]
THE FAU FINANCE CORPORATION
CAPITAL IMPROVEMENT REFUNDING REVENUE BONDS
(STUDENT HOUSING PROJECT),
SERIES 2022A (FORWARD DELIVERY)

INTRODUCTION

The purpose of this Official Statement, including the cover page hereof and Appendices hereto, is to provide information concerning the proposed issuance by The FAU Finance Corporation (the "Issuer") of its Capital Improvement Refunding Revenue Bonds (Student Housing Project), Series 2022A (Forward Delivery) (the "Series 2022A Bonds").

The Series 2022A Bonds are issued under the authority of and in full compliance with the Constitution and the laws of the State of Florida (the "State"), particularly Chapter 617, Section 1004.28 and Section 1010.62, Florida Statutes, and other applicable provisions of law (collectively, the "Act"), a resolution adopted by the Board of Directors of the Issuer on May 6, 2021, as may be amended and supplemented from time to time (the "Authorizing Resolution"), and the Trust Indenture dated as of July 1, 2012, as amended and supplemented (the "Master Indenture"), and as particularly supplemented by the Fourth Supplemental Trust Indenture dated as of _________ 1, 2021 (the "Fourth Supplemental Indenture" and, collectively, the "Indenture"), each by and between the Issuer and U.S. Bank National Association, as trustee (the "Trustee"). Amendments made to the Master Indenture contained in the Second Supplemental Trust Indenture attached hereto as part of Appendix C were effective on January 8, 2019, upon issuance of the Series 2019A Bonds (defined below).

The lien of the Series 2022A Bonds on the Pledged Revenues (as defined herein) is on parity with the Issuer's Capital Improvement Revenue Bond (Student Housing Project), Series 2012B, issued in the aggregate principal amount of $3,440,000 and currently outstanding in the principal amount of $_________ (the "Series 2012B Bond"), Capital Improvement Refunding Revenue Bonds (Student Housing Project), Series 2019A, issued in the aggregate principal amount of $90,600,000 and currently outstanding in the principal amount of $__________ (the "Series 2019A Bonds") and Capital Improvement Refunding Revenue Bonds (Student Housing Project), Series 2019B, issued in the aggregate principal amount of $68,190,000 and currently outstanding in the principal amount of $_________ (the "Series 2019B Bonds" and, together with the Series 2012B Bond, the Series 2012A Bonds and the Series 2019A Bonds, the "Outstanding Parity Bonds"). The Series 2022A Bonds, the Outstanding Parity Bonds and any Additional Senior Bonds hereafter issued shall be referred to herein as "Bonds."

Proceeds from the Series 2022A Bonds will be used (i) to refund all of the Capital Improvement Revenue Bonds (Student Housing Project), Series 2012A (the "Refunded Bonds"), and (ii) to pay the costs of issuance of the Series 2022A Bonds. See "PLAN OF REFUNDING" herein.

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[*] Preliminary, subject to change.

Capitalized terms used herein and not otherwise defined herein shall have the same meanings as ascribed to them in the Indenture. See "APPENDIX C – FORM OF INDENTURE" attached hereto.

The description of the Series 2022A Bonds herein and of the documents authorizing and securing the same do not purport to be comprehensive or definitive. All references herein to such documents, agreements and reports are qualified in their entirety by reference to such documents, agreements and reports. All summaries herein of the Series 2022A Bonds are qualified in their entirety by reference to the form thereof included in the aforesaid documents and agreements. Copies of documents and reports not reproduced in this Official Statement and further information with regard to the Issuer may be obtained from the Issuer at the following address: The FAU Finance Corporation, c/o Florida Atlantic University, 777 Glades Road, Administration Bldg. – Room 345, Boca Raton, Florida 33431-0991.

THE ISSUER

The Issuer was organized in 2009 as a not-for-profit corporation under Chapter 617, Florida Statutes, and was certified by The Florida Atlantic University Board of Trustees (the "Board of Trustees") as a direct-support organization pursuant to Section 1004.28, Florida Statutes. The Issuer is organized and operated exclusively to receive, hold, invest, and administer property and to make expenditures to or for the benefit of the University. The Issuer is governed by a Board of Directors. The Board of Directors is appointed as follows: (a) one member is the President of the University or the President's designee; (b) one member appointed by the chair of the University Board of Trustees; and (c) a minimum of three (3) additional Directors appointed by the President of the University and approved by the University's Board of Trustees. The Executive Director of the Issuer is selected and appointed by the President of the University, in consultation with the Chairperson of the Issuer.

Board of Directors of the Issuer

Mr. Anthony K.G. Barbar is President and Chief Executive Officer of Barbar & Associates, LLC and has been involved in the acquiring, planning, financing, developing, consulting, advising, managing, leasing and sales of real estate projects for the past 30 years. During his 30-year career in real estate, Mr. Barbar has handled the purchase negotiations for over $1 billion in commercial and residential properties and commercial lease negotiations for more than 1,000,000 square feet of space. Mr. Barbar is a member of the Florida Association of Realtors where he is a director and a member of the Commercial Alliance Committee. He is active in many community and civic organizations and serves on the Board of Trustees of both Florida Atlantic University and Palm Beach Atlantic University. Mr. Barbar and his wife live in Boca Raton, Florida.

Mr. J. Michael Woody, Jr. is the Executive Vice President & Palm Beach Market Leader at Professional Bank and has over 11 years of experience in the financial services industry. He is responsible for new business development focused on providing lending and depository products and services to companies and high net worth individuals in the Palm Beach market. Michael has dedicated his career to building relationships with families and business owners in the South Florida community. He holds a Masters of International Business Administration from the University of South Carolina and a Bachelors of Arts from Sewanee, The University of the South. In addition, Mr. Woody is on the Advisory Board at St. Mark's Episcopal School in Palm Beach Gardens, Florida.

Mr. Robert K. Rollins, Jr. is a Principal and President of The Beacon Group, Inc., Mr. Rollins began his insurance career in 1969 as an Underwriter with The Aetna Life & Casualty. In 1973, Mr. Rollins joined the Aetna Insurance Company as a Marketing Representative and concluded his career with this company as Marketing Manager. In 1979, Mr. Rollins and Donald Dresback formed The Beacon Group, Inc., a full service commercial insurance agency which currently has 30 employees. Mr. Rollins earned his Chartered Properly Casualty Underwriting designation in 1983 and has received the designations of Certified Insurance Consultant and Accredited Advisor in Insurance. He graduated with a Bachelor of Science Degree in Business Administration from the University of Montevallo and has done post graduate work in accounting at the University of Alabama Birmingham.

Mr. Rollins served as the Chairman of the Insurance Committee for Florida Youth Soccer Association for 19 years and devotes his free time to working with the youth in the community with such organizations as Boca Hoops and Soccer Association of Boca Raton. He currently holds the elected position of Commissioner with The Greater Boca Raton Beach and Parks District, is past President of South Palm Beach County Independent Insurance Agents, Past President of Boca Raton Rotary Club, Recipient of FAU Presidents Talon Award for service to the University, FAU 1961 Society Loyalty Award, served on FAU Athletic Advisory Board and FAU Foundation. He is also an FAU Football Founder and named by the Boca Raton Historical Society as a Legend of Boca Raton. Mr. Rollins was recognized by the University of Montavallo as the Distinguished Alumnus for 2015. He is currently serving on the Board of Directors of the Florida Association of Insurance Agents. He and his family have been residents of Boca Raton since 1977.

Mr. Thomas Workman, Jr. of Boca Raton, is currently President of Thomas Workman & Associates, Certified Public Accountants, Chartered in Boca Raton. Since 1973, Mr. Workman has been either the president or managing partner of his own accounting firms. He is actively involved with the American Institute of Certified Public Accountants (AICPA) and the Florida Institute of Certified Public Accountants (FICPA). Mr. Workman is also a personal financial specialist, AICPA accredited. Mr. Workman's leadership in public service organizations includes past president of the Greater Boca Raton Estate Planning Council, past president of the Rotary Club of Boca Raton, past chairman of the Greater Boca Raton Chamber of Commerce, past president of The American Heart Association of Boca Raton and formerly on the Board of Directors of the American Heart Association, Florida/Puerto Rico Affiliate, and past treasurer of the FAU Foundation. Mr. Workman is currently serving as treasury for the Boca Raton Historical Society. He received a Bachelor of Science degree from Florida Atlantic University and is a lifetime member of the FAU National Alumni Association.

Executive Director of the Issuer

Dorothy Russell was recently elected as Executive Director in May 2021. After retiring in 2017 as Vice President of Financial Affairs and CFO, Dorothy Russell rejoined the University's Executive Leadership Team. Throughout her nearly 40-year career, Russell gained experience in resource planning, analysis, budgeting and risk assessment, and has extensive experience in sponsored research administration, institutional analysis and campus security and budget administration. Before joining the University, she was vice chancellor for finance and administration at the University of Michigan-Flint and assistant director for finance and administration at the Institute for Social Research, a comprehensive research enterprise at the University of Michigan. She possesses an A.B. from the University of Michigan, a certificate from the Institute for Management and Leadership in Education, Harvard University, and has completed graduate work at the Horace Rackham School of Graduate Studies, University of Michigan. In 2016, she was recognized as CFO of the Year for a Nonprofit Organization by the *South Florida Business Journal*.

Key Personnel of the University

Mr. Art Kite is currently the Executive Associate Vice President for Financial Affairs. He served as Executive Director of the Issuer from 2017 to 2021. He has more than 35 years of experience as a senior vice president with Bank of America, N.A. where he had leadership roles that included: CFO for Palm Beach County, Consumer Marketing Executive, Consumer Market Manager, Sales and Service Manager, Consumer Credit Administration Manager, Financial Planning and Analysis and Regional Auditor. Mr. Kite was Executive Director of Church Administration at Community of Hope Church in Loxahatchee. Mr. Kite is a Certified Public Accountant, holds the CGMA designation (Chartered Global Management Accountant), and is a member of The Florida Institute of Public Accountants (FICPA) and the American Institute of CPAs (AICPA). A Florida native, Mr. Kite grew up in Ft. Myers and Tampa. He received a B.S. in Accounting at Florida Southern College.

Dr. Larry Faerman, Acting Vice President, Student Affairs and Enrollment Management joined the University in 1999 as Area Coordinator for Housing and Residential Life and has served the University in many roles over the years. In 2016, Dr. Faerman was named Dean of Students and Associate Vice President for Student Affairs. As Acting Vice President for Student Affairs & Enrollment Management, Dr. Faerman oversees all aspects of student life, promoting a campus culture that embraces student success through academic excellence, leadership development, and civic responsibility. Dr. Faerman oversees the Division of Student Affairs & Enrollment Management, which provides a wide array of programs and services to the University's student body. Dr. Faerman received a Bachelor of Science in Management Information Science and a Master of Science in Higher Education Administration from Florida State University and earned his Doctorate of Educational Administration and Leadership from the University.

AUTHORIZATION FOR BONDS

The Issuer is authorized under the Act to issue revenue bonds to finance and refinance capital projects to provide facilities necessary and desirable to serve the needs and purposes of the University. The Board of Trustees adopted a resolution on __________, 2021, authorizing the Issuer to approve the issuance of the Series 2022A Bonds for the purposes set forth herein. The Issuer approved the issuance of the Series 2022A Bonds pursuant to the Authorizing Resolution.

FORWARD DELIVERY OF THE SERIES 2022A BONDS

The following is a summary description of certain provisions of the Forward Delivery Bond Purchase Agreement (the "Bond Purchase Agreement") between the Issuer and BofA Securities, Inc. (the "Underwriter") and the conditions therein. This description is not to be considered a full statement of the terms of the Bond Purchase Agreement and accordingly is qualified by reference thereto and is subject to the full text thereof.

Bond Purchase Agreement Signing and Forward Delivery Pre-Closing

Pursuant to the Bond Purchase Agreement, the Underwriter will agree to purchase the Series 2022A Bonds on the Settlement Date defined below. A delayed delivery pre-closing is expected to be held with respect to the Series 2022A Bonds on or about ___________, 2021 (the "Initial Closing Date"). At that time, the conditions for the issuance and delayed delivery of the Series 2022A Bonds and payment therefor by the Underwriter will be met, except for the confirmation of certain facts and delivery of certain certificates and opinions, including, but not limited to, an opinion of Bond Counsel substantially in the form set forth in “APPENDIX D – Form of Bond Counsel Opinion” attached hereto (collectively, the “Forward Delivery Date Closing Conditions”), which are to be delivered on the date the Series 2022A Bonds are issued (receipt thereof is a condition to the issuance of the Series 2022A Bonds) (hereinafter defined as the Settlement Date). Upon satisfaction of the conditions required on the Initial Closing Date, and subject to compliance with the Forward Delivery Closing Conditions described below and in the Bond Purchase Agreement, the Issuer will be obligated to issue the Series 2022 Bonds, and the Underwriter will be obligated to take delivery of and pay for the Series 2022 Bonds on the Forward Delivery Closing Date. However, there will be no delivery of the Series 2022 Bonds nor any payment therefor on the Initial Closing Date.

Forward Delivery Closing

On April ___, 2022, or at such other time or on such other date as will have been mutually agreed upon by the Issuer and the Underwriter (the “Settlement Date”), the Issuer will, subject to the terms and conditions of the Bond Purchase Agreement, deliver the Series 2022A Bonds to The Depository Trust Company (“DTC”) on behalf of the Underwriter and deliver or cause to be delivered to the Underwriter the other documents, opinions, certificates and instruments required by the Bond Purchase Agreement to be delivered, as more fully discussed below (the “Forward Delivery Closing Documents”). Subject to the terms and conditions of the Bond Purchase Agreement, the Underwriter will be obligated to accept such delivery and pay the purchase price for the Series 2022A Bonds. All of the foregoing described transactions are referred to herein as the “Forward Delivery Closing”.

Conditions to Forward Delivery Closing

General. The Issuer's obligation to issue and deliver the Series 2022A Bonds to the Underwriter, and the Underwriter's obligation to accept delivery of and pay for, the Series 2022A Bonds, on the Settlement Date, are subject to certain conditions precedent, as set forth in the Bond Purchase Agreement, including but not limited to,(i) the delivery and/or release from escrow of certain certificates and legal opinions, including but not limited to the opinion of Bond Counsel substantially in the form attached hereto as Appendix D, (ii) the Series 2022 Bonds being rated at least investment grade by Moody’s Investors Service, Inc. and Fitch Ratings, Inc. (each, a “Rating Agency”) and (iii) the satisfaction of other conditions set forth in the Bond Purchase Agreement as of the Settlement Date. Changes or proposed changes in state laws, court decisions, regulations or proposed regulations or rulings of administrative agencies occurring or in effect prior to the Settlement Date or the failure by the Issuer to provide closing documents of the type customarily required in connection with the issuance of tax-exempt bonds could prevent these conditions from being satisfied. None of the Series 2022 Bonds will be issued unless all of the Series 2022 Bonds are issued and delivered on the Settlement Date.

Although the Issuer is not aware as of the date of this Official Statement, of any information that would lead it to believe that it will be unable to satisfy its obligations under the Bond Purchase Agreement on the Settlement Date, no assurances can be made that, as of the Settlement Date: (i) there will have been no Change in Law, as hereinafter defined; (ii) the facts and circumstances that are material to one or more of the required legal opinions will not differ from the facts and circumstances as of the Initial Closing Date; or (iii) that all necessary certifications and representations can or will be delivered and made in connection with the proposed issuance and delivery of the Series 2022A Bonds. As a consequence of any of the foregoing, one or more of the foregoing legal opinions may not be rendered, with the possible result that the Series 2022A Bonds will not be issued.

[THE BOND PURCHASE AGREEMENT REQUIRES THE UNDERWRITER TO ACCEPT DELIVERY OF AND PAY FOR THE SERIES 2022A BONDS ON THE SETTLEMENT DATE NOTWITHSTANDING ANY SUBSEQUENT ADVERSE CHANGE IN THE BUSINESS OR AFFAIRS OF THE ISSUER.]

FAILURE TO SATISFY THE REQUIREMENTS OF THE FORWARD DELIVERY CLOSING, INCLUDING FAILURE OF ANY PARTY TO DELIVER ANY OF THE FORWARD DELIVERY CLOSING DOCUMENTS IN THE FORM AND SUBSTANCE PROVIDED FOR IN THE BOND PURCHASE AGREEMENT (UNLESS SUCH FAILURE IS WAIVED BY THE UNDERWRITER), WILL MEAN THAT THE SERIES 2022A BONDS WILL NOT BE ISSUED AND DELIVERED. THE UNDERWRITER HAS THE RIGHT, BUT IS UNDER NO OBLIGATION, TO WAIVE ANY SUCH FAILURE.

Agreement of Purchasers

By submitting an order for the Series 2022A Bonds, every purchaser (each "a Purchaser") shall be deemed to have committed to purchase its allotted share of the Series 2022A Bonds (the "Purchased Bonds").

By submission of its order, the Purchaser confirms that it has reviewed the Official Statement, has considered the risks associated with purchasing the Purchased Bonds and is duly authorized to purchase the Purchased Bonds. The Purchaser understands that the Purchased Bonds are being sold on a "forward" basis, and the Purchaser will purchase and agree to accept delivery of such Purchased Bonds from the Underwriter on or about the Settlement Date, pursuant to the Forward Delivery Bond Purchase Agreement.

Upon issuance by the Issuer of the Series 2022A Bonds and purchaser thereof by the Underwriter, the obligation of the Purchaser to take delivery of the Purchased Bonds shall be unconditional unless the Underwriter terminates the Bond Purchase Agreement prior to the Settlement Date. The obligation of the Underwriter to accept delivery of and pay for the Series 2022A Bonds on the Settlement Date shall be subject to the accuracy in all material respects of the representations and warranties on the part of the Issuer, to the accuracy in all material respects of the statements of the officers and other officials of the Issuer, as well as of the other individuals referred to therein, made in any certificates or other documents furnished pursuant to the provisions thereof, to the performance by the Issuer and the University of their respective obligations to be performed thereunder at or prior to the Settlement Date and to the following additional conditions:

(A) On the Settlement Date, the Bond Purchase Agreement, the Indenture (in the form attached hereto as Appendix C) and the Continuing Disclosure Undertaking (in the form attached hereto as Appendix E) shall be in full force and effect, and shall have not been amended, modified or supplemented, except as may have been agreed to in writing by the Underwriter, and there shall have been taken in connection with the issuance of the Series 2022A Bonds and with the transactions contemplated by the Series 2022A Bonds and related financing documents, all such actions as, in the opinion of Bond Counsel, shall be necessary and appropriate; and

[(B) At any time subsequent to the Initial Closing Date and at or prior to the Settlement Date, the following events shall have occurred:

(i) Legislation (including any amendment thereto) shall have been introduced in or adopted by either House of the Congress of the United States or recommended to the

Congress or otherwise endorsed for passage by the President of the United States, the Treasury Department of the United States, the Internal Revenue Service or the Chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or legislation is proposed for consideration by either such committee by any member thereof or presented as an option for consideration by either such committee by the staff of such committee, or by the staff of the Joint Committee on Taxation of the Congress of the United States, or a bill to amend the Internal Revenue Code shall be filed in either house, or (ii) a decision shall have been rendered by any federal or state court, or (iii) an order, filing, ruling or regulation shall have been issued or proposed by or on behalf of the Treasury Department of the United States or the Internal Revenue Service or any other agency of the United States, or (iv) a release or official statement shall have been issued by the President of the United States or by the Treasury Department of the United States or by the Internal Revenue Service, the effect of which, in any such case described in clause (i), (ii), (iii), or (iv), would be to impose, directly or indirectly, federal income taxation upon interest received on obligations of the general character of the Series 2022A Bonds or upon income of the general character to be derived by the Issuer, other than as imposed on the Series 2022A Bonds and income therefrom under the federal tax laws in effect on the date hereof, in such a manner as in the judgment of the Underwriter would make it impracticable to market the Series 2022A Bonds on the terms and in the manner contemplated in the Official Statement or the Supplement or any amendment or supplement thereto;

(ii) any action shall have been taken by the SEC or by a court which would require registration of any security under the Securities Act, or qualification of any indenture under the Trust Indenture Act in connection with the public offering of the Series 2022A Bonds, or any action shall have been taken by any court or by any governmental authority suspending the offering or sale of the Series 2022A Bonds or the use of the Official Statement or the Supplement or any amendment or supplement thereto, or any proceeding for that purpose shall have been initiated or threatened in any such court or by any such authority;

(iii) the Constitution of the State of Florida shall be amended or an amendment shall be proposed, or (ii) legislation shall be enacted, or (iii) a decision shall have been rendered as to matters of Florida State law, or (iv) any order, ruling or regulation shall have been issued or proposed by or on behalf of the State of Florida by an official, agency or department thereof, affecting the tax status of the Issuer, its property or income, its notes or bonds (including the Series 2022A Bonds) or the interest thereon, which in the judgment of the Underwriter would make it impracticable or inadvisable to proceed with the underwriting of the Series 2022A Bonds on the terms and in the manner contemplated in the Official Statement or the Supplement or any amendment or supplement thereto;

(iv) Any event or circumstance occurs or information becomes known, which, in the professional judgment of the Underwriter makes untrue any statement of a material fact set forth in the Official Statement or results in an omission to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading, and the Issuer refuses to permit the Official Statement to be supplemented to supply such statement or information in a manner satisfactory to the Underwriter; or

(v) trading generally shall have been suspended or materially limited on or by, as the case may be, any of the New York Stock Exchange or the Nasdaq National Market, (ii)

trading of any securities of the Issuer shall have been suspended on any exchange or in any over-the-counter market, (iii) a material disruption in securities settlement, payment or clearance services in the United States shall have occurred, which, in the judgment of the Underwriter, makes it impracticable or inadvisable to proceed with the underwriting of the Series 2022A Bonds on the terms and in the manner contemplated in the Official Statement or the Supplement or any amendment or supplement thereto, (iv) any moratorium on commercial banking activities shall have been declared by Federal, New York or Florida authorities, or (v) there shall have occurred any outbreak or escalation of hostilities or any change in financial markets or any calamity or crisis that, in the judgment of the Underwriter, is material and adverse and which, singly or together with any other event specified in this clause (v), makes it, in the judgment of the Underwriter, impracticable or inadvisable to proceed with the offer, sale or delivery of the Series 2022A Bonds on the terms and in the manner contemplated in the Official Statement or the Supplement or any amendment or supplement thereto;

(vi) the Series 2022A Bonds are not rated at least investment grade by Fitch or Moody's (at least a rating of "BBB-" by Fitch or at least a rating of "Baa3" by Moody's);

(vii) the purchase of and payment for the Series 2022A Bonds by the Underwriter, or the resale of the Series 2022A Bonds by the Underwriter, on the terms and conditions herein provided shall be prohibited by any applicable law, governmental authority, board, agency or commission; or

(viii) as a result of a Change in Law, the Underwriter are or would be prohibited from lawfully purchasing the Series 2022A Bonds as provided in this Purchase Agreement or lawfully selling the Series 2022A Bonds or beneficial ownership interests therein to the public. For purposes of the preceding sentence, "Change in Law" means (i) any change in or addition to applicable federal or state law, whether statutory or as interpreted by the courts, including any changes in or new rules, regulations or other pronouncements or interpretations by federal or state agencies, (ii) any legislation enacted by the Congress of the United States or introduced therein or recommended for passage by the President of the United States (but only if such enacted, introduced or recommended legislation, by its terms, would apply to purchases or sales of the Series 2022A Bonds as provided in this Purchase Agreement), (iii) any law, rule or regulation proposed or enacted by any governmental body, department or agency (but only if such proposed or enacted law, rule or regulation, by its terms, would apply to purchases or sales of the Series 2022A Bonds as provided in this Purchase Agreement) or (iv) any judgment, ruling or order issued by any court or administrative body, which in any such case would, as to the Underwriter, prohibit (or have the retroactive effect of prohibiting, if enacted, adopted, passed or finalized) the Underwriter from purchasing the Series 2022A Bonds as provided in this Purchase Agreement or selling the Series 2022A Bonds or beneficial ownership interests therein to the public; provided, however, that such change in or addition to law, legislation, law, rule or regulation or judgment, ruling or order shall have become effective, been enacted, introduced or recommended, been proposed or enacted or been issued, as the case may be, subsequent to the date of the Bond Purchase Agreement.]

EXCEPT AS DESCRIBED ABOVE OR IN THE BOND PURCHASE AGREEMENT, BY SUBMISSION OF ITS ORDER, THE PURCHASER WILL BE DEEMED TO ACKNOWLEDGE AND AGREE THAT IT WILL NOT BE ABLE TO WITHDRAW ITS ORDER AND WILL NOT OTHERWISE BE EXCUSED FROM PERFORMANCE OF ITS OBLIGATION TO TAKE UP AND PAY FOR THE

PURCHASED BONDS ON THE SETTLEMENT DATE BECAUSE OF MARKET OR CREDIT CHANGES. THE PURCHASER SHALL BE DEEMED TO ACKNOWLEDGE AND AGREE THAT IT WILL REMAIN OBLIGATED TO PURCHASE THE PURCHASED BONDS IN ACCORDANCE WITH THE TERMS HEREOF EVEN IF THE PURCHASER DECIDES TO SELL SUCH PURCHASED BONDS AFTER THE DATE OF THIS OFFICIAL STATEMENT.

FORWARD DELIVERY RISKS

General. The Issuer anticipates that the Series 2022A Bonds will be issued and delivered on or about April __, 2022. Delivery of the Series 2022A Bonds is contingent upon the delivery of certain certificates, reports, documents and legal opinions and the satisfaction of certain other conditions as of the Settlement Date, as provided in the Bond Purchase Agreement and described under the heading "FORWARD DELIVERY OF THE SERIES 2022A BONDS" above.

During the period of time between the date hereof and the Settlement Date (the "Forward Delivery Period"), certain information contained in this Official Statement could change in one or more material respects. In the Bond Purchase Agreement, the Issuer will agree to provide to purchasers of the Series 2022A Bonds an updated form of this Official Statement at least 10 days prior to the Settlement Date. Purchasers of the Series 2022A Bonds will be subject to this and other risks, some of which are described below, and which will not constitute grounds for purchasers to refuse to accept delivery of and pay for the Series 2022A Bonds.

Rating Risk. No assurance can be given that the ratings assigned to the Series 2022A Bonds on the Settlement Date will not be different from those currently assigned to the Series 2022A Bonds (see "RATINGS" herein). The assignment of a particular rating to the Series 2022A Bonds, or the maintenance of the initial ratings assigned to the Series 2022A Bonds, is not a condition of the Underwriter to accept delivery of and pay for the Series 2022A Bonds. So long as the Series 2022A Bonds are rated at least investment grade by Fitch or Moody's (at least a rating of "BBB-" by Fitch or at least a rating of "Baa3" by Moody's) as of the Settlement Date, the condition precedent concerning the rating of the Series 2022 Bonds under the Bond Purchase Agreement will have been satisfied..

Secondary Market Risk. While the Underwriter may make a secondary market in the Series 2022A Bonds during the Forward Delivery Period, there can be no guarantee that the Underwriter will be successful in establishing such a secondary market, or, if a secondary market is established, that it will be maintained or that the Series 2022A Bonds can be sold for any particular price. Should events occur before the Series 2022A Bonds are issued and delivered by the Issuer on the Settlement Date that affect the market value of the Series 2022A Bonds and if a secondary market in the Series 2022A Bonds does not exist, a beneficial owner of the Series 2022A Bonds may be unable to re-sell all or a portion of the Series 2022A Bonds held by or on behalf of that beneficial owner.

Market Value Risk. The market value of the Series 2022A Bonds as of the delivery date thereof may be affected by a variety of factors including, without limitation, general market conditions, the general economic conditions of the State and the Issuer, the ratings on the Series 2022A Bonds, the financial condition and business operations of the Issuer, and federal income tax and other applicable laws, including any legislative changes made to the same. The market value of the Series 2022A Bonds on the Settlement Date, therefore, could be greater or less than the purchase price agreed to be paid by the initial purchasers thereof, and the difference could be substantial. The purchasers will, nevertheless, be obligated to take delivery of and pay for the Series 2022A Bonds if the conditions to delayed delivery closing described above and in the Bond Purchase Agreement are satisfied. Neither the Issuer nor the Underwriter makes any representation as to the market price of the Series 2022A Bonds as of the delivery date thereof. Further, no assurance can be given that the introduction or enactment of future legislation will not affect the market prices of the Series 2022A Bonds as of the Settlement Date or thereafter or not have a materially adverse effect on any secondary market for the Series 2022A Bonds.

Federal Tax Proposals. The Bond Purchase Agreement obligates the Issuer to deliver and the Underwriter to purchase the Series 2022A Bonds if the Issuer receives an opinion of Bond Counsel substantially in the form set forth in "APPENDIX D– Form of Bond Counsel Opinion" attached hereto to the effect that the interest on the Series 2022A Bonds is excludable from the gross income of the holders thereof for federal income tax purposes as of the Settlement Date. Certain legislation may be introduced in the U.S. Congress that, if adopted, would reform the system of federal taxation generally or the tax consequences of ownership and/or transfer of obligations of the character of the Series 2022A Bonds. That legislation could either (a) eliminate the exclusion from gross income for federal income tax purposes of interest payable on "state or local bonds," such as the Series 2022A Bonds, or (b) diminish the value of such exclusion and could result in the modification of the form of opinion of Bond Counsel attached hereto. See "TAX MATTERS" herein for a summary of certain tax matters related to the Series 2022A Bonds. If legislation is enacted which eliminates the exclusion for federal income tax purposes of interest payable on "state and local bonds" such as the Series 2022A Bonds, Bond Counsel will not deliver its approving opinion in the form attached hereto as "APPENDIX D – Form of Bond Counsel Opinion" and, therefore, the Series 2022A Bonds will not be issued and delivered to the Underwriter and will not be available for delivery to the purchasers. If the enactment of legislation only diminishes the value, as opposed to eliminating the exclusion from gross income for federal income tax purposes of interest payable on "state or local bonds," the Underwriter may not terminate its obligations as a result of such change in law and Bond Counsel may revise the form of the opinion of Bond Counsel as set forth in "APPENDIX D – Form of Bond Counsel" attached hereto to reflect such changes. Prospective purchasers are encouraged to consult their tax advisors regarding the likelihood that legislation affecting the treatment of interest on the Series 2022A Bonds may be enacted and the consequences of such enactment for such purchasers.

PLAN OF REFUNDING

Upon delivery of the Series 2021 Bonds, U.S. Bank National Association, as escrow agent (the "Escrow Agent"), will enter into an Escrow Deposit Agreement (the "Escrow Deposit Agreement") with the Issuer to provide for the refunding of the Refunded Bonds. The Escrow Deposit Agreement will create an irrevocable escrow deposit fund (the "Escrow Deposit Fund") which will be held by the Escrow Agent. The money and securities held in the Escrow Deposit Fund are to be applied to the payment of principal of and interest on the Refunded Bonds up to and including redemption on **[July 1, 2022]** (the "Redemption Date") or upon maturity prior thereto. Immediately upon issuance of the Series 2021 Bonds, the Issuer will deposit a portion of the proceeds from the sale of the Series 2021 Bonds, together with other available funds of the Issuer, into the Escrow Deposit Fund. Such money is expected to be invested in certain noncallable direct obligations of the United States of America (the "Refunding Securities"). The maturing principal of and interest on the Refunding Securities and any cash held in the Escrow Deposit Fund (i) will be sufficient to pay the principal of and interest on the Refunded Bonds, (ii) will be pledged solely for the benefit of the holders of the Refunded Bonds, and (iii) will not be available for payment of debt service on the Series 2021 Bonds.

The initial cash deposit, plus principal and interest on the Refunding Securities in the Escrow Deposit Fund, will be sufficient to pay debt service on the Refunded Bonds upon redemption on **[July 1,**

2022] and to pay debt service prior to the Redemption Date, according to the schedules prepared by the Underwriter and verified by Causey Demgen & Moore P.C. (the "Verification Agent"). See "VERIFICATION OF ARITHMETICAL COMPUTATIONS" herein. In reliance on the above referenced schedules and verification, at the time of delivery of the Series 2021 Bonds, bond counsel will deliver to the Issuer an opinion to the effect that the lien of the holders of the Refunded Bonds on the Pledged Revenues has been defeased and discharged.

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ESTIMATED SOURCES AND USES OF FUNDS

The table that follows summarizes the sources and uses of funds to be derived from the sale of the Series 2022A Bonds, together with other legally available funds of the Issuer.

SOURCES:	
Principal Amount	$
Plus /Less [Net] Premium/Discount	
[Refunded Bonds Debt Service Fund]	
[Refunded Bonds Reserve Fund]	
TOTAL SOURCES	$
USES:	
Deposit to Escrow Deposit Fund	$
Deposit to Costs of Issuance Fund[1]	
TOTAL USES	$

[1] Includes Underwriter's discount, legal fees, verification agent fee, rating agency fees and miscellaneous costs of issuance.

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THE SERIES 2022A BONDS

General

The Series 2022A Bonds will be initially issued in the form of a separate single certificated fully registered Bond for each of the maturities of the Series 2022A Bonds. Upon initial issuance, the ownership of each such Bond shall be registered in the registration books kept by the Trustee, in the name of Cede & Co., as nominee of DTC. See "- Book-Entry Only System" below. The Series 2022A Bonds will be dated their date of delivery, and will bear interest at the rates and mature in the amounts and at the times set forth on the inside cover page of this Official Statement. The Series 2022A Bonds are to be issued as fully registered bonds in denominations of $5,000 or integral multiples thereof. Interest will be payable on January 1, 2023 and semiannually thereafter on January 1 and July 1 of each year. Principal of, and redemption premium, if any, on the Series 2022A Bonds are payable upon presentation and surrender at the designated corporate office of the Trustee, at 550 West Cypress Creek Road, Suite 380, Fort Lauderdale, Florida 33309, or at such other place as may be provided for by the appointment of any other Paying Agent appointed under the Indenture. The Trustee is also acting as Paying Agent and Registrar. Interest on the Series 2022A Bonds shall be made to the registered owner thereof by check or draft mailed to the Owner at his address as it appears on the registration books maintained by or on behalf of the Issuer as of the close of the applicable Record Date. Payment of interest on the Series 2022A Bonds shall be made to the registered owner thereof by wire transfer to such owner to the bank account number on file with the Paying Agent as of the Record Date upon written request therefor by the holder thereof for the appropriate Interest Payment Date.

With respect to Series 2022A Bonds registered in the name of Cede & Co., as nominee of DTC, neither the Issuer nor the Trustee will have any responsibility or obligation to any DTC Participant or to any Indirect DTC Participant. See "- Book-Entry Only System" below for the definition of "DTC Participant." Except as otherwise specifically provided in the Indenture and the Series 2022A Bonds with respect to the rights of DTC Participants and Beneficial Owners, when a Book-Entry System is in effect, the Issuer and the Trustee may treat DTC (or its nominee) as the sole and exclusive owner of the Series 2022A Bonds registered in its name for the purposes of (i) payment of the principal of, premium, if any, and interest on the Series 2022A Bonds or portion thereof to be redeemed or purchased, (ii) giving any notice permitted or required to be given to Owners under the Indenture, and (iii) the giving of any direction or consent or the making of any request by the Owners under the Indenture, and neither the Issuer nor the Trustee shall be affected by any notice to the contrary. Neither the Issuer nor the Trustee will have any responsibility or obligations to DTC, any DTC Participant, any Beneficial Owner or any other person which is not shown on the Series 2022A Bond Register, with respect to (i) the accuracy of any records maintained by DTC or any DTC Participant; (ii) the payment by DTC or by any DTC Participant of any amount due to any Beneficial Owner in respect of the principal amount or redemption of, or interest on, any Series 2022A Bonds; (iii) the delivery of any notice by DTC or any DTC Participant; (iv) the selection of the DTC Participants or the Beneficial Owners to receive payment in the event of any partial redemption of the Series 2022A Bonds; or (v) any consent given or any other action taken by DTC or any DTC Participant. The Trustee shall pay all principal of, premium, if any, and interest on the Series 2022A Bonds registered in the name of a nominee of DTC only to or "upon the order of" DTC (as that term is used in the Uniform Commercial Code as adopted in Florida), and all such payments shall be valid and effective to fully satisfy and discharge the Issuer's obligations with respect to the principal of, premium, if any, and interest on such Series 2022A Bonds to the extent of the sum or sums so paid.

Book-Entry Only System

The Series 2022A Bonds will be available only in book-entry form in authorized denominations of $5,000 and any integral multiple thereof. Purchasers of the Series 2022A Bonds will not receive certificates representing their interests in the Series 2022A Bonds purchased. The Issuer has entered into a letter of representations with DTC providing for such book-entry system.

THE FOLLOWING INFORMATION CONCERNING DTC AND DTC'S BOOK-ENTRY ONLY SYSTEM HAS BEEN OBTAINED FROM SOURCES THAT THE ISSUER BELIEVES TO BE RELIABLE. NEITHER THE ISSUER NOR THE PURCHASERS TAKE ANY RESPONSIBILITY FOR THE ACCURACY THEREOF.

SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE SERIES 2022A BONDS, AS NOMINEE OF DTC, CERTAIN REFERENCES IN THIS OFFICIAL STATEMENT TO THE SERIES 2022A BONDHOLDERS OR REGISTERED OWNERS OF THE SERIES 2022A BONDS SHALL MEAN CEDE & CO. AND WILL NOT MEAN THE BENEFICIAL OWNERS OF THE SERIES 2022A BONDS. THE DESCRIPTION WHICH FOLLOWS OF THE PROCEDURES AND RECORD KEEPING WITH RESPECT TO BENEFICIAL OWNERSHIP INTERESTS IN THE SERIES 2022A BONDS, PAYMENT OF INTEREST AND PRINCIPAL ON THE SERIES 2022A BONDS TO DIRECT PARTICIPANTS (AS HEREINAFTER DEFINED) OR BENEFICIAL OWNERS OF THE SERIES 2022A BONDS, CONFIRMATION AND TRANSFER OF BENEFICIAL OWNERSHIP INTERESTS IN THE SERIES 2022A BONDS, AND OTHER RELATED TRANSACTIONS BY AND BETWEEN DTC, THE DIRECT PARTICIPANTS AND BENEFICIAL OWNERS OF THE SERIES 2022A BONDS IS BASED SOLELY ON INFORMATION FURNISHED BY DTC. ACCORDINGLY, THE ISSUER AND PURCHASERS NEITHER MAKES NOR CAN MAKE ANY REPRESENTATIONS CONCERNING THESE MATTERS.

DTC will act as securities depository for the Series 2022A Bonds. The Series 2022A Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2022A Bond certificate will be issued for each maturity of each series of the Series 2022A Bonds as set forth on the inside cover page of this Official Statement in the aggregate principal amount thereof, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The Direct Participants and the Indirect Participants are collectively referred to herein as the "DTC Participants." DTC has an S&P Global Ratings ("S&P") rating of AA+. The DTC Rules applicable to its DTC Participants are on file with the Securities and Exchange Commission (the "SEC"). More information about DTC can be found at www.dtcc.com.

Purchases of Series 2022A Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2022A Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2022A Bondholder ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2022A Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2022A Bonds, except in the event that use of the book-entry system for the Series 2022A Bonds is discontinued.

To facilitate subsequent transfers, all Series 2022A Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Series 2022A Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2022A Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2022A Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2022A Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2022A Bonds, such as redemptions, tenders, defaults, and proposed amendments to the security documents. For example, Beneficial Owners of Series 2022A Bonds may wish to ascertain that the nominee holding the Series 2022A Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2022A Bonds within a maturity of a series are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2022A Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2022A Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds and distributions on the Series 2022A Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Issuer or the Paying Agent, on the payment date in accordance with their respective holdings shown on DTC's records. Payments by DTC Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such DTC Participant and not of DTC, the Paying Agent, or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds and distributions to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer and/or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2022A Bonds at any time by giving reasonable notice to the Issuer or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, the Series 2022A Bond certificates are required to be printed and delivered.

The Issuer may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository). In that event, Series 2022A Bond certificates will be printed and delivered to DTC.

Optional Redemption

The Series 2022A Bonds maturing on or before July 1, 20___ are not subject to optional redemption prior to maturity. The Series 2022A Bonds maturing on or after July 1, 20___ are subject to redemption prior to maturity at the option of the Issuer, in whole or in part on any date on or after July 1, 20___, and if in part, in such manner as determined by the Issuer, at the redemption price of 100% of the principal amount of the Series 2022A Bonds to be redeemed, without redemption premium, plus accrued interest to the redemption date.

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Mandatory Redemption

The Series 2022A Bonds shall mature on the following dates and in the stated principal amounts, and shall bear interest payable semiannually commencing July 1, 2023 and on each January 1 and July 1 thereafter to maturity at the rates per annum, all as set forth below:

<u>**July 1 of the Year**</u>	<u>**Amortization Installments**</u>

____

* Final Maturity

Notice of Redemption

Notice of the call for redemption, identifying the Series 2022A Bonds or portions thereof to be redeemed, shall be given by the Trustee by mailing a copy of the redemption notice by first class mail at least 20 days but not more than 60 days prior to the date fixed for redemption to the Owner of each Series 2022A Bond to be redeemed in whole or in part at the address shown on the registration books. Any notice mailed as provided in the Indenture shall be conclusively presumed to have been duly given, whether or not the Owner receives the notice.

Failure to mail any such notice, or the mailing of defective notice, to any Owner, shall not affect the proceeding for redemption as to any Owner to whom proper notice is mailed. Notwithstanding the provisions of the Indenture, delivery by the Trustee of a copy of a redemption notice to a transferee of a Series 2022A Bond which has been called for redemption, pursuant to the requirements of the Indenture, shall be deemed to satisfy the requirements of the Indenture with respect to any such transferee.

Notice of any redemption of Series 2022A Bonds shall either (i) explicitly state that the proposed redemption is conditioned on there being on deposit in the applicable fund or account on the redemption date sufficient money to pay the full redemption price of the Series 2022A Bonds to be redeemed and any other applicable conditions precedent to such redemption, or (ii) be sent only if sufficient money to pay the full redemption price of the Series 2022A Bonds to be redeemed is on deposit in the applicable fund or account.

Effect of Redemption

Not later than the Business Day prior to the date fixed for redemption, funds shall be deposited with the Trustee to pay, and the Trustee is authorized and directed by the terms and provisions of the Indenture to apply such funds to the payment of the Series 2022A Bonds or portions thereof called, together with accrued interest thereon to the redemption date, and expenses in connection with such redemption. Upon the giving of notice and the deposit of funds for redemption, interest on the Series 2022A Bonds or portions thereof thus called shall no longer accrue after the date fixed for redemption. No payment shall be made by the Trustee upon any Series 2022A Bond or portion thereof called for redemption until such Series 2022A Bond or portions thereof shall have been delivered for payment or cancellation or the Trustee shall have received the items required by the Indenture with respect to any mutilated, lost, stolen or destroyed Series 2022A Bond.

SECURITY FOR THE SERIES 2022A BONDS

Limited Obligations

The Series 2022A Bonds are limited obligations of the Issuer that are payable solely from Pledged Revenues, on a parity with the Outstanding Parity Bonds and any Additional Senior Bonds hereafter issued. See "- Outstanding Parity Bonds" below. The Series 2022A Bonds and Outstanding Parity Bonds shall never be payable out of any other funds of the Issuer other than the Pledged Revenues.

THE SERIES 2022A BONDS, TOGETHER WITH INTEREST THEREON, ARE NOT GENERAL OR MORAL OBLIGATIONS OF THE ISSUER AND DO NOT CONSTITUTE AN OBLIGATION, EITHER GENERAL OR SPECIAL, OF THE STATE, THE UNIVERSITY OR ANY POLITICAL SUBDIVISION THEREOF, BUT ARE LIMITED OBLIGATIONS PAYABLE SOLELY AND ONLY FROM THE PLEDGED REVENUES. SUCH MONEYS ARE PLEDGED AND ASSIGNED AS SECURITY FOR THE EQUAL AND RATABLE PAYMENT OF THE SERIES 2022A BONDS, AND SHALL BE USED FOR NO OTHER PURPOSE THAN TO PAY THE PRINCIPAL OF, REDEMPTION PREMIUM, IF ANY, AND INTEREST ON THE SERIES 2022A BONDS. THE SERIES 2022A BONDS SHALL IN NO EVENT BE PAYABLE FROM THE GENERAL REVENUES OF THE ISSUER OR THE UNIVERSITY AND SHALL NOT CONSTITUTE A DEBT, LIABILITY, GENERAL OR MORAL OBLIGATION OR A PLEDGE OF THE FAITH OR LOAN OF CREDIT OF THE UNIVERSITY, THE STATE OR ANY POLITICAL SUBDIVISION OF THE STATE WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISIONS; NEITHER THE UNIVERSITY, THE STATE NOR ANY POLITICAL SUBDIVISION THEREOF SHALL BE LIABLE THEREON; NOR IN ANY EVENT SHALL SUCH BONDS BE PAYABLE OUT OF ANY FUNDS OR PROPERTIES OTHER THAN THOSE OF THE ISSUER, AND THEN ONLY TO THE EXTENT PROVIDED IN THE INDENTURE. NEITHER THE FAITH AND CREDIT NOR THE REVENUES OF THE UNIVERSITY, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF THE SERIES 2022A BONDS OR THE INTEREST THEREON OR OTHER COSTS INCIDENT THERETO. NEITHER THE UNIVERSITY NOR THE ISSUER HAS TAXING POWER.

Trust Estate

The obligations of the Issuer under the Indenture are secured by the "Trust Estate" pledged pursuant to the Indenture, which includes a security interest in all right, title and interest of the Issuer to the Pledged Revenues. The Pledged Revenues, including investments thereof and the proceeds of such investments, if any, but not including moneys on deposit in the accounts and subaccounts of the Rebate Fund and the Costs of Issuance Fund, are pledged pursuant to the Indenture and assigned as security for the payment of the Series 2022A Bonds, the Outstanding Parity Bonds and any Additional Senior Bonds hereafter issued and shall be used for no other purposes than to pay the principal of, redemption premium, if any, and interest on such Bonds, in the order and priority expressly authorized in the Indenture or to pay the Rebate Amount. Notwithstanding anything in the Indenture to the contrary, nothing provided in the Indenture shall be deemed to grant or create a lien on any subaccount in the Reserve Fund created with respect to a particular Series of Bonds in favor of the Bondholders of any other Series and each account in the Reserve Fund shall secure only the Series of Bonds with respect to which it was created. No Reserve

Account has been created with respect to the Series 2022A Bonds. See "- No Reserve Fund for Series 2022A Bonds" herein.

The Pledged Revenues are comprised of (i) the System Revenues net of amounts needed to pay Operating Expenses, including Excess Housing Revenues, and (ii) moneys on deposit in the funds and accounts established under the Indenture and investment earnings thereon, but excluding moneys on deposit in the accounts and subaccounts established under the Rebate Fund and the Costs of Issuance Fund. See "- Pledged Revenues" below for definitions of System Revenues and Excess Housing Revenues and "THE INDENTURE - Creation of Funds and Accounts" herein for a description of the funds and accounts established under the Indenture.

Pledged Revenues

System Revenues. "System Revenues" means (i) all income and revenues including fees, rentals or other charges received by the Issuer or the University, on behalf of the Issuer, derived from the ownership and/or operation of the Housing System from students, faculty members, the Issuer and others using or being served by or having the right to use, or having the right to be served by, the Housing System, and all parts thereof including retail and commercial uses comprising a part of the Housing System, without any deductions whatsoever, and specifically including, without limiting the generality of the foregoing, room rental income, any special rental fees or charges for services or space provided, and any income paid to the Issuer related to use of the retail and commercial areas of the Housing System and (ii) Excess Housing Revenues. Notwithstanding the foregoing, "System Revenues" shall not include (i) Direct Pay Subsidies, or (ii) any other subsidy, incentives or rebate payments from the United States Treasury.

The "Housing System" includes the housing facilities financed with the proceeds of the Outstanding Parity Bonds consisting of a freshman student residence facility comprised of one building containing approximately 614 student beds, known as Parliament Hall (the "2012 Facilities"), the student resident facilities refinanced with proceeds of the Series 2019A Bonds, known as Innovation Village Apartments North & South (the "2010 Facilities"), the student resident facility currently being constructed on the Boca Raton campus financed with proceeds of the Series 2019B Bonds ("Atlantic Park Towers"), and the student resident facility currently being constructed on the Jupiter campus financed with proceeds of the Series 2019B Bonds ("Jupiter Residence Hall 3"), and any Project financed with proceeds from Additional Senior Bonds issued under the Indenture. Both the Atlantic Park Towers and the Jupiter Residence Hall 3 are currently on schedule to open for the Fall 2021 semester.

"Excess Housing Revenues" means all income and revenue including rates, fees and other charges, received by the University, on behalf of the Issuer related to the DBF Facilities remaining after application of such funds after satisfaction of all obligations required under Sections 4.02(A) through (C) of the DBF Bond Resolution (hereafter defined), which obligations include operating expenses of the DBF Facilities, administrative expenses payable to the State, as the issuer of the State DBF Facilities Bonds, deposits to the Building Maintenance and Equipment Reserve Fund under the DBF Bond Resolution and annual debt service requirements on the DBF Facilities Bonds.

The DBF Facilities were financed and refinanced with proceeds of the State of Florida Board of Governors Florida Atlantic University Dormitory Revenue Refunding Bonds, Series 2016A (the "State DBF Facilities Bonds"), currently outstanding in the principal amount of $42,330,000, issued by the State of Florida Division of Bond Finance pursuant to a resolution adopted on July 21, 1992, as amended and supplemented (the "DBF Bond Resolution"). The DBF Facilities are not part of the Housing System.

However, after payment of the operating expenses for the DBF Facilities, the annual debt service requirements for the State DBF Facilities Bonds, administrative expenses of the issuer of the State DBF Facilities Bonds, and deposits to the Building Maintenance and Equipment Reserve Fund, all as required by the DBF Bond Resolution, all remaining DBF Facilities revenues will constitute Excess Housing Revenues under the Indenture, will be transferred to the Trustee for deposit into the Revenue Fund under the Indenture, and are Pledged Revenues under the Indenture free of the lien of the State DBF Bonds.

Outstanding Parity Bonds

General. The lien of the Series 2022A Bonds on the Pledged Revenues is on parity with the Outstanding Parity Bonds and any Additional Senior Bonds issued hereafter.

Tender of Series 2012B Bond. The Series 2012B Bond was issued pursuant to the Master Indenture, as particularly supplemented by the First Supplemental Trust Indenture dated as of July 1, 2012 (the "First Supplemental Indenture"). Pursuant to the First Supplemental Indenture, the Series 2012B Bond was subject to tender, at the option of the Owner of the Series 2012B Bond (the "2012B Bondholder"), on the Initial Tender Date of July 1, 2019. The holder of the Series 2012B Bond agreed to waive its tender right upon amendment of certain terms of the Series 2012B Bond. Pursuant to the First Amendment to First Supplemental Trust Indenture, dated as of May 1, 2019, the terms of the Series 2012B Bond were amended to provide that from May 1, 2019 until the maturity date of the 2012B Bond (July 1, 2025), the Series 2012B Bond will bear interest at a rate of 2.24% per annum, subject to adjustment as described under "*Adjustment of Interest Rate on Series 2012B Bond*" below.

Adjustment of Interest Rate on Series 2012B Bond. Pursuant to the First Supplemental Indenture, the interest rate on the Series 2012B Bond is subject to increase if certain events occur, including (i) tender of the Series 2012B Bond as described above, (ii) a Determination of Taxability (as therein defined), in which event the rate is increased to a Taxable Rate (as therein defined) or to an adjusted rate described therein in the event of a partial Determination of Taxability, (ii) the Maximum Corporate Tax Rate (as therein defined) changes during any period the Series 2012B Bond is outstanding on a tax-exempt basis, in which event the rate is adjusted based on the revised Maximum Corporate Tax Rate; (iii) any other changes affecting the after-tax yield to the Owner or any former Owners of the Series 2012B Bond, including the loss of status as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3)(B), in which event the Issuer must reimburse the Owner for any payments arising from such changes; and (iv) if any payment required by the Series 2012B Bond or the First Supplemental Indenture is not made when due, then the Issuer is obligated to pay interest on such amounts at the Default Rate, defined as the higher of the JP Morgan Chase Banks Prime Rate and the Adjusted One-Month LIBOR Rate plus 4%, all as more fully described in the First Supplemental Indenture. In the event that the interest rate is adjusted, the amounts shown as debt service for the Series 2012B Bond under "BOND DEBT SERVICE REQUIREMENTS FOR SERIES 2022A BONDS AND OUTSTANDING PARITY BONDS" herein would be increased.

No Reserve Fund for Series 2022A Bonds

The Series 2022A Bonds will not be secured by the Reserve Fund or any Reserve Account therein.

Additional Senior Bonds

The Issuer may issue Additional Senior Bonds if the Issuer complies with the conditions set forth below:

(a) The Authorized Officer of the Issuer shall certify that (i) the Issuer is not in Default in the performance of any of the covenants and obligations assumed by it under the Indenture, and (ii) all payments required by the Indenture to have been made into the funds and accounts provided by the Indenture shall have been made in full to the extent required.

(b) Legal counsel to the Issuer shall submit an opinion addressed to the Governing Body of the Issuer to the effect that the issuance of such Additional Senior Bonds has been duly authorized and that all conditions precedent to the delivery of such Additional Senior Bonds have been fulfilled.

(c) (i) Each supplemental indenture authorizing the issuance of Additional Senior Bonds issued pursuant to the Indenture and, unless all Bonds Outstanding shall be refunded, will contain a provision to the effect that all of the covenants contained in the Indenture (except as to details expressly applicable to the Outstanding Parity Bonds) will be fully applicable to such Additional Senior Bonds as if originally issued under the Indenture.

(ii) The Outstanding Parity Bonds and all Additional Senior Bonds issued pursuant to the Indenture, regardless of time or times of their issuance, shall rank equally without preference of any Senior or Additional Senior Bonds over any other; provided, however, that such Series of Bonds issued under the Indenture shall, with respect to the Reserve Fund, have rights only to moneys therein in the subaccount therein created with respect to such Series of Bonds. Such subaccounts, if any, in the Reserve Fund may be funded as determined by the Issuer. Provided, however, that any Series of Bonds issued as Direct Subsidy Bonds shall have the additional security of the Direct Pay Subsidies received by the Issuer with respect to that particular Series of Bonds.

(d) An opinion of Bond Counsel shall be delivered to the Governing Body of the Issuer to the effect that the issuance of Additional Senior Bonds will not impair the exclusion from gross income for federal income tax purposes of interest paid on any Bonds issued under the Indenture and then Outstanding that are not Taxable Bonds.

(e) Additional Senior Bonds payable from the Pledged Revenues on a parity with the Outstanding Parity Bonds, as provided in the Indenture, can be issued and delivered to finance Projects only if there shall have been obtained and filed with the Governing Body of the Issuer and the Trustee a certificate of the Authorized Officer of the Issuer:

(i) setting out the Maximum Bond Service Requirement with respect to the Senior Bonds proposed to be Outstanding under the Indenture following the issuance of the Additional Senior Bonds proposed to be issued for each Bond Year through the final maturity of such Bonds;

(ii) setting out the amount of Net Revenues Available for Debt Service of the Issuer from the immediately preceding Fiscal Year available for payment of the principal of, redemption premium, if any, and interest on Senior Bonds, in each such year;

(iii) certifying that (a) the Net Revenues Available for Debt Service collected by the Issuer during the Fiscal Year immediately preceding the date of issuance of such Additional Senior Bonds were not less than one hundred and twenty-five percent (125%) of the Maximum Bond Service Requirement with respect to the then outstanding Senior Bonds and (b) the projected Net Revenues Available for Debt Service for the two Fiscal Years following the Fiscal Year in which the Project financed with the proceeds of the Additional Senior Bonds is scheduled to be placed in service will not be less than one hundred and twenty-five percent (125%) of the Maximum Bond Service Requirement with respect to the then outstanding Senior Bonds and the Additional Senior Bonds proposed to be issued. In determining the Net Revenues Available for Debt Service for the purposes of this clause (iii), System Revenues may be adjusted as follows:

In the event the Issuer shall have made or put in effect any increase in the rates, fees or charges constituting System Revenues and such increase shall not have been in effect during all of the previous Fiscal Year immediately preceding the date of the delivery of the proposed Additional Senior Bonds, the System Revenues shall be adjusted by the estimated System Revenues that would have resulted from the increase in the rates, fees and charges constituting System Revenues during such prior Fiscal Year had such rate, fee or charge increase been in effect for the entire period; and

In the event the Issuer is constructing or acquiring additions, extensions or improvements to the Housing System from the proceeds of the Additional Senior Bonds; System Revenues each of the two Fiscal Years immediately following the Fiscal Year in which the Project financed with the proceeds of the Additional Senior Bonds is scheduled to be placed in service may be adjusted to include System Revenues estimated to be received from the users of the Project to be financed during the first twelve (12) months of operation after the Project's placed in service date.

(f) The proceeds of Additional Senior Bonds shall be used to finance the Projects and improvements thereto or expansion thereof or to refund Outstanding Bonds as described in the supplemental indenture authorizing such Additional Senior Bonds.

(g) Notwithstanding satisfaction of the other conditions to the issuance of Additional Senior Bonds set forth in the Indenture, no such issuance may occur (1) if an Event of Default (or any event which, once all notice or grace periods have passed, would constitute an Event of Default) exists unless such default shall be cured upon such issuance and (2) unless the applicable account in the Reserve Fund is fully funded at the applicable Reserve Requirement upon the issuance of such Additional Senior Bonds, in either case unless otherwise permitted by the Bond Insurer, if any.

Refunding Outstanding Bonds

Notwithstanding the preceding subsection regarding the issuance of Additional Senior Bonds, the Issuer may issue, at any time, and from time to time, Additional Senior Bonds for the purpose of refunding Outstanding Senior Bonds, or any maturity or portion of a maturity of Outstanding Senior Bonds within a Series, without having to comply with the above requirements regarding the issuance of Additional Senior Bonds provided that prior to the issuance of such Additional Senior Bonds, there shall be filed with the Governing Body of the Issuer a certificate from a Qualified Independent Consultant to the effect that the net proceeds from such Additional Senior Bonds will be sufficient to (A) cause the lien created by the Indenture with respect to the Outstanding Senior Bonds to be refunded to be defeased pursuant to the Indenture and (B) the Bond Service Requirement, with respect to such Additional Senior Bonds, in each Bond Year following the issuance thereof through the Bond Year in which the latest maturing Senior Bond matures, shall be equal to or less than the Bond Service Requirement for such Bond Year with respect to the Senior Bonds which would have been Outstanding in that Bond Year had the same not been refunded pursuant to this paragraph.

Prior to or concurrently with the issuance of such Senior Bonds, there shall be filed with a representative of the Issuer, an opinion of Bond Counsel to the effect that (i) the net proceeds from the sale of such Additional Senior Bonds have been set aside in irrevocable escrow for the payment of the Outstanding Senior Bonds in the manner described in the Indenture, respectively, and (ii) the issuance of such Additional Senior Bonds and the use of the proceeds thereof as described above will not have the effect of causing the interest on any Outstanding Senior Bond under the Indenture (other than any Taxable Bond) including the Outstanding Senior Bonds, as the case may be, to be refunded, to become includable in gross income for federal income tax purposes.

Rate Covenant

The Issuer has covenanted that it will fix, establish and collect such fees, rentals and other charges from students, faculty members and others using or being served by the Housing System, and revise them from time to time whenever necessary, so that the Net Revenues Available for Debt Service shall be sufficient in each Fiscal Year to pay at least one hundred twenty five percent (125%) of an amount equal to the Bond Service Requirement for all Senior Bonds coming due in such Fiscal Year. For purposes of calculating compliance with such rate covenant, System Revenues may be adjusted by including (i) investment earnings on the amounts on deposit in the Series 2012 Account of the Reserve Fund and (ii) proceeds received by the Trustee from any business interruption policy.

If in any Fiscal Year the Issuer fails to comply with the requirement described in the immediately preceding paragraph, it will be required to immediately cause the Housing Consultant to review its rates, fees and charges, System Revenues, Operating Expenses and methods of operation and to, within 60 days of such request by the Issuer, make written recommendations to the Issuer and the Managers as to the methods by which the Issuer and the Managers may promptly seek to comply with such provisions set forth in the immediately preceding paragraph. The Issuer shall or shall cause the Managers within 30 days of receipt of the recommendations commence to implement such recommendations to the extent required so as to cause it to thereafter comply with such requirements. Failure to comply with the requirements described in the immediately preceding paragraph shall not be considered an Event of Default under the Indenture so long as the Issuer is implementing the recommendations of the Housing Consultant; provided Net Revenues Available for Debt Service in each Fiscal Year shall equal at least one hundred percent (100%) of an amount equal to the Bond Service Requirement for all Senior Bonds coming due in such Fiscal Year.

In 2018, an amendment to The Florida Constitution was approved by the voters of the State that amended Article IX, Section 7 of The Florida Constitution (the "Education Amendment") that added a requirement to Article IX, Section 7 that requires that any proposal or action of a State university to raise, impose or authorize any fee, as authorized by law, be approved by an affirmative vote of at least nine members of the board of trustees of such university, if approval by such board is required by general law, and an affirmative vote of at least twelve members of the Board of Governors, if approval by the Board of Governors is required by general law. See "BONDHOLDERS' RISKS - Recent Constitutional Amendment" herein.

Satisfaction and Discharge

If the Issuer shall pay or cause to be paid, or there shall be otherwise paid or provision for payment made, to or for the owners of the Series 2022A Bonds the principal of, redemption premium, if any, and interest due or to become due thereon at the times and in the manner stipulated in the Indenture, and shall pay or cause to be paid to the Trustee all sums of money due or to become due according to the provisions of the Indenture (including any fees of the Trustee and expenses in connection therewith), then the Indenture and all rights granted therein shall cease, determine and be void, whereupon the Trustee shall cancel and discharge the lien of the Indenture, and execute and deliver to the Issuer such instruments in writing provided by the Issuer as determined by the Issuer to be requisite to cancel and discharge the lien, and release, assign and deliver to the Issuer any and all the estate, right, title and interest therein, or otherwise subject to the lien of the Indenture, except money or securities held by the Trustee for the payment of the principal of redemption premium, if any, and interest on the Series 2022A Bonds and shall notify the Rating Agencies and the Bond Insurer (if any) of such cancellation and discharge.

Any Series 2022A Bond shall be deemed to be paid within the meaning of the Indenture when payment of the principal of such Series 2022A Bond, redemption premium, if any, plus interest thereon to the due date thereof (whether such due date be by reason of maturity or upon redemption as provided in the Indenture, or otherwise), either (i) shall have been made or caused to have been made in accordance with the terms thereof, or (ii) shall have been provided by irrevocably depositing with the Trustee, in trust and irrevocably setting aside exclusively for such payment (a) moneys in an amount sufficient (as determined by an independent certified public accounting firm) to make such payment; or (b) Governmental Obligations maturing as to principal and interest in such amount and at such times as will insure the availability of sufficient moneys (as determined by an independent certified public accounting firm) to make such payment, and all necessary and proper fees, compensation and expenses of the Trustee and the Issuer pertaining to the Series 2022A Bonds with respect to which such deposit is made shall have been paid or the payment thereof provided for to the satisfaction of the Trustee. At such times as a Series 2022A Bond shall be deemed to be paid under the Indenture, it shall no longer be secured by or entitled to the benefits of the Indenture, except for the purposes of any such payment from such moneys or Governmental Obligations.

Enforceability of Remedies

The realization of value from the security for the Series 2022A Bonds upon any default will depend upon the exercise of various remedies specified by the Indenture. These and other remedies may require judicial actions, which are often subject to discretion and delay and which may be difficult to pursue. See "BONDHOLDERS' RISKS" herein.

CERTAIN EFFECTS OF COVID-19 PANDEMIC ON FINANCES AND OPERATIONS OF THE UNIVERSITY AND HOUSING SYSTEM

In March, 2020, COVID-19, a respiratory disease caused by a new strain of coronavirus, was declared a pandemic by the World Health Organization and President Trump declared a national emergency and signed into law the Coronavirus Aid, Relief and Economic Security Act (the "CARES Act"), an economic stimulus bill designed to help offset the impact of the COVID-19 pandemic and provide economic support to the health care sector, the business sector, employees, individuals and families. The COVID-19 pandemic is altering the behavior of businesses and people in a manner that is having negative effects on global and local economies, including, but not limited to, travel restrictions, voluntary and mandatory quarantines, facility closures and event postponement and cancellations.

Developments with respect to the COVID-19 pandemic continue to occur globally, in the United States, in the State and on the campus of the University. Any surge in COVID-19 cases and additional, new or more stringent governmental or regulatory restrictions and directives applicable to the University's operations, as well as the choices made by the public in response to the COVID-19 pandemic, could affect the University's operations and finances, including an evacuation of some or all students from either or both campuses. The following is intended to summarize certain selected matters relating to the University's response to the COVID-19 pandemic to date, and its impacts on the Housing System occupancy and Housing System Revenues. Any statements herein regarding COVID-19, the University's response and planning with respect thereto and its impact on the University and the Housing System and Pledged Revenues, are subject to change.

ALL FINANCIAL AND OPERATING DATA AND INFORMATION IN THIS OFFICIAL STATEMENT, MUST BE READ IN CONJUNCTION WITH THE INFORMATION PROVIDED UNDER THIS CAPTION, "CERTAIN EFFECTS OF COVID-19 PANDEMIC ON FINANCES AND OPERATIONS OF THE UNIVERSITY AND HOUSING SYSTEM."

THERE CAN BE NO GUARANTEE THAT COVID-19 AND ADDITIONAL VARIANTS WILL NOT IMPACT THE UNIVERSITY, THE ISSUER AND HOUSING SYSTEM'S OPERATIONS, OR THAT ADDITIONAL SHUTDOWNS AND/OR CLOSURES AND RESULTING REFUNDS WILL NOT BE IMPLEMENTED IN THE FUTURE.

University Response to COVID-19 Pandemic

In response to the public health crisis created by the COVID-19 pandemic, the University announced that it would convert to remote instruction beginning March 27, 2020, for the remainder of the Spring 2020 Semester and that all Summer 2020 Sessions classes would also be provided by remote instruction. The University gave all students living in the Housing System the option to stay or vacate the residence halls for the remainder of the Spring 2020 Semester and for the Summer 2020 Sessions. As a result of the conversion to remote instruction, 591 students chose to remain on the Boca Raton campus through the end of the Spring 2020 Semester and 237 students chose to reside on campus for the Summer 2020 Sessions.

In response to the projected revenue loss to the Housing System as a result of the conversion to remote instruction, the University reduced staffing, renegotiated or cancelled service contracts, decreased utilities usage, deferred non-essential maintenance and authorized the use of CARES Act funds for COVID-19 related expenditures for the Fiscal Year 2021. These actions helped to offset projected revenue losses by approximately $1.4 million in Fiscal Year ending June 30, 2020. These reductions in expenses help reduce the Housing losses.

The University issued refunds to 3,748 students residing in the Housing System, prorated from March 27, 2020 to May 7, 2020. Housing System refunds (approximately $4.8 million) were paid from available University funds and were reimbursed to the University from CARES Act funds. The refunds were disbursed on April 16, 2020. In addition to the refunds, the University did not collect Summer 2020 Sessions housing revenues applicable to the Housing System of approximately $3 million for Fiscal Year ending June 30, 2020.

On June 23, 2020, the Board approved a plan for students to return to campus for the Fall 2020 Semester. Various instruction methods were implemented including face-to-face, remote/online and hybrid classes. Classes resumed on campus and the Housing System reopened on August 24, 2020.

As a result of the pandemic, 10.6% of classes for the Spring 2020 Semester, 79.9% of classes for the Fall 2020 Semester and 25.0% of classes for the Spring 2021 Semester were provided entirely online, while

89.4%, 20.1% and 75.0%, respectively were in person. The change in the instructional delivery method to combat the spread of COVID-19 had some impact on on-campus housing occupancy. The below table depicts occupancy for the Fall 2020 Semester as compared to the Fall 2019 Semester and the Spring 2021 Semester compared to the Spring 2020 Semester and the Spring 2019 Semester:

	Fall 2019	Fall 2020	Spring 2019	Spring 2020	Spring 2021
Occupancy(1)	4,193	3,088	4,302	4,121	3,261
Occupancy Rate	103.3%	76%	103.1%	101%	80%

Source: University Department of Housing and Residential Life - Tracking Document

(1) For the Fall 2020 Semester and Spring 2021 Semester, the University reserved 109 beds as isolation spaces for student-residents who test positive for COVID-19, 2.7% of such beds are contained within the Housing System.

The University received approximately $22.4 million under the CARES Act, $11.2 million of such amount was used for student support, while the remainder was used by the University for COVID-19 related expenses, refunds, obligations and commitments. The University received approximately $40 million under the Coronavirus Response and Relief Supplemental Appropriations Act ("CRRSA"). Approximately $11.2 million was used for student support, while the remainder was used by the University for COVID-19 related expenses, refunds, obligations and commitments.

THE STATE UNIVERSITY SYSTEM

The Constitution of the State provides that adequate provision shall be made by law for, among other things, the operation and maintenance of institutions of higher learning within the State. Under this authority, the State has formulated a State University System that is governed by the State of Florida Board of Governors (the "Board of Governors").

The Board of Governors was established by Article IX, Section 7 of the Florida Constitution, effective January 7, 2003. The Board of Governors is authorized to operate, regulate, control and manage the State University System. The responsibilities of the Board of Governors include defining the mission of each university, ensuring the coordination and operation of the university system and avoiding wasteful duplication of facilities or programs. The Board of Governors' management of the State University System is subject to the power of the legislature to appropriate funds. The Board of Governors consists of seventeen members, fourteen of whom are appointed by the Governor to staggered seven year terms as provided by law, subject to confirmation by the Florida Senate. The Commissioner of Education, the Chair of the Advisory Council of Faculty Senates, and the President of the Florida Student Association are *ex officio* members of the Board of Governors.

Pursuant to Chapter 1001, Part IV, Florida Statutes, each college or university in the State University System has a thirteen (13) member Board of Trustees. Each Board of Trustees is a public body corporate with all the powers of a body corporate, including a corporate seal, the power to contract and be contracted with, to sue and be sued, to plead and be impleaded in all counts of law or equity and to give and receive donations. Pursuant to Board of Governors Regulation 1.001, each Board of Trustees is also vested with the powers and duties necessary and appropriate for the direction, operation, management, and accountability of its respective university. The Board of Trustees at the University is known as the "The Florida Atlantic University Board of Trustees."

The State University System is comprised of the Board of Governors, the Board of Trustees at each college or university and in addition to the University, each of the following entities: the Florida State University, the University of North Florida, the University of Florida, the Florida Agricultural and Mechanical University, the University of South Florida, the University of West Florida, the University of Central Florida, the Florida International University, Florida Gulf Coast University, Florida Polytechnic and New College of Florida.

FLORIDA ATLANTIC UNIVERSITY

General

The University was established by the State Legislature in 1961 as the fifth university in the State University System. When it opened in 1964, the University was the first university in the country to offer only upper-division and graduate-level work, on the theory that freshmen and sophomores could be served by the community college system. Located on 780 acres in Boca Raton in rapidly growing Southeast Florida, the University responded to the need to provide increased access to educational opportunities by opening its doors to freshmen in 1984. Today, its developed system of distributed campuses, which offers students the same high-quality degree programs at seven different locations, allows the University to offer an array of undergraduate and graduate programs, enrolling nearly 31,000 students. The University received more than 20,000 applications for the Fall 2020 freshman class. As part of the strategic planning initiative, an emphasis of creating a traditional campus life experience for students led to the construction and opening of a new 30,000 seat stadium in the Fall 2011.

The University offers a wide range of degrees through ten different colleges including the Dorothy F. Schmidt College of Arts & Letters, the College of Business, the College of Education, the College of Engineering & Computer Science, the Graduate College, the Christine E. Lynn College of Nursing, the Charles E. Schmidt College of Science, the College of Design and Social Inquiry, the Charles E. Schmidt College of Medicine and the Harriet L. Wilkes Honors College. Together, these colleges offer 180 degree programs.

As part of its commitment to providing access to educational opportunities, the University offers an expanding collection of online and video-conference graduate and undergraduate courses. The University also participates in the Southern Regional Board's Electronic Campus which lists college programs and courses from across the Southern region of the U.S. Online courses are available to students as “anywhere, anytime” courses which may be completed within the confines of the University semesters but do not require traditional classroom attendance.

The University is accredited by the Southern Association of Colleges and Schools Commission on Colleges every 10 years to award degrees at the baccalaureate, master's, etc. level. In December 2013, the Commission on Colleges of the Southern Association of Colleges and Schools (SACS) reaffirmed the University's accreditation for a period of 10 years. In 2015, the University's Charles E. Schmidt College of Medicine received full accreditation from the Liaison Committee on Medical Education (LCME). The LCME is the nationally recognized accrediting authority for medical education programs leading to a medical degree in the United States and Canadian medical schools, and is a joint committee of the Association of American Medical Colleges and the American Medical Association. In addition to regional accreditation by SACS, many of the University’s colleges, and distinct programs within the colleges, are also accredited by discipline specific organizations. Currently, twenty different outside accrediting organizations review and accredit the University's programs. In August of each year, a report on the status of each of the University's accredited programs is submitted to the Florida Board of Governors.

Enrollment

Fall 2020 enrollment totaled 30,856 students, of which approximately 61.2% were full-time students and approximately 87.4% of the University's students were from Florida. Following is enrollment information for all enrollments for Fall 2016 through and including Fall 2020.

Enrollment by Student Type

Student Type	Fall 2016	Fall 2017	Fall 2018	Fall 2019	Fall 2020
Undergraduate	**24,216**	**23,737**	**23,264**	**23,423**	**24,396**
Full Time	15,717	15,910	16,000	16,221	16,156
Part Time	8,499	7,827	7,264	7,202	8,240
Graduate	**4,853**	**4,901**	**4,875**	**5,219**	**5,010**
Full Time	2,115	2,174	2,080	2,189	2,249
Part Time	2,738	2,727	2,795	3,030	2,761
Non-Degree-Seeking	**1,532**	**1,643**	**1,700**	**1,419**	**1,450**
Full Time	381	427	447	458	465
Part Time	1,151	1,216	1,253	961	985
Total	**30,601**	**30,281**	**29,839**	**30,061**	**30,856**

Source: University Department of Institutional Effectiveness and Assessments.

Admissions

The following table provides undergraduate admissions, matriculation and average GPA and SAT score information for Fiscal Years 2016 through 2020. Data pertaining to 2016-2020 are annual counts. Average GPA uses Summer/Fall FTIC Recalculated Admit GPA. Average SAT was calculated using new SAT scores on a 1600 point scale.

Admissions

Student Status	FY2016	FY2017	FY2018	FY2019	FY2020
Applied	38,169	40,328	38,762	34,079*	39,051
Admitted	19,470	18,636	18,065	19,705	23,261
Selectivity	51%	46%	47%	58%	60%
Registered	8,641	8,222	7,875	8,433	9,513
Matriculation	44%	44%	44%	43%	41%
Average GPA	3.47	3.64	3.66	3.67	3.71
Average SAT	1,133	1,141	1,151	1,162	1,165

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* Beginning Fall 2018, applications reported include only completed applications per Board of Governors requirements.

Source: University Department of Institutional Effectiveness and Assessments.

For academic year 2021-22 (Fiscal Year 2022), to date (as of May 18, 2021) the University has received 30,296 completed Undergraduate applications.

Limited Role of Board of Trustees in Connection with the Bonds

No obligation or agreement of the Issuer under the Indenture shall be construed to constitute a debt, liability, general or moral obligation or a pledge of the faith or loan of credit of the University, the State or any political subdivision of the State within the meaning of any constitutional or statutory provisions; the University, the State nor any political subdivision thereof shall be liable thereon; nor in any event shall the Series 2022A Bonds or obligations be payable out of any funds or properties other than those of the Issuer, and then only to the extent provided in the Indenture. Neither the faith and credit nor the revenues or taxing power of the University, the State or any political subdivision thereof, is pledged to the payment of the principal of the Series 2022A Bonds or the interest thereon or other costs incident thereto.

UNIVERSITY HOUSING FACILITIES

General

On-campus housing has been an integral part of the University since its inception in 1964. The Department of Housing and Residential Life (the “Department”) complements and supports the academic mission of the University by managing the residence hall program which serves as a living-learning environment, enhancing the University's educational purpose, mission and goals.

Housing Facilities

The University's housing facilities include the existing DBF Facilities, the 2010 Facilities and the 2012 Facilities and will include Atlantic Park Towers, all located on the Boca Raton Campus. The University’s housing facilities also include Residence Hall 1 and Residence Hall 2 on the JDM Jupiter Campus (“Jupiter Residence Hall 1” and “Jupiter Residence Hall 2”) and will include Residential Hall 3, all located on the JDM Jupiter Campus. As used under this caption “UNIVERSITY HOUSING FACILITIES” only, the DBF Facilities, the 2010 Facilities, the 2012 Facilities, Jupiter Residence Hall 1, Jupiter Residence Hall 2, Atlantic Park Towers and Residence Hall 3 are collectively referred to as the “University Housing Facilities.” However, the DBF Facilities, the Jupiter Residence Hall 1 and Jupiter Residence Hall 2 are not part of the Housing System as defined under the Indenture.

Lease and Ground Sublease of Housing Facilities

The Boca Raton Campus and the JDM Jupiter Campus of the University are located on land held by the State of Florida Board of Trustees of the Internal Improvement Trust Fund (the "State Board") and leased to the University, under a 99 year ground lease that expires in 2073 with respect to the Boca Raton Campus and under a ground lease that expires in 2105 with respect to the JDM Jupiter Campus, unless extended (each the respective "Lease Term"). The University has subleased the DBF Facilities and the land upon which the 2010 Facilities and the 2012 Facilities were built, and upon which Atlantic Park Towers is being constructed to the Issuer pursuant to a Ground Sublease dated March 24, 2010 between the University and the Issuer, as amended by the First Amendment to Ground Sublease Agreement dated July 1, 2012 (the "2010 Ground Sublease"). The University has subleased the portions of the land on which Residence Hall 3 is being constructed to the Issuer pursuant to a Sublease Agreement between the University and the Issuer (the "2019 Jupiter Ground Sublease" and collectively with the 2010 Ground Sublease, the "Ground Sublease") dated December 20, 2019. The Ground Sublease will remain in effect until the earlier of (i) the Lease Term or (ii) the date on which all obligations of the Issuer related to Outstanding Bonds under the Indenture are satisfied.

The DBF Facilities, the 2010 Facilities and the 2012 Facilities are managed pursuant to the Amended and Restated Management Agreement dated as of July 1, 2012, as amended and supplemented (the "Management Agreement"), entered into among the Issuer, the University and C-BB Management, LLC ("C-BB" and, together with the University, the "Managers"), which Management Agreement expires in 2021. See "THE MANAGEMENT AGREEMENT AND THE MANAGER" herein.

Director of University Housing

Catherine Kellman is Director Residence Life and Education as of fall 2019. She was appointed the Director for the Center of Inclusion, Diversity Education, and Advocacy (IDEAs) in spring 2019. Ms. Kellman joined Florida Atlantic University in July 2017. During her tenure, she worked in the Department of Housing and Residential Education as the Associate Director for Residential Education 2017-2019. As Associate Director, she provided leadership in developing the department's residential education curriculum. Ms. Kellman was a member of the Divisional Committee for Diversity and Inclusion. In addition, she was the Equity, Diversity and Inclusion Chair for Northeast Association of College and University Housing Officers (NEACUHO) 2015-2017, a member of the Standing Committee for Multicultural Affairs- Pan African Network, and Commission for Social Justice Educators for College Student Educators International (ACPA) since 2007, ACPA's Commission Housing and Residence Life Directorate Member from 2007 to 2017 which develops best practices for the field of housing and residential education/life at a national level. Previously, Ms. Kellman worked at Syracuse University as the Assistant Director in the Office of Residence Life. Within her role, she managed the operations of 2,500 resident students within apartments, and three residential halls with one learning community, performed on-call duty responsibilities and crisis response, on a rotating basis, as the administrator on-call for university 8,000 residential students. She earned a Masters of Business Administration from Syracuse University, a Masters in Educational Leadership Studies and Higher Education Administration from West Virginia University and Bachelors in Secondary Education and History from Bloomfield College. Ms. Kellman has over 10 years of experience in campus housing, encompassing areas of responsibility related to the overall management of the housing operation, assignments, billings, collections, student life and student development of residential education, policy, and budget formation and overview.

Staffing

The University Housing Facilities are currently jointly managed by the Managers. The Department collectively employs 60 full-time and 195 part-time employees consisting of administrative, professional, clerical, and student personnel. There are seven (7) residential facilities/areas that serve on-campus residents on the Boca Raton Campus and make up the University Housing Facilities, not including Atlantic Park Towers and Jupiter Residence Hall 3: Glades Park Towers, Heritage Park Towers, Indian River Towers, and University Village Apartments (collectively, the DBF Facilities), Parliament Hall (the 2012 Facilities), and Innovation Village Apartments North & South (the 2010 Facilities). In addition there are two (2) residential facilities that serve on-campus residents on the JDM Jupiter Campus: Jupiter Residence Hall 1 and Jupiter Residence Hall 2. Each facility has one full-time residence education coordinator, a building operations manager, graduate residential education graduate assistants, resident assistants, career coaches, community service officers (on Boca Raton Campus only), and desk assistants (student staff members). Each of Atlantic Park Towers and Jupiter Residence Hall 3 will also have one full-time residence education coordinator, a building operations manager, graduate residential education graduate assistants, resident assistants, residential student scholars, career coaches, community service officers (Atlantic Park Towers only), and desk assistants (student staff members).

Housing Facilities

The University has provided housing for its students since its inception. The first generation of University student housing included ten residence halls and apartments. Over the years, these original halls have all been replaced or demolished. In total, housing capacity stayed relatively unchanged throughout the first 35 years of the University's history.

Boca Raton Campus Housing Facilities. Currently, the University Housing Facilities on the Boca Raton Campus consist of four residence halls and three apartment complexes on the Boca Raton Campus, with a total capacity of 4,172 beds, 7 of which are not available for student occupancy. Heritage Park Towers (HPT), built in 2004, houses freshman students for a total of 602 beds. Glades Park Towers (GPT), built in 2007, is identical to HPT, housing 602 first-year students in 4-person suites. Indian River Towers (IRT), built in 2001, accommodates 607 predominantly freshman students in 4-person suites. HPT, GPT and IRT all house living learning communities. University Village Apartments (UVA), built in 1995, houses 434 upper-class students in two styles of apartments: a two-person efficiency and a four bedroom/one bath apartment for four students. Innovation Village Apartment North (IVAN) houses 605 upper division and graduate students in four single bedroom/two bath apartments and two single bedroom/two bathroom apartments. Innovation Village Apartment South (IVAS) houses 599 upper division and graduate students in four single bedroom/two bathroom apartments. Parliament Hall houses 612 first-year students in a majority of single suites. Parliament Hall is home to both faculty in residence and living learning communities programs. The Business Women's Professional residential facility, a gift to the University, houses 17 women in professional fields per donor stipulations (this facility is adjacent to the University Village Apartments).

Atlantic Park Towers will be an additional 615 bed facility on the Boca Raton Campus built on the former site of the 94 bed Algonquin Hall demolished in 2019. These additional beds from Atlantic Park Towers will increase the freshman student capacity on the Boca Raton Campus by 34% and increase total capacity of the University Housing Facilities on the Boca Raton Campus by **14.8%.**

Construction of Atlantic Park Towers began in November, 2019 and is scheduled to be completed in July, 2021 and open for housing students for the Fall 2021 Semester.

Jupiter Housing Facilities. Currently, the University Housing Facilities on the JDM Jupiter Campus consist of two residence halls with a capacity of 287 beds (270 of which are available for students). Jupiter Residence Hall 1, built in 1999, has 141 beds (124 are available for students) and Jupiter Residence Hall 2, built in 2001, has 146 beds. These facilities are identically designed buildings with the exception of a staff apartment located on the first floor of Jupiter Residence Hall 2 and a residence hall office is located in Jupiter Residence Hall 1. The facilities are comprised of four person suites and Resident Assistant singles with bathroom. In 2014, four of the Jupiter Residence Hall 1 residential suites and one double suite were converted into faculty/ researcher apartments including private bathrooms and kitchen facilities. Jupiter Residence Hall 1 and Jupiter Residence Hall 2 are not part of the Housing System and revenues generated from such facilities are not included in Gross Revenues or pledged under the Indenture as Net Revenues or Excess Housing Revenues.

The Jupiter Residence Hall 3 will be an additional 165 bed facility on the JDM Jupiter Campus. These additional beds from the Jupiter Residence Hall 3 will increase the freshman student capacity on the JDM Jupiter Campus by 98.2% and increase total capacity of the University Housing Facilities on the JDM Jupiter Campus by 61.1%.

Construction of Jupiter Residence Hall 3 began in April, 2020 and is scheduled to be completed in July, 2021 and open for housing students for the Fall 2021 Semester.

Over the years, the University has built residence halls to meet the changing demographics and needs of its students. Different styles of suites, increased number of single bedrooms and changing amenities and programs (Living Learning Communities, First-Year/Second-Year Experience, Academic Advising/Tutoring Center, Faculty in Residence, and Career Coaches) are several changes made in the last six years.

Outlined below are the facilities that comprise the University Housing Facilities, with corresponding construction dates, square footage, design capacity and number of rooms in each facility. Existing facilities that comprise the Housing System, the DBF Facilities and Atlantic Park Towers (currently being constructed) are located on the Boca Raton Campus of the University. Jupiter Residence Hall 1, Jupiter Residence Hall 2 and Jupiter Residence Hall 3 (currently being constructed) are located on the JDM Jupiter Campus of the University. Jupiter Residence Hall 3 and Atlantic Park Towers (currently being constructed with proceeds of the Series 2019B Bonds) are included in the chart but are not yet constructed or placed in service.

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University Housing Facilities

Residence Halls	Year Built	Square Footage	Current Capacity	Number of Rooms
DBF Facilities[1]				
University Village Apartments	1995	151,833	434	434
Business and Professional Woman Scholarship House	1996	4,000	17	9
Indian River Towers	2001	203,481	607	471
Heritage Park Towers	2004	151,727	602	361
Glades Park Towers	2007	151,727	602	360
Housing System				
Innovation Village North	2011	233,074	605	611
Innovation Village South	2011	259,200	599	605
Parliament Hall	2012	189,796	612	524
Atlantic Park Towers [2][3]	2021	185,920	616	568
Jupiter Residence Hall 3[2][4]	2021	58,060	165	165
Jupiter Residence Halls 1 and 2[1]				
Jupiter Residence Hall 1	1999	45,682	124	34
Jupiter Residence Hall 2	2001	45,535	146	41

(1) Not part of the Housing System.
(2) To be constructed with proceeds of the Series 2019B Bonds. Projected to open Fall 2021. Data are estimated.
(3) Included in this number are 4 beds for staff apartments.
(4) Included in this number are 10 beds for Guest Housing and 2 beds for staff apartments.
Source: University Department of Housing and Residential Life.

Capital Improvement Plan and Repair and Replacement Funds

The Department, in conjunction with the University Facilities Management Department, develops and implements new housing facilities which are then financed through the Issuer. These additional beds will increase the freshman student capacity by 0% and increase total capacity of the University Housing Facilities by 15.13%. The Managers have developed and implemented a capital improvement plan on a five-year cycle for existing facilities. For the DBF Facilities, the University has instituted a regular program of repair and maintenance for the facilities financed with reserve funds. The University has maintained a Building Maintenance and Equipment Reserve Fund for the DBF Facilities for use by the Board or the University to pay the cost of unusual or extraordinary maintenance or repairs, renewals and replacements, and the renovating or replacement of the furniture and equipment not paid as part of the ordinary and normal expense of the operation and maintenance of the DBF Facilities. Currently, the University has $2,818,445 in reserve funds. With respect to the facilities in the Housing System, the Indenture requires the Issuer to establish a repair and replacement fund and make an annual deposit to the fund in the amount equal to $200 per bed per year, increased each year by 3% and further adjusted, as necessary. The amounts on deposit as of the end of Fiscal Year 2020 in the respective Renewal and Replacement Funds held for the DBF Facilities and the Housing System Facilities were $529,131 and $3,363,258, respectively.

The Indenture requires that every fifth year, beginning July 1, 2019, the Issuer provide to the Trustee a report of a Housing Consultant describing the appropriate amount that should be on deposit in the Repair and Replacement Fund. The Issuer engaged the Housing Consultant for the report due in 2019 and the Housing Consultant report was issued in March 2019.

Insurance on Facilities

All the University Housing Facilities, and the contents thereof, are insured under the Florida Fire Insurance Trust Fund as required by Chapter 284, Florida Statutes.

Housing Needs Assessment

Boca Raton Campus. For the past five academic years, the University Housing Facilities on the Boca Raton Campus have experienced a Fall Semester occupancy rate of 76% to 105%. Current capacity of the University Housing Facilities is 4,078 beds (4,076 of which are available for students). On-campus housing is first offered to students who already live on campus through a room selection process typically held each November. From 2015 to 2020, 25% to 50% of current residents signed housing contracts for the next academic year. University housing has developed into housing for specific target markets. Five of the current residence halls are designed physically and programmatically for incoming first time in-college students, or freshmen, and have been designated freshmen-only halls. Hence, current residents can only sign up for a room in Innovation Village Apartments North or South and University Village Apartments. In addition, the University has historically held 50% of the beds in Indian River Towers for returning students, which reservation is expected to shift to Atlantic Park Towers after it is open. After returning residents have selected their specific room through the room selection process, the remainder of the available on-campus housing is then reserved for new students. Freshmen are required to live on campus unless they can document that they are over 21 years of age, living with their parents within a 30-mile radius of campus or married. This residency requirement is strictly enforced by the University. Because of the success the University has experienced in filling the newer Parliament Hall and Innovation Village Apartments, the University believes many of these students will choose to live on campus once they are provided with a wider range of acceptable housing options. It is also believed that increased capacity will provide greater opportunities for transfer students to reside on campus.

Although freshmen are required to live on campus, with the above exceptions, not all freshmen are guaranteed a room. Over the last several years, there has been a steady increase in the number of returning students living in housing for their sophomore, junior, and senior years. In Fall 2019, the University's freshmen class increased beyond the capacity of the number of freshmen student housing spaces available on campus and in addition, returning students who did not contract in November were also not able to be accommodated.

The University houses a large population of local residents, nearly 30% of whom live in Palm Beach and Broward County according to their permanent address. Some of these students qualify to live at home yet choose to experience the full traditional collegiate experience. As the University has expanded its recruiting area, the number of out-of-state and out-of-country students living on campus has also increased. In Fall 2020, of the students living on campus, 448 were out-of-state students and 140 were international students.

The University believes demand for construction of Atlantic Park Towers is sufficient based on current enrollment without relying on enrollment growth at Boca Raton.

JDM Jupiter Campus. For the past five academic years, Residence Hall 1 and Residence Hall 2 on the JDM Jupiter Campus have experienced a Fall semester occupancy rate of 101.1% to 73.3%. Current capacity of the University Housing Facilities at Jupiter is 287 beds (270 of which are available for students) and 8 are reserved for COVID quarantine. On-campus housing is first offered to students who already live on campus through a room selection process typically held each February. From 2016 to 2021, 64.5% to 73.7% of current residents signed housing contracts for the next academic year.

Residency Requirement. All freshmen and sophomores, including undergraduate transfers, are required to live on campus in the University Housing System unless they can document that they are over 21 years of age, living with their parents within a 30-mile radius of campus or married. On the Jupiter Campus, all freshmen and sophomores, including undergraduate transfers, are required to live on campus unless they can document that they are over 21 years of age or married. This residency requirement is strictly enforced by the University. While the university did not enforce the residency requirement for the Fall 2020 Semester and Spring 2021 Semester due to COVID-19, the residency requirement has not been waived as a result of COVID-19 for the Fall 2021 Semester.

Given the expectations of continued increase in the freshman class, the increase in out-of-state and international students, and continued increase in students living on campus beyond their freshman year, the University believes there is current unmet housing need especially for incoming freshman students.

Occupancy Statistics

The chart below indicates the occupancy rate as compared to the capacity of current University Housing Facilities for the most recent five fall semesters.

Fall Semester Occupancy
(Boca Raton Campus)

Fall	Capacity(1)	Occupancy	% of Capacity	Boca Raton Campus Full-time Enrollment(2)	Percent of Boca Raton Full-time Students Residing on Campus
2016	4,165(2)	4,117	99%	15,901	26%
2017	4,165(2)	4,182	100%	15,957	26%
2018	4,165(2)	4,361	105%	16,994	26%
2019	4,078(3)	4,187	103%	16,027	26%
2020	4,078(3)	3,087	76%(4)	14,633(5)	21%

(1) The Atlantic Park Towers project is currently on schedule to be open for students for the Fall 2021 Semester.
(2) Does not include 7 units not available for student occupancy.
(3) Does not include __ units not available for student occupancy. Decrease in capacity is due to demolition of Algonquin Hall.
(5) Decrease in capacity was due to COVID-19. See "CERTAIN EFFECTS OF COVID-19 PANDEMIC ON FINANCES AND OPERATIONS OF UNIVERSITY AND HOUSING SYSTEM" herein.
(5) Due to COVID-19, most students are coded as distance learning for their primary campus during Fall 2020. The number reported here approximates the number of students who would normally consider Boca Raton as their primary campus. See "CERTAIN EFFECTS OF COVID-19 PANDEMIC ON FINANCES AND OPERATIONS OF THE UNIVERSITY AND THE HOUSING SYSTEM" herein for more information.

Source: University Department of Institutional Effectiveness and Assessments.

Fall Semester Occupancy
(JDM Jupiter Campus – Residence Hall 1 and Residence Hall 2) (1)

Fall	Capacity(2)	Occupancy	% of Capacity	JDM Jupiter Campus Full-time Enrollment(3)	Percent of Jupiter Full-time Students Residing on Campus
2015	270	275	101.85%	695	39.57%
2016	270	273	101.11%	664	41.11%
2017	270	259	95.93%	651	39.78%
2018	270	258	95.56%	678	38.05%
2019	270	315	116.6%	513	61%
2020	270	198	73.3%	113	175%

(1) Residence Hall 1 and Residence Hall 2 are not part of the Housing System and revenues from such residence halls are not pledged under the Indenture.

(2) The Jupiter Residence Hall 3 project is currently on schedule to be open for students for the Fall 2021 Semester.

(3) Due to COVID-19, most students are coded as distance learning for their primary campus during Fall 2020. The number reported here approximates the number of students who would normally consider Boca Raton as their primary campus. See "CERTAIN EFFECTS OF COVID-19 PANDEMIC ON FINANCES AND OPERATIONS OF THE UNIVERSITY AND THE HOUSING SYSTEM" herein for more information.

Source: University Department of Institutional Effectiveness and Assessments.

Payment and Collection Information

As a student applies for housing, they submit a $100 non-refundable application fee with their signed housing contract. Room rent is charged to a student's account in late July for the fall semester, in late November for the spring semester and May for summer semesters. Payment for all fees and tuition is typically due two weeks into the semester.

The Department works to assist students on financial aid or scholarships, and students having financial difficulty. Students on financial aid and scholarships may defer their housing payment until receiving their financial aid award. The Department automatically receives payment after tuition is paid from the financial aid disbursement. For those students with a Florida Pre-Paid Dormitory Plan, the Department bills Florida Pre-paid Plan in July for fall semester and December for spring semester.

Unpaid housing rent is placed on the University's student account receivables and after a reasonable period of time, the debt is referred to a collection agency. Students are precluded from registering for a subsequent term and from receiving grades until housing charges are paid. The University's historical collection rate of rentals and housing fees is 98%.

On-Campus Rental Rates

Rental rates are reviewed during the Spring semester of each year to determine if they will generate sufficient revenue to provide for the operation of the University Housing Facilities. The proposed rental rates are submitted to the Issuer for review, to the University President for review and to the University Board of Trustees for final approval.

The following table shows historical rental rates for the University Housing Facilities. Rental rate increases are based on annual market surveys and needs analyses. Rental rates include utilities, cable television, high speed internet and supervisory staff.

Fall/Spring On-Campus Rental Rates – Per Semester[1]

	2016-17	2017-18	2018-19	2019-20	2020-21
Indian River Towers					
Double	$3,365	$3,365	$3,365	$3,365	$3,365
Single	4,600	4,600	4,600	4,600	4,600
University Village Apartments					
4-Bedroom (Single)	4,200	4,200	4,200	4,200	4,200
4-Bedroom (Single, 12 months)	4,330	4,330	4,330	4,330	4,330
Double (Studio)	3,100	3,100	3,100	3,100	3,100
1-Bedroom (Single, Efficiency)	4,600	4,600	4,600	4,600	4,600
1 Bedroom (Single, Efficiency, 12 months)	5,100	5,100	5,100	5,100	5,100
Heritage Park Towers					
Double	3,050	3,050	3,050	3,050	3,050
Super Double	3,650	3,650	3,650	3,650	3,650
Single	4,160	4,160	4,160	4,160	4,160
Glades Park Towers					
Double	3,050	3,050	3,050	3,050	3,050
Super Double	3,650	3,650	3,650	3,650	3,650
Single	4,160	4,160	4,160	4,160	4,160
Average Rate (Tier 1)	3,940	3,940	3,940	3,940	3,940
Innovation Village Apartments North					
4-Bedroom (Single)	5,180	5,180	5,180	5,180	5,180
2-Bedroom (Single)	5,480	5,480	5,480	5,480	5,480
1-Bedroom (Single)	5,680	5,680	5,680	5,680	5,680
Innovation Village Apartments South					
4-Bedroom (Single)	5,180	5,180	5,180	5,180	5,180
1- Bedroom (Single)	5,680	5,680	5,680	5,680	5,680
Average Rate (Tier II)	5,430	5,430	5,430	5,430	5,430
Parliament Hall					
Double	3,365	3,365	3,365	3,365	3,365
Single	4,600	4,600	4,600	4,600	4,600
Average Rate (Tier III)	3,983	3,983	3,983	3,983	3,983
Jupiter Residence Hall 1 and Residence Hall 2					
Double	3,650	3,650	3,650	3,650	3,650
Single	4,370	4,370	4,370	4,370	4,370

(1) Figures include utilities, water and garbage pick-up.

Source: University Department of Institutional Effectiveness and Assessments. Rates are rounded to the nearest whole dollar.

Comparison of Off-Campus Rental Rates

The Department continues to pursue its occupancy management strategies for the 2020-2021 year. The rapid growth of local student housing alternatives in the market has seen a significant increase in new facilities and competition for University residents is strong. Marketing and communication initiatives have been developed and implemented to increase awareness of existing on-campus residential facilities and create a demand for on-campus housing. The major target groups remain at (1) first time in college (FTIC) students, (2) out of state students, (3) transfer students, (4) returning residents and (5) current students of the University who reside off-campus.

The University partners with a corporate entity to manage FAUOffCampus.com, a website that property managers as well as the public can list rental spaces available for college students. This website also allows those students looking for roommates to advertise as well. For the last four years, the Department and the Student Union have hosted an off-campus housing fair. The fair has attracted nearly two dozen off-campus properties to advertise to the student population. This fair has been very popular with both students and our community partners.

A survey of comparable off-campus facilities for the Boca Raton Campus was conducted by the Department in 2021 (the “2021 Boca Raton Housing Survey”). The off-campus facilities selected for the 2021 Boca Raton Housing Survey were located within five miles of the Boca Raton Campus and are primarily all student apartment facilities. The off-campus rental rates do not include any auxiliary services other than water and sewage nor do they include deposits for utilities or telephone. Rental rates for University housing include all utilities, cable television, high speed internet connections, and supervisory staff.

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Comparison of Boca Raton Off-Campus Rental Rates for Fall 2021 Semester [1]

Complex Name	Monthly rate	Aug - Dec	Monthly rate	Aug- Dec	Monthly rate	Aug – Dec	Monthly rate	Aug - Dec
	One BDRM		Two BDRM		Three BDRM		Four BDRM	
University Park	N/A		$1,399	$6,995	$1,359	$6,795	$1,039	$5,195
Vie Villas at Boca Raton, formerly University View (3/3.5 Town Home) Sm. Bdrm.	N/A		N/A		$1,249	$6,245	N/A	
Vie Villas at Boca Raton, formerly University View (3/3.5 Town Home) Lg. Bdrm.	N/A		N/A		$1,459	$7,295	N/A	
The Yard University Apartments SINGLE bedroom in 2-bedroom 3 person apartment	N/A		$1,451	$7,255	N/A		N/A	
The Yard University Apartments, DOUBLE BEDROOM in 2 bedroom 3 person apartment	N/A		$850	$4,250	N/A		N/A	
Bicycle Club	$1,029	$5,145	$1,500	$7,500	$2,000	$10,000	N/A	
Cynthia Gardens	$1,390	$6,950	N/A		N/A		N/A	
Waterford Bay	$1,475	$7,375	$1,815	$9,075	N/A		N/A	
The Village at Boca East	$1,325	$6,625	$1,515	$7,575	$1,900	$9,500	N/A	
Boca Hacienda	$1,050	$5,250	$1,250	$6,250	N/A		N/A	
The FORUM	$1,334	$6,670	$1,613	$8,065	$2,277	$11,385	N/A	
The Heritage of Boca Raton	$1,860	$9,300	$2,460	$12,300	$3,605	$18,025	N/A	
Bell Boca Town Center, formerly Archstone by Town Center	$1,590	$7,950	$2,075	$10,375	N/A		N/A	
Gables Town Colony by Town Center	$1,550	$7,750	$2,280	$11,400	N/A		N/A	
Gables Town Place by Town Center	$1,560	$7,800	$2,030	$10,150	$2,435	$12,175	N/A	
Boca Colony Boca Del Mar	$1,319	$6,595	$1,858	$9,290	$2,450	$12,250	N/A	
Palms of Boca Del Mar	$1,499	$7,495	$1,954	$9,770	N/A		N/A	
Reflections of Boca Del Mar	$1,420	$7,100	$1,675	$8,375	N/A		N/A	
Gables Boca Place	$1,465	$7,325	$2,170	$10,850	$2,355	$11,775	N/A	
Boca Arbor Club	$1,469	$7,345	$1,930	$9,650	N/A		N/A	
ARIUM Boca Raton Boca Del Mar	$1,575	$7,875	$1,930	$9,650	N/A		N/A	
Mizner Court @ Broken Sound	$1,621	$8,105	$1,912	$9,560	N/A		N/A	
San Marco @ Broken Sound	N/A		$1,863	$9,315	$2,522	$12,610	N/A	
Arbor Oaks, West Boca Raton	$1,549	$7,745	$1,919	$9,595	$2,215	$11,075	N/A	
Gables Palma Vista	N/A		$2,355	$11,775	$2,954	$14,770	N/A	
Addison Place West Boca Raton			$1,899	$9,495	N/A		N/A	

[1] N/A depicted above indicates the apartment complex does not offer these room types.
Monthly rate is based on 12 -15 month leases offered by properties
Source: University Department of Housing and Residential Life.

A survey of comparable off-campus facilities for the JDM Jupiter Campus was conducted by the Department in 2021 (the "2021 Jupiter Housing Survey"). The off-campus facilities selected for the 2021 Jupiter Housing Survey were located within five miles of the JDM Jupiter Campus and are primarily all student apartment facilities. The off-campus rental rates do not include any auxiliary services other than water and sewage nor do they include deposits for utilities or telephone. Rental rates for University housing include all utilities, cable television, high speed internet connections, and supervisory staff.

Comparison of Jupiter Off Campus Rental Rates for Fall 2021 Semester(1)

	Monthly rate	Aug - Dec	Monthly rate	Aug – Dec	Monthly rate	Aug - Dec
Complex Name	**One BDRM**		**Two BDRM**		**Three BDRM**	
The Allure at Abacoa	$1,935	$9,675	$2,060	$10,300	$2,910	$14,550
The Sophia at Abacoa	$1,991	$9,955	$2,018	$10,090	$2,633	$13,165
Atlantico at Alton	$2,273	$11,365	$2,433	$12,165	$3,448	$17,240
The Dakota at Abacoa	$1,554	$7,770	$1,804	$9,020	$2,049	$10,245
Floresta Apartments	$1,610	$8,050	$2,320	$11,600	$2,590	$12,950

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(1) Lowest published monthly rental rates were used for comparison. Monthly rate is based on 10 to 12 month leases offered by properties.

Source: University Department of Housing and Residential Life.

SELECTED FINANCIAL INFORMATION

Budgetary Information

Each spring, the proposed housing system budget for the ensuing fiscal year is finalized and submitted to the Board of Trustees for approval. The budget figures are based upon actual numbers from the prior year, current fiscal activity, and projected changes in cost structures anticipated for future fiscal years. The budget for the University Housing Facilities is prepared by the Managers. The proposed budget is reviewed and approved by the Vice President for Student Affairs. Any changes to the budget are submitted to the Vice President for Financial Affairs and Chief Financial Officer with a financial plan indicating the purpose of the proposed expenditure, the effect on revenues, and/or whether available cash balances will be used.

Housing rental rate increases may be implemented on a yearly basis. In the event of an increase, both the Vice President for Student Affairs and the President of the University review and approve the budgets prior to forwarding to the Board of Trustees and the Issuer's Board of Directors for approval.

Historical Operating Results and Pro Forma Debt Service Coverage

The following table sets forth historical operating results for the DBF Facilities, the 2010 Facilities and the 2012 Facilities for the Fiscal Years ended June 30, 2015 through and including 2020. The revenues from the 2010 Facilities and 2012 Facilities are recognized as income of the Issuer and audited as part of the Issuer's financial statements. See "APPENDIX A – AUDITED FINANCIAL REPORT OF THE FAU FINANCE CORPORATION FOR THE YEAR ENDED JUNE 30, 2020" hereto. That portion of the revenues from the DBF Facilities equal to the Debt Service Requirements on the State DBF Facilities Bonds is recognized as income of the University and is audited as part of the financial statements of the University. The remainder of the revenues from the DBF Facilities is recognized as income of the Issuer and is audited as part of the Issuer's financial statements.

Historical Operating Results

DBF FACILITIES	**FY2016**	**FY2017**	**FY2018**	**FY2019**	**FY2020**
DBF Facilities System Revenues[1]	$16,605,924	$17,794,922	$18,017,461	$19,648,124	$16,708,986
Less: Operating Expenses and Administrative Expenses for DBF Facilities[2]	(9,048,242)	(9,741,928)	(10,127,365)	(10,682,966)	(8,794,005)
Less: Debt Service Requirements on State DBF Facilities Bonds[2]	(5,765,904)	(5,563,596)	(5,386,950)	(5,379,550)	(5,392,300)
DBF Facilities Net System Revenues[3]	$1,791,778	$2,489,398	$2,503,146	$3,585,608	$2,522,681
2010 FACILITIES (Innovation Village)					
2010 Facilities System Revenues	$13,402,208	$14,043,521	$14,305,669	$13,227,140	$12,834,631
Less: Operating Expenses for 2010 Facilities[4]	(2,165,622)	(2,324,073)	(3,928,717)	(3,530,030)	(3,487,148)
2010 Facilities Net System Revenues	$11,236,586	$11,719,448	$10,376,952	$9,697,110	$9,347,483
2012 FACILITIES (Parliament)					
2012 Facilities System Revenues	$5,599,083	$5,148,793	$5,308,639	$5,177,175	$5,186,943
Less: Operating Expenses for 2012 Facilities[4]	(1,051,429)	(1,285,353)	(2,009,419)	(1,526,033)	(1,321,795)
2012 Facilities Net System Revenues	$4,547,654	$3,863,440	$3,299,220	$3,651,142	$10,346,889
Debt Service	--	--	--	$9,406,008	$10,346,889
Debt Service Coverage[5]	--	--	--	1.80x	1.52x

(1) Includes in Fiscal Year 2016-2019, revenues from the 94 bed Algonquin Hall which was demolished in 2019 and is being replaced with Atlantic Park Towers.

(2) These amounts include the operating expenses with respect to the DBF Facilities, administrative expenses payable to the issuer of the State DBF Facilities Bonds and deposits to the Building Maintenance and Equipment Reserve Fund required pursuant to the DBF Bond Resolution pursuant to which the State DBF Facilities Bonds were issued. Operating expenses decreased in FY 19 due to actions taken by the University in response to the COVID-19 PANDEMIC. See "CERTAIN EFFECTS OF COVID-19 PANDEMIC ON FINANCES AND OPERATIONS OF THE UNIVERSITY AND THE HOUSING SYSTEM" herein. Fiscal Year 2016 shows debt service on the bonds refunded by the State DBF Facilities Bonds. Debt service decreased in 2017 due to such refunding for debt service savings. The DBF Facilities Bonds are currently outstanding in the principal amount of $42,330,000.

(3) Under the current Indenture these amounts would constitute "Excess Housing Revenues" and would be transferred by the Issuer to the Revenue Fund under the Indenture for the benefit of the Bonds.

(4) Operating expenses decreased in FY 19 due to actions taken by the University in response to the COVID-19 PANDEMIC. See "CERTAIN EFFECTS OF COVID-19 PANDEMIC ON FINANCES AND OPERATIONS OF THE UNIVERSITY AND THE HOUSING SYSTEM" herein.

(5) For purposes of the Rate Covenant, the Indenture requires 125% coverage of the Bond Service Requirement in each Fiscal Year. See "- Additional Senior Bonds" and "- Rate Covenant" below.

Source: University Office of Vice President of Financial Affairs and Budget Director.

The following table sets forth projected debt service coverage for the Series 2022A Bonds and the Outstanding Parity Bonds based on (i) the Maximum Bond Service Requirement on the Series 2022A Bonds and the Outstanding Parity Bonds and (ii) projected Net Revenues Available for Debt Service for the first two Fiscal Years after the Atlantic Park Towers and Jupiter Residence Hall 3 are placed in service.

Projected Debt Service Coverage

	Net Revenues 1st FY After Placed in Service (Estimated to be 2022)	**Net Revenues 2nd FY After Placed in Service (Estimated to be 2023)**
Housing Facility		
2019B Boca Raton Net System Revenues	$5,177,758	$5,319,684
2019B Jupiter Net System Revenues	684,364	712,680
2012 Facilities Net System Revenues	3,610,416	3,674,711
2010 Facilities Net System Revenues	10,667,731	10,863,532
Excess Housing Revenues[1]	2,486,987	2,571,355
Total Net Revenues Available for Debt Service	$22,627,257	$23,141,962
Maximum Bond Service Requirement[2]	$14,690,823	$14,690.823
Projected Coverage (1.25x required)[3]	1.54x	1.58x

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(1) These amounts are DBF Facilities revenues less operating expenses of the DBF Facilities, administrative expenses payable to the State, as the issuer of the State DBF Facilities Bonds, deposits to the Building Maintenance and Equipment Reserve Fund and annual debt service requirements required pursuant to the DBF Bond Resolution.

(2) Includes the Maximum Bond Service Requirement on the Outstanding Parity Bonds and the Series 2022A Bonds (assuming the Series 2022A Bonds are issued in the principal amount of $_________ at a true interest cost rate of ____%).

(3) For purposes of the Rate Covenant, the Indenture requires 125% coverage of the Bond Service Requirement in each Fiscal Year. See "- Additional Senior Bonds" and "- Rate Covenant" below.

Source: University Office of Vice President of Financial Affairs and Budget Director.

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BOND DEBT SERVICE REQUIREMENT FOR SERIES 2022A BONDS AND OUTSTANDING PARITY BONDS

Year Ended July 1	Outstanding Parity Bonds[1]	Series 2022A Bonds Principal	Series 2022A Bonds Interest	Series 2022A Bonds Net Debt Service[2]	Total Bond Debt Service
2021					
2022					
2023					
2024					
2025					
2026					
2027					
2028					
2029					
2030					
2031					
2032					
2033					
2034					
2035					
2036					
2037					
2038					
2039					
2040					
2041					
2042					
2043					
2044					
2045					
2046					
2047					
2048					
2049					
2050					
TOTAL[3]					

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(1) Under certain circumstances the interest rate on the Series 2012B Bond is subject to increase. See "SECURITY FOR THE SERIES 2022A BONDS – Outstanding Parity Bonds" herein.

(2) Net of Capitalized Interest.

(3) Numbers may not add due to rounding.

BONDHOLDERS' RISKS

Introduction

An investment in the Series 2022A Bonds involves various risks INCLUDING CERTAIN RISKS, AMONG OTHERS, described in this OFFICIAL STATEMENT. No person should purchase any of the Series 2022A Bonds without carefully reviewing the following information, which summarizes some, but not all, of the factors that should be carefully considered prior to such a purchase. Each prospective investor should also carefully examine this Official Statement and his or her own financial condition (including the diversification of his or her investment portfolio) in order to make a judgment as to whether the Series 2022A Bonds are an appropriate investment.

Identified and summarized below are a number of "Bondholders' Risks" that could adversely affect the operation of the Housing System and DBF Facilities and/or the Series 2022A Bonds and that should be considered by prospective investors. The following discussion is not intended to be exhaustive, but includes certain major factors that should be considered along with other factors set forth elsewhere in this Official Statement, including the Appendices hereto.

For risk factors relating to the forward delivery of the Series 2022A Bonds, see "FORWARD DELIVERY RISKS" herein.

COVID-19

The ultimate impact of the COVID-19 pandemic on financial markets cannot be determined at this time. Financial markets in the U.S. and globally have seen significant volatility attributed, in part, to concerns over the COVID-19 pandemic. Such volatility may constrain market access and credit availability to borrowers, including the University. For information regarding impacts of COVID-19 on the University and the Housing System, see "CERTAIN EFFECTS OF COVID-19 ON FINANCES AND OPERATIONS OF THE UNIVERSITY AND HOUSING SYSTEM" herein.

Revenues from Operation of the Housing System and DBF Facilities

If the Issuer is unable to generate sufficient Pledged Revenues to pay principal of and interest on the Bonds for any reason, including because of a failure to generate sufficient revenues from the operation of the Housing System and DBF Facilities, an Event of Default will occur under the Indenture. Upon an Event of Default, the Series 2022A Bonds may not be paid or may be paid before maturity or applicable redemption dates and a forfeiture of redemption premiums, if any, may result. The Housing System's and DBF Facilities' ability to generate revenues and the overall financial condition of the Housing System and DBF Facilities may be adversely affected by a wide variety of future events and conditions, including but not limited to, (i) a decline in the enrollment of the University, (ii) increased competition from other schools, or off-campus housing options, (iii) loss of accreditation, (iv) failure to meet applicable federal guidelines or some other event that results in students being ineligible for federal financial aid, and (v) cost overruns in connection with the Housing System and DBF Facilities or other capital improvements.

Limited Obligations of the Issuer

The Series 2022A Bonds constitute limited obligations of the Issuer. The sources of payment are only from the Pledged Revenues, which are comprised of: (i) System Revenues net of amounts needed to pay Operating Expenses, including Excess Housing Revenues, and (ii) moneys on deposit in the funds and accounts established under the Indenture and investment earnings thereon, but excluding moneys on deposit in the accounts and subaccounts of the Rebate Fund and Costs of Issuance Fund.

The Issuer is obligated to make payments on the Series 2022A Bonds only from the Pledged Revenues, which includes primarily System Revenues, net of amounts needed to pay Operating Expenses. System Revenues are derived from the ownership and operation of the Housing System and the DBF Facilities. Furthermore, the Issuer's ability to meet its obligations under the Indenture will depend upon achieving and maintaining certain occupancy levels at the Housing System and the DBF Facilities throughout the term of the Series 2022A Bonds. Even if the Housing System and the DBF Facilities are operating in an efficient manner, other factors could affect the Issuer's ability to make payments under the Indenture and the Series 2022A Bonds. No assurance can be made that the Housing System and DBF Facilities will generate sufficient revenues to pay maturing principal of, premium, if any, and interest on the Series 2022A Bonds and the payment of operating expenses of the Housing System and DBF Facilities.

The Issuer has no obligation to pay the Series 2022A Bonds except from the Pledged Revenues on a parity with the Outstanding Parity Bonds and any Additional Senior Bonds hereafter issued. The Series 2022A Bonds and the interest thereon constitute limited obligations of the Issuer and are payable solely from the Pledged Revenues.

THE SERIES 2022A BONDS, TOGETHER WITH INTEREST THEREON, ARE NOT GENERAL OR MORAL OBLIGATIONS OF THE ISSUER AND DO NOT CONSTITUTE AN OBLIGATION, EITHER GENERAL OR SPECIAL, OF THE STATE, THE UNIVERSITY OR ANY POLITICAL SUBDIVISION THEREOF, BUT ARE LIMITED OBLIGATIONS PAYABLE SOLELY AND ONLY FROM THE PLEDGED REVENUES. SUCH MONEYS ARE PLEDGED AND ASSIGNED AS SECURITY FOR THE EQUAL AND RATABLE PAYMENT OF THE SERIES 2022A BONDS AND SHALL BE USED FOR NO OTHER PURPOSE THAN TO PAY THE PRINCIPAL OF, REDEMPTION PREMIUM, IF ANY, AND INTEREST ON THE SERIES 2022A BONDS. THE SERIES 2022A BONDS SHALL IN NO EVENT BE PAYABLE FROM THE GENERAL REVENUES OF THE ISSUER OR THE UNIVERSITY AND SHALL NOT CONSTITUTE A DEBT, LIABILITY, GENERAL OR MORAL OBLIGATION OR A PLEDGE OF THE FAITH OR LOAN OF CREDIT OF THE UNIVERSITY, THE STATE OR ANY POLITICAL SUBDIVISION OF THE STATE WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISIONS; THE UNIVERSITY, THE STATE NOR ANY POLITICAL SUBDIVISION THEREOF SHALL BE LIABLE THEREON; NOR IN ANY EVENT SHALL SUCH SERIES 2022A BONDS OR OBLIGATIONS BE PAYABLE OUT OF ANY FUNDS OR PROPERTIES OTHER THAN THOSE OF THE ISSUER, AND THEN ONLY TO THE EXTENT PROVIDED IN THE INDENTURE. NEITHER THE FAITH AND CREDIT NOR THE REVENUES OR TAXING POWER OF THE UNIVERSITY, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF THE BONDS OR THE INTEREST THEREON OR OTHER COSTS INCIDENT THERETO. THE ISSUER HAS NO TAXING POWER.

Required Occupancy Levels and Rents

In order for the Issuer to generate sufficient revenues to enable it to make the required payments on the Series 2022A Bonds, the Housing System and the DBF Facilities must meet certain occupancy levels and achieve certain rents. There can be no assurance, however, that the Housing System and the DBF Facilities will be able to meet and maintain such required occupancy and rent levels.

Factors that may affect such levels and the ability to generate sufficient revenues include (1) the ability of the Issuer to market the Housing System and the DBF Facilities, (2) the ability of the Housing System and the DBF Facilities to maintain substantial occupancy at projected increased rent levels, (3) the ability of the residents of the Housing System and the DBF Facilities to meet their financial obligations, (4) lower than anticipated revenues, (5) higher than anticipated operating expenses, (6) litigation, (7) changes in governmental regulation, (8) loss of federal tax exempt status, (9) loss of state property tax exemption, (10) changes in demographic trends, (11) competition from other residential rental and student housing facilities, (12) changes in the student housing industry and (13) general economic conditions.

Insurance and Legal Proceedings

The Issuer will carry property and general liability insurance in amounts deemed adequate and consistent with industry practices, either through commercial carriers or the State Risk Management Pool. However, there can be no assurance that any current or future claims will be covered by or will not exceed applicable insurance coverage. A claim against the Issuer not covered by, or in excess of, the Issuer's insurance could have a material adverse effect upon the Housing System and the DBF Facilities.

Governmental Regulation

The housing industry is significantly regulated by the federal and local government. Regulations and conditions affecting the acquisition, development and ownership of residential real estate, including environmental regulations, the Americans with Disabilities Act, the Fair Housing Amendments Act of 1988 and general conditions in the multi-family residential real estate market, could reduce the revenues or increase the operating and other expenses of the Housing System and the DBF Facilities, require significant capital investment and expenditures, or otherwise could have a material adverse effect on the financial condition of the Housing System and the DBF Facilities or the results of the operations thereof.

Certain Interests and Claims of Others

Certain interests and claims of others are and may be on a parity with or prior to the pledge made in the Indenture and certain statutes and other provisions may limit the Issuer's rights to make such pledges and/or grants of security interests. Examples of such claims, interests, and provisions include, but are not limited to:

(i) statutory liens;

(ii) constructive trusts, equitable liens, or other rights impressed or conferred by any state or federal court in the exercise of its equitable jurisdiction;

(iii) federal bankruptcy laws as they affect amounts earned with respect to the Housing System and the DBF Facilities after any effectual institution of bankruptcy proceedings by or against the Issuer;

(iv) as to those items in which a security interest can be perfected only by possession, including items converted to cash, the rights of third parties in such items not in the possession of the Trustee; and

(v) items not in possession of the Trustee, the records to which are located or moved outside the State of Florida, which are thereby not subject to or are removed from the operation of Florida law.

Enforceability of Remedies

The practical realization of value upon any default will depend upon the exercise of various remedies specified by the Indenture. These and other remedies may, in many respects, require judicial actions, which are often subject to discretion and delay. Under existing law (including, particularly, federal bankruptcy law), the remedies specified by the Indenture may not be readily available or may be limited. A court may decide not to order the specific performance of the covenants contained in the Indenture. The various legal opinions to be delivered concurrently with the delivery of the Series 2022A Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by state and federal laws, rulings, and decisions affecting remedies, including judicial discretion in the application of the principles of equity, and by bankruptcy, reorganization, or other laws affecting the enforcement of creditors' rights generally.

Market for the Series 2022A Bonds

There can be no assurance that a secondary market exists, or that the Series 2022A Bonds can be sold for any particular price. Accordingly, a purchaser of the Series 2022A Bonds should recognize that an investment in the Series 2022A Bonds will in all likelihood be illiquid and be prepared to have his or her funds committed until the Series 2022A Bonds mature or are redeemed.

Additional Senior Bonds

The Issuer has the right to issue Additional Senior Bonds under the Indenture that will be equally and ratably secured on a parity basis with the Series 2022A Bonds and the Outstanding Parity Bonds. See "SECURITY FOR THE SERIES 2022A BONDS – Additional Senior Bonds" herein. **THE ISSUANCE OF SUCH ADDITIONAL SENIOR BONDS MAY DILUTE THE SECURITY FOR THE SERIES 2022A BONDS**.

Risk of Audit by Internal Revenue Service

The Internal Revenue Service has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Internal Revenue Service, interest on such tax-exempt obligations is includible in the gross income of the owners thereof for federal income tax purposes.

No assurances can be given as to whether the Internal Revenue Service will commence an audit of the Series 2022A Bonds. No ruling with respect to the tax-exempt status of the Series 2022A Bonds has been or will be sought from the Internal Revenue Service, and the opinion of Bond Counsel as to the excludability from gross income of the interest on the Series 2022A Bonds for federal income tax purposes is not binding on the Internal Revenue Service or the courts. See "TAX MATTERS" herein. If an audit is commenced, under current procedures the Internal Revenue Service is likely to treat the Issuer as the taxpayer and the Bondholders may have no right to participate in such procedure. Neither the Underwriter nor Bond Counsel is obligated to defend the tax-exempt status of the Series 2022A Bonds. Neither the Issuer nor Bond Counsel is responsible to pay or reimburse the cost of any Bondholders with respect to any audit or litigation relating to the Series 2022A Bonds. In addition, if the Series 2022A Bonds were to be audited, the market for and the market value of the Series 2022A Bonds could be adversely affected during the pendency of the examination and thereafter, even if the outcome of the audit were to be favorable.

Taxation of Series 2022A Bonds

The opinion of Bond Counsel contains certain exceptions and is based on certain assumptions described herein under the heading "TAX MATTERS." Failure by the Issuer to comply with certain provisions of the Internal Revenue Code of 1986, as amended (the "Code") and covenants contained in the Indenture could result in interest on the Series 2022A Bonds becoming includable in gross income for federal tax purposes.

Climate Change and Natural Disasters

The State is naturally susceptible to the effects of extreme weather events and natural disasters including floods, droughts, and hurricanes, which could result in negative economic impacts on the Issuer. Such effects can be exacerbated by a longer term shift in the climate over several decades (commonly referred to as climate change), including increasing global temperatures and rising sea levels. The occurrence of such extreme weather events could damage facilities that provide essential services to the Issuer, including housing facilities. The economic impacts resulting from such extreme weather events could include a loss of revenue, interruption of service, and escalated recovery costs.

Cybersecurity

The Issuer relies on a technology environment to conduct its operations. As such, it may face multiple cybersecurity threats including but not limited to, hacking, viruses, malware and other attacks on computer or other sensitive digital systems and networks. There can be no assurance that any security and operational control measures implemented by the Issuer will be completely successful to guard against and prevent cyber threats and attacks. The result of any such attack could impact operations and/or digital networks and the costs of remedying any such damage could be significant.

Recent Constitutional Amendment

In 2018, the Education Amendment was approved by the voters of the State that amended Article IX, Section 7 of The Florida Constitution. The Education Amendment adds a requirement to Article IX, Section 7 that requires that any proposal or action of a State university to raise, impose or authorize any fee, as authorized by law, be approved by an affirmative vote of at least nine members of the board of trustees of such university, if approval by such board is required by general law, and an affirmative vote of at least twelve members of the Board of Governors, if approval by the Board of Governors is required by general law. Chapter 1009, Florida Statutes, authorizes State universities, including the University, to impose certain fees on students, which fees may be subject to the Education Amendment. It is not clear whether housing fees included in Pledged Revenues are included in fees subject to the Education Amendment. However, in the event such fees are subject to the Education Amendment, the Issuer does not anticipate that the applicability of the Education Amendment would adversely affect the ability of the Board of Trustees to raise rates in order to comply with the Rate Covenant set forth in the Indenture.

THE INDENTURE

Creation of Funds and Accounts

The Indenture creates and establishes the Revenue Fund, a Construction Fund**[, within which there is created a Series 2022A Bond Account and the Alternate Project Account, the Series 2022A Costs of Issuance Account in]** the Costs of Issuance Fund, the Debt Service Fund, within which there is created and established a Senior Bonds Principal Account and a Senior Bonds Interest Account, the Reserve Fund and the Capitalized Interest Account, the Subordinate Debt Service Fund, within which there are created and established a Subordinate Bonds Principal Account and a Subordinate Bonds Interest Account, the Repair and Replacement Fund, the Rebate Fund, within which there is created and established the 2022 Rebate Account and the Surplus Fund and the accounts therein authorized by the Indenture.

The Debt Service Fund, the Costs of Issuance Fund, the Construction Fund, the Reserve Fund, the Subordinate Debt Service Fund and the Repair and Replacement Fund created under the Indenture, and all accounts therein hereafter created shall constitute trust funds for the purposes provided in the Indenture, shall be held by the Trustee and shall at all times be kept separate and distinct from all other funds of the Issuer and used only as provided in the Indenture. Moneys held in the Construction Fund, the Debt Service Fund, the Reserve Fund, the Subordinate Debt Service Fund and the Repair and Replacement Fund and the accounts therein shall be subject to a lien and charge in favor of the Bondholders in the manner and to the extent provided in the Indenture; provided, however, that the Bondholders shall have no lien on or right to payment from amounts on deposit in the Rebate Fund or the 2022 Rebate Account and the Costs of Issuance Fund.

Flow of Funds

The Issuer shall or cause the University, in its capacity as a Manager under the Management Agreement to transfer to the Trustee no later than the 20th day of each month for deposit into the Revenue Fund all System Revenues. The Trustee shall promptly upon the receipt of System Revenues and Direct Pay Subsidies, if any, deposit such money in the Revenue Fund. The Trustee shall disburse the amounts deposited in the Revenue Fund at the times and in the order of priority as follows:

On the date specified by the Rebate Analyst, an amount or amounts shall be transferred to the Rebate Fund in order to timely pay the rebate installment (if any) coming due;

On the 25th day of each month, an amount equal to the Operating Expenses related to the 2012 Facilities for the next ensuing month as set forth in the Operating Budget shall be paid to the operating account established by the Managers pursuant to the Management Agreement;

On the 25th day of each month, an amount equal to one-sixth (1/6) of the interest payable on the Senior Bonds on the next succeeding Interest Payment Date (or in the case of the first Interest Payment Date, equal accruals of such interest payable and less accrued interest on deposit) shall be transferred to the Senior Bonds Interest Account of the Debt Service Fund;

On the 25th day of each month, a transfer shall be made into the Senior Bonds Principal Account of the Bond Fund in an amount equal to one-twelfth (1/12) of the principal amount payable on the Senior Bonds on the next ensuing July 1, whether by maturity or mandatory sinking fund redemption;

On July 25th of each year, the Trustee shall withdraw from the Revenue Fund an amount sufficient to pay the Trustees annual fees and expenses;

On the 25th day of each month, following any draw that has been made on a subaccount in the Reserve Fund to pay debt service on the applicable series of the Senior Bonds, a transfer shall be made into such subaccount in the Reserve Fund in an amount necessary in order to maintain on deposit therein the Reserve Requirement for the applicable series of Senior Bonds;

On the 25th day of each month, a transfer shall be made to the Repair and Replacement Fund equal to one-twelfth (1/12th) of the Repair and Replacement Fund Deposit Requirement for such Fiscal Year, plus an amount equal to any prior withdrawals from such fund which were applied to cure shortfalls and which have not been previously replenished;

On the 25th day of each month, an amount equal to one-sixth (1/6) of the interest payable on the Subordinate Bonds on the next succeeding Interest Payment Date (or in the case of the first Interest Payment Date, equal accruals of such interest payable and less accrued interest on deposit) shall be transferred to the Subordinate Bonds Interest Account of the Subordinate Debt Service Fund, plus an amount equal to any prior withdrawals from such fund which were applied to cure shortfalls and which have not been previously replenished;

On the 25th day of each month, a transfer shall be made into the Subordinate Bonds Principal Account of the Subordinate Debt Service Fund in an amount equal to one-twelfth (1/12) of the principal amount payable on Subordinate Bonds on the next ensuing July 1, whether by maturity or mandatory sinking fund redemption, plus an amount equal to any prior withdrawals from such fund which were applied to cure shortfalls and which have not been previously replenished; and

On the 25th day of each month, all remaining System Revenues shall be deposited into the Surplus Fund to be applied in accordance with the Indenture.

Deficiencies in the Revenue Fund on any date specified for application of Pledged Revenues shall be satisfied in the reverse order of priority described above, such that, such deficiencies shall be cured from the following sources and in the following order: (1) from deposits in the Surplus Fund, (2) from deposits in the Subordinate Bonds Principal Account of the Subordinate Debt Service Fund, (3) from deposits in the Subordinate Bonds Interest Account of the Subordinate Debt Service Fund, and (4) from deposits in the Repair and Replacement Fund (except that the Repair and Replacement Fund shall not be applied to funds and accounts securing the Subordinate Bonds). The Trustee is authorized and directed to withdraw funds from the Revenue Fund as described in the Indenture automatically without any requisition from the Issuer.

The Issuer shall not be required to make any further payments into the Debt Service Fund, including the accounts therein, and the Reserve Fund when the aggregate amount of funds in the Debt Service Fund, including the accounts therein, are at least equal to the aggregate principal amount of Bonds issued pursuant to the Indenture and then Outstanding, plus the amount of interest then due or thereafter to become due on said Series 2022A Bonds (calculated at the maximum rate provided for in the supplemental indenture authorizing variable rate Bonds) then Outstanding, or if all Series 2022A Bonds then Outstanding have otherwise been defeased pursuant to the Indenture.

For purposes of the above paragraph, in determining that moneys held in the Debt Service Fund and Reserve Fund are at least equal to the principal of and interest on a particular Series of Bonds, the Issuer shall take into account moneys in the Reserve Fund only to the extent that such moneys are held in an account therein related to such Series of Bonds.

Debt Service Fund

Moneys on deposit in the respective accounts of Debt Service Fund shall be used solely for the payment of the principal of, redemption premium, if any, and interest with respect to the respective Series of Bonds; provided, however, that if such principal and interest payments, or a portion thereof, have been made on behalf of the Issuer by a Bond Insurer, Reserve Product Provider or other entity insuring or guaranteeing or providing a Reserve Product for the payment of the Bonds, or any Series or maturity thereof, moneys on deposit in the respective subaccount of the Debt Service Fund and allocable to such Series or maturity shall be paid to such entity having theretofore made a corresponding payment on the related Bonds. Capitalized interest, if any, for each Series of the Bonds deposited in the Capitalized Interest Account of the Debt Service Fund and any income and profits derived therefrom shall be used, to the extent necessary, to pay interest on each of the Bonds of such Series.

In the event of a deficiency in the Debt Service Fund on any Interest Payment Date, the Trustee may withdraw capitalized interest to make up such deficiency. Any moneys on deposit in the Debt Service Fund for capitalized interest with respect to the Bonds of a Series not needed to pay interest on the Bonds of such Series pursuant to the preceding sentence may be used in the same manner as any other moneys on deposit in the Debt Service Fund. Investment earnings posted to the Capitalized Interest Account of the Debt Service Fund shall remain on deposit therein.

At the maturity date or redemption date of each Bond and at the due date of an Amortization Installment and installment of interest on the Bonds, the Trustee shall transfer from the Debt Service Fund to the Paying Agent, for such Bonds sufficient moneys to pay all principal of, redemption premium, if any, and interest then due and payable with respect to such Bonds. If on the Business Day prior to any payment date on which principal of, redemption premium, if any, or interest is due on the Bonds, the amount then on deposit in the Debt Service Fund shall not be at least equal to the sum of the interest, principal and redemption payments due on such payment date, the Trustee shall deposit amounts from the applicable account or accounts in the Reserve Fund in accordance with the Indenture to the Debt Service Fund in an amount necessary to cure such deficiency. If an account in the Reserve Fund is funded with a Reserve Product the Trustee shall give all notices and take all actions as shall be required of the Trustee by the terms of the Reserve Product, by the times required thereby, to cause proceeds of the Reserve Product to be delivered to the Paying Agent on or before the applicable payment date with respect to the Bonds.

Moneys on deposit in the Debt Service Fund for the redemption of Bonds shall be applied to the retirement of Bonds issued under the provisions of the Indenture and then Outstanding in the following manner:

(i) The Issuer may purchase Outstanding Term Bonds redeemable from Amortization Installments during such Bond Year, and pro rata (based on the principal amount of the Amortization Installments due in such Bond Year for each such Series of Term Bonds) among all Term Bonds in such Series if more than one Series of such Term Bonds are Outstanding, or if no such Term Bonds are then Outstanding, the Issuer may purchase Serial Bonds whether or not such Bonds shall then be subject to redemption, but only to the extent moneys are available therefor, at the most advantageous price obtainable, such price not to exceed the principal of such Bonds plus accrued interest but no such purchase shall be made by the Issuer within a period of thirty (30) days next preceding any Interest Payment Date on which such Bonds are subject to call for redemption under the provisions of the Indenture;

(ii) Then, to the extent moneys remain on deposit in the Debt Service Fund that are held for the redemption of Bonds, the Issuer may call for redemption on each Interest Payment Date on which Bonds are subject to redemption, with or without redemption premium, from such moneys, such amount of Term Bonds subject to the Amortization Installments for such Bond Year that have not been purchased pursuant to subparagraph (i) above as will nearly as may be possible exhaust the remainder of the Amortization Installment for such Bond Year; and

(iii) Then, to the extent moneys remain on deposit in the Debt Service Fund that were deposited therein pursuant to the Indenture for the purpose of redeeming Bonds, the Issuer may call any remaining Bonds then subject to redemption, in such order and by such selection method as the Trustee, in its discretion, may determine, from such funds as will exhaust the money then held for the redemption of such Bonds as nearly as may be possible.

(iv) Then, to the extent moneys remain on deposit in the Debt Service Fund that were deposited therein pursuant to the Indenture for the purpose of redeeming Bonds, the Issuer may, in its discretion from time to time (a) use such moneys to make capital improvements to the Housing System, or (b) keep such moneys on deposit in the Debt Service Fund for future use pursuant to the terms of the Indenture; provided, however, that such moneys shall be used for any purpose or purposes allowed pursuant to clause (a) above only if the Issuer shall obtain an opinion of Bond Counsel to the effect that such use will not, in and of itself, cause the interest on any Bond (other than any Taxable Bond) to become included in the gross income of the Owners thereof for federal income tax purposes.

If Term Bonds are purchased or redeemed pursuant to the Indenture in excess of the Amortization Installments for such Bond Year, such excess principal amount of such Term Bonds so purchased or redeemed shall be credited against subsequent Amortization Installments for such Term Bonds in such Bond Year or Bond Years as the Issuer may determine and as may be reflected in the Issuer's permanent accounting records.

Notwithstanding the foregoing, to the extent that moneys are deposited into the Debt Service Fund in a given Bond Year in an amount equal to the Amortization Installment for such Bond Year and are applied to purchase or redeem Term Bonds to which such Amortization Installment applies, then all moneys thereafter deposited to the Debt Service Fund in such Bond Year may be applied as provided in subparagraphs (i) through (iv) above.

Reserve Fund

Prior to the issuance of each Series of Bonds, the Issuer shall designate the Reserve Requirement, if any, that it may determine be required with respect to such Series of Bonds. The Trustee shall establish one or more accounts within the Reserve Fund which accounts shall secure only those Series of Bonds as shall be designated by the Issuer. Each Series of Bonds shall be secured only by the account in the Reserve Fund created and established with respect to such Series of Bonds and shall have no lien on or right to payment from any other account in the Reserve Fund. Funds on deposit in the separate accounts in the Reserve Fund, if any, shall be used solely to cure deficiencies in the Debt Service Fund with respect to the Series of Bonds to which such account pertains. If funds on deposit in any account within the Reserve Fund exceed the Reserve Requirement with respect to the Series of Bonds secured thereby, such excess shall be applied as provided in the Indenture. The Reserve Requirement for the Series 2022A Bonds is $0.

Any withdrawals from or deficiency in an account within the Reserve Fund shall be subsequently restored from the first moneys available in the Revenue Fund, after all required current payments for Operating Expenses as set forth above and all current applications and allocations to the Debt Service Fund, including all deficiencies for prior payments have been made in full. Notwithstanding the foregoing, in case of withdrawal from an account within the Reserve Fund, in no event shall the Issuer be required to deposit into the Reserve Fund an amount greater than that amount necessary to ensure that the difference between the Reserve Requirement for a particular Series of Bonds and the amounts on deposit in applicable account within the Reserve Fund on the date of calculation shall be restored not later than sixty (60) months after the date of such deficiency (assuming equal monthly payments into the Reserve Fund for such sixty (60) month period).

If the Issuer shall have determined, or be required, to fund an account in the Reserve Fund with respect to a Series of Bonds, notwithstanding the foregoing, the Issuer shall not be required to fully fund such account in the Reserve Fund with cash at the time of issuance of such Series of Bonds under the Indenture if it provides at any time with respect to such Series of Bonds in lieu of all or a portion of such funds, a Reserve Product issued by a Reserve Product Provider in an amount following the provision of such Reserve Product which, together with other amounts that will remain on deposit in the applicable account in the Reserve Fund, will equal the Reserve Requirement with respect to such Series of Bonds. Such Reserve Product as provided above must provide for payment on any interest or principal payment date (provided adequate notice is given) on which a deficiency exists (or is expected to exist) in moneys held thereunder for a payment with respect to such Series of Bonds secured thereby which cannot be cured by funds in any other account held pursuant to the Indenture and available for such purpose, and which shall name the Paying Agent or the Issuer as the beneficiary thereof for the benefit of the Bondholders of such Series of Bonds.

Costs of Issuance

Moneys in the Costs of Issuance Fund shall be kept separate and apart from all other funds and accounts of the Issuer, and proceeds of Bonds on deposit in the Costs of Issuance Fund shall be disbursed by the Trustee from the Costs of Issuance Fund and applied by the Issuer to pay the costs of issuance upon the delivery to the Trustee of a Requisition For Payment substantially in the form attached as Exhibit A to the Indenture, executed by the Authorized Officer of the Issuer and containing the information required to complete Schedule A to such Requisition for Payment. Any amounts deposited to the Costs of Issuance Fund which are not needed to pay costs within six months of the date of issuance of the related Series of Bonds shall be transferred to the Construction Fund and used for purposes permitted therefore. Thereafter, the Costs of Issuance Fund shall be closed.

Any funds on deposit in the Costs of Issuance Fund or the Construction Fund, that, in the opinion of the Issuer, are not immediately necessary for expenditure, may be invested in Investment Obligations (as that term is defined in the Indenture), provided that such investments mature or are redeemable at not less than par on or before the date such funds are estimated to be needed.

2022 Rebate Account

The Issuer shall deposit into the 2022 Rebate Account, from investment earnings on moneys deposited in the other funds and accounts created under the Indenture, or from any other legally available funds of the Issuer, an amount equal to the 2022 Rebate Amount for such Rebate Year. The Issuer shall engage a qualified rebate analyst (the "2022 Rebate Analyst") to calculate the 2022 Rebate Amount. Such moneys deposited in the Rebate Account shall be used only for the payment of the 2022 Rebate Amount to the United States as required by the Indenture as directed in writing by the Issuer. In complying with the foregoing, the Issuer may rely upon any written instructions or opinions from Bond Counsel.

If any amount shall remain in the 2022 Rebate Account after payment in full of all Series 2022A Bonds issued under the Indenture that are not Taxable Bonds and after payment in full of the 2022 Rebate Amount to the United States in accordance with the terms of the Indenture at the written direction of the Issuer, such amounts shall be paid to the Issuer and used to make capital improvements to the Housing System, to defease Taxable Bonds or to pay principal and interest on Taxable Bonds.

The 2022 Rebate Account shall be held separate and apart from all other funds and accounts of the Issuer, shall not be impressed with a lien in favor of the Bondholders and the moneys therein shall be available for use only as provided in the Indenture.

Repair and Replacement Fund

All amounts on deposit in the Repair and Replacement Fund may be withdrawn by the Issuer or the Managers, from time to time, (i) for the payment of the costs of acquisition of equipment, fixtures or furnishings and construction, rehabilitation, repair, replacement or improvement of the Housing System, or (ii) to satisfy deficiencies in certain events in the application of Pledged Revenues from the Revenue Fund under the Indenture. The Repair and Replacement Fund shall not be applied to funds and accounts securing the Subordinate Bonds. Withdrawals for repairs and replacements under clause (i) above shall be made upon the delivery to the Trustee of a Requisition For Payment substantially in the form attached to the Indenture, executed by the Authorized Officer of the Issuer or the University and containing certain information, including a certification that such costs have a capitalizable useful life greater than one year under generally accepted accounting principles. In making any such disbursement from the Repair and Replacement Fund, the Trustee may rely conclusively on such Requisition for Payment and the Trustee shall be relieved of all liability with respect to making such disbursement in accordance with such Requisition for Payment without any investigation. The Issuer shall deliver a certificate to the Trustee signed by the Authorized Officer of the Issuer prior to each July 1st setting forth the Repair and Replacement Fund Requirement for the ensuing Fiscal Year. The Trustee may conclusively rely on such certificate in determining the amounts required to be deposited into the Repair and Replacement Fund for the respective Fiscal Year.

Surplus Fund

Amounts on deposit in the Surplus Fund shall be applied by the Trustee in the following order of priority: (1) to satisfy any deficiency in any application of Pledged Revenues from the Revenue Fund, such deficiency shall be transferred, from time to time, to the Revenue Fund in accordance with the Indenture, provided, however, that no amount shall be transferred for the benefit of the Subordinate Bonds during the pendency of an Event of Default under the Indenture, (2) to deposit in the operating account established pursuant to the Management Agreement an amount equal to the Operating Expenses for the then current Fiscal Year, (3) to deposit in the Senior Bonds Interest Account of the Debt Service Fund an amount sufficient to pay the interest payments coming due on all Senior Bonds during the current Fiscal Year, (4) to deposit in the Senior Bonds Principal Account of the Debt Service Fund an amount sufficient to pay the principal payments to be paid during the current Fiscal Year on all Senior Bonds, (5) to deposit an amount sufficient to restore any deficiency in the Reserve Fund, (6) to deposit in the interest accounts in the Subordinate Bonds Interest Account of the Subordinate Debt Service Fund an amount sufficient to pay the interest payments coming due on all Subordinate Bonds during the current Fiscal Year, (7) to deposit in the Subordinate Bonds Principal Accounts of the Subordinate Debt Service Fund an amount sufficient to pay the principal payments to be paid on all Subordinate Bonds during the current Fiscal Year, and (8) used by the Issuer for any lawful purpose at the written direction of the University.

Covenants of the Issuer

The Issuer covenants in the Indenture that it will promptly pay the principal of, redemption premium, if any, and interest on every Bond issued thereunder, at the place, on the dates and in the manner and to the extent provided therein and in the Series 2022A Bonds according to the true intent and meaning thereof; provided, however, that the principal, redemption premium, if any, and interest are payable by the Issuer solely from funds derived from the Pledged Revenues in the manner and to the extent provided therein and nothing in the Series 2022A Bonds or the Indenture shall be considered as assigning or pledging any other funds or assets of the Issuer other than such Pledged Revenues as provided therein.

The Issuer covenants in the Indenture that it will faithfully perform, at all times, any and all covenants, undertakings, stipulations and provisions contained therein, in any and every Series 2022A Bond executed, authenticated and delivered thereunder, and in all of its proceedings pertaining thereto and the Management Agreement. The Issuer covenants in the Indenture that it is duly authorized under the Constitution and laws of the State, including particularly the Act, to issue the Bonds authorized thereby, and to execute the Indenture, the Management Agreement, the Ground Sublease Agreement and the Continuing Disclosure Undertaking, if applicable, and to pledge the amounts thereby pledged in the manner and to the extent set forth therein. The Issuer further covenants in the Indenture that all action on its part for the issuance of the Series 2022A Bonds and the execution and delivery of the Indenture has been duly and effectively taken, and that the Series 2022A Bonds, held by the Owners thereof, are and will be valid and enforceable limited obligations of the Issuer according to the terms thereof and in the Indenture.

The Issuer covenants in the Indenture to comply, in accordance with the provisions of Rule 15c2-12 in effect from time to time (the "Rule"), promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, to comply with the provisions of each Continuing Disclosure Undertaking; provided, however, that failure to comply shall not constitute an Event of Default under the Indenture. See "CONTINUING DISCLOSURE" herein.

Investment of Moneys

Moneys held for the credit of the funds and accounts established under the Indenture will be invested and reinvested at the written instruction of the Issuer in Investment Obligations (as that term is defined in the Indenture). Such investments or reinvestments shall mature or become available not later than the respective dates, as estimated by the Issuer, that the moneys held for the credit of said funds and accounts will be needed for the purposes of such funds or accounts.

Obligations so purchased as an investment of moneys in any such fund or account shall be deemed at all times to be a part of such fund or account, and shall at all times, for the purposes of the Indenture, be valued by the Trustee annually on June 30 of each year at the market value thereof, exclusive of accrued interest as determined by the Issuer.

Except as otherwise expressly provided in the Indenture, including specifically the rebate payment obligations of the Issuer, all income and profits derived from the investment of moneys in the Debt Service Fund shall remain in such Fund. All income and profits derived from the investment of funds in the Reserve Fund, if any, shall be retained in the applicable subaccount therein until amounts on deposit in such subaccount equal the applicable Reserve Requirement, and thereafter shall be transferred to the Senior Bonds Interest Account of the Debt Service Fund. All income and profits derived from the investment of funds in the Construction Fund shall be retained in the applicable account therein until the completion of the Project being funded from such account. All income and profits derived from the investment of funds in the Costs of Issuance Fund shall be retained therein until all costs of issuance of the related Series of Bonds have been paid. All income and profits derived from the investment of funds in the Repair and Replacement Fund, if any, shall be retained in the applicable subaccount therein until amounts on deposit in such subaccount equal the applicable Repair and Replacement Fund Requirement, and thereafter all shall be transferred to the Senior Bond Interest Account of the Debt Service Fund to pay principal and interest on the Senior Bonds. The Trustee shall have no responsibility to assure that the Issuer so deposits any funds transferred in accordance with the preceding two sentences. Notwithstanding the foregoing, income and profits derived from the investment of moneys in the funds and accounts created under the Indenture may, at the option of the Issuer, be transferred to the Issuer in order to satisfy its rebate payment obligations.

Amounts Remaining in Funds and Accounts

After full payment (or provision for payment) of the Series 2022A Bonds and all rebate payment obligations and discharge of the Indenture, payment of all fees and expenses of the Trustee and the charges, expenses and attorney's fees of the Trustee, the Issuer and any Paying Agent, and all other amounts required to be paid under the Indenture, all amounts thereafter remaining in any fund or account shall be paid to the Issuer to be used to make capital improvements to the Project or any other lawful purpose.

Defaults; Events of Default

If any of the following events occur, subject to the provisions of the Indenture, it is defined as and declared in the Indenture to be and to constitute a "Default" or an "Event of Default:"

(A) Default by the Issuer in the due and punctual payment of any interest on any Bond;

(B) Default by the Issuer in the due and punctual payment of the principal of any Bond, whether at the stated maturity thereof or when the same is scheduled to be called for redemption; and

(C) Default in the performance or observance of any other of the covenants, agreements or conditions on the part of the Issuer contained in the Indenture, in the Series 2022A Bonds, or in the Management Agreement and failure to remedy the same after notice thereof pursuant to the Indenture.

Acceleration

(A) Upon the occurrence of an Event of Default as specified above, the Trustee may, and upon the written request of the Holders of the majority of the Bond Obligation related to the Senior Bonds the Trustee shall, declare, by written notice delivered to the Issuer and the Managers, the principal of all Senior Bonds then Outstanding (if not then due and payable), together with interest accrued thereon, to be immediately due and payable.

(B) Any such declaration shall be by notice in writing to the Issuer, and, upon said declaration, principal and interest on all Senior Bonds shall become due and payable. The Trustee immediately upon such declaration shall give notice thereof in the same manner as provided in the Indenture with respect to the redemption of the Senior Bonds. Such notice shall specify the date on which payment of principal and interest shall be tendered to the Holders of the Senior Bonds. Interest shall accrue to the payment date determined by the Trustee pursuant to such declaration or the actual payment date, if later.

(C) If and only if, the Senior Bonds are no longer Outstanding under the Indenture or the Senior Bonds have been accelerated in accordance with Section 8.02 (A) of the Indenture, then upon receipt of the requisite written request from the Holders of the Subordinate Bonds the Trustee shall apply paragraphs (A) and (B) above to the acceleration of the Subordinate Bonds.

A copy of the Master Indenture and a form of the Fourth Supplemental Indenture are attached hereto as APPENDIX C.

THE MANAGEMENT AGREEMENT AND THE MANAGER

Pursuant to the Management Agreement, the Issuer has engaged the University and C-BB, and its successors, to manage the Housing System and the DBF Facilities in accordance with the duties specified therein. The term of the Management Agreement commenced on July 1, 2011 and was scheduled to expire on June 30, 2021. Per the terms of the Management Agreement, the term has been extended for on successive one year period. Over the course of the next year, the Issuer intends to negotiate a new management agreement with the University and another manager that may not be C-BB or its successors. The terms of any subsequent management agreement relating to the preparation of the budget regarding the System Revenues, the collection and transfer of System Revenues to the Trustee and the deposit to and application of funds for the operation and maintenance of the Housing System and the DBF Facilities will be consistent with the requirements of the Indenture.

LEGAL MATTERS

Certain legal matters incident to the validity of the Series 2022A Bonds and the issuance thereof by the Issuer are subject to the approval of Bryant Miller Olive P.A., Bond Counsel, whose approving opinion will be delivered concurrently with the issuance of the Series 2022A Bonds. Certain legal matters will be passed upon for the Issuer by the Issuer's Office of General Counsel. Certain legal matters will be passed upon for the Underwriter by its counsel, Foley & Lardner LLP, Jacksonville, Florida.

The proposed text of the legal opinion of Bond Counsel is attached hereto as APPENDIX D. The actual legal opinion to be delivered may vary from the text of APPENDIX D, if necessary, to reflect facts and law on the date of delivery of the Series 2022A Bonds. The opinion will speak only as of its date and subsequent distribution of such opinion by recirculation of this Official Statement or otherwise shall not create any implication that subsequent to the date of such opinion, Bond Counsel has affirmed its opinion.

The opinion of Bond Counsel will be limited to matters relating to the authorization and validity of the Series 2022A Bonds and the tax-exempt status of interest on the Series 2022A Bonds, as described under the caption "TAX MATTERS" herein and will make no statement regarding the accuracy or completeness of this Official Statement.

Bond Counsel's opinions are based on existing law, which is subject to change. Such opinions are further based on factual representations made to Bond Counsel as of the date thereof. Bond Counsel assumes no duty to update or supplement its opinion to reflect any facts or circumstances, including changes in law that may thereafter occur or become effective.

The legal opinions to be delivered concurrently with the delivery of the Series 2022A Bonds express the professional judgment of the attorneys rendering the opinions regarding the legal issues expressly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of the result indicated by that expression of professional judgment, of the transaction on which the opinion is rendered, or of the future performance of parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

LITIGATION

The Issuer has advised that no litigation or proceedings are pending or, to its knowledge, threatened against the Issuer (i) in which an adverse determination would have a material adverse impact on the Series 2022A Bonds or would materially and adversely affect the properties, operations or financial condition of the Issuer, including the DBF Facilities and the Housing System, (ii) which if decided adversely to the Issuer, could materially and adversely affect the transactions contemplated by this Official Statement, (iii) which seek to restrain or enjoin the issuance, sale or delivery of the Series 2022A Bonds, or (iv) which could materially and adversely affect the validity or enforceability of the Series 2022A Bonds.

TAX MATTERS

General

The Internal Revenue Code of 1986, as amended (the "Code") establishes certain requirements which must be met subsequent to the issuance of the Series 2022A Bonds in order that interest on the Series 2022A Bonds be and remain excluded from gross income for purposes of federal income taxation. Non-compliance may cause interest on the Series 2022A Bonds to be included in federal gross income retroactive to the date of issuance of the Series 2022A Bonds, regardless of the date on which such non-compliance occurs or is ascertained. These requirements include, but are not limited to, provisions which prescribe yield and other limits within which the proceeds of the Series 2022A Bonds and the other amounts are to be invested and require that certain investment earnings on the foregoing must be rebated on a periodic basis to the Treasury Department of the United States. The Issuer has covenanted in the Indenture to comply with such requirements in order to maintain the exclusion from federal gross income of the interest on the Series 2022A Bonds.

In the opinion of Bond Counsel, assuming compliance with certain covenants, under existing laws, regulations, judicial decisions and rulings, interest on the Series 2022A Bonds is excluded from gross income for purposes of federal income taxation. Interest on the Series 2022A Bonds is not an item of tax preference for purposes of the federal alternative minimum tax.

Except as described above, Bond Counsel will express no opinion regarding other federal income tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of Series 2022A Bonds. Prospective purchasers of Series 2022A Bonds should be aware that the ownership of Series 2022A Bonds may result in collateral federal income tax consequences, including (i) the denial of a deduction for interest on indebtedness incurred or continued to purchase or carry Series 2022A Bonds; (ii) the reduction of the loss reserve deduction for property and casualty insurance companies by fifteen percent (15%) of certain items, including interest on Series 2022A Bonds; (iii) the inclusion of interest on Series 2022A Bonds in earnings of certain foreign corporations doing business in the United States for purposes of the branch profits tax; (iv) the inclusion of interest on Series 2022A Bonds in passive income subject to federal income taxation of certain Subchapter S corporations with Subchapter C earnings and profits at the close of the taxable year; and (v) the inclusion of interest on Series 2022A Bonds in "modified adjusted gross income" by recipients of certain Social Security and Railroad Retirement benefits for the purposes of determining whether such benefits are included in gross income for federal income tax purposes.

As to questions of fact material to the opinion of Bond Counsel, Bond Counsel will rely upon representations and covenants made on behalf of the Issuer, certificates of appropriate officers and certificates of public officials (including certifications as to the use of proceeds of the Series 2022A Bonds and of the property financed or refinanced thereby), without undertaking to verify the same by independent investigation.

PURCHASE, OWNERSHIP, SALE OR DISPOSITION OF THE SERIES 2022A BONDS AND THE RECEIPT OR ACCRUAL OF THE INTEREST THEREON MAY HAVE ADVERSE FEDERAL TAX CONSEQUENCES FOR CERTAIN INDIVIDUAL AND CORPORATE BONDHOLDERS, INCLUDING, BUT NOT LIMITED TO, THE CONSEQUENCES DESCRIBED ABOVE. PROSPECTIVE BONDHOLDERS SHOULD CONSULT WITH THEIR TAX SPECIALISTS FOR INFORMATION IN THAT REGARD.

Information Reporting and Backup Withholding

Interest paid on tax-exempt bonds such as the Series 2022A Bonds is subject to information reporting to the Internal Revenue Service in a manner similar to interest paid on taxable obligations. This reporting requirement does not affect the excludability of interest on the Series 2022A Bonds from gross income for federal income tax purposes. However, in conjunction with that information reporting requirement, the Code subjects certain non-corporate owners of Series 2022A Bonds, under certain circumstances, to "backup withholding" at the rate specified in the Code with respect to payments on the Series 2022A Bonds and proceeds from the sale of Series 2022A Bonds. Any amount so withheld would be refunded or allowed as a credit against the federal income tax of such owner of Series 2022A Bonds. This withholding generally applies if the owner of Series 2022A Bonds (i) fails to furnish the payor such owner's social security number or other taxpayer identification number ("TIN"), (ii) furnished the payor an incorrect TIN, (iii) fails to properly report interest, dividends, or other "reportable payments" as defined in the Code, or (iv) under certain circumstances, fails to provide the payor or such owner's securities broker with a certified statement, signed under penalty of perjury, that the TIN provided is correct and that such owner is not subject to backup withholding. Prospective purchasers of the Series 2022A Bonds may also wish to consult with their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

Other Tax Matters

During recent years, legislative proposals have been introduced in Congress, and in some cases enacted, that altered certain federal tax consequences resulting from the ownership of obligations that are similar to the Series 2022A Bonds. In some cases, these proposals have contained provisions that altered these consequences on a retroactive basis. Such alteration of federal tax consequences may have affected the market value of obligations similar to the Series 2022A Bonds. From time to time, legislative proposals are pending which could have an effect on both the federal tax consequences resulting from ownership of the Series 2022A Bonds and their market value. No assurance can be given that legislative proposals will not be enacted that would apply to, or have an adverse effect upon, the Series 2022A Bonds.

Prospective purchasers of the Series 2022A Bonds should consult their own tax advisors as to the tax consequences of owning the Series 2022A Bonds in their particular state or local jurisdiction and regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

Tax Treatment of Original Issue Discount

Under the Code, the difference between the maturity amount of the Series 2022A Bonds maturing on __________ 1, _____ through and including __________ 1, ____ (the "Discount Bonds"), and the initial offering price to the public, excluding bond houses, brokers or similar persons or organizations acting in the capacity of Underwriter or wholesalers, at which price a substantial amount of the Discount Bonds of the same maturity and, if applicable, interest rate, was sold is "original issue discount." Original issue discount will accrue over the term of the Discount Bonds at a constant interest rate compounded periodically. A purchaser who acquires the Discount Bonds in the initial offering at a price equal to the initial offering price thereof to the public will be treated as receiving an amount of interest excludable from gross income for federal income tax purposes equal to the original issue discount accruing during the period he or she holds the Discount Bonds, and will increase his or her adjusted basis in the Discount Bonds by the amount of such accruing discount for purposes of determining taxable gain or loss on the sale or disposition of the Discount Bonds. The federal income tax consequences of the purchase, ownership and redemption, sale or other disposition of the Discount Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those above. Bondholders of the Discount Bonds should consult their own tax advisors with respect to the precise determination for federal income tax purposes of interest accrued upon sale, redemption or other disposition of the Discount Bonds and with respect to the state and local tax consequences of owning and disposing of the Discount Bonds.

Tax Treatment of Bond Premium

The difference between the principal amount of the Series 2022A Bonds maturing on __________ 1, ____ through and including __________ 1, ____ (collectively, the "Premium Bonds"), and the initial offering price to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of Underwriter or wholesalers) at which price a substantial amount of such Premium Bonds of the same maturity and, if applicable, interest rate, was sold constitutes to an initial purchaser amortizable bond premium which is not deductible from gross income for federal income tax purposes. The amount of amortizable bond premium for a taxable year is determined actuarially on a constant interest rate basis over the term of each of the Premium Bonds, which ends on the earlier of the maturity or call date for each of the Premium Bonds which minimizes the yield on such Premium Bonds to the purchaser. For purposes of determining gain or loss on the sale or other disposition of a Premium Bond, an initial purchaser who acquires such obligation in the initial offering is required to decrease such purchaser's adjusted basis in such Premium Bond annually by the amount of amortizable bond premium for the taxable year. The amortization of bond premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining various other tax consequences of owning such Premium Bonds. Bondholders of the Premium Bonds are advised that they should consult with their own tax advisors with respect to the state and local tax consequences of owning such Premium Bonds.

MUNICIPAL ADVISOR

The Issuer has retained Dunlap & Associates, Inc., Orlando, Florida, as Municipal Advisor in connection with the Issuer's financing plans and with respect to the authorization and issuance of the Series 2022A Bonds. The Municipal Advisor is not obligated to undertake and has not undertaken to independently verify or to assume responsibility for the accuracy, completeness, or fairness of the information contained in the Official Statement. The Municipal Advisor did not participate in the underwriting of the Series 2022A Bonds. The Municipal Advisor is an SEC registered municipal advisor and is not engaged in the business of underwriting, marketing or trading of municipal securities or any other negotiable instruments.

VERIFICATION OF ARITHMETICAL COMPUTATIONS

The accuracy of the arithmetical computations of the adequacy of the cash or securities deposited to pay when due all principal of and interest on the Refunded Bonds will be verified for the Issuer by the Verification Agent. Such verification will be based on certain information supplied to the Verification Agent by the Underwriter.

RATINGS

Fitch and Moody's have assigned municipal bond ratings of "__" (______ outlook) and "__" (______ outlook), respectively, to the Series 2022A Bonds. The ratings reflect only the views of said rating agencies and an explanation of the ratings may be obtained only from said rating agencies. There is no assurance that such ratings will continue for any given period of time or that they will not be lowered or withdrawn entirely by the rating agencies, or any of them, if in their judgment, circumstances so warrant. A downward change in or withdrawal of any of such ratings, may have an adverse effect on the market price of the Series 2022A Bonds. An explanation of the significance of the ratings can be received from the rating agencies, at the following addresses: Fitch, One State Street Plaza, New York, New York 10004; and Moody's, 99 Church Street, New York, New York 10007-2796.

UNDERWRITING

The Series 2022A Bonds are being purchased by the Underwriter. The Underwriter has agreed to purchase the Series 2022A Bonds at a price of $____________ (representing the principal amount of $_______________ [plus/less a] [net] bond [original issue premium/discount] of $___________ less an Underwriter's discount of $____________).

BofA Securities, Inc., the underwriter of the Series 2022A Bonds, has entered into a distribution agreement with its affiliate Merrill Lynch, Pierce, Fenner & Smith Incorporated ("Merrill"). As part of this arrangement, BofA Securities, Inc. may distribute securities to Merrill, which may in turn distribute such securities to investors through the financial advisor network of Merrill. As part of this arrangement, BofA Securities, Inc. may compensate Merrill as a dealer for their selling efforts with respect to the Series 2022A Bonds.

The Underwriter and its respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Under certain circumstances, the Underwriter and its affiliates may have certain creditor and/or other rights against the Issuer and its affiliates in connection with such activities. In the various course of their various business activities, the Underwriter and its respective affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the Issuer (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the Issuer. The Underwriter and its respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

The Underwriter's obligations are subject to certain conditions precedent, and it will be obligated to purchase all of the Series 2022A Bonds if any Series 2022A Bonds are purchased. The Series 2022A Bonds may be offered and sold to certain dealers (including dealers depositing such Series 2022A Bonds into investment trusts) at prices lower than the public offering prices, and such public offering prices may be changed from time to time by the Underwriter after the initial offering.

CONTINGENT FEES

The Issuer has retained Bond Counsel and Disclosure Counsel with respect to the authorization, sale, execution and delivery of the Series 2022A Bonds. Payment of the fees of such professionals, the Municipal Advisor to the Issuer, counsel to the Underwriter, and an underwriting discount to the Underwriter are each contingent upon the issuance of the Series 2022A Bonds.

ENFORCEABILITY OF REMEDIES

The remedies available to the owners of the Series 2022A Bonds upon an event of default under the Indenture are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including specifically the federal bankruptcy code, the remedies specified by the Indenture may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2022A Bonds, including Bond Counsel's approving opinion, will be qualified, as to the enforceability of the remedies provided in the various legal instruments, by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors enacted before or after such delivery. See "APPENDIX C - FORM OF INDENTURE" attached hereto for a description of events of default and remedies.

DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS

Pursuant to Section 517.051, Florida Statutes, as amended, and the rules promulgated thereunder, no person may directly or indirectly offer or sell securities of the Issuer except by an offering circular containing full and fair disclosure of all defaults as to principal or interest on its obligations since December 31, 1975, as provided by rule of the Office of Financial Regulation within the Florida Financial Services Commission (the "FFSC"). Pursuant to administrative rulemaking, FFSC has required the disclosure of the amounts and types of defaults, any legal proceedings resulting from such defaults, whether a trustee or receiver has been appointed over the assets of the Issuer, and certain additional financial information, unless the Issuer believes in good faith that such information would not be considered material by a reasonable investor. The Issuer is not and has not been in default on any bond issued since December 31, 1975.

CONTINUING DISCLOSURE

The Issuer has covenanted for the benefit of bondholders to provide certain financial information and operating data relating to the System and the Series 2022A Bonds in each year (the "Annual Report"), and to provide notices of the occurrence of certain enumerated material events. Such covenant shall only apply so long as the Series 2022A Bonds remain outstanding under the Indenture. The covenant shall also cease upon the termination of the continuing disclosure requirements of Securities and Exchange Commission Rule 15c2-12(b)(5) (the "Rule") by legislative, judicial or administrative action. The Annual Report will be filed by the Issuer as required with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System ("EMMA").

The specific nature of the financial information, operating data, and of the type of events which trigger a disclosure obligation, and other details of the undertaking are described in "APPENDIX E - FORM OF CONTINUING DISCLOSURE UNDERTAKING" attached hereto. The Continuing Disclosure Undertaking will be executed by the Issuer prior to the issuance of the Series 2022A Bonds. These covenants have been made in order to assist the Underwriter in complying with the Rule.

In order to demonstrate its continued commitment to transparency, while neither the University or the Issuer find any of the following instances to be a material non-compliance with prior continuing disclosure undertakings, during the past five year reporting period, the Issuer and/or the University have (i) filed certain information that was not in the original format presented or was discernable from other filings on EMMA not linked to all bonds of the Issuer and (ii) filed certain information that was labeled incorrectly or contained mathematical errors. The Issuer has cured the linkage issues referred to in (i) and will file such information in the original format in the future and has filed corrective filings to cure the issues referred to in (ii) (original filings remain archived on EMMA). The Issuer has internal policies and procedures in place to ensure compliance with its continuing disclosure obligations in the future.

[REVIEW IN PROCESS]

FINANCIAL STATEMENTS

The Issuer's Financial Report for the Fiscal Year Ended June 30, 2020, attached hereto as APPENDIX A has been audited by Keefe McCullough, Certified Public Accountants (the "Auditor"), as set forth in its report dated October 20, 2020. The Financial Report is included as a publicly available record, and the consent of the Auditor to include such report was not requested. The Auditor was not requested to perform and has not performed any services in connection with the preparation of this Official Statement or the issuance of the Series 2022A Bonds.

The financial statements of the University for the Fiscal Year Ended June 30, 2020, attached hereto as APPENDIX B have been audited by the Auditor General of the State of Florida (the "Auditor General") as a component unit of the State, as set forth in its report dated March 11, 2021. Such financial statements are included as a publicly available record, and the consent of the Auditor General to include such report was not requested. The Auditor General was not requested to perform and has not performed any services in connection with the preparation of this Official Statement or the issuance of the Series 2022A Bonds.

ACCURACY AND COMPLETENESS OF OFFICIAL STATEMENT

The references, excerpts, and summaries of all documents, statutes, and information concerning the Issuer and certain reports and statistical data referred to herein do not purport to be complete, comprehensive and definitive and each such summary and reference is qualified in its entirety by reference to each such document and to each such statute, report or instrument. Copies of such documents, reports or instruments may be obtained upon written request to the Issuer at the following address: The FAU

Finance Corporation, c/o Florida Atlantic University, 777 Glades Road, Administration Bldg. – Room 345, Boca Raton, Florida 33431-0991.

Any statements made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. Neither this Official Statement nor any statement that may have been made verbally or in writing is to be construed as a contract with the owners of the Series 2022A Bonds.

The appendices attached hereto are integral parts of this Official Statement and must be read in their entirety together with all foregoing statements.

[Remainder of page intentionally left blank]

AUTHORIZATION OF OFFICIAL STATEMENT

The execution and delivery of this Official Statement has been duly authorized and approved by the Issuer. At the time of delivery of the Series 2022A Bonds, the Issuer will furnish a certificate to the effect that nothing has come to its attention which would lead it to believe that the Official Statement (other than information herein related to DTC, the book-entry only system of registration and the information contained under the caption "TAX MATTERS" and "UNDERWRITING" as to which no certification shall be expressed), as of its date and as of the date of delivery of the Series 2022A Bonds, contains an untrue statement of a material fact or omits to state a material fact which should be included therein for the purposes for which the Official Statement is intended to be used, or which is necessary to make the statements contained therein, in the light of the circumstances under which they were made, not misleading.

THE FAU FINANCE CORPORATION

By:____________________________________
Executive Director

APPENDIX A

FINANCIAL REPORT OF THE FAU FINANCE CORPORATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

APPENDIX B

FINANCIAL STATEMENTS OF FLORIDA ATLANTIC UNIVERSITY
FOR FISCAL YEAR ENDED JUNE 30, 2020

APPENDIX C

FORM OF INDENTURE

APPENDIX D

FORM OF BOND COUNSEL OPINION

APPENDIX E

FORM OF CONTINUING DISCLOSURE UNDERTAKING